



County of Fairfax, Virginia

MEMORANDUM

DATE: April 8, 2016
TO: Board of Supervisors
FROM: Joseph M. Mondoro, Chief Financial Officer
SUBJECT: Responses to BOS Budget Questions – Package 5

Attached for your review is Package 5 of responses to Board questions on the FY 2017 budget. Please note that questions received as part of the LOBs process are being processed separately.

If you have any questions or need additional information, please do not hesitate to contact me. The following responses are included in this package:

Question Number	Question	Supervisor	Pages
	<i>Budget Questions 1-7 answered in package 1 dated 2/17/16</i>		1-48
	<i>Budget Questions 8-22 answered in package 2 dated 3/18/16</i>		49-81
	<i>Budget Questions 23-28 answered in package 3 dated 3/29/16</i>		82-89
	<i>Budget Questions 29-32 answered in package 4 dated 4/1/16</i>		90-96
Budget-33	Please provide an analysis of the change in medical insurance benefits over the past 5 years. Please include the employee portion of the premium, county cost, employee deductible and co-pay. Provide the percentage of employees in each plan and the percentage of employees who opt out of county medical benefits.	Herrity	97-102
Budget-34	Please provide a multi-year comparison of the salary increases for County versus FCPS employees.	Hudgins	103-105
Budget-35	Provide a listing by line item where the County budget increased more than 2 percent.	Cook	106-111
Budget-36	Please provide an overview of the progress made to date with regards to implementing the County's revised reserve policies.	Foust	112

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 2017 Budget

Request By: Supervisor Herrity

Question: Please provide an analysis of the change in medical insurance benefits over the past 5 years. Please include the employee portion of the premium, county cost, employee deductible and co-pay. Provide the percentage of employees in each plan and the percentage of employees who opt out of county medical benefits.

Response: The tables below provide a five-year history of employee and employer premiums, as well as in-network deductibles, co-pays, and co-insurance for each of the County's plans. Attachment 1 has been included to provide a more complete view of all plan design changes, including changes to dependent coverage, out-of-pocket prescription costs, emergency room co-pays, and advanced radiology co-pays. Attachment 2 provides enrollment of active employees by plan.

Kaiser Permanente HMO	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016
Employee Monthly Premium					
Individual	\$73.49	\$79.81	\$81.65	\$86.22	\$86.25
2 Party	\$238.71	\$259.24	\$265.19	\$280.05	\$280.16
Family	\$355.15	\$385.69	\$394.46	\$416.57	\$416.75
Employer Monthly Premium					
Individual	\$416.47	\$452.29	\$462.69	\$488.61	\$488.73
2 Party	\$716.12	\$777.71	\$795.55	\$840.15	\$840.47
Family	\$1,065.43	\$1,157.06	\$1,183.39	\$1,249.70	\$1,250.24
Deductible	\$0	\$0	\$0	\$0	\$0
Primary Care Copay	\$10	\$10	\$10	\$10	\$10
Specialist Copay	\$10	\$10	\$10	\$10	\$10
CareFirst POS¹					
Employee Monthly Premium					
Individual	\$80.69	\$86.18	-	-	-
2 Party	\$264.30	\$282.27	-	-	-
Family	\$388.70	\$415.13	-	-	-
Employer Monthly Premium					
Individual	\$457.26	\$488.35	-	-	-
2 Party	\$792.88	\$846.80	-	-	-
Family	\$1,166.08	\$1,245.37	-	-	-
Deductible	\$0	\$0	-	-	-
Primary Care Copay	\$10	\$10	-	-	-
Specialist Copay	\$15	\$15	-	-	-

Cigna Co-pay Plan²	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016
Employee Monthly Premium					
Individual	\$88.64	\$100.70	\$102.63	\$110.80	\$118.53
2 Party	\$288.06	\$327.24	\$333.50	\$360.05	\$385.25
Family	\$429.86	\$488.32	\$497.62	\$537.23	\$574.85
Employer Monthly Premium					
Individual	\$502.25	\$570.56	\$581.57	\$627.84	\$671.70
2 Party	\$864.19	\$981.72	\$1,000.50	\$1,080.15	\$1,155.74
Family	\$1,289.57	\$1,464.95	\$1,492.85	\$1,611.67	\$1,724.55
Deductible	\$0	\$0	\$0	\$0	\$0
Primary Care Copay	\$15	\$15	\$15	\$15	\$25
Specialist Copay	\$25	\$25	\$30	\$30	\$50
Cigna 90% Co-insurance Plan³	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016
Employee Monthly Premium					
Individual	-	-	\$88.68	\$93.52	\$97.26
2 Party	-	-	\$290.43	\$306.31	\$318.61
Family	-	-	\$427.07	\$450.42	\$468.54
Employer Monthly Premium					
Individual	-	-	\$502.50	\$529.97	\$551.17
2 Party	-	-	\$871.28	\$918.93	\$955.81
Family	-	-	\$1,281.21	\$1,351.27	\$1,405.60
Deductible (Individual/Family)	-	-	\$100/ \$200	\$100/ \$200	\$100/ \$200
Co-insurance	-	-	90%	90%	90%
Cigna 80% Co-insurance Plan⁴	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016
Employee Monthly Premium					
Individual	\$59.27	\$65.91	\$64.54	\$68.06	\$72.81
2 Party	\$192.62	\$214.19	\$209.70	\$221.14	\$236.62
Family	\$287.45	\$319.64	\$312.91	\$329.98	\$353.10
Employer Monthly Premium					
Individual	\$335.85	\$373.47	\$365.72	\$385.66	\$412.56
2 Party	\$577.87	\$642.59	\$629.09	\$663.42	\$709.84
Family	\$862.36	\$958.94	\$938.73	\$989.94	\$1,059.30
Deductible (Individual/Family)	\$250/ \$500	\$250/ \$500	\$250/ \$500	\$250/ \$500	\$250/ \$500
Co-insurance	90%	90%	80%	80%	80%

Cigna MyChoice CHDP w/ HSA⁵	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016
Employee Monthly Premium					
Individual	-	-	-	-	\$69.20
2 Party	-	-	-	-	\$224.87
Family	-	-	-	-	\$335.58
Employer Monthly Premium					
Individual	-	-	-	-	\$392.10
2 Party	-	-	-	-	\$674.61
Family	-	-	-	-	\$1,006.74
Employer HSA Contribution (Individual/Family)	-	-	-	-	\$520/ \$1,040
Deductible (Individual/Family)	-	-	-	-	\$1,300/ \$2,600
Co-insurance	-	-	-	-	90%

¹ The Carefirst POS plan was discontinued following plan year 2013. Participants that did not make an alternate election were mapped to the Cigna 90% Co-Insurance Plan.

² Prior to January 2014, the Cigna Co-Pay Plan was named the Cigna OAP High Plan.

³ The Cigna 90% Coinsurance Plan was introduced in January 2014.

⁴ The Cigna OAP Low Plan, a 90% co-insurance plan, was transitioned to the Cigna 80% Co-Insurance Plan in January 2014.

⁵ The Cigna MyChoice CDHP was introduced in January 2016.

**Fairfax County Government Medical Plan Changes
Plan Years 2012-2016**

Plan Name	2012	2013	2014	2015	2016
Kaiser Permanente HMO	No Changes	No Changes	No Changes	Increase in Mail Order Prescription Drug co-pays from \$16/\$36/\$66 to \$20/\$40/\$70	Plan re-opened to Medicare Eligible Participants
CareFirst POS	No Changes	Change in Prescription Drug Plan from co-pay structure to: Annual Deductible \$50/\$100 30 day Retail Generic: \$7 co-pay Preferred Brand: 20% co-insurance with \$50 maximum Non-Preferred Brand: 30% co-insurance with \$100 maximum Rx OOP \$1,000/\$2,000 Mail Order allows a 90 day supply for the price of 60 days	Plan eliminated through RFP consolidation process CareFirst participants that did not make an alternate election were mapped to the Cigna 90% Co-insurance Plan		
Cigna OAP Co-pay Plan <i>(Cigna OAP-High prior to 2014)</i>	Increase in co-pay for Primary Care from \$10 to \$15 Increase in co-pay for Specialist from \$15 to \$25 Change in Rx co-pays from \$10/\$20/\$40 to \$7/\$30/\$50 Add \$75 co-pay for Advanced Radiology Add \$100 co-pay for Inpatient Hospital Admission	Change in Prescription Drug Plan from co-pay structure to: Annual Deductible \$50/\$100 30 day Retail Generic: \$7 co-pay Preferred Brand: 20% co-insurance with \$50 maximum Non-Preferred Brand: 30% co-insurance with \$100 maximum Rx OOP \$1,000/\$2,000 Mail Order allows a 90 day supply for the price of 60 days	Increase in co-pay for Specialist from \$25 to \$30 Increase in co-pay for Inpatient Hospital Admission from \$100 to \$200 Increase in co-pay for Outpatient Facility from \$25 to \$50	Remove age limitations for Autism Spectrum Disorder Therapies Remove medical review for OON Chiropractic Care; Limited to 12 visits per plan year	Increase in co-pay for Primary Care from \$15 to \$25 Increase in co-pay for Specialist from \$30 to \$50 Increase in co-pay for Urgent Care from \$25 to \$50 Increase in Prescription Drug OOP from \$1,000/\$2,000 to \$1,500/\$3,000
Cigna 90% Co-insurance Plan			New Plan for 2014 90% co-insurance plan with annual deductible of \$100/\$200 for In-Network services In-Network annual OOP Maximum \$1,000/2,000	Remove age limitations for Autism Spectrum Disorder Therapies Remove medical review for OON Chiropractic Care; Limited to 12 visits per plan year	Increase to In-Network annual OOP Maximum from \$2,000/\$4,000 to \$1,500/\$3,000; OON from \$2,000/\$4,000 to \$3,000/\$6,000 Increase in co-pay for Urgent Care from \$25 to \$50 Increase in Prescription Drug OOP from \$1,000/\$2,000 to \$1,500/\$3,000
Cigna 80% Co-insurance Plan <i>(Cigna OAP-Low prior to 2014)</i>	No Changes	Change in Prescription Drug Plan from co-pay structure to: Annual Deductible \$50/\$100 30 day Retail Generic: \$7 co-pay Preferred Brand: 20% co-insurance with \$50 maximum Non-Preferred Brand: 30% co-insurance with \$100 maximum Rx OOP \$1,000/\$2,000 Mail Order allows a 90 day supply for the price of 60 days	Co-insurance percentage decreased from 90% to 80%	Remove age limitations for Autism Spectrum Disorder Therapies Remove medical review for OON Chiropractic Care; Limited to 12 visits per plan year	Increase in co-pay for Urgent Care from \$25 to \$50 Increase in Prescription Drug OOP from \$1,000/\$2,000 to \$1,500/\$3,000

**Fairfax County Government Medical Plan Changes
Plan Years 2012-2016**

Plan Name	2012	2013	2014	2015	2016
Cigna MyChoice CDHP w/ HSA					New Plan for 2016 High Deductible Health Plan with a Health Savings Account (HSA) 90% Co-insurance plan with annual In-Network deductible of \$1,300/\$2,600; OON deductible \$2,600/\$5,200 County contributes 40% of annual In-Network deductible to HSA (\$520/\$1,040)

Active Employee Enrollment Changes

Figures are reflective of enrollment from January of each year

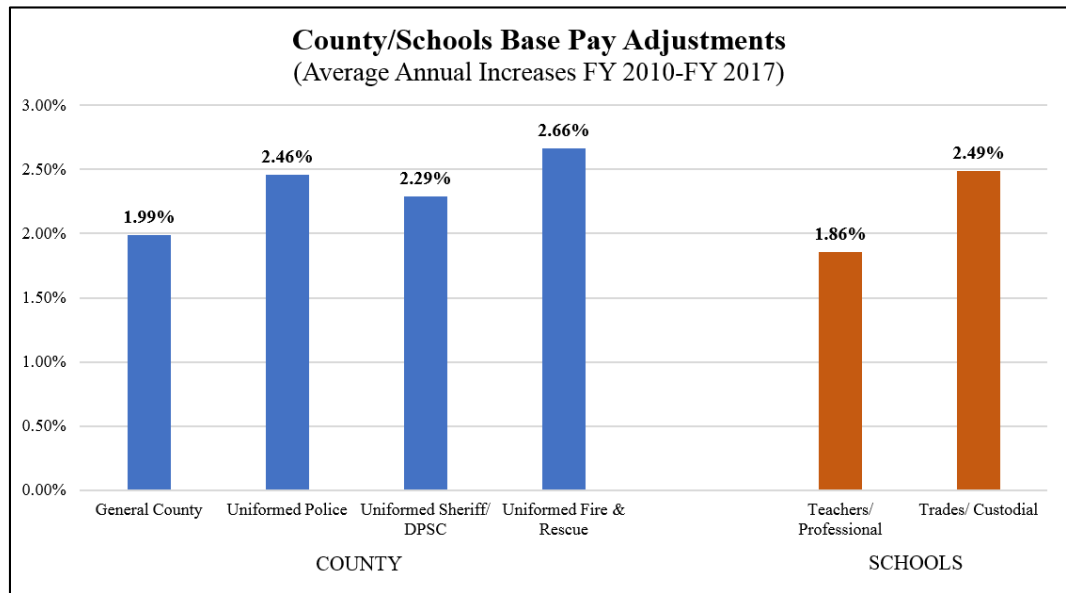
	2012	2013	2014	2015	2016
Total Eligible	12,455	12,989	13,075	13,284	13,405
Kaiser Permanente HMO	14.6%	14.4%	14.9%	14.7%	14.9%
CareFirst POS	23.0%	23.0%	Plan eliminated through RFP, those who did not make an alternative election were mapped to Cigna 90% Plan		
Cigna Co-Pay Plan (Cigna OAP-High prior to 2014)	45.5%	41.7%	53.5%	51.8%	47.3%
CIGNA OAP 90% Co-insurance Plan	New Plan added for 2014		8.6%	9.0%	9.9%
Cigna 90% Co-insurance Plan (Cigna OAP-Low prior to 2014)	1.3%	2.4%	3.2%	4.8%	6.2%
CIGNA MyChoice CDHP w/ HSA	New Plan added for 2016				2.1%
Waived	15.5%	18.5%	19.8%	19.8%	19.5%

Response to Questions on the FY 2017 Budget

Request By: Supervisor Hudgins

Question: Please provide a multi-year comparison of the salary increases for County versus Fairfax County Public Schools (FCPS) employees.

Response: Average annual pay increases for County and Schools employees ranged from 1.86 percent (Teachers/Professional School employees) to 2.66% (Uniformed Fire and Rescue) from FY 2010-FY 2017. (Note: FY 2017 references increases included in the Advertised budget plans.)



The table on the following page shows base pay increases by fiscal year for County and Schools employees, broken down by the various employee groups. These increases include Market Rate/Market Scale Adjustments, step/longevity increases, performance/longevity increases, and wide-scale Market Study adjustments.

It should be noted that during this timeframe, several adjustments were made to retirement contribution rates that also impacted pay. On the County side, the employee contribution rate for the Police Retirement system was reduced in FY 2015. On the Schools side, increases in the contribution rate for the Virginia Retirement System (VRS) were made in conjunction with commensurate pay increases in FY 2013 and FY 2014. In addition, in FY 2013, an employee contribution rate reduction was implemented in the Educational Employees' Supplementary Retirement System (ERFC) plan to address equity issues between VRS/ERFC and FCERS (Fairfax County Employees' Retirement System) participants.

Specific details for each year follow the table. It should be noted that no base pay increases were given on either side in FY 2010 and FY 2011.

County/Schools Base Pay Adjustments

	COUNTY				SCHOOLS	
	General County	Uniformed Police	Uniformed Sheriff/ DPSC	Uniformed Fire & Rescue	Teachers/ Professional	Trades/ Custodial
Retirement System	FCERS	FCPRS	FCURS	FCURS	VRS/ERFC	FCERS
FY 2017	3.33%	3.58%	3.58%	3.58%	3.25%	3.25%
FY 2016	3.60%	3.35%	3.35%	3.35%	2.87%	2.87%
FY 2015	2.29%	4.89%	3.54%	6.54%	2.25%	2.25%
FY 2014	0.00%	0.35%	0.35%	0.35%	1.35%	5.00%
FY 2013	4.68%	5.48%	5.48%	5.48%	1.82%	3.25%
FY 2012	2.00%	2.00%	2.00%	2.00%	3.30%	3.30%
FY 2011	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FY 2010	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Cumulative	15.90%	19.65%	18.30%	21.30%	14.84%	19.92%
Average Annual	1.99%	2.46%	2.29%	2.66%	1.86%	2.49%

FY 2017

County: 1.33 percent Market Rate Adjustment for all employees; Performance and longevity increases averaging 2.00 percent for non-uniformed employees; Merit and longevity increases averaging 2.25 percent for uniformed public safety employees (45 percent eligible for 5 percent increase - average of 2.25 percent)

Schools: 1.00 percent Market Scale Adjustment; Merit and longevity increases averaging 2.25 percent (90 percent eligible for 2.50 percent increase - average of 2.25 percent)

FY 2016:

County: 1.10 percent Market Rate Adjustment for all employees; Performance and longevity increases averaging 2.50 percent for non-uniformed (higher because of large number of employees receiving 4.00 percent longevity with FY 2016 being the first year of implementation of the new pay plan); Merit and longevity increases averaging 2.25 percent for uniformed public safety employees (45 percent eligible for 5 percent increase - average of 2.25 percent)

Schools: 0.62 percent Market Scale Adjustment; Merit and longevity increases averaging 2.25 percent (90 percent eligible for 2.50 percent increase - average of 2.25 percent)

FY 2015:

County: 1.29 percent Market Rate Adjustment for all employees; Additional 1.00 percent increase for non-uniformed employees; Merits and longevity increases averaging 2.25 percent for uniformed public safety employees (45 percent eligible for 5 percent increase - average of 2.25 percent); Additional 3.00 percent for uniformed Fire and Rescue personnel based on market study

The employee contribution rate in the Police Officers Retirement system was reduced by 1.35 percent, from 10.00 percent to 8.65 percent.

Schools: Merit and longevity increases averaging 2.25 percent (90 percent eligible for 2.50 percent increase - average of 2.25 percent)

FY 2014:

County: No across-the-board base pay adjustments; Longevity increases averaging 0.35 percent awarded to uniformed public safety employees (7 percent eligible for 5 percent increase - average of 0.35 percent); Gross \$850 bonus awarded to all merit employees; Gross \$500 bonus awarded to all benefits-eligible (non-merit) employees

Schools: 2.00 percent Market Scale Adjustment (provided in January)

A 3.00 percent increase was provided to all employees to help offset a 3.00 percent increase in the employee contribution rate for the Virginia Retirement System. For VRS participants, because of tax implications, the net impact of the 3.00 percent shift was a decrease in net pay of 0.65 percent. It should be noted that the 3.00 percent pay increase was also provided to employees that participate in FCERS, even though they were not impacted by the VRS rate adjustment. These employees represent less than one-quarter of all Schools employees and include bus drivers, custodians, trades personnel, and food service workers.

FY 2013:

County: 2.18 percent Market Rate Adjustment for all employees; Performance adjustment of 2.50 percent (awarded in January) awarded for non-uniformed employees; Merit and longevity increases averaging 3.30 percent for uniformed public safety employees (Due to backlog of longevity awards, 66 percent eligible for 5 percent increase - average of 3.30 percent)

Schools: 1.25 percent Market Scale Adjustment

A 2.00 percent increase was provided to all employees to help offset a 2.00 percent increase in the employee contribution rate for the Virginia Retirement System. For VRS participants, because of tax implications, the net impact of the 2.00 percent shift was a decrease in net pay of 0.43 percent. The 2.00 percent pay increase was provided to employees that participate in FCERS, even though they were not impacted by the VRS rate adjustment. Additionally, the employee contribution rate was reduced by 1.00 percent for employees participating in the ERFC plan.

FY 2012:

County: 2.00 percent across-the-board adjustment provided in September to all merit employees

Schools: 1.00 percent Market Scale Adjustment; Merit and longevity increases averaging 2.30 percent (88 percent eligible for 2.60 percent increase - average of 2.30 percent)

Response to Questions on the FY 2017 Budget

Request By: Supervisor Cook

Question: Provide a listing by line item of where the County budget increased more than 2 percent.

Response: The following table describes each superior commitment item in each General Fund agency that increased over the FY 2016 Adopted Budget Plan.

Agency	Superior Commitment Item	FY 2016 Adopted	FY 2017 Advertised	% Increase
Board of Supervisors	Personnel Services	\$5,016,172	\$5,276,211	5.2%
This increase is due to an increase to the Board members' annual salaries, a 1.33 percent market rate adjustment for all employees, and performance-based and longevity increases for non-uniformed merit employees.				
Office of the County Executive	Personnel Services	\$5,879,178	\$6,049,596	2.9%
This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				
Department of Cable and Consumer Services	Recovered Costs	(\$3,110,987)	\$0	100.0%
This adjustment is the result of the realignment of Mail Services to Fund 60020, Document Services. This increase is fully offset by decreases in Personnel Services and Operating Expenses as all expenses and recovered costs associated with Mail Services will be transferred to Fund 60020.				
Department of Finance	Personnel Services	\$3,832,284	\$4,040,051	5.4%
This increase is due to the fiscal impact of 1/1.0 FTE position that was redirected to the Department of Finance in FY 2015 due to workload requirements, a 1.33 percent market rate adjustment for all employees, and performance-based and longevity increases for non-uniformed merit employees.				
Facilities Management Department	Personnel Services	\$12,899,114	\$13,608,044	5.5%
This increase is due to a 1.33 percent market rate adjustment for all employees, performance-based and longevity increases for non-uniformed merit employees, and 6/6.0 FTE maintenance positions associated with operations at the Public Safety Headquarters and the Original Mount Vernon High School facility.				
Facilities Management Department	Operating Expenses	\$49,605,089	\$52,230,537	5.3%
This increase is primarily attributable to funding for operations and maintenance at the Public Safety Headquarters and the Original Mount Vernon High School facility, funding related to lease requirements, and funding for landscaping and grounds maintenance services at County-owned facilities and properties.				
Department of Human Resources	Personnel Services	\$5,984,496	\$6,154,625	2.8%
This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				
Department of Procurement and Material Management	Personnel Services	\$3,340,037	\$3,436,244	2.9%
This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				

Agency	Superior Commitment Item	FY 2016 Adopted	FY 2017 Advertised	% Increase
Office of Public Affairs	Personnel Services	\$1,354,543	\$1,400,287	3.4%
This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				
Office of Elections	Personnel Services	\$3,141,722	\$3,890,928	23.8%
This increase is primarily due to one-time funding to cover costs associated with the 2016 Presidential election, a 1.33 percent market rate adjustment for all employees, and performance-based and longevity increases for non-uniformed merit employees.				
Office of Elections	Operating Expenses	\$890,637	\$1,207,637	35.6%
This increase is primarily due to one-time funding to cover costs associated with the 2016 Presidential election.				
Economic Development Authority	Personnel Services	\$3,575,058	\$3,682,548	3.0%
This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				
Office of the County Attorney	Personnel Services	\$6,776,942	\$7,275,219	7.4%
This increase is due to the fiscal impact of 2/2.0 FTE positions that were redirected to the Office of the County Attorney in FY 2016 due to workload requirements, a 1.33 percent market rate adjustment for all employees, and performance-based and longevity increases for non-uniformed merit employees.				
Business Planning and Support	Personnel Services	\$1,925,864	\$1,979,221	2.8%
This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				
Office of Capital Facilities	Personnel Services	\$11,608,971	\$11,943,388	2.9%
This increase is due to a 1.33 percent market rate adjustment for all employees, performance-based and longevity increases for non-uniformed merit employees and pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.				
Office of Capital Facilities	Operating Expenses	\$9,199,144	\$9,422,651	2.4%
This increase is for utility costs associated with anticipated additional streetlight installations by Virginia Dominion Power and Northern Virginia Electric Cooperative (NOVEC).				
Land Development Services	Personnel Services	\$20,478,912	\$21,114,066	3.1%
This increase is due to a 1.33 percent market rate adjustment for all employees, performance-based and longevity increases for non-uniformed merit employees and pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.				
Department of Planning and Zoning	Personnel Services	\$9,987,710	\$10,290,657	3.0%
This increase is due to a 1.33 percent market rate adjustment for all employees, performance-based and longevity increases for non-uniformed merit employees and the full-year impact of the January 2016 increase in the annual salaries of members of the Board of Zoning Appeals.				
Planning Commission	Personnel Services	\$725,224	\$791,566	9.1%
This increase is due to a 1.33 percent market rate adjustment for all employees, performance-based and longevity increases for non-uniformed merit employees and the full-year impact of the January 2016 increase in the annual salaries of members of the Planning Commission.				

Agency	Superior Commitment Item	FY 2016 Adopted	FY 2017 Advertised	% Increase
Office of the Financial and Program Auditor	Personnel Services	\$335,797	\$346,346	3.1%
This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				
Department of Housing and Community Development	Personnel Services	\$4,645,117	\$4,755,795	2.4%
This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				
Department of Transportation	Personnel Services	\$8,887,006	\$9,159,445	3.1%
This increase is due to a 1.33 percent market rate adjustment for all employees, performance-based and longevity increases for non-uniformed merit employees and pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.				
Civil Service Commission	Personnel Services	\$362,702	\$373,567	3.0%
This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				
Fairfax County Park Authority	Personnel Services	\$22,726,046	\$23,445,669	3.2%
This increase is due to a 1.33 percent market rate adjustment for all employees, performance-based and longevity increases for non-uniformed merit employees, pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions, and support for the Resident Curator Program.				
Fairfax County Public Library	Personnel Services	\$21,697,368	\$21,980,923	1.3%
This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees, partially offset by the transfer of the Archives and Record Management function to Fund 60020, Document Services.				
Department of Tax Administration	Personnel Services	\$17,954,235	\$18,544,376	3.3%
This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				
Department of Family Services	Personnel Services	\$91,249,881	\$95,686,268	4.9%
This increase is primarily due to a 1.33 percent market rate adjustment for all employees, performance-based and longevity increases for non-uniformed merit employees, an increase in School-Age Child Care (SACC) capacity at elementary schools located throughout the County, and the appropriation of additional state revenue to support additional positions to address the increase in public assistance caseloads in the Self-Sufficiency Division.				
Department of Family Services	Operating Expenses	\$104,956,122	\$105,808,627	0.8%
This increase is primarily the result of a contract rate increase for the providers of mandated and non-mandated services.				
Department of Administration for Human Services	Personnel Services	\$11,576,994	\$12,049,503	4.1%
This increase is due to a 1.33 percent market rate adjustment for all employees, performance-based and longevity increases for non-uniformed merit employees, and the realignment of 2/2.0 FTE positions within the Human Services system.				

Agency	Superior Commitment Item	FY 2016 Adopted	FY 2017 Advertised	% Increase
Department of Administration for Human Services	Operating Expenses	\$1,483,070	\$1,504,820	1.5%
This increase is a reallocation from the Department of Family Services to cover costs associated with increased contracted staff resources needed as a result of DFS' increased Self-Sufficiency workload and mandated improvement efforts to centralize mail from DFS regional offices to the Pennino Building.				
Department of Information Technology	Personnel Services	\$23,000,325	\$23,747,722	3.2%
This increase is primarily due to an increase of 2/2.0 FTE positions to address issues related to IT security, a 1.33 percent market rate adjustment for all employees, and performance-based and longevity increases for non-uniformed merit employees.				
Department of Information Technology	Recovered Costs	(\$6,791,873)	\$0	100.0%
This adjustment is the result of the realignment of the telecommunications billing process to Fund 60030, Technology Infrastructure Services. This increase is fully offset by decreases in expenditures as all expenses and recovered costs associated with the telecommunications process will be transferred to Fund 60030.				
Health Department	Personnel Services	\$37,926,833	\$39,789,362	4.9%
This increase is due to a 1.33 percent market rate adjustment for all employees, performance-based and longevity increases for non-uniformed merit employees, personnel adjustments related to the County's epidemiology program, and additional compensation requirements as a result of Public Health Doctors moving from the S and E pay scales to the X pay scale.				
Health Department	Operating Expenses	\$17,156,196	\$18,718,423	9.1%
This increase is due to a contract rate increase for the providers of contracted health, repair and maintenance services, an increase in one-on-one nursing services for medically fragile students enrolled in Fairfax County Public Schools, and an increase for equipment and supplies to support enhanced laboratory testing for communicable diseases and environmental hazards.				
Office to Prevent and End Homelessness	Personnel Services	\$824,376	\$846,767	2.7%
This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				
Office to Prevent and End Homelessness	Operating Expenses	\$11,317,173	\$12,124,250	7.1%
This increase is associated with new homeless services delivery contracts and a contract rate increase for the providers of contracted homeless services.				
Department of Neighborhood and Community Services	Personnel Services	\$17,038,239	\$17,720,236	4.0%
This increase is primarily due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				
Department of Neighborhood and Community Services	Operating Expenses	\$19,883,724	\$20,731,420	4.3%
This increase is associated with the continuation and expansion of Opportunity Neighborhood (ON) activities, contract rate increases, maintenance costs for the new Recreation Management System, and the replacement of FASTRAN buses.				
Circuit Court and Records	Personnel Services	\$8,851,819	\$9,151,513	3.4%
This increase is due to an adjustment to the pay supplement for Constitutional Officers as approved by the Board of Supervisors, a 1.33 percent market rate adjustment for all employees, and performance-based and longevity increases for non-uniformed merit employees.				

Agency	Superior Commitment Item	FY 2016 Adopted	FY 2017 Advertised	% Increase
Juvenile and Domestic Relations District Court	Personnel Services	\$19,987,078	\$20,448,316	2.3%
This increase is primarily due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				
Office of the Commonwealth's Attorney	Personnel Services	\$3,597,621	\$3,724,606	3.5%
This increase is due to an adjustment to the pay supplement for Constitutional Officers as approved by the Board of Supervisors, a 1.33 percent market rate adjustment for all employees, and performance-based and longevity increases for non-uniformed merit employees.				
General District Court	Personnel Services	\$1,471,873	\$1,522,790	3.5%
This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				
Unclassified Administrative Expenses – Public Works	Operating Expenses	\$3,500,592	\$3,757,592	7.3%
This increase will support snow removal services at the Merrifield Center. The parking garage requires special chemicals and special equipment for snow removal due to the garage's concrete base and weight limitations. The garage, ambulance lanes and the pedestrian walkways must remain clear of all ice and snow on a continual basis.				
Unclassified Administrative Expenses - Public Works	Capital Equipment	\$57,000	\$74,000	29.8%
This increase will support the purchase of replacement equipment, including snow plows and sand/salt spreaders, that is critical for snow removal and emergency operations.				
Unclassified Administrative Expenses - Nondepartmental	Operating Expenses	(\$1,200,000)	\$7,500,000	725.0%
This increase is a result of a \$7.5 million reserve for implementation of the recommendations of the Ad-Hoc Police Practices Review Commission and the elimination of the \$1.2 million placeholder for anticipated savings from the Incentive Reinvestment Initiative.				
Employee Benefits	Fringe Benefits	\$338,338,526	\$355,880,829	5.2%
This increase is primarily attributable to increases in employer contributions to the retirement systems, Social Security contributions, and projected increases in health insurance premiums.				
Police Department	Personnel Services	\$156,887,430	\$165,458,241	5.5%
This increase is due to an increase of 15/15.0 FTE positions to begin the process of staffing the South County Police Station, an increase of 14/14.0 FTE positions in the Patrol Division, an increase of 2/2.0 FTE polygraph positions, the conversion of 2/2.0 FTE grant positions that support the Northern Virginia Human Trafficking Task Force to merit status, a 1.33 percent market rate adjustment for all employees, performance-based and longevity increases for non-uniformed merit employees, merit and longevity increases for uniformed employees, and the elimination of the two-year hold at Step 8 in the uniformed public safety pay plans.				
Police Department	Capital Equipment	\$0	\$558,645	-
This increase is attributable to police officer vehicle requirements associated with the addition of 15/15.0 FTE positions to begin the process of staffing the South County Police Station and the addition of 14/14.0 FTE positions in the Patrol Division.				

Agency	Superior Commitment Item	FY 2016 Adopted	FY 2017 Advertised	% Increase
Office of the Sheriff	Personnel Services	\$55,059,462	\$56,809,366	3.2%
This increase is primarily due to an adjustment to the pay supplement for Constitutional Officers as approved by the Board of Supervisors, a 1.33 percent market rate adjustment for all employees, performance-based and longevity increases for non-uniformed merit employees, merit and longevity increases for uniformed employees, and the elimination of the two-year hold at Step 8 in the uniformed public safety pay plans.				
Fire and Rescue Department	Personnel Services	\$160,915,197	\$167,480,022	4.1%
This increase is primarily due to the full-year impact of the expiration of two SAFER grants which covered the initial costs of 31/31.0 FTE positions, a 1.33 percent market rate adjustment for all employees, performance-based and longevity increases for non-uniformed merit employees, merit and longevity increases for uniformed employees, the elimination of the two-year hold at Step 8 in the uniformed public safety pay plans, and pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.				
Fire and Rescue Department	Operating Expenses	\$25,845,599	\$28,988,239	12.2%
This increase is primarily the result of support for the Large Apparatus Replacement Fund, support for the Ambulance Replacement Fund, the replacement of volunteer-owned large apparatus, and a seven-year lease purchase agreement to replace Self-Contained Breathing Apparatus (SCBA) equipment.				
Office of Emergency Management	Personnel Services	\$1,309,604	\$1,345,369	2.7%
This increase is due to a 1.33 percent market rate adjustment for all employees and performance-based and longevity increases for non-uniformed merit employees.				
Department of Code Compliance	Personnel Services	\$3,662,961	\$3,776,861	3.1%
This increase is due to a 1.33 percent market rate adjustment for all employees, performance-based and longevity increases for non-uniformed merit employees and pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.				

Response to Questions on the FY 2017 Budget

Request By: Supervisor Foust

Question: Please provide an overview of the progress made to-date with regards to implementing the County’s revised reserve policies.

Response: The County has made significant progress towards the new reserve goal of 10 percent of General Fund disbursements since the new policy was approved by the Board of Supervisors during the mark-up of the FY 2016 Adopted Budget Plan.

The County’s 10 percent reserve target is composed of a 5 percent target for the Revenue Stabilization Fund, a 4 percent target for the Managed Reserve, and a 1 percent target for the new Economic Opportunity Reserve. The Economic Opportunity Reserve will not begin to be funded until the other two reserves are funded in full.

As of the FY 2017 Advertised Budget Plan, updated to include the impact of adjustments included in the advertised *FY 2016 Third Quarter Review*, the reserve balances are as follows:

	Reserve Balance (In \$ millions)	% of General Fund Disbursements
Revenue Stabilization Fund	\$166.31	4.17%
Managed Reserve	\$97.00	2.43%
TOTAL	\$263.31	6.60%

Reserves have been increased by utilizing one-time balances available at quarterly reviews, as well as through the use of one-time refunding savings in the County’s Debt Service fund. Additionally, as disbursement increases are approved, 10 percent of the increased amount is set aside in reserve.