

**FY 2025 Budget Questions**  
**NUMERICAL INDEX BY SUPERVISOR/SCHOOL BOARD MEMBER**  
**County Questions**

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Question	Question #	Page #
<i>Responses released January 31, 2024</i>		
Please provide details on how much revenue is generated per 1 percent change in residential and commercial real estate equalization.	C-1	1.1
Please redistribute the Q&A on early childhood initiatives that was completed as part of the FY 2024 budget process and provide any needed updates.	C-2	1.2
Please provide the investment returns for our pension programs benchmarked to the S&P 500 over the previous year, 5 years, 10 years, and 20 years.	C-3	1.7
Is the calculated 4.10 percent MRA, as shared with the Board at the budget forecast meeting on November 28, 2023, final for FY 2025, or can the calculation still change before the FY 2025 Advertised budget is released?	C-4	1.10
Are the retirement rate adjustments due to vacancies?	C-5	1.11
Please provide a chart with average home values, average tax rate, and average real estate tax bill for Fairfax County, Arlington County, the City of Alexandria, Prince William County, and Loudoun County.	C-6	1.12
<i>Responses released February 29, 2024</i>		
What is the sequencing for adding certified athletic trainers? Are five being added each year?	C-7	2.1
Where are the “lighthouse schools” located?	C-8	2.2
Please provide an update on what progress has been made on addressing learning loss from the pandemic and what still needs to be improved.	C-9	2.3
What would the potential fiscal impact be of adding the Virginia Defense Force to the list of properties included in the County’s special subclass at the tax rate of \$0.01 per \$100 of assessed value?	C-10	2.5
Please describe what has changed to warrant a new proposed animal service delivery model.	C-11	2.7
Animal Protection Police Officers (APPOs) are prohibited from performing some of the duties Police Officers are trained to do. Please explain.	C-12	2.8
The Virginia Department of Agriculture and Consumer Services (VDACS) report has different shelter intake numbers than the chart on slide 6 of the “Proposed Department of Animal Sheltering (DAS) and Control Services Consolidation” presentation that was presented to the Board of Supervisors at the January 30, 2024, Safety and Security Committee Meeting. Can the discrepancies be addressed?	C-13	2.9
Describe the Humane Investigator role under the proposed animal services model.	C-14	2.10

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Have discussions been had with our partners in other jurisdictions that use our Animal Protection Police (APP) services and, if so, what is their response to the proposed model? Additionally, has there been any conversation with our state partners, and will we be able to provide the same support to them under the proposed model?	C-15	2.11
Please describe the impact of the proposed animal services model on Police Officers.	C-16	2.12
Describe the difference procedurally on what happens now for various types of animal services calls versus how they will be handled under the proposed model.	C-17	2.13
What outreach efforts besides the website will be made to inform the community of the potential changes to animal protection services?	C-18	2.14
In other jurisdictions where a transition to a civilian model for enforcing animal protection laws has occurred, what data is available on the ability to recruit for Animal Control Officer (ACO) positions? How will this change impact long-term recruiting strategies?	C-19	2.15
Provide the number of animal-related citations that were issued that did not lead to arrest.	C-20	2.16
On slide 10 of the “Proposed Department of Animal Sheltering (DAS) and Control Services Consolidation” presentation that was presented to the Board of Supervisors at the January 30, 2024, Safety and Security Committee meeting, it is noted that Animal Protection Police Officer (APPO) pay and retirement will be unaffected? Will rank be affected?	C-21	2.17
The previous Director for the Department of Animal Sheltering (DAS) met with the Second Lieutenant and the Animal Protection Police Officers (APPOs) every Tuesday during roll call. Has that practice continued under the current leadership?	C-22	2.18
There seems to be a difference in perception with how often Animal Protection Police Officers (APPO) are put in dangerous situations versus what is portrayed in the presentation at the January 30 meeting of the Board of Supervisors Safety and Security Committee. Please describe how often non-APPOs are required to respond to APPO incidents. Would there be an increase in the need for police intervention under the new model? Also, discuss the points made in the presentation explaining most calls APPO respond to involve minor call violations and do not require risk.	C-23	2.19
Please circulate the University of Denver study which discussed why the non-law enforcement model has better animal welfare outcomes.	C-24	2.20
<b><i>Responses released March 1, 2024</i></b>		
Has the Metro funding formula been adjusted based on ridership? When is it scheduled to happen?	C-25	3.1

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Please provide updates on state proposals for Metro funding as they progress through the state budget process.	C-26	3.2
Does the Advertised Budget include sufficient funding to meet Fairfax County's share of the Metro Jurisdictional Subsidy without the \$65 million from the Commonwealth included in the House of Delegates budget bill?	C-27	3.3
<b>Responses Released March 5, 2024</b>		
Provide details on how the deer management program will work under the proposed animal services model. For example, how will wildlife be euthanized in the field?	C-28	4.1
Please provide a history of County and Schools employee compensation increases over the past 10 years, including the amounts in the FY 2025 advertised budgets and this year's FCPS mid-year adjustment.	C-29	4.2
Please provide a chart with average home values, average tax rate, and average real estate tax bill for Fairfax County, Arlington County, the City of Alexandria, Prince William County, and Loudoun County.	C-30	4.3
Please provide the status of the recommendations that came out of the Joint CIP Committee.	C-31	4.4
Regarding Transient Occupancy Tax (TOT), please provide a summary over time (5-10 years) and a comparison of the projection for FY 2025 to pre-pandemic levels and please indicate whether Fairfax County has implemented the maximum allowable TOT rate?	C-32	4.6
The County's current Transient Occupancy Tax (TOT) is 7 percent. How does this compare to surrounding jurisdictions?	C-33	4.7
How much revenue does each 1 percent on the Transient Occupancy Tax generate?	C-34	4.8
What would the impact be on the tax rate and average tax bill to fully fund the Superintendent's proposed budget?	C-35	4.9
What is the cost of a one percent change in Market Rate Adjustment (MRA)?	C-36	4.10
<b>Responses Released March 11, 2024</b>		
Which municipalities are chosen for the Market Rate Adjustment (MRA) calculation? Should local governments bordering Fairfax County be used in a formulaic way in the MRA calculation?	C-37	5.1
What is the median and mean household income for residents in Fairfax County? Please provide this for the last 10 years including a comparison with surrounding jurisdictions.	C-38	5.3
Please provide the net profit margin for each of our recreation centers.	C-39	5.4
How much has Fairfax County Government invested in the Tysons Partnership and Tysons Community Alliance?	C-40	5.5

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How many positions are dedicated to quality control of County contracts?	C-41	5.6
Please provide a cost for providing free lunches for all FCPS students, with the administrative costs of collecting payments backed out.	C-42	5.7
Please provide additional information regarding the 5/5.0 FTE new positions included in HCD to support the creation, rehabilitation, and preservation of affordable housing throughout Fairfax County.	C-43	5.8

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<b>McKay</b>		
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<b>Alcorn</b>		
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<b>Foust</b>		
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<b>Herrity</b>		
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<b>Lusk</b>		
Please provide an update on what progress has been made on addressing learning loss from the pandemic and what still needs to be improved.	C-9	2.3
<b>Palchik</b>		
Please provide details on how much revenue is generated per 1 percent change in residential and commercial real estate equalization.	C-1	1.1

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<b>Smith</b>		
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## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Palchik

**Question:** Please provide details on how much revenue is generated per 1 percent change in residential and commercial real estate equalization.

**Response:**

Market driven value increases or declines of existing real estate properties are referred to as *equalization* changes. The table below provides information of the General Fund revenue that would be generated per 1 percent change in real estate equalization. The revenue collection rate on the tax levy is assumed at 99.65 percent.

	<b>FY 2024 Real Estate Assessed Values</b>	<b>1% Increase in Equalization</b>	<b>Real Estate Tax Rate*</b>	<b>Revenue from 1% Equalization Increase</b>
Residential	\$241,874,336,790	\$2,418,743,368	\$1.095	\$26,392,542
Non-Residential	\$73,395,724,160	\$733,957,242	\$1.095	\$8,008,703
<b>Total Real Estate</b>	<b>\$315,270,060,950</b>	<b>\$3,152,700,610</b>		<b>\$34,401,245</b>

*\*Base General Fund tax rate per \$100 of assessed value; excludes levies for stormwater, pest management, commercial real estate tax levy for transportation, or any other special district tax levies.*

## Response to Questions on the FY 2025 Budget

**Request By:** Chairman McKay and Supervisor Palchik

**Question:** Please redistribute the Q&A on early childhood initiatives that was completed as part of the FY 2024 budget process and provide any needed updates.

**Response:**

Attachment 1 is the response to Supervisor Palchik's question regarding additional resources included in the FY 2024 Advertised Budget Plan for early childhood initiatives. It was originally included with the responses released April 4, 2023, question number C-36 beginning on page 53. It can be found on the DMB website at <https://www.fairfaxcounty.gov/budget/questions-and-answers-qa>.

Consistent with the information included in the attachment, it is expected that the County will continue to utilize the Child Care Stabilization grant to expand the Early Childhood Development and Learning Program in FY 2025. Another 72 children ages birth to 5 will be served in early childhood programs located in community-based settings. There have not been significant changes to the timing of the early childhood facilities included in the FY 2024- FY 2028 Adopted Capital Improvement Program (CIP). Two facilities of particular interest are the Kingstowne Complex and Original Mount Vernon High School Early Childhood Development Center which will be completed in May 2025 and March 2026, respectively, serving a total of 250 children. Assuming there is no shift in the construction schedules, it is anticipated that funding for both of these facilities will be included in the FY 2026 Advertised Budget Plan. The attachment also includes information on the construction/renovation of the Willard Health Center now scheduled to be completed in the winter 2027 and Hybla Valley Community Center, which is still in the pre-design phase with no set completion date.

## Response to Questions on the FY 2024 Budget

**Request By:** Supervisor Palchik

**Question:** Are there additional resources included in the FY 2024 Advertised Budget Plan for early childhood initiatives?

**Response:**

The FY 2024 Advertised Budget Plan does not specifically include new General Fund resources for early childhood initiatives. However, school readiness remains a Board priority and the work of school readiness continues to move forward with several strategies expected to continue in FY 2024 that will increase the County's capacity to serve families and maximize the use of existing resources and grant opportunities to continue to advance early childhood education initiatives. These include the following:

- **Expansion of the Early Childhood Development and Learning Program**

The Early Childhood Development and Learning Program (ECDLP) provides access to high quality early childhood education services to young children, ages birth to 5 years, in early childhood programs located in community-based settings (centers and family child care homes). The program prepares young children for school and future workforce success, which provides long-term positive outcomes. The program also helps address current labor shortages across most employment sectors. The average cost to serve a child in a community-based early childhood program is \$18,200. Programs participating in ECDLP provide early childhood education and comprehensive services for children whose families may not qualify for other publicly funded programs such as Head Start/Early Head Start or the Child Care Assistance and Referral program. One-time funding has been received from two separate federal awards which will allow the County to serve an additional 108 children in FY 2024 and another 72 children in FY 2025. It should be noted that baseline resources will need to be added once grant funding expires. The federal awards are as follows:

- Consolidated Appropriations Act, 2023

The Consolidated Appropriations Act, 2023 included a community project funding request of \$1.5 million to expand the Early Childhood Development and Learning Program in FY 2024. This award was included in the County's community project funding requests coordinated through Government Relations and submitted to the County's Congressional offices. This funding will allow the County to expand the Early Childhood Development and Learning Program by providing access to early childhood education services for approximately 72 additional young children, ages birth to 5, in early childhood programs located in community-based settings. In addition, the funding will be used to hire two additional staff positions, who will conduct eligibility, process enrollment, and provide case management for participating families. Staff are currently working with the U.S. Department of Education to access this funding. A Board item will be submitted to formally appropriate the funding once final award documentation has been received.

- Utilization of the Child Care Stabilization Grant

The County has received just over \$25.0 million in grant funding from the Virginia Department of Education (VDOE). This one-time federal funding was available from the Child Care Stabilization Grant Fund through the American Rescue Plan Act of 2021

(ARPA). Funding must be used to support the County’s School Aged Child Care (SACC) sites. The additional funding provided to SACC will free up General Fund resources that can be directed to the overall support of child care programs. It is recommended that these savings be used to expand the Early Childhood Development and Learning Program to an additional 36 children in FY 2024 and another 72 children in FY 2025, ages birth to 5 in early childhood programs located in community-based settings. The estimated ongoing cost to serve these children is just under \$2.0 million. It is intended that the General Fund savings will fully fund the additional children in years one and two and beginning in year three, baseline resources will be phased-in over a number of years to smooth out the General Fund impact.

- **Child Care Assistance and Referral Program**

The Child Care Assistance and Referral (CCAR) Program provides financial support for working families earning low to moderate incomes so they may access and afford quality childcare services. CCAR services are funded by both the State and County; however, eligibility determination and case management for all participating families is administered by the County. Payment to child care programs caring for children whose child care subsidies are funded by the State are made directly by the Virginia Department of Social Services (VDSS) and Virginia Department of Education (VDOE). Payments made to child care programs caring for children whose child care subsidies are funded by the County are made by the Department of Neighborhood and Community Services. The state recently made two key updates to the state child care subsidy program to support quality child care and improve affordability to families. As is customary, the County aligned its policies and procedures to be consistent with the state. The two updates are as follows:

- Increase in Maximum Reimbursable Rates

In October 2022 the state increased Maximum Reimbursable Rates (MRR) paid to child care centers and family child care providers caring for children receiving stated-funded child care subsidies. The State MRRs for Fairfax County were increased for child care centers by approximately 14 percent for infant care while the rates for other care levels remained relatively the same. For family child care providers, there was a rate increase of approximately 21 percent across all care levels (infant, toddler, preschool and school age). The County adjusted the local MRRs to be consistent with the state rates, also effective October 2022.

- Revised Family Copayments

Depending on eligibility, a family may be responsible for paying a portion of the child care fee. Family fees, referred to as the copayment fee scale, are assessed based on household income and family size. In January 2023, the state implemented a new copayment fee scale. The new copayment fee scale eliminates copayments for families at 100 percent of the federal poverty level and significantly reduces copayments for all other families. The old copayment fee scale was based on a percentage of household income and family size. The new copayment fee scale is based on a flat monthly per-child rate based on household income and family size. However, the total fees incurred for a family are capped at three children, but not to exceed 7 percent of family income (the previous maximum was 10 percent). The County also implemented the new copayment fee scale in January 2023.

- **Part-Time PreK Opportunities**

For the 2022-2023 school year, the County began offering bi-weekly early childhood classes for young children to support their school readiness in partnership with All Ages Read Together (AART), a non-profit organization dedicated to supporting young children, especially those who are most vulnerable, to enter kindergarten prepared to succeed. AART currently provides seven pre-K groups in the County. With this new partnership, AART is able to offer ten additional pre-K groups serving 100 to 120 children this school year. AART's curriculum supports children's social emotional, cognitive and physical development, and reflects Virginia's Early Learning and Development Standards.

- **Ready Regions Capital Area**

In the fall 2022, the Department of Neighborhood and Community Services received additional funding to continue to build the infrastructure of the Ready Region Capital Area to support and strengthen the region's birth to 5 early childhood system. Activities funded include continuing to build and expand relationships with community and public-school leaders, organizations, and publicly funded early childhood programs; build capacity to support measuring and strengthening quality; and develop strategic plans to support coordinated enrollment and family engagement across the region.

- **Bond Referendum**

The County's FY 2024- FY 2028 Adopted Capital Improvement Program (CIP) Bond Referendum Plan includes bond referendum of \$50 million for Early Childhood Facilities in fall 2026 for capital construction of early childhood facilities.

In the coming years, there are also significant investments included in the CIP to expand early childhood facilities. When construction of these facilities is complete, operating expenses will need to be funded at an estimate cost of \$18,200 per child. The recent CIP projects approved and/or projects in progress include the following:

- **Kingstowne Complex**

Funding for the child care facility at the Kingstowne Complex was approved as part of the *FY 2021 Carryover Review* based on year-end balances available in the General Fund and the Early Childhood Birth to 5 Fund. This facility is expected to serve 78 children. It is currently expected that this space will be available in May 2025 (end of FY 2025).

- **Original Mount Vernon High School Early Childhood Development Center**

Design of the renovation/adaptive reuse of the Original Mount Vernon High School site is nearly complete and the Fairfax County Redevelopment and Housing Authority (FCRHA) is expected to issue bonds to support construction in FY 2024. The original concept included space for an early childhood education program for 86 children. However, additional space was available so the Board approved additional funding as part of the *FY 2022 Carryover Review* to provide child care space for an additional 86 children for a total of 172 children. It is currently expected that this space will be available in January 2026 (mid FY 2026).

- **Willard Health Center**

In November 2020, the voters approved funding for the renovation or replacement of the County-owned Joseph Willard Health Center. Located within the jurisdictional boundary of the City of Fairfax, this facility was included in the County's Master Plan study of the Willard-Sherwood sites and is being designed as a joint development project. Early childhood education programming is included in the design for this site and the early childhood center is expected to serve 124 children. This project is still in the design phase so no completion date is available.

- **Hybla Valley Community Center**

In April 2020, Fairfax County purchased the Mount Vernon Athletic Club with plans to establish a multi-service community center to meet the immediate needs in the area. The center will provide recreation, youth programs, workforce development programs, and other equitable, accessible, and effective resources for the community. It is envisioned that early childhood programming will be included at this facility. Funding to begin design of the renovation and re-programming of this facility was approved by the Board as part of the *FY 2022 Carryover Review*. This project is still in the design phase so no completion date is available.

Staff is also reviewing the potential of including early childhood facilities at several redevelopment sites including Reston Town Center North, Judicial Center, Workhouse, Willston Center, and Lake Anne, as well as future library, affordable housing and community center sites.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisors Walkinshaw and Foust

**Question:** Please provide the investment returns for our pension programs benchmarked to the S&P 500 over the previous year, 5 years, 10 years, and 20 years.

**Response:**

The chart below shows actual investment returns, net of investment fees paid, for each of the County's three pension plans as compared to the S&P 500 and a passive portfolio invested 60 percent in stocks and 40 percent in bonds; over the previous fiscal year, 5 years, 10 years, and 20 years.

**Net Investment Returns**

<b>Time Period</b>	<b>Employees' (ERS)</b>	<b>Police Officers (PORS)</b>	<b>Uniformed (URS)</b>	<b>S&amp;P 500</b>	<b>Passive 60/40 Portfolio</b>
FY 2023	-2.5%	-3.9%	8.1%	19.6%	10.9%
5 Years	5.5%	5.2%	4.9%	12.3%	7.4%
10 Years	5.6%	6.2%	5.9%	12.9%	8.2%
20 Years	7.2%	6.8%	6.6%	10.0%	7.5%

While the S&P 500 returns are included as requested, it would not be advisable or prudent for the retirement systems to invest exclusively in the large company stocks that make up the S&P 500 index. A prudent investment strategy involves a diversified portfolio, comprising a mix of distinct asset types, to mitigate exposure to any single asset or risk. Consequently, a diversified portfolio avoids over-reliance on any single investment, thereby reducing the risk associated with individual holdings or securities.

Over the last two decades, stocks in general, and the S&P 500 in particular, have generated unusually high returns compared to diversified portfolios like Fairfax's. Since the Global Financial Crisis (GFC) of 2008 and 2009, the S&P 500 has recorded an average annual return of 14.5 percent, a figure 50 percent higher than its historical average. These heightened returns can be attributed in large part to historically low interest rates prevailing for most of the post-GFC period and the Federal Reserve's accommodative monetary policy, involving a substantial increase in the money supply.

A more diversified benchmark is to compare Fairfax returns to a 60/40 indexed portfolio, a common benchmark used by pension plans and other investors. A 60/40 portfolio allocates 60 percent to stocks, such as the S&P 500, and 40 percent to bonds, such as U.S. Treasury securities. While the performance of the 60/40 portfolio is also influenced by the unprecedentedly high returns of the S&P 500 index since the GFC, it provides a better-balanced benchmark for comparing the investment returns of diversified portfolios, such as Fairfax's.

Since average returns for other public pensions are typically reported gross of fees, before investment fees are netted out, the following table compares gross investment returns for the County's three pension plans and the Median Public Plan as reported by Callan Investment Advisors.

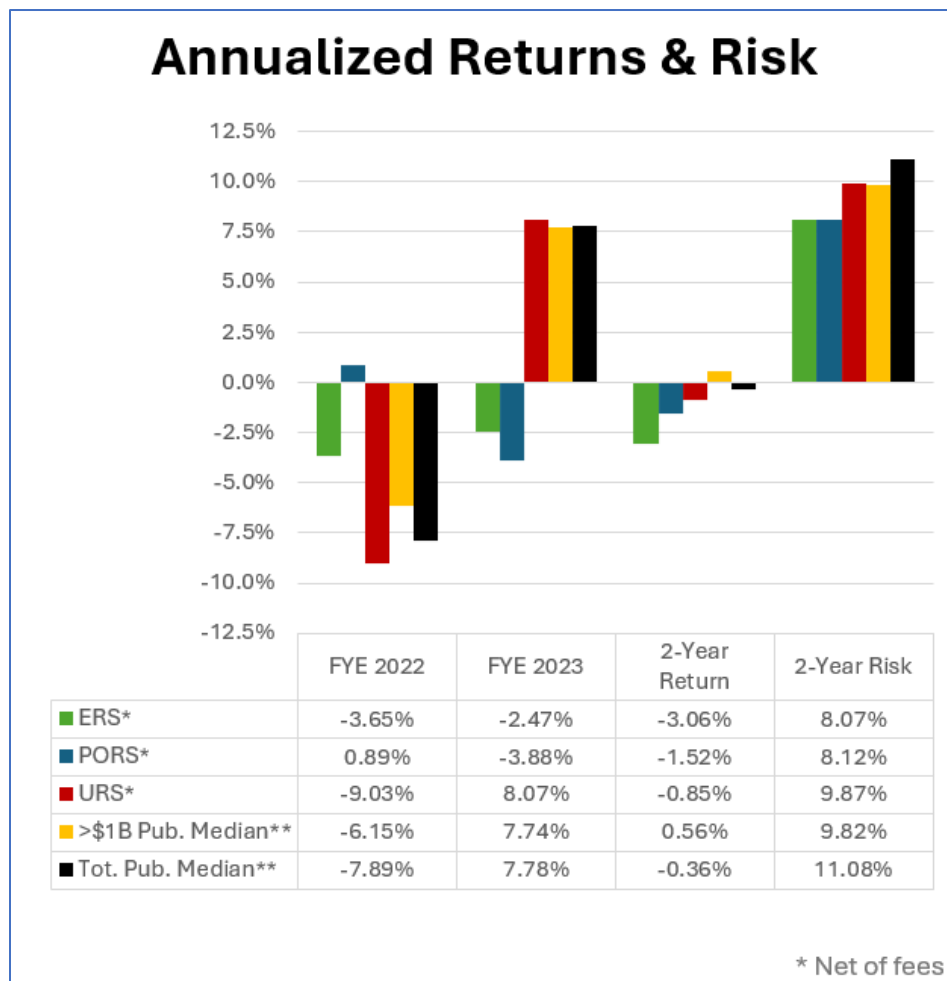
## Gross Investment Returns

Time Period	Employees' (ERS)	Police Officers (PORS)	Uniformed (URS)	Median Public Plan <sup>1</sup>
FY 2023	-1.8%	-3.7%	9.1%	9.3%
5 Years	6.7%	6.8%	5.9%	6.7%
10 Years	6.4%	7.3%	6.7%	7.5%
20 Years	7.8%	7.6%	7.2%	7.5%

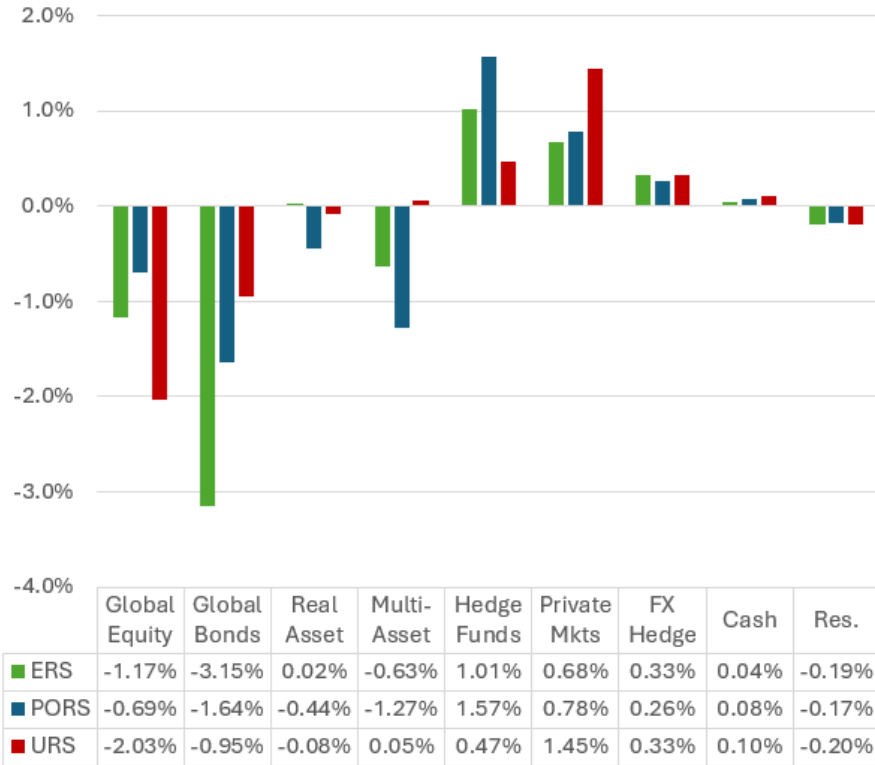
<sup>1</sup> Average return for other public pension plans, as reported by Callan Investment Advisors.

The FY 2023 results for the Fairfax plans, as compared to the public plan peer universe, are best viewed in combination with FY 2022, as they are, to a large degree, mirror images of each other. PORS and ERS employ a differentiated risk-based asset allocation process relative to URS and peers that, in general, results in less equities (stocks) and broader exposure to other diversifying assets. FY 2022 was a period that saw a large spike in both inflation and interest rates, producing negative returns in equities and bonds, but positive returns in commodities, hedge funds and other diversifiers. During FY 2023, inflation declined, and interest rates remained unchanged, effectively reversing the market moves of 2022.

As shown in the following charts, the average return over the two years has been flat to slightly negative on an annualized basis for PORS, ERS, URS and their peers.



## Annualized Return Attribution



\*\* Gross of fees

## Response to Questions on the FY 2025 Budget

**Request By:** Chairman McKay

**Question:** Is the calculated 4.10 percent MRA, as shared with the Board at the budget forecast meeting on November 28, 2023, final for FY 2025, or can the calculation still change before the FY 2025 Advertised budget is released?

**Response:**

The County's Market Rate Adjustment (MRA) serves as a tool to help determine the pay structure adjustments needed in order to maintain competitiveness with the market. Based on the availability of federal data, the MRA is calculated in the preceding fall of the fiscal year beginning July 1. The 4.10 percent calculated MRA that was presented in the November forecast is the final calculation for FY 2025. The funded MRA will be determined as part of the budget process. The Advertised budget will include a proposed MRA; the Board of Supervisors can adjust the proposed MRA as part of their budget deliberations which are incorporated into the Adopted budget.

It should be noted that the collective bargaining agreements negotiated with the Fairfax Chapter of the Southern States Police Benevolent Association (SSPBA) and the International Association of Fire Fighters Local 2068 (IAFF) collective bargaining units include an annual Cost-of-Living-Adjustment (COLA) rather than the MRA. Use of the COLA gives employees more predictability and moves away from the reliance on fluctuating federal indices. However, the contract with SSPBA specifies that members of the Police bargaining unit will receive the greater of the negotiated 2 percent COLA and the funded MRA each year. A similar provision is included in the IAFF agreement for FY 2027.

## Response to Questions on the FY 2025 Budget

**Request By:** Chairman McKay

**Question:** Are the retirement rate adjustments due to vacancies?

**Response:**

The actuaries for the retirement systems have identified three primary factors placing upward pressure on employer contribution rates this year: increased vacancies, investment returns falling below the assumed rate of return, and higher-than-assumed cost-of-living-adjustments (COLA) for retirees.

- Increased vacancies have contributed to lower-than-assumed growth in annual payroll. The pension plans' unfunded liabilities are amortized over a closed 15-year layered amortization period. This amortization assumes a 2.25 percent annual payroll increase, and payroll growth less than the assumption will result in a higher contribution rate. Additionally, as the systems are funded by contributions from both members and the County that are calculated as a percentage of payroll, a contracting payroll results in lower-than-anticipated contributions paid into the systems.
- The actuarially smoothed investment returns for all three retirement systems underperformed the 6.75 percent investment assumption, resulting in actuarial losses on assets. Returns for the three systems, net of fees, were -2.5 percent for the Employees' system, -3.9 percent for the Police Officers system, and 8.1 percent for the Uniformed system in FY 2023. While the Uniformed Retirement System's actual return exceeded the 6.75 percent assumption, the actuarially smoothed return, which averages returns over a three-year period, fell short of the target return.
- The retiree COLA effective July 1, 2023, was 3.7 percent, exceeding the 2.10 percent assumption. The retiree COLA is based on the Consumer Price Index (CPI) with a cap of 4.0 percent. This and other variations in actual experience compared to assumptions related to salary increases, retirement behavior and other factors contributed to an increase in actuarial liabilities and employer contribution rates for all three systems.

## Response to Questions on the FY 2025 Budget

**Request By:** Chairman McKay

**Question:** Please provide a chart with average home values, average tax rate, and average real estate tax bill for Fairfax County, Arlington County, the City of Alexandria, Prince William County, and Loudoun County.

**Response:**

The table below provides information about the average residential assessments, base real estate tax rates, and the average real estate tax bill for several Northern Virginia jurisdictions for calendar year 2023 (FY 2024).

**CALENDAR YEAR 2023 REAL ESTATE TAX INFORMATION FOR NORTHERN VIRGINIA JURISDICTIONS**

	Arlington County	Fairfax County	City of Alexandria	Prince William County**	Loudoun County
Average Residential Assessment	\$798,500	\$719,522	\$677,521	\$501,509	\$698,700
Base Tax Rate per \$100 of Assessed Value*	\$1.013	\$1.095	\$1.110	\$1.038	\$0.875
Average Real Estate Tax Bill	\$8,089	\$7,879	\$7,520	\$5,206	\$6,114

*\*Excludes levies for stormwater, pest management, or any other special district tax levies.*

*\*\*Prince William County base tax rate includes the base levy of \$0.966 and the fire and rescue levy of \$0.072.*

## Response to Questions on the FY 2025 Budget

**Request By:** Chairman McKay

**Question:** What is the sequencing for adding certified athletic trainers? Are five being added each year?

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

Each high school has a base allocation budgeted for a 1.0 certified athletic trainer position. The multiyear plan adds 5.0 certified athletic trainer positions each year for five years until there are 2.0 full-time positions in each of the 25 high schools.

The FY 2023 Final Budget Review included one-time funding to provide 5.0 certified athletic trainer positions to support the first year of the five-year plan to provide one additional certified athletic trainer in each high school. The FY 2025 Proposed Budget includes funding to support the recurring cost of the 5.0 positions provided in the first year and 5.0 additional positions to support the second year of the plan. The chart below shows the schools that received the second athletic trainer position in year 1 as well as the list of schools that will receive the second athletic trainer in year 2.

Certified Athletic Trainers Year 1 and 2 Schools
Year 1
Falls Church High
Madison High
McLean High
Marshall High
Oakton High
Year 2
South County High
Lake Braddock Secondary
Chantilly High
Centreville High
Herndon High

## Response to Questions on the FY 2025 Budget

**Request By:** Chairman McKay

**Question:** Where are the “lighthouse schools” located?

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

The FCPS Office of the Chief Information Technology Officer (IT) launched a new professional development program in collaboration with the International Society for Technology in Education (ISTE) for schools to leverage innovative, technology-based practices to reach their School Innovation and Improvement Plan (SIIP) goals.

The project launched in December 2023 with an application process for all middle/high schools interested in joining the first-year pilot program. This pilot program includes seven secondary schools, with a representative from each FCPS region. Future expansion of the program is based on funding and envisions adding schools across all grade levels on an annual cycle ensuring participation from all regions and all school levels through the implementation of the new FCPS strategic plan.

The current pilot program schools are:

- Madison High School (Region 1)
- Herndon Middle School (Region 1)
- McLean High School (Region 2)
- Bryant High School (Region 3)
- West Springfield High School (Region 4)
- Frost Middle School (Region 5)
- Lewis High School (Region 6)

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Lusk

**Question:** Please provide an update on what progress has been made on addressing learning loss from the pandemic and what still needs to be improved.

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

FCPS continues to make progress in addressing the learning loss from the pandemic. As shown in the following reading and mathematics charts, progress has been made in both content areas and across all student groups. There has been less progress made in mathematics and in the achievement of the Black, Hispanic, economically disadvantaged, English learner, and students with disabilities student groups.

**READING: Progress Addressing Learning Loss**  
Annual Pass Rates on State Assessments 2019 through 2023

	Student Group	2019	2020	2021	2022	2023	Pandemic Learning Loss Δ '19 to '21	Post-Pandemic Gains Δ '21 to '23	Net Recovery (Loss + Gains)
Fairfax	All	81%	n/a	73%	79%	78%	▼ -8	▲ 5	▼ -3
	Asian	89%	n/a	86%	89%	88%	▼ -3	▲ 2	▼ -1
	Black	72%	n/a	66%	72%	71%	▼ -6	▲ 5	▼ -1
	Hispanic	61%	n/a	48%	56%	55%	▼ -13	▲ 7	▼ -6
	Mult. Races	90%	n/a	85%	90%	89%	▼ -5	▲ 4	▼ -1
	White	90%	n/a	86%	89%	89%	▼ -4	▲ 3	▼ -1
	Econ. Dis.	60%	n/a	49%	57%	56%	▼ -11	▲ 7	▼ -4
	EL	34%	n/a	22%	32%	31%	▼ -12	▲ 9	▼ -3
	SWD	54%	n/a	47%	52%	51%	▼ -7	▲ 4	▼ -3
Virginia	All	78%	n/a	69%	73%	73%	▼ -9	▲ 4	▼ -5
	Asian	89%	n/a	85%	88%	87%	▼ -4	▲ 2	▼ -2
	Black	65%	n/a	54%	60%	60%	▼ -11	▲ 6	▼ -5
	Hispanic	66%	n/a	54%	60%	59%	▼ -12	▲ 5	▼ -7
	Mult. Races	81%	n/a	74%	78%	77%	▼ -7	▲ 3	▼ -4
	White	85%	n/a	78%	82%	81%	▼ -7	▲ 3	▼ -4
	Econ. Dis.	65%	n/a	54%	59%	59%	▼ -11	▲ 5	▼ -6
	EL	35%	n/a	24%	32%	32%	▼ -11	▲ 8	▼ -3
	SWD	47%	n/a	40%	43%	44%	▼ -7	▲ 4	▼ -3

Data Note: Annual pass rates are the state's reporting for all SOL and VAAP tests delivered in the preceding year: summer, fall, and spring.

**MATHEMATICS: Progress Addressing Learning Loss**  
**Annual Pass Rates on State Assessments 2019 through 2023**

	Student Group	2019	2020	2021	2022	2023	Pandemic Learning Loss Δ '19 to '21	Post-Pandemic Gains Δ '21 to '23	Net Recovery (Loss + Gains)
Fairfax	All	86%	n/a	61%	74%	75%	▼ -25	▲ 14	▼ -11
	Asian	95%	n/a	80%	89%	89%	▼ -15	▲ 9	▼ -6
	Black	76%	n/a	46%	63%	64%	▼ -30	▲ 18	▼ -12
	Hispanic	72%	n/a	33%	52%	53%	▼ -39	▲ 20	▼ -19
	Mult. Races	92%	n/a	73%	85%	85%	▼ -19	▲ 12	▼ -7
	White	93%	n/a	73%	85%	86%	▼ -20	▲ 13	▼ -7
	Econ. Dis.	71%	n/a	34%	53%	55%	▼ -37	▲ 21	▼ -16
	EL	58%	n/a	19%	37%	41%	▼ -39	▲ 22	▼ -17
	SWD	61%	n/a	36%	47%	48%	▼ -25	▲ 12	▼ -13
Virginia	All	82%	n/a	54%	66%	69%	▼ -28	▲ 15	▼ -13
	Asian	94%	n/a	79%	86%	87%	▼ -15	▲ 8	▼ -7
	Black	70%	n/a	34%	49%	54%	▼ -36	▲ 20	▼ -16
	Hispanic	74%	n/a	38%	53%	56%	▼ -36	▲ 18	▼ -18
	Mult. Races	85%	n/a	57%	70%	73%	▼ -28	▲ 16	▼ -12
	White	88%	n/a	64%	76%	79%	▼ -24	▲ 15	▼ -9
	Econ. Dis.	72%	n/a	37%	52%	55%	▼ -35	▲ 18	▼ -17
	EL	59%	n/a	21%	36%	41%	▼ -38	▲ 20	▼ -18
	SWD	55%	n/a	31%	39%	43%	▼ -24	▲ 12	▼ -12

*Data Note: Annual pass rates are the state's reporting for all SOL and VAAP tests delivered in the preceding year: summer, fall, and spring.*

As the Division moves forward with the implementation of the [2023-2030 Strategic Plan](#), both reading and mathematics as well as the specific performance of economically disadvantaged, English learner and students with disabilities student groups will be the focus at the Division, region, and school levels. The [Goal 3 Baseline report](#) includes specific division strategies for prioritized Strategic Plan metrics of student achievement in reading and mathematics. Many of the strategies named in the baseline report are already underway.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Herrity

**Question:** What would the potential fiscal impact be of adding the Virginia Defense Force to the list of properties included in the County's special subclass at the tax rate of \$0.01 per \$100 of assessed value?

**Response:**

Virginia Defense Force (VDF) is authorized by [§ 44-54.4](#) et seq. of the [Code of Virginia](#) as the all-volunteer reserve component of the Virginia National Guard. It serves as a force multiplier integrated into all Guard domestic operations. Members of the VDF volunteer their time for training and community support and are only paid when called to active duty by an authorization from the Governor of Virginia. VDF deployment and length of service is 120 hours per year, in addition to the required training of 150 hours. VDF currently has more than 1,000 members serving their communities. Additional information about VDF can be found at [www.vdf.virginia.gov](http://www.vdf.virginia.gov).

Members of the VDF are not currently included in Fairfax County's special subclass with the Personal Property tax rate of \$0.01 per \$100 of assessed value. The subclass currently includes vehicles owned by auxiliary police officers, auxiliary deputy sheriffs, disabled veterans, volunteer firefighters, and qualifying seniors. The [Code of Virginia](#) §58.1-3506 (44) states that motor vehicles owned or leased by persons who serve as uniformed members of the VDF are eligible for the County's special subclass.

Approximately 50 members currently reside in Fairfax County. Assuming an average car value of \$20,000 per member, the potential fiscal impact of adding the VDF to the list of properties in the County's special subclass would be approximately \$45,600. The following table compares VDF training requirements and time commitment to those of the other public safety organizations included in the County's special subclass:

	Auxiliary Police	Reserve Deputy Sheriff	Volunteer Fire and Rescue	Virginia Defense Force
Annual length of deployment	288 hours/year	144 hours/year	291 hours/year	120 hours/year
Annual training requirements	N/A*	8 hours/year**	79 hours/year	150 hours/year
<b>Total annual volunteer hours</b>	<b>288 hours/year*</b>	<b>152 hours/year**</b>	<b>370 hours/year</b>	<b>270 hours/year</b>
* Requires 2 months plus 100 hours of field training before able to volunteer alone				
** Requires 10 weeks of classroom and practical training before able to volunteer alone				

Currently, of our surrounding localities in Northern Virginia, only Loudoun County provides an exemption for VDF.

The following table shows the estimated Tax Year 2023 cost to the County of vehicle tax relief for all the categories included in the County's special subclass:

<b>Vehicle Category</b>	<b>Total Count</b>	<b>Total Assessed Value</b>	<b>Tax Levy at \$0.01 per \$100</b>	<b>Tax Levy at \$4.57 per \$100 without Relief</b>	<b>Cost of Relief</b>
Antique Car	9,096	\$4,861,321	\$486	\$222,162	\$221,676
Auxiliary Police/Dep. Sheriff	36	\$818,351	\$82	\$37,399	\$37,317
Volunteer Fire and Rescue	290	\$6,655,373	\$666	\$304,151	\$303,485
Boat	147	\$321,937	\$32	\$14,713	\$14,680
Handicapped Equipped	212	\$2,358,368	\$236	\$107,778	\$107,542
Homeowners' Association	35	\$1,534,588	\$153	\$70,131	\$69,977
Qualifying Elderly and Disabled	1,364	\$10,248,061	\$1,025	\$468,337	\$467,312
Van Pool	5	\$107,461	\$11	\$4,911	\$4,900
Disabled Veterans	5,017	\$134,176,392	\$13,418	\$6,131,861	\$6,118,443
<b>Totals</b>	<b>16,202</b>	<b>\$161,081,852</b>	<b>\$16,109</b>	<b>\$7,361,443</b>	<b>\$7,345,332</b>

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Bierman

**Question:** Please describe what has changed to warrant a new proposed animal service delivery model.

**Response:**

The systemic issues and conflicts between the animal shelter staff and animal enforcement officers resulting from a separate and siloed approach to providing services has been well documented for decades, including in the Police Department's 2016 Animal Services Division Organizational Review:

“This issue of intra-organizational conflict between these two groups was noted fourteen years ago in the 2002 HSUS Report on Fairfax County Animal Services: the observers commented that the Fairfax County Animal Services Division did not do a good job of ‘working together as one agency pulling in the same direction.’ A 2015/2016 review of feedback from staff and stakeholders had similar findings. Despite the passage of more than a decade, this negative and dysfunctional dynamic between animal control and the animal shelter continues, despite the individual success of each side of the house.”

The creation of the Animal Protection Police Unit and the separation of animal care and control services between two departments was the solution the County arrived at based on the 2016 assessment. It was noted in the study that the bifurcated model was atypical in the animal welfare industry and its success depended on the two agencies working together collaboratively. Unfortunately, the issues noted in 2016 still exist today. The County's choice to bifurcate services in 2016 was focused on preserving the law enforcement powers of the officers losing their Special Conservators of the Peace (S-COP) authority and removing the shelter from under Fairfax County Police Department (FCPD), and less on the structure required to position the County to successfully deliver services to a diverse and growing population.

The proposed animal services delivery model creates a structure that embraces industry best practices, aligns the County with neighboring jurisdictions, and establishes one department operating under a unified mission of serving Fairfax County residents and their pets with excellence. Animal services has evolved greatly since the 2016 study and national animal welfare organizations, including the National Animal Control Association (NACA, the premier certification agency for Animal Control Officers), support a consolidated structure for animal services: "NACA believes that by unifying animal sheltering and animal control under the same leadership, agencies can foster a more comprehensive and impactful approach to animal welfare, achieve more positive outcomes and make a lasting impact on the lives of animals and the people who care for them."

There has also been a shift in policing since 2016 towards community-based alternative models in which non-police personnel respond to calls for service when there are no threats of violence and request police support as needed. This is seen through the success of Fairfax County's diversion and intervention programs and co-responder models. Fairfax County human services staff address similar welfare concerns as Animal Protection Police Officers (APPOs) through the provision of resources such as education, food, and housing support provided by social workers as opposed to law enforcement officers. Research from human social support systems demonstrates how models that focus on supportive interventions are more effective at creating positive and sustained outcomes than punitive approaches.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Walkinshaw

**Question:** Animal Protection Police Officers (APPOs) are prohibited from performing some of the duties Police Officers are trained to do. Please explain.

**Response:**

APPOs have the same training and ability as sworn Police Officers to respond to patrol related calls for service. However, the mission of the APPOs is to protect the public while defending and promoting animal welfare and the humane treatment of animals. Therefore, internal Police Department policy limits APPOs' role.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Herrity

**Question:** The Virginia Department of Agriculture and Consumer Services (VDACS) report has different shelter intake numbers than the chart on slide 6 of the “Proposed Department of Animal Sheltering (DAS) and Control Services Consolidation” presentation that was presented to the Board of Supervisors at the January 30, 2024, Safety and Security Committee Meeting. Can the discrepancies be addressed?

**Response:**

The chart on slide 6 of the presentation details Fairfax County Animal Shelter intake in 2023. The 1,200 wildlife that are listed in the VDACS report as reported by the Animal Protection Police (APP) did not enter the shelter; therefore, they are not included in the shelter intake data. The VDACS data and the data presented in the *Fairfax County Animal Shelter Intake 2023* chart on slide 6 are consistent, but there are some differences in how the data is grouped and labeled based on VDACS’ specific reporting requirements. For example, owner surrenders and returns are grouped separately in the *Fairfax County Animal Shelter Intake 2023* chart but combined in VDACS. VDACS also separates out animals in the shelter for bite quarantine from the other intake types. For stray and seized/custody, the *Fairfax County Animal Shelter Intake 2023* chart includes all animals, whereas VDACS excludes Dead on Arrival animals. The *Fairfax County Animal Shelter Intake 2023* chart does not include animals born in care, labeled as “Other” in VDACS, or animals transferred in from other jurisdictions. The *Fairfax County Animal Shelter Intake 2023* chart identifies animals in custody temporarily due to emergencies/domestic violence support as “Courtesy Boarding,” whereas those animals are categorized as “Other” in VDACS.

## **Response to Questions on the FY 2025 Budget**

**Request By:** Supervisor Walkinshaw

**Question:** Describe the Humane Investigator role under the proposed animal services model.

**Response:**

The Department of Animal Sheltering (DAS) proposes creating several Humane Investigator positions within the Animal Control Officer (ACO) organizational structure. Humane Investigators will be responsible for leading complex animal cruelty and welfare investigations for DAS and serving as liaisons to the Fairfax County Police Department and the Office of the Commonwealth's Attorney. These positions will require specialized training beyond the mandatory ACO training, and will provide an opportunity for existing Animal Protection Police Officers to continue to use their criminal investigation skills and operate in a leadership role within the new structure.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Herrity

**Question:** Have discussions been had with our partners in other jurisdictions that use our Animal Protection Police (APP) services and, if so, what is their response to the proposed model? Additionally, has there been any conversation with our state partners, and will we be able to provide the same support to them under the proposed model?

**Response:**

The Department of Animal Sheltering (DAS) provides services to the City of Fairfax, the Town of Vienna, and Fort Belvoir. All three jurisdictions have been informed of the proposed changes. Currently they all utilize Animal Control Officers in their jurisdictions (Ft. Belvoir through a contracted service); thus, they are familiar with the proposed structure, the authorities of ACOs, and the ability for ACOs to provide comprehensive animal control services to their community. The Office of the Commonwealth's Attorney was also informed of the proposed changes and offered to support DAS with training to ensure a successful transition. The Virginia Department of Wildlife Resources was informed of the change, and they will continue to provide support for the County's wildlife programs under DAS.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Herrity

**Question:** Please describe the impact of the proposed animal services model on Police Officers.

**Response:**

Once the proposal is approved, the transition team will identify the number of Animal Protection Police Officers (APPOs) that are interested in transitioning to Animal Control Officer (ACO) positions and how many would be interested in remaining in the Fairfax County Police Department (FCPD) as sworn Police Officers. As ACOs are hired, those APPOs wanting to transition to a sworn Police Officer position within the FCPD will move in phases to ensure there are always enough Animal Protection Police (APPs)/ACOs available to cover the minimum staffing requirements and respond to all animal-related calls for service.

Currently, FCPD detectives and patrol officers provide support to the APP Unit for complex criminal investigations, including assisting in arrests and executing search warrants. That support will continue under the new model. It is not anticipated that additional FCPD resources will be required to support the new structure.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Palchik

**Question:** Describe the difference procedurally on what happens now for various types of animal services calls versus how they will be handled under the proposed model.

**Response:**

For the public, placing a call for assistance with an animal related issue will happen the exact same way, by calling the non-emergency number. Animal Control Officers (ACOs) will be dispatched in the same way as current Animal Protection Police Officers (APPOs) and will be equipped with a portable police radio and a mobile dispatch terminal.

Most emergency calls for animal services in Fairfax County are not law enforcement matters. The majority of calls are requests for assistance with injured, ill, orphaned, or stray animals, or involve minor code violations. ACOs will connect pet owners with a range of shelter services, including free pet food and supplies, the PetHaven Program for victims of domestic abuse, behavior and training support and free and low-cost veterinary care. All calls for service that involve an immediate danger to a resident (dangerous animal, animal attack, etc.) will be sent to the Fairfax County Police Department (FCPD) and ACOs for immediate dispatch, which is current practice today.

ACOs will follow industry best practices with a robust “Return to Home” in-the-field program utilizing identifiers such as IDs or microchips to return a pet to its owner instead of transporting it to the shelter, which creates a barrier to reunification.

ACOs will enforce all applicable laws and regulations pertaining to the proper care, treatment, and control of animals in Fairfax County, including but not limited to: issuing warning and citations; investigating animal cruelty and neglect; investigating animal bites and enforcing rabies control and quarantine regulations; assisting other county agencies; impounding large and dangerous animals; investigating and resolving neighborhood complaints; rescuing injured pets and wildlife; and educating the community about humane treatment of animals.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Jimenez

**Question:** What outreach efforts besides the website will be made to inform the community of the potential changes to animal protection services?

**Response:**

The Department of Animal Sheltering (DAS), the Fairfax County Police Department (FCPD), and the Southern States Police Benevolent Association (SSPBA) have participated in public meetings hosted by the Animal Services Advisory Council. During those meetings, SSPBA, FCPD, and DAS presented their positions and responded to questions and feedback from Animal Services Advisory Commission members and the public. DAS has shared the proposal on social media and on their website. DAS and FCPD scheduled a public meeting to discuss the proposal with wildlife advocates from the County for February 29, 2024, and scheduled additional public meetings for March 11, 2024, and March 13, 2024.

## Response to Questions on the FY 2025 Budget

**Request By:** Chairman McKay

**Question:** In other jurisdictions where a transition to a civilian model for enforcing animal protection laws has occurred, what data is available on the ability to recruit for Animal Control Officer positions? How will this change impact long-term recruiting strategies?

**Response:**

In 2019 the City of Charlotte, located in Mecklenburg County, North Carolina (Charlotte-Mecklenburg) fully transitioned from sworn police officers enforcing animal protection laws to a consolidated model with Animal Control Officers (ACOs) operating under shelter leadership. Charlotte-Mecklenburg animal services serves 1.2 million residents, and responds to 26,000 calls annually. They cited the following advantages of the transition:

1. Easier recruitment and onboarding process for ACOs
2. Alleviated police shortages,
3. Cost savings,
4. Increased efficiencies,
5. Higher conviction rates for serious crimes against animals, and
6. Stronger relationships with their community.

The transition process in Charlotte-Mecklenburg took about one year, and approximately one-third of their officers chose to convert to ACOs. The field services component continues to share dispatch/radio communications and maintains a close relationship with the Charlotte-Mecklenburg Police Department. The Fairfax County Department of Animal Sheltering anticipates converting to ACOs will create additional career opportunities for shelter staff who have expressed interest in field services but are not interested in becoming police officers.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Alcorn

**Question:** Provide the number of animal-related citations that were issued that did not lead to arrest.

**Response:**

Please see the chart below.

Year	Number of Animal-Related Calls for Service	Number of Cases Requiring Search Warrants*	Number of Custodial Arrests*	Number of Citations
2023	18,004	3	1	223
2022	17,845	1	0	161
2021	19,083	2	1	114

\*Fairfax County Police Department detectives and patrol officers currently provide support to Animal Patrol Police for arrests and execution of search warrants; therefore, the transition to Animal Control Officers will not require a procedural change.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Alcorn

**Question:** On slide 10 of the “Proposed Department of Animal Sheltering and Control Services Consolidation” presentation that was presented to the Board of Supervisors at the January 30, 2024, Safety and Security Committee meeting, it is noted that Animal Protection Police Officer pay and retirement will be unaffected? Will rank be affected?

**Response:**

If an individual in an Animal Protection Police Officer (APPO) position converts to an Animal Control Officer (ACO) position under the Department of Animal Sheltering (DAS), their pay, retirement, and supervisory level will remain the same. If an APPO wants to convert to a Fairfax County Police Department position, rank will be negotiated through the effects bargaining process in accordance with the collective bargaining agreement.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Herrity

**Question:** The previous Director for the Department of Animal Sheltering (DAS) met with the Second Lieutenant and the Animal Protection Police Officers (APPOs) every Tuesday during roll call. Has that practice continued under the current leadership?

**Response:**

The previous Director for DAS had regularly scheduled meetings with the Animal Protection Police (APP) Commander. The current Director also has regularly scheduled meetings with the APP Commander. Additionally, the current Director has participated in APP roll call meetings, joined APP for a ride along, met with APPOs individually and in small groups, and met with the county wildlife biologist on numerous occasions. The current Director hosted the APPO unit for lunch at the shelter on three different occasions and invited them to participate in DAS team-building events. Communications with the APPO unit has and will continue to be a top priority for the current Director.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Bierman

**Question:** There seems to be a difference in perception with how often Animal Protection Police Officers (APPO) are put in dangerous situations versus what is portrayed in the presentation at the January 30, 2024 meeting of the Board of Supervisors Safety and Security Committee. Please describe how often non-APPOs are required to respond to APPO incidents. Would there be an increase in the need for police intervention under the new model? Also, discuss the points made in the presentation explaining most calls APPO respond to involve minor call violations and do not require risk.

**Response:**

Many Fairfax County employees experience safety and risk factors associated with their line of work. This includes, among others, social workers, probation officers, and code enforcement officers, that engage with the public, enter residential homes, and have the potential to encounter dangerous situations. The job of the Animal Protection Police Officer is no different. Most emergency calls for animal services in Fairfax County are not law enforcement matters. They are requests for assistance with injured, ill, orphaned, or stray animals, or involve minor code violations. Animal Control Officer's (ACOs), like other County employees, will work with the Fairfax County Police Department (FCPD) to identify and mitigate risks. ACOs will continue to receive the same level of support that APPOs do from FCPD for complex criminal investigations and for arrests and executing search warrants.

In 2023 there were 473 animal-related calls for service that were handled by an FCPD patrol officer; in 2022 there were 313, and in 2021 there were 381. Many of these calls are closed as unfounded. In these cases, it is likely there was a report for an injured animal or other animal concern and a patrol officer already in the area was able to determine that the animal was no longer in the area, or that the concern was not valid and coordinated clearing the event with the dispatcher. Other cases handled by patrol officers are likely due to the event being outside of Animal Protection Police (APP) business hours (6:00 a.m. to 12:30 a.m.), being minor in nature and able to be handled by patrol, or being handled by a patrol officer who routinely works overtime in an APP capacity that clears a call in their area of control while they are available and able to self-dispatch. We anticipate no increased reliance on police under the proposed model.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Bierman

**Question:** Please circulate the University of Denver study which discussed why the non-law enforcement model has better animal welfare outcomes.

**Response:**

There is a growing body of research in animal welfare on the impacts of poverty and structural inequality on pet ownership and an understanding that the provision of resources and supportive interventions are more effective at creating positive and sustained outcomes than approaches based on enforcement and punishment.

At the January 30, 2024 Board of Supervisors Safety and Security Committee meeting, Department of Animal Sheltering Director Currier referenced research from the [University of Denver's Institute for Human-Animal Connection](#)'s article: Hawes SM, Hupe T, Morris KN (2020) **Punishment to support: the need to align animal control enforcement with the human social justice movement.** *Animals* 10:1902. <https://doi.org/10.3390/ani10101902>.

The leading national animal welfare organizations are united in their support for a community-centered approach to animal services that focuses on increasing the equitable access to services needed to keep families and pets together by integrating field services into the delivery of shelter programs and resources and engaging law enforcement when necessary. These organizations include:

- The Humane Society of the United States-Pets for Life program,
- Human Animal Support Services (HASS),
- Maddie's Million Pet Challenge - Maddies Million Pet Challenge, and
- Humane Animal Control Manual Best Friends Animal Society.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Herrity

**Question:** Has the Metro funding formula been adjusted based on ridership? When is it scheduled to happen?

**Response:**

Both Metrobus and Metrorail use ridership as part of the formula to determine annual subsidy allocation amounts. The ridership input for both modes is determined by surveys conducted roughly every five years. The most recent rail ridership survey was done in 2022 and the most recent bus ridership survey was conducted in 2018 and the results of those surveys are being used to determine the ridership components for the rail and bus budgets for FY 2025, respectively. A new bus survey will be completed by the end of calendar year 2024 and the resulting data will be used as part of the preparation for the FY 2026 budget.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Palchik

**Question:** Please provide updates on state proposals for Metro funding as they progress through the state budget process.

**Response:**

As discussed at the Board's February 23, 2024, Legislative Committee, both the Virginia Senate and House of Delegates budget bills include an exemption to the three percent cap on the annual jurisdictional subsidy increase.

The Virginia House of Delegates budget bill includes \$65 million in additional support for Metro in FY 2025 and \$84 million for FY 2026. The Virginia Senate's budget bill does not include any additional funding.

The Metro General Manager's Revised Proposed Budget seeks approximately \$130 million in increased subsidy funding from Virginia. Compact member jurisdictions, including Fairfax County, would be required to cover Metro requirements that are not addressed by the state. The House budget would address half of the proposed subsidy increase, leaving \$65 million to local governments.

Staff will continue to monitor and update the Board as the General Assembly reaches a resolution about the level of support the state budget provides for Metro. Budget adjustments to address Fairfax County's share of the jurisdictional subsidy will be made as part of either FY 2025 budget adoption or the *FY 2024 Carryover Review*, depending on when both the Commonwealth and Metro adopt their respective budgets.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Alcorn

**Question:** Does the Advertised Budget include sufficient funding to meet Fairfax County's share of the Metro Jurisdictional Subsidy without the \$65 million from the Commonwealth included in the House of Delegates budget bill?

**Response:**

As of late February 2024, Metro has not released updated operating subsidy requirements for individual jurisdictions for the Revised FY 2025 Proposed Budget presented to the Metro Board on February 8, 2024. The following is an estimate based on the state-level subsidies assumed in the Metro Revised FY 2025 Proposed Budget and the County's share of the original Metro General Manager's Proposed FY 2025 Budget from December 2023.

The Revised FY 2025 Proposed Budget includes \$480 million in additional regional investment above the annual three percent capped increase. Maryland's budget includes \$150 million, and the District of Columbia committed to \$200 million in an additional Subsidy. The remaining \$130 million was anticipated from Virginia per budget amendments in the General Assembly. In the interim, the Senate budget bill does not contain any funding for Metro. However, the House of Delegates budget bill includes \$65 million in additional funding for Metro in FY 2025, leaving \$65 million for the Virginia Metro member jurisdictions to address.

Funding for Metro in the Advertised Budget was based on earlier estimates and, comparing with the increases included in the Revised Proposed budget, it roughly correlates to a \$38.2 million increase in the contribution from the state to Metro above what is provided by existing revenue streams such as state aid and gas tax to support the combination of services and fares in the Revised Proposed Budget. Any contribution above that amount would help the County address other important priorities, and any contribution less than that would likely require a combination of increased local support, fare increases or service reductions. Estimated impacts range between up to \$12.4 million in savings to additional costs of up to \$19.3 million and these values may change depending on decisions in the General Assembly as well as how other funding partners approach the WMATA budget.

County staff will continue to monitor actions at the General Assembly and the Metro Board. Additional updates will be provided at future Budget Committee meetings and the Add-On Package as part of the FY 2025 budget process. It should be noted that Metro's Revised Proposed Budget anticipates revenues that have yet to be authorized by compact members and Metro cannot adopt a budget that exceeds the funding authorized by jurisdictions. If authorized revenues are lower than anticipated for the Revised Proposed Budget, service reductions or fare adjustments will be required to balance the budget within available resources.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisors Herrity and Smith

**Question:** Provide details on how the deer management program will work under the proposed animal services model. For example, how will wildlife be euthanized in the field?

**Response:**

The Fairfax County Deer Management Program was developed in response to the concerns of county residents about the growing number of deer. The goal of the program is to reduce the deer population within Fairfax County to healthier, more sustainable levels to minimize safety, health and environmental impacts related to overabundant deer.

Under Virginia law, Animal Control Officers (ACOs) can euthanize wildlife in the field by firearm and by chemical injection. In some jurisdictions, such as Loudoun County, ACOs are armed. In others, such as Arlington and Alexandria, they are not.

The Department of Animal Sheltering (DAS) and the Fairfax County Police Department (FCPD) met with wildlife rehabilitators and advocates at a community meeting on February 29, 2024, to listen to concerns and provide accurate information on the proposal. Based on the feedback from residents, industry experts and other county agencies, it was determined that the wildlife management program, including the deer management program and other services, will not be included in the consolidation of animal services. The FCPD will continue to work with the Park Authority, other county agencies, and the community to determine the best placement for this program to ensure its long-term success. The wildlife management program's services are overseen by the Board of Supervisors and will continue to be provided, unchanged.

## Response to Questions on the FY 2025 Budget

**Request By:** Chairman McKay and Supervisor Bierman

**Question:** Please provide a history of County and Schools employee compensation increases over the past 10 years, including the amounts in the FY 2025 advertised budgets and this year's FCPS mid-year adjustment.

**Response:**

The chart below shows the history of average compensation increases for County and School employees by employee group since FY 2015.

	COUNTY					SCHOOLS <sup>1</sup>				
	Average Compensation Increases					Average Compensation Increases				
	Fire and Rescue Uniformed	Sheriff Uniformed	Police Uniformed	DPSC Uniformed	General County	Teachers (VRS/ERFC)	Non-Teachers (VRS/ERFC)	Classroom Instructional Support (VRS/ERFC)	Trades/Custodial (FCERS)	Transportation Personnel (FCERS)
<b>FY 2025 (ADV)</b>	7.85%	7.85%	10.69%	8.73%	3.83%	6.00%	6.00%	6.00%	6.00%	6.00%
<b>FY 2024<sup>2</sup></b>	7.83%	7.83%	12.83%	7.83%	7.50%	7.22%	7.22%	7.22%	7.22%	7.22%
<b>FY 2023</b>	9.31%	9.31%	9.31%	18.11%	6.16%	6.68%	6.68%	6.68%	6.68%	8.68%
<b>FY 2022</b>	1.00%	1.00%	1.00%	1.00%	1.00%	2.00%	2.00%	4.24%	2.00%	5.70%
<b>FY 2021</b>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.32%	0.00%	0.00%
<b>FY 2020</b>	4.35%	4.35%	5.85%	4.35%	4.10%	6.36%	3.76%	6.24%	3.76%	3.76%
<b>FY 2019</b>	4.50%	7.50%	4.50%	4.50%	4.25%	6.38%	6.06%	6.06%	6.06%	6.06%
<b>FY 2018</b>	2.25%	2.25%	2.25%	2.25%	2.00%	4.40%	2.30%	2.30%	2.30%	2.30%
<b>FY 2017</b>	3.83%	3.83%	3.83%	3.83%	3.33%	6.22%	3.30%	3.30%	3.30%	3.30%
<b>FY 2016</b>	3.35%	3.35%	3.35%	3.35%	3.60%	2.92%	2.92%	2.92%	2.92%	2.92%
<b>FY 2015<sup>3</sup></b>	6.54%	3.54%	3.54%	3.54%	2.29%	2.25%	2.25%	2.25%	2.25%	2.25%
<b>Average</b>	<b>4.62%</b>	<b>4.62%</b>	<b>5.20%</b>	<b>5.23%</b>	<b>3.46%</b>	<b>4.58%</b>	<b>3.86%</b>	<b>4.50%</b>	<b>3.86%</b>	<b>4.38%</b>

<sup>1</sup> Average for all eligible employees (FY 2015-FY2018). Beginning in FY 2019, step represents the average increase for all employees.

<sup>2</sup> FCPS included a compensation increase of 2% effective January 1, 2024, based on the 2023 Special Session I General Assembly amendments adopted on September 6, 2023.

<sup>3</sup> FCPS delayed the step increase to November for most employees in FY 2015.

## Response to Questions on the FY 2025 Budget

**Request By:** Chairman McKay

**Question:** Please provide a chart with average home values, average tax rate, and average real estate tax bill for Fairfax County, Arlington County, the City of Alexandria, Prince William County, and Loudoun County.

**Response:**

Table 1 provides information about the average residential assessments, **proposed** real estate tax rates, and the average real estate tax bill for several Northern Virginia jurisdictions for calendar year 2024 (FY 2025).

**TABLE 1**  
**CALENDAR YEAR 2024 REAL ESTATE TAX INFORMATION FOR NORTHERN VIRGINIA JURISDICTIONS**

	Arlington County*	Fairfax County**	City of Alexandria	Prince William County***	Loudoun County
Average Residential Assessment	\$824,700	\$744,526	\$698,829	\$527,743	\$727,900
Base Tax Rate per \$100 of Assessed Value	\$1.0280	\$1.1350	\$1.1100	\$1.0380	\$0.8750
Additional Tax Rates (all properties)	--	\$0.0335	--	\$0.0025	--
Stormwater Utility Fee	\$258	--	\$320	\$47.50	--
<b>Total Tax Bill</b>	<b>\$8,736</b>	<b>\$8,700</b>	<b>\$8,077</b>	<b>\$5,539</b>	<b>\$6,369</b>

\*For FY 2025, Arlington County has proposed to replace the 1.7-cent stormwater tax rate with an annual stormwater fee of \$258. It should also be noted that Arlington advertised an additional 1.0 cent increase on their Real Estate tax rate.

\*\*Fairfax County additional tax rates include stormwater and pest management levies.

\*\*\*Prince William County base tax rate includes the base levy of \$0.966 and the fire and rescue levy of \$0.072. Additional tax rate includes a levy for mosquito and forest pest management.

Table 2 provides information about the tax bill of a residential home with an assessed value of \$800,000 in several Northern Virginia jurisdictions for calendar year 2024 (FY 2025) based on the **proposed** tax rates and stormwater fees.

**TABLE 2**  
**TAX BILL FOR A RESIDENTIAL HOME WITH ASSESSED VALUE OF \$800,000**

	Arlington County	Fairfax County	City of Alexandria	Prince William County	Loudoun County
Base Tax Rate per \$100 of Assessed Value	\$1.0280	\$1.1350	\$1.1100	\$1.0380	\$0.8750
Additional Tax Rates (all properties)	--	\$0.0335	--	\$0.0025	--
Stormwater Utility Fee	\$258	--	\$320	\$47.50	--
<b>Total Tax Bill</b>	<b>\$8,482</b>	<b>\$9,348</b>	<b>\$9,200</b>	<b>\$8,372</b>	<b>\$7,000</b>

## Response to Questions on the FY 2025 Budget

**Request By:** Chairman McKay and Supervisor Smith

**Question:** Please provide the status of the recommendations that came out of the Joint CIP Committee.

**Response:**

In February 2020, the Board of Supervisors and the School Board established a joint Capital Improvement Program (CIP) working group to allow for information sharing, prioritizations, and planning by both the County and Fairfax County Public Schools (FCPS). The Committee spent its time reviewing existing Financial Policies, considering the financing options available for capital projects, understanding the capital project requirements identified for both the County and FCPS, and evaluating the current CIP Plan and processes. Following these discussions, the Committee arrived at a series of recommendations, which included:

- 1. Gradually increasing the General Obligation (GO) Bond sale limit from \$300 million to \$400 million annually. A bond sale increase of \$50 million would be effective in January 2023 (\$25 million each for County and Schools); and a bond sale increase of \$50 million effective in January 2025 (\$25 million each for County and Schools).***

The first increase in GO bond sales occurred in January 2023 when a total of \$350 million was sold (\$145 million for County projects and \$205 million for School projects). This same GO bond sale amount of \$350 million was sold in January 2024. In January 2025, the planned sale will reach the County's annual GO bond sale limit of \$400 million (\$170 million for County projects and \$230 million for School Projects).

- 2. Dedicating the equivalent value of one penny on the Real Estate tax for the capital program and splitting those funds between the County and FCPS to support infrastructure replacement and upgrade projects and debt service requirements on the increased annual sales.***

Although recent budgets have not fully dedicated the value of a penny of the Real Estate tax to the capital program, they have begun to set aside Paydown funding for both the County and FCPS. Baseline funding in the amount of \$5 million was included (\$2.5 million each) in FY 2023 and is proposed to continue for FY 2025. In addition, the FY 2025 budget includes an increase of \$8.1 million in debt service to support the increased sales for both County and Schools. This \$8.1 million debt service increase and the \$5 million for capital paydown projects total \$13.1 million, approximately 40.6 percent of the FY 2025 estimated value of a penny on the real estate tax rate of \$32.3 million.

It is anticipated that additional capital project funding will be available at budget quarterly reviews and increases to the Sinking Fund will supplement this funding.

3. ***Increasing the percentage allocated to the Capital Sinking Fund at year-end and including FCPS in the allocation.***

Beginning at the *FY 2022 Carryover Review*, the Capital Sinking Fund was increased from 20 percent to 30 percent of available year-end balances and included FCPS in the allocation of funds for the first time. The funding is allocated as follows: 45 percent for Facilities Management Department (FMD), 25 percent for FCPS, 15 percent for parks, 7 percent for walkways, 5 percent for County-owned roads, and 3 percent for revitalization improvements. Funding provides for infrastructure replacement and upgrades, such as roofs, HVAC and electrical systems, and reinvestment in trails, pedestrian bridges, and other infrastructure improvements. Since FY 2014, a total of \$167,052,481 has been dedicated to the capital sinking fund and allocated for infrastructure replacement and upgrades including \$19,384,503 which has been allocated to Schools. Total allocations to date follow:

Program Area	Total Allocated to Date
County Roads	\$12,036,458
FCPS	19,384,503
FMD	84,020,366
Parks	29,685,889
Revitalization	6,210,771
Walkways	15,714,494
<b>Total</b>	<b>\$167,052,481</b>

A copy of the final Joint CIP Committee Report approved by the Board of Supervisors on December 7, 2021, is also attached.

# Joint CIP Committee Report

Report and Recommendations of the Fairfax County Board  
of Supervisors and Fairfax County School Board Joint CIP  
(Capital Improvement Program) Committee

OCTOBER 2021

### Members of the Joint CIP Committee

Kathy L. Smith, Fairfax County Board of Supervisors (Chair)

John W. Foust, Fairfax County Board of Supervisors

Laura Jane Cohen, Fairfax County School Board

Abrar Omeish, Fairfax County School Board

Timothy Sargeant, Planning Commission (ex-officio)

Phillip Niedzielski-Eichner, Planning Commission (ex-officio)

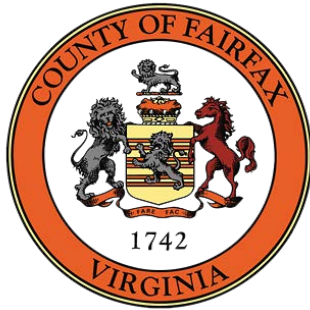


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## ESTABLISHMENT OF THE JOINT CIP COMMITTEE

The Joint Board of Supervisors/School Board Capital Improvement Program (CIP) Committee was established following a Board of Supervisors/School Board retreat on February 3, 2020. The two Boards discussed several opportunities for continued collaboration and goals for the future, including scheduling a joint meeting between the School Board and Planning Commission to discuss the CIP and work done by the Commission in its CIP Committee. On February 25, 2020, Chairman McKay further defined that request to include a joint CIP working group to allow for information sharing, prioritizations, and planning by both the County and Fairfax County Public Schools.

On September 24, 2020, representatives from the School Board and the Planning Commission met to discuss the County and Schools CIP. The majority of the discussion focused on colocation/joint use facilities and current renovation schedules. The participants also emphasized continued work on integrating the One Fairfax initiative into the CIP process, considering available space for repurposing of facilities, and the potential for workforce housing on school sites.

## ACKNOWLEDGEMENTS

The Committee wishes to acknowledge and recognize the work of County and School staff in the preparation of materials for Committee review and in the development of the Committee's recommendations. Special thanks to: County Executive Bryan Hill; FCPS Superintendent Scott Brabrand; former County Chief Financial Officer, Joe Mondoro; Chief Financial Officer and Director of the Department of Management and Budget, Christina Jackson, FCPS Assistant Superintendent of Facilities and Transportation Services, Jeffrey Platenberg; County Capital Programs Coordinator, Martha Reed; FCPS Special Projects Administrator, Capital Improvements and Planning, Jessica Gillis; County Debt Manager, Joe LaHait; and staff from the Department of Planning and Development, Fairfax County Park Authority, Department of Public Works and Environmental Services and the Facilities Management Department.

## BACKGROUND AND CONCLUSIONS

The Committee met approximately every six weeks for a year beginning in November 2020. All meeting materials and presentations can be found at: <https://www.fairfaxcounty.gov/budget/joint-board-supervisorsschool-board-cip-committee>.

Although the Committee considered several topics for evaluation, ultimately the following topics were discussed:

- ✓ Review of the County and Schools CIP and the CIP processes
- ✓ Success/history/outcomes of the last joint CIP Committee (Infrastructure Financing Committee)
- ✓ Bond funding levels and County/Schools split
- ✓ Financing Options Available for capital projects
- ✓ Coordination opportunities between Schools and County CIPs
- ✓ Prioritization of projects
- ✓ County/Schools Joint Use projects

Ultimately, the Committee spent its time 1) reviewing the County’s existing Financial Policies, 2) considering the financing options available for capital projects, 3) understanding the capital project requirements identified for both the County and Schools, and 4) evaluating the current CIP Plan and processes. Following these discussions, the Committee arrived at the series of recommendations outlined later in this report.

Reviewing the County’s existing Financial Policies

Several County policies were reviewed by the Committee. These policies provide the background and guidance that staff use to develop the CIP each year.

CIP Financial Policies and Guidelines

<p><b>Ten Principles of Sound Financial Management</b></p> <ul style="list-style-type: none"><li>• Statement of Board’s commitment to the County’s financial policies</li><li>• Adopted in 1975, last amended in 2018</li><li>• Essential for maintaining the Triple A credit rating</li><li>• Debt as a percentage of market value should be below 3 percent (currently 1.10 percent)</li><li>• Debt as a percentage of General Fund Disbursements should be below 10 percent (currently 8.03 percent)</li><li>• Total bond sale limit is \$300 million per year</li><li>• Debt Service affordability</li></ul>	<p><b>Adopted Principles of Sound Capital Planning</b></p> <ul style="list-style-type: none"><li>• Comprehensive Plan is the basis for capital planning</li><li>• Public participation in the CIP process is encouraged</li><li>• Long-term maintenance, renewal and replacement requirements should be adequately addressed</li><li>• Supports efforts to promote economic vitality</li><li>• Supports the development of affordable and effective multi-use public facilities as feasible</li><li>• Provides for facilities that are cost effective and consistent with appropriate best practice standards</li><li>• Guided by the County’s adopted Ten Principles of Sound Financial Management</li></ul>
<p><b>PPEA Guidelines adopted in October 2005, Updated in FY 2008</b></p> <ul style="list-style-type: none"><li>• Has project already been identified as a Board priority and included in the CIP?</li><li>• What kind of budgetary resources will be required?</li><li>• Is timing of the essence to take advantage of the opportunity?</li><li>• Will this proposal interfere with projects currently identified in the CIP?</li><li>• Can any required debt be accommodated?</li></ul>	<p><b>Cooperation between County and Schools Resolution adopted in September 2007</b></p> <ul style="list-style-type: none"><li>• County and Schools will share information about service delivery requirements</li><li>• Consider joint and compatible uses during CIP development</li><li>• The Park Authority will also share information and consider joint and compatible uses</li></ul>

In addition to the review of existing County Financial policies, the County’s Financial Advisor, PFM Financial Advisors LLC, conducted a debt policy review of Fairfax County with comparisons to neighboring jurisdictions. This review included an evaluation of the County’s entire debt program, and the following conclusions were reached:

- ✓ Fairfax County’s existing debt policies and practices are sound
- ✓ Fairfax has additional borrowing capacity it can tap into without jeopardizing its bond ratings
- ✓ Debt service is a non-discretionary item in the operating budget
  - ✓ More debt service requires flexibility in the operating budget to be able to manage through downturns and the unexpected

- ✓ Expanded use of pay-go (Paydown) sources adds flexibility
- ✓ Additional sensitivity analysis can be used to test results of higher borrowing levels
- ✓ Fairfax can explore possible ways to increase funding for the capital program but must:
  - ✓ Maintain affordability of annual debt service in the operating budget
  - ✓ Consider debt policies and the need to remain in compliance
  - ✓ Assume protection of triple-A ratings
  - ✓ Continue positive credit agency views of the County's debt burden

### Considering the financing options available for capital projects

Many financing options for capital projects were discussed with the objective of addressing current and future capital needs. The Committee recognizes that all capital funding is supported by the General Fund or general tax dollars. Cash payments for capital projects are budgeted annually for selected projects and are referred to as Pay-go or Paydown projects. The more common financing method supporting the County's Capital Program is the use of General Obligation Bonds. This form of borrowing is commonly used by municipal and state governments and uses an amortization period of 20-30 years. This financing uses the Equity Principle, spreading the debt repayment over multiple generations of users. In addition, the interest rate on municipal and state bonds may be tax-exempt from federal and state taxes. Fairfax County also uses Economic Development Authority (EDA) Revenue Bonds, Sewer Revenue Bonds, and Virginia Resources Authority Bonds.

Additional information concerning the use of EDA bonds for both County and Schools capital projects in recent years can be found at: [list of past and future Fairfax County Economic Development Authority - Q&A](#).

### Understanding the capital project requirements identified for both the County and Schools

The Committee comprehensively reviewed both the Paydown (cash financed) and Bond capital programs as the most important financial tools in supporting both County and School capital projects.

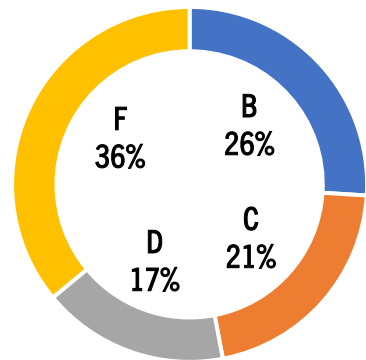
**Paydown:** The Paydown Program typically includes infrastructure replacement and upgrades (Major Maintenance/Capital Renewal), ADA compliance, athletic field improvements, and other facility improvements of a capital nature.

A significant backlog of infrastructure replacement projects (Major Maintenance/Capital Renewal) was determined in both the County and Schools programs based on limited funding for Paydown projects. School funding for Paydown projects has been in the \$25 million range for the past several years, with \$13.1 million provided from the County based on the recommendations of the Infrastructure Financing Committee. This funding level has not changed since FY 2016. In addition, funding for the Schools program is supplemented with approximately \$10 million per year for critical projects. Although best practices suggest that "maintenance and repair should be in the range of 2 to 4 percent of the Current Replacement Value (CRV) of facilities," the school system maintenance and repair funding is approximately 1.2 percent of the CRV.

The 5-year average for County Paydown annual funding has been approximately \$5.8 million. The County has been successful at redirecting General Fund balances at quarterly reviews, specifically using year-end balances to supplement the Paydown Program. The 5-year average funding applied to the Paydown Program at quarterly

reviews has been \$8.9 million, for a total 5-year average annual program of \$14.7 million. This practice, in addition to the Capital Sinking Fund program, has enabled many critical projects to move forward. The Capital Sinking Fund was established in FY 2014 as a mechanism to direct onetime year-end savings to critical infrastructure replacement projects. However, the County still operates with a significant backlog of projects identified as Category F: urgent/safety related, or endangering life and/or property; and Category D: critical systems beyond their useful life or in danger of possible failure which are unfunded on an annual basis. The following graphics demonstrates the breakdown of existing County projects by Category.

**Percentage of Projects Identified  
in Deficiency Categories**

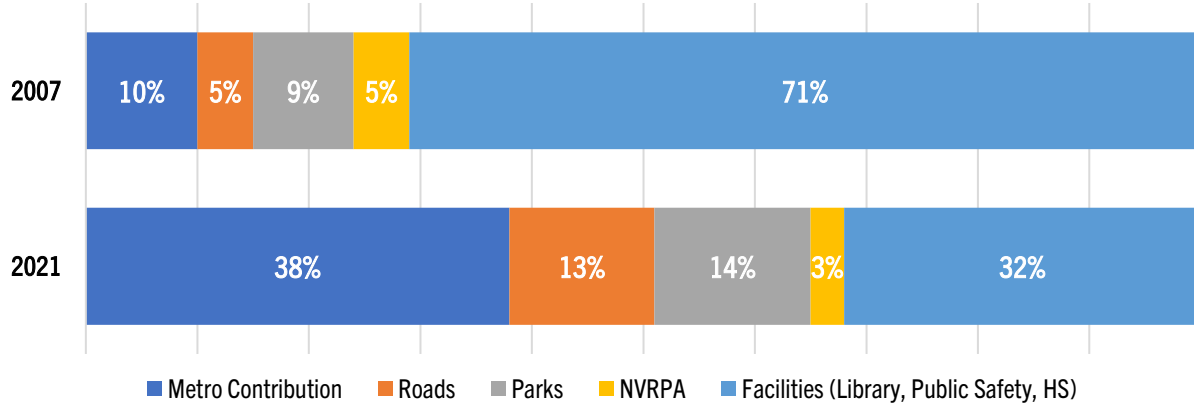


**General Obligation Bond Program:** The Committee comprehensively reviewed the General Obligation Bond Program as the single most important financial tool. In recent years both the County and Schools Bond programs have been experiencing challenges associated with bond sale limits and annual requirements for projects. The annual bond sale limits have not increased since 2007 for the County and since 2019 for the Schools.

The current annual bond sale limit results in a 37-year renovation cycle for school facilities. This can lead to equipment failures, energy inefficiencies, cost increases and safety concerns. The School Board has adopted the following policy for facility renovations: *It shall be the goal of the Fairfax County School Board to provide for the systematic renovation of the school facilities and other School Board-owned buildings. Further, it shall be the goal of the Fairfax County School Board that school facilities be renovated on a 20- to 25-year cycle. Building renovations shall be designed to meet the needs of the educational program and to extend the useful life of a facility by 20 or more years.* Additional bonding capacity would enable staff to update the renovation queue for the 200+ Schools and Centers spanning over 28 million square feet.

The County General Obligation Bond Program is also experiencing its own unique financing and cost challenges. The primary cost-driving factor is recent increased bond sale requirements for Metro. In 2007, Metro requirements represented 10 percent of the entire program and other County facilities represented 71 percent. In 2021, Metro requirements increased to 38 percent of the entire program and other County facilities decreased to 32 percent. The increased Metro requirements have significantly strained the needs for the remaining County programs. The County bond sales in both 2007 and 2021 totaled \$110 million; however, the allocations within each sale differed vastly, as illustrated in the following chart.

### 2007 vs 2021 Bond Sale Comparison



Select County projects can change in scope, location, or are added into larger colocation projects (e.g. Kingstowne Complex). Additionally, the timeframe for completion of renovations is affected by the amount of work that can occur annually to minimize operational disruption (e.g. courtroom renovations). These factors have led to slower than initially projected bond cashflow requirements, and a backlog of bond sale amounts while approaching the County's eight-year bond referendum deadline. In many cases this will require a staff recommendation for the two-year extension to sell the remaining balance of the bonds. Finally, current construction market costs are being impacted by material price increases, material shortages, delivery and shipping delays, supply chain demands, an increase in labor wage rates compounded by a shortage of labor, and compliance with environmental/energy initiatives increasing the cost of capital projects.

### Evaluating the Current CIP Plan and processes

Finally, the Committee reviewed the current County capital program, including the long-term bond referendum plan, and the CIP approval process and considered some changes to the program in order to appropriately scope and time future referendum.

The primary components of the County's capital program and the Board approval process for each component are outlined below:

The **General Fund Capital Program** is developed as part of the Advertised Budget and included in the CIP.

The Board approves the General Fund Capital Program as part of the budget adoption process.

The **Capital Sinking Fund** is approved by the Board as part of the Carryover Review by committing 20 percent of Carryover balances for critical infrastructure replacement and upgrades projects throughout the County.

Since FY 2014, the County has allocated \$64 million to the capital sinking fund.

**Rates for self-supporting funds** are developed (Stormwater, Wastewater, Solid Waste) as part of the Advertised Budget and support projects in the CIP. The Board approves these rates as part of the budget adoption process.

The **General Obligation Bond Referendum Plan** is developed as part of the CIP.

The Board approves the plan and bond resolutions each summer prior to the fall referendum.

The Board reviews and approves a citizen informational pamphlet on the proposed bond referendum projects.

GO Bond sales typically occur annually in January following Board approval.

**Economic Development Authority Bonds** provide opportunities for the County to leverage public and private sector funds to advance major capital investments in infrastructure.

These projects are proposed annually in the CIP, discussed in budget committee meetings and in individual Board member briefings. A formal plan of finance is then formally approved by the Board.

All CIP project funding and schedules are adjusted annually based on the most current information. However, changes in appropriation levels are approved by the Board at quarterly reviews or as part of the annual budget process.

Some of the CIP changes for future consideration include:

- ✓ Reviewing and potentially adjusting the timing and size of future Bond Referenda for the County. The County may want to move away from the current schedule of planning referenda by purpose every 4 years. Based on actual experience, some referendum may not need to occur every 4 years.
- ✓ Reviewing the possibility of delaying the fall 2022 County Referendum. The current CIP includes a \$97 million bond which maybe be recommended for deferral until a later year based on the backlog of bond sale requirements for current approved projects.
- ✓ Reviewing the assumptions used in future year CIP projections.
- ✓ Accounting for the complexity of co-location projects by providing more flexibility in bond referendum questions.
- ✓ Providing Paydown funding for feasibility studies to better define colocation opportunities, identify project needs, and develop better cost estimates.

## RECOMMENDATIONS

The Committee's discussions proved to be very beneficial and helpful in developing the group's recommendations. The Committee forwards the following CIP recommendations to the Board of Supervisors and School Board for immediate consideration.

### #1 Increase General Obligation Bond Sale limits from \$300 million to \$400 million annually

- ✓ The Committee recognizes that bond sale limits have not increased since 2007 for the County and 2019 for the Schools
- ✓ The Committee recommends a gradual increase to reach the \$400 million sales per year. A bond sale increase of \$50 million would be effective in January 2023 (\$25 million each for County and Schools); and a bond sale increase of \$100 million effective in January 2025 (\$50 million each for County and Schools)
- ✓ Debt service payments would begin in the fiscal year following each bond sale
- ✓ Ultimately both the County and Schools would receive an additional \$50 million
- ✓ The revised total for the County would be \$170 million and for the Schools would be \$230 million
- ✓ This change would be incorporated into the *Ten Principles of Sound Financial Management* as part of the adoption of the FY 2023 budget

### #2 Dedicate the equivalent value of one penny on the Real Estate tax to the capital program

- ✓ Recommended as part of the FY 2023 budget to support both Paydown and future debt service
- ✓ In FY 2023, no debt service payments would be required, and the entire dedicated 'penny' would be directed to Capital Paydown
- ✓ First year Paydown increases would be split evenly between the County and Schools
- ✓ Assuming a penny value of \$28 million, \$14 million each would be provided for County/Schools Paydown projects in FY 2023

- ✓ The second year would include the first debt service payment with the balance in Paydown
- ✓ In FY 2024, assuming debt service requirements of \$2 million each, approximately \$12 million would be directed to County and Schools for Paydown
- ✓ As debt service requirements grow, Paydown would be reduced until reaching a baseline amount of \$10 million
- ✓ Debt/Paydown needs would gradually exceed the value of one penny, but would be adjusted as part of annual budget process

**Projected Allocations\***

(in millions)

	County		Schools		Total
	Debt	Paydown	Debt	Paydown	
FY 2023	\$0.0	\$14.0	\$0.0	\$14.0	\$28.0
FY 2024	\$2.0	\$12.0	\$2.0	\$12.0	\$28.0
FY 2025	\$4.0	\$10.0	\$4.0	\$10.0	\$28.0
FY 2026	\$7.9	\$10.0	\$7.9	\$10.0	\$35.8
FY 2027	\$11.7	\$10.0	\$11.7	\$10.0	\$43.4
FY 2028	\$15.5	\$10.0	\$15.5	\$10.0	\$51.0

\* Assumes \$25 million increase each for County and Schools in January 2023 and January 2025; Assumes 3% interest rate

**#3 Increase the percentage allocated to the Capital Sinking Fund at year-end and include Schools in the allocation**

- ✓ The overall allocation to the Sinking Fund would increase from 20% to 30% of balances not needed for critical year-end items
- ✓ Schools would receive 25% of this allocation; County staff would reevaluate the percentages to each of the remaining areas (FMD, Parks, Walkways, County-owned Roads and Revitalization)
- ✓ This policy would have resulted in contributions for Schools totaling approximately \$28 million over the past 5 years

These recommendations would allow both the County and Schools to support more critical infrastructure replacements projects and address backlogs, account for increased construction costs and impacts associated with a potential Prevailing Wage Ordinance and provide for enhanced environmental sustainability initiatives. In addition, this increased investment will allow the County to support increasing Metro capital obligations, while sustaining facility requirements and will allow the Schools to design and construct 1-2 additional school capital improvement projects per year.

## TIMELINE FOR CHANGES

- ▶ November 23, 2021: Discuss Report at Joint Board of Supervisors/School Board Budget Policy Meeting
- ▶ December 2021: Discuss proposed changes with rating agencies in advance of January 2022 bond sale (to prepare for increased sale in January 2023)
- ▶ December 2021: School Board discussion regarding Boundary Change Report and potential next steps
- ▶ Spring 2022: Board of Supervisors approves FY 2023 Budget with change to *Ten Principles of Sound Financial Management* Bond Sale limits and increased Paydown
- ▶ January 2023: First Bond sale with higher sales (County at \$145 million and Schools at \$205 million)
- ▶ FY 2024: First year of debt service requirements for higher sales
- ▶ January 2025: Second Bond sale increase (County at \$170 million and Schools at \$230 million)
- ▶ FY 2026: First year of debt service requirements for the total \$100 million increase

## OTHER SUGGESTIONS FOR THE FUTURE

The Committee further benefited from a number of discussions and recommends the following suggestions for staff consideration in the future.

**Refunding savings:** If possible, any savings generated from the refunding of existing bonds should be redirected to one-time capital project costs. Staff will review the appropriate allocation of refunding savings in consideration of both County and Schools project needs.

**Policy Plan updates:** The planning process associated with the development of the CIP will be strengthened by the process currently underway to update the Policy Plan component of the County's Comprehensive Plan. The Planning Commission members of the Committee believe this work will result in additional ties between planning efforts and the CIP. The Planning Commission CIP committee and the Board of Supervisors will work with CIP staff to enhance their roles in the review and development of recommendations for the annual CIP.

**Capital Project design:** The Planning Commission has long supported the co-location efforts reflected in the CIP. With this in mind, staff should be encouraged to evaluate the use of incremental/modular design or prototype design when possible. Incremental or modular design efforts would include building facilities that can easily be expanded in the future and prototype design would include using the same design plans for several similar projects. This may result in cost savings and efficiencies in the future.

**Feasibility Studies:** To better define needs and prompt additional co-location projects, staff should consider annual funding for CIP feasibility studies as part of the proposed Paydown increase. These studies would enable staff to define and focus on the most pressing requirements and assess the feasibility of co-locating multiple County programs within one complex and/or co-locating County and Schools programs within one facility or complex. Feasibility studies would provide comprehensive evaluations, cost estimates, and allow for better referendum planning and timing.

**Space Opportunities:** Staff should continue to examine opportunities to use commercial space for County/School uses. It is anticipated that more space will become vacant as businesses adjust to larger teleworking postures as a result of the COVID-19 pandemic.

**Continuous Discussions:** The Board of Supervisors and the School Board should discuss the CIP on a continuous basis and not just once a year. The Committee would like to see more transparency in how things get included in the CIP and see closer ties between the CIP, One Fairfax, and the Environmental Agenda.

## CONCLUSION

The Committee appreciated the opportunity to review and offer recommendations on these critical issues. The Committee believes that the recommendations included in this Report, if implemented, will help the County and Schools make significant progress in addressing the current capital challenges. The Committee looks forward to working with the full Board of Supervisors, School Board, and county and school staff in implementing these recommendations.

Adopted this 14<sup>th</sup> day of October 2021



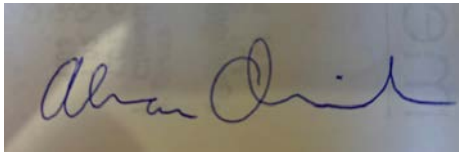

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Kathy L. Smith, Committee Chair  
Board of Supervisors



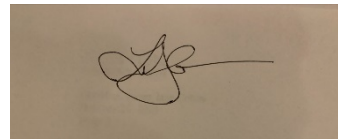

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John W. Foust  
Board of Supervisors




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Abrar Omeish  
School Board




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Laura Jane Cohen  
School Board

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Alcorn

**Question:** Regarding Transient Occupancy Tax (TOT), please provide a summary over time (5-10 years) and a comparison of the projection for FY 2025 to pre-pandemic levels and please indicate whether Fairfax County has implemented the maximum allowable TOT rate?

**Response:**

The 2020 General Assembly authorized all counties in Virginia to levy a Transient Occupancy Tax (TOT) at rates exceeding 2 percent, with the revenue derived from rates greater than 2 percent spent either (1) for purposes previously authorized or (2) for rates between 2 and 5 percent, for tourism promotion, effective May 1, 2021. Revenue from rates greater than 5 percent may be used for general purposes. Fairfax County currently levies a 4 percent TOT (2 percent for general purposes and 2 percent to promote tourism). Every 1 percent increase over the current rate is estimated to generate \$6 million.

It should be noted that in addition to the local TOT, there is a 3 percent state TOT in the Northern Virginia Transportation District dedicated to regional transportation (in support of the Washington Metropolitan Area Transit Authority capital funding requirements).

The table below shows General Fund TOT revenue collections since FY 2013. As a result of the Covid pandemic, which had a negative impact on travel and tourism, the County's TOT receipts declined significantly in FY 2020 and FY 2021. Collections have since recovered, with both FY 2024 and FY 2025 anticipated to be above the pre-pandemic levels.

<b>GENERAL FUND TRANSIENT OCCUPANCY TAX COLLECTIONS</b>				
<b>Fiscal Year</b>	<b>Original 2% TOT</b>	<b>Additional 2% TOT</b>	<b>Total TOT</b>	<b>Year-Over-Year Change</b>
FY 2013	\$9,219,973	\$9,770,228	\$18,990,201	--
FY 2014	\$8,821,300	\$9,507,979	\$18,329,279	(3.5%)
FY 2015	\$9,650,468	\$10,389,720	\$20,040,188	9.3%
FY 2016	\$9,929,860	\$10,629,904	\$20,559,764	2.6%
FY 2017	\$10,926,559	\$11,652,421	\$22,578,980	9.8%
FY 2018	\$10,660,120	\$11,469,249	\$22,129,369	(2.0%)
FY 2019	\$10,989,660	\$11,928,639	\$22,918,299	3.6%
FY 2020	\$7,702,900	\$8,230,882	\$15,933,782	(30.5%)
FY 2021	\$3,179,360	\$3,457,672	\$6,637,031	(58.3%)
FY 2022	\$7,573,376	\$8,079,369	\$15,652,745	135.8%
FY 2023	\$10,837,823	\$11,421,316	\$22,259,139	42.2%
FY 2024 Estimated	\$11,466,500	\$12,083,500	\$23,550,000	5.8%
FY 2025 Advertised	\$11,695,830	\$12,325,170	\$24,021,000	2.0%

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Jimenez

**Question:** The County's current Transient Occupancy Tax (TOT) is 7 percent. How does this compare to surrounding jurisdictions?

**Response:**

Fairfax County currently levies a 4 percent local Transient Occupancy Tax (TOT). In addition to the local TOT, there is a 3 percent state TOT in the Northern Virginia Transportation District dedicated to regional transportation (in support of the Washington Metropolitan Area Transit Authority capital funding requirements).

The table below shows Transient Occupancy tax rates in Northern Virginia.

TRANSIENT OCCUPANCY TAX RATES		
	Regional State TOT (for Transportation)	Local TOT
Arlington County	3%	5.25%
City of Alexandria	3%	6.5% + \$1.25/night
City of Fairfax	3%	4%
Fairfax County	3%	4%
Loudoun County	3%	5%
Prince William County	3%	5%

## Response to Questions on the FY 2025 Budget

**Request By:** Chairman McKay

**Question:** How much revenue does each 1 percent on the Transient Occupancy Tax generate?

**Response:**

The 2020 General Assembly authorized all counties in Virginia to levy a Transient Occupancy Tax (TOT) at rates exceeding 2 percent, with the revenue derived from rates greater than 2 percent spent either (1) for purposes previously authorized or (2) for rates between 2 and 5 percent, for tourism promotion, effective May 1, 2021. Revenue from rates greater than 5 percent may be used for general purposes.

Fairfax County currently levies a 4 percent TOT (2 percent for general purposes and 2 percent to promote tourism). Every 1 percent on the TOT is estimated to generate \$6 million. Should the County raise the TOT rate, the revenue from the next 1 percentage point on the tax rate would need to be earmarked for tourism promotion. In addition to the local TOT, there is a 3 percent state TOT in the Northern Virginia Transportation District dedicated to regional transportation (in support of the Washington Metropolitan Area Transit Authority capital funding requirements).

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Smith

**Question:** What would the impact be on the tax rate and average tax bill to fully fund the Superintendent's proposed budget?

**Response:**

The FY 2025 Advertised Fairfax County Public Schools (FCPS) Budget includes a request for a \$254 million increase in the General Fund transfer from the County, reflecting an increase of 10.5 percent over the FY 2024 transfer. The FY 2025 Advertised Budget Plan includes an increase of \$165 million in the School Operating transfer, leaving approximately \$89 million of the FCPS request unfunded. The FY 2025 Advertised Budget Plan is balanced at a Real Estate tax rate of \$1.135 per \$100 of assessed value, an increase of 4 cents over the current rate.

As each penny on the Real Estate tax rate generates \$32.32 million in General Fund revenue, the rate would need to be raised an additional 3 cents over the rate included in the FY 2025 Advertised Budget Plan, to \$1.165 per \$100 of assessed value, to fully fund the FCPS transfer request. The average tax bill would increase over \$747 at that tax rate.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Alcorn

**Question:** What is the cost of a one percent change in Market Rate Adjustment (MRA)?

**Response:**

Each additional 1.0 percent increase to the Market Rate Adjustment (MRA) above the 2.0 percent included in the FY 2025 Advertised Budget Plan would require additional funding of \$14.9 million. This includes \$11.9 million for non-represented employees and \$3.0 million for uniformed police covered by the SSPBA collective bargaining agreement, which stipulates that employees in the uniformed police bargaining unit will receive the greater of the negotiated 2.0 percent COLA and the funded MRA.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Alcorn

**Question:** Which municipalities are chosen for the Market Rate Adjustment (MRA) calculation? Should local governments bordering Fairfax County be used in a formulaic way in the MRA calculation?

**Response:**

The calculation of the Market Rate Adjustment (MRA) for the County consists of three components, all prepared by the federal government. Two of the components are regional, taking into account economic conditions in the national capital area. The three components are as follows:

- **Consumer Price Index (CPI) for the Washington-Arlington-Alexandria area** as prepared by the U.S. Department of Labor's Bureau of Labor Statistics. The CPI closely monitors changes in the cost of living. The CPI represents 40 percent of the County's MRA calculation.

The Washington-Arlington-Alexandria, DC-VA-MD-WV, Core Based Statistical Area includes the District of Columbia; the Counties of Calvert, Charles, Frederick, Montgomery, and Prince George's in Maryland; the Cities of Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas, and Manassas Park and the Counties of Arlington, Clarke, Culpeper, Fairfax, Fauquier, Loudoun, Prince William, Rappahannock, Spotsylvania, Stafford, and Warren in Virginia; and the County of Jefferson in West Virginia.

- **Employment Cost Index (ECI)** as prepared by the U.S. Department of Labor's Bureau of Labor Statistics. The ECI measures the rate of change in employee compensation (wages and salaries) for "civilian" workers which includes private sector, state, and local government employees. Federal employees are not included in this index. The ECI represents 50 percent of the MRA calculation.

The ECI does not have a geographic component.

- **Federal Wage Adjustment for the Washington-Baltimore-Arlington area** as prepared by the U.S. Office of Personnel Management. It incorporates a general schedule increase and a locality payment for the locality pay area of Washing-Baltimore-Arlington, DC-MD-VA-WV-PA. The Federal Wage Adjustment represents 10 percent of the MRA calculation.

The Washington-Baltimore-Arlington area includes the District of Columbia and jurisdictions in Maryland, Virginia, West Virginia, and Pennsylvania. A list can be accessed at <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2024/locality-pay-area-definitions/>.

Local governments in the region are used as comparators in the County's annual Benchmark Class Review. This review ensures that the pay rates and pay scales of County job classifications remain competitive with market rates as demonstrated by the salaries of similar jobs in local governments in the region and in salary surveys. The seven area jurisdictions used in these reviews include Arlington County, the City of Alexandria, Loudoun County and Prince William County in Virginia, Montgomery County and Prince George's County in Maryland, and the District of Columbia. Based on the results of the analysis this year, seven benchmark classes required adjustments. Including job classes linked to the benchmarks studied, a total of 67 job classes will be adjusted, resulting in 5 percent salary increases for nearly 1,200 employees.

The benchmark classes recommended for adjustment include:

- Data Scientist III
- Information Security Analyst II
- Maintenance Worker
- Paralegal
- Public Health Nurse II
- Public Health Nutritionist
- Trades Supervisor

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Herrity

**Question:** What is the median and mean household income for residents in Fairfax County? Please provide this for the last 10 years including a comparison with surrounding jurisdictions.

**Response:**

Table 1 and Table 2 below show the median and mean household income for several Northern Virginia localities since 2012 based on information from the 1-Year American Community Survey estimates. It should be noted that the American Community Survey did not publish median and mean household income data for 2020.

<b>Table 1</b>					
<b>MEDIAN HOUSEHOLD INCOME</b>					
<b>Year</b>	<b>Fairfax County</b>	<b>Arlington County</b>	<b>Alexandria City</b>	<b>Loudoun County</b>	<b>Prince William County</b>
2012	\$107,096	\$100,474	\$81,160	\$117,876	\$93,744
2013	\$111,079	\$102,501	\$86,775	\$116,848	\$95,268
2014	\$110,674	\$109,266	\$86,809	\$122,294	\$92,104
2015	\$113,208	\$106,768	\$90,056	\$125,003	\$99,766
2016	\$115,717	\$110,388	\$87,920	\$134,464	\$97,986
2017	\$118,279	\$117,237	\$100,530	\$135,842	\$100,845
2018	\$122,227	\$122,394	\$101,215	\$139,915	\$107,925
2019	\$128,374	\$119,755	\$103,284	\$151,800	\$106,861
2020	NA	NA	NA	NA	NA
2021	\$134,115	\$125,651	\$101,162	\$153,506	\$118,117
2022	\$145,164	\$132,380	\$111,955	\$167,531	\$120,398

*Source: American Community Survey.*

<b>Table 2</b>					
<b>MEAN HOUSEHOLD INCOME</b>					
<b>Year</b>	<b>Fairfax County</b>	<b>Arlington County</b>	<b>Alexandria City</b>	<b>Loudoun County</b>	<b>Prince William County</b>
2012	\$138,039	\$127,539	\$110,919	\$137,993	\$111,101
2013	\$138,989	\$141,295	\$113,562	\$135,616	\$113,520
2014	\$142,484	\$134,194	\$114,098	\$142,743	\$109,964
2015	\$143,542	\$137,484	\$122,755	\$149,899	\$113,310
2016	\$147,335	\$143,507	\$121,672	\$152,447	\$113,703
2017	\$149,555	\$151,123	\$125,029	\$157,210	\$124,265
2018	\$156,432	\$154,670	\$131,988	\$171,772	\$127,234
2019	\$160,598	\$158,886	\$147,537	\$176,974	\$130,059
2020	NA	NA	NA	NA	NA
2021	\$171,340	\$171,647	\$141,427	\$178,074	\$135,290
2022	\$183,504	\$183,959	\$155,433	\$203,056	\$146,201

*Source: American Community Survey.*

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Herrity

**Question:** Please provide the net profit margin for each of our recreation centers.

**Response:**

As shown in the table below, the individual Rec Center FY 2023 Net Profit Margin ranges from -69.7 percent to 17.6 percent. Please note that Mt. Vernon Rec Center closed for renovations in January 2023.

	Revenue Totals	Expense Totals	Net Totals	Net Profit Margin
Audrey Moore Rec Center	\$3,971,392	\$3,571,407	\$399,985	10.07%
Cub Run Rec Center	\$2,899,532	\$2,874,298	\$25,234	0.87%
Franconia Rec Center	\$4,623,927	\$4,193,641	\$430,286	9.31%
George Washington Rec Center	\$469,081	\$796,009	(\$326,928)	(69.70%)
Mt. Vernon Rec Center	\$1,335,844	\$1,675,175	(\$339,331)	(25.40%)
Oakmont Rec Center	\$4,247,704	\$3,588,829	\$658,875	15.51%
Providence Rec Center	\$2,286,024	\$2,672,160	(\$386,136)	(16.89%)
South Run Rec Center	\$3,528,031	\$3,263,632	\$264,399	7.49%
Spring Hill Rec Center	\$4,369,872	\$3,599,130	\$770,742	17.64%

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Alcorn

**Question:** How much has Fairfax County Government invested in the Tysons Partnership and Tysons Community Alliance?

**Response:**

The table below shows the County's contributions to the Tysons Partnership and the Tysons Community Alliance, including the proposed FY 2025 Advertised Budget Plan contribution.

County Funding	Amount
Tysons Partnership Branding	\$630,000
Tysons Partnership Activation	\$375,000
Tysons Community Alliance	
FY 2023	\$2,500,000
FY 2024	\$3,000,000
FY 2025 Advertised	\$3,000,000
<b>Total Funding</b>	<b>\$9,505,000</b>

On December 3, 2019, the Board of Supervisors approved up to \$1,000,000 in funds from Fund 10015, Economic Opportunity Reserve (EOR), to assist the Tysons Partnership in the development and launch of a multi-phase branding campaign for Tysons. The County funding was awarded as an equal match to funds raised by the Tysons Partnership. The capital campaign ended with the onset of the COVID-19 emergency measures, with a total EOR Fund contribution of \$630,000. The unexpended balance of \$370,000 was returned to the EOR Appropriated Reserve.

On July 27, 2021, the Board of Supervisors approved the Tysons Partnership Activation Project and allocated \$250,000 from the EOR Fund to support the implementation of community activation, branding initiatives, and organizational development. On June 28, 2022, the Board of Supervisors authorized additional funding of \$125,000 to the Tysons Partnership Activation project to continue its efforts. The total project was increased from the original \$250,000 to \$375,000.

In 2022, the Tysons Partnership ceased operations with the creation of the Tysons Community Alliance taking over many of the responsibilities. The Tysons Community Alliance is a non-profit community organization designed to serve as a catalyst for the transformation of Tysons into an inclusive, vibrant, and globally attractive urban center. The Alliance's mission consists of four focus areas: communications and branding to tell Tysons' story; research and business support to catalyze economic growth; placemaking/place management to activate the public realm through events and pop-up spaces; and transportation and mobility to champion livability through walkability and connectivity. The Board of Supervisors approved a memorandum of understanding between the Tysons Community Alliance and Fairfax County for these duties in July 2023.

As part of the *FY 2022 Carryover Review*, the Board of Supervisors approved funding in the amount of \$2.5 million for the Tysons Community Alliance through the County's Fund 10030, Contributory Fund. In FY 2024, the County's contribution is \$3.0 million. The FY 2025 Advertised Budget Plan includes a contribution of \$3.0 million, which is consistent with the FY 2024 Adopted Budget Plan.

## **Response to Questions on the FY 2025 Budget**

**Request By:** Supervisor Alcorn

**Question:** How many positions are dedicated to quality control of County contracts?

**Response:**

The Department of Procurement and Material Management (DPMM) provides centralized procurement and contract support for the purchase of goods and services used by all County departments. DPMM manages a portfolio of over 1,300 active contracts and currently has 20/20.0 FTE Contract Specialist positions that are responsible for contract administration and oversight including ensuring contractor performance. DPMM also works closely with the County agencies utilizing the contracts for day-to-day oversight of contractor performance and assists in remedying identified performance concerns.

## Response to Questions on the FY 2025 Budget

**Request By:** Chairman McKay

**Question:** Please provide a cost for providing free lunches for all FCPS students, with the administrative costs of collecting payments backed out.

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

The cost to provide free meals to all FCPS students is projected to be between \$34.5 million and \$41.6 million. This projection is based on the current number of students who pay for their meals and those who apply for free or reduced-price meals. If FCPS offered free meals to all students, it is anticipated that the average daily participation (ADP) would significantly increase.

Implementing this change would not result in administrative cost savings. In order to receive federal reimbursement, Food and Nutrition Services (FNS) school-based staff are still needed to properly claim each reimbursable meal at the point-of-service. In addition to school-based staff, FNS has one central office position that has additional responsibilities beyond processing free and reduced meal applications. This position is also responsible for direct certification matching and verification with VDOE, managing consent to share forms submitted by families, and partnering with family liaisons to assist with free meals for homeless and foster care students. FNS would still recommend collecting FRM applications for all schools not designated as CEP, to maximize federal reimbursement pending federal or state action.

## Response to Questions on the FY 2025 Budget

**Request By:** Supervisor Walkinshaw

**Question:** Please provide additional information regarding the 5/5.0 FTE new positions included in HCD to support the creation, rehabilitation, and preservation of affordable housing throughout Fairfax County.

**Response:**

The FY 2025 Advertised Budget Plan includes 5/5.0 new positions in the Department of Housing and Community Development (HCD) to support the creation, rehabilitation, and preservation of affordable housing throughout Fairfax County. These positions are needed to help facilitate the significant investments the Board has made since FY 2022 on this important initiative. This includes baseline funding equivalent to an additional half-cent on the Real Estate Tax rate bringing the total allocation for affordable housing to one cent as well as \$85 million in one-time funding (\$55 million in federal stimulus funds and \$30 million from one-time General Fund balances). It should also be noted that this is year one of a multi-year phase-in to add needed positions to support affordable housing initiatives. More detailed information on the individual positions is included below.

- Affordable Housing Project Coordinators (2/2.0 FTE)
  - Two Project Coordinators are included to help support HCD in meeting the Board of Supervisor's priority of 10,000 new affordable units by 2034.
  - These Project Coordinator positions are necessary to address the increasing scale, complexity, and coordination of large and co-located affordable housing developments. The positions will manage projects that involve multiple divisions within HCD, including Real Estate Finance, Grants Management, and Rental Assistance, and work closely with other County agencies and a variety of both internal and external stakeholders.
- Financial Support Positions (2/2.0 FTE)
  - A Financial Specialist III position and a Financial Specialist II position are included as the Financial Management unit of HCD is directly impacted by the 10,000 new unit and no net loss goal put in place by the Board of Supervisors. This unit is responsible for the budget, execution, and audit of the Housing Blueprint, Moving to Work, and other Fairfax County Redevelopment and Housing Authority (FCRHA) funds, as well as the management of grant and bond funds.
  - The Financial Management Unit at HCD has not seen an increase in staffing since initial adoption of the 5,000 new unit goal in 2019, despite a significant increase in both volume and complexity of work. These two positions are critical for this unit to conduct the financial tasks associated with the increase in Public-Private Education Facilities and Infrastructure Act (PPEA) projects and capital projects on housing owned or operated by the FCRHA.
- First-Time Homebuyer Program (1/1.0 FTE)
  - A Housing Services Specialist II position is included to shift a position and funding from Fund 50800, Community Development Block Grant (CDBG), to the General Fund due to constrained resources in CDBG for administrative activities. Due to rising costs, shifting this position and funding allows HCD to continue the current service levels in the First-Time Homebuyer Program (FTHB). The FTHB program offers new and resale homes to

moderate-income first-time homebuyers at prices below the cost of market-rate units within developments. These units are often subject to continued compliance with covenants, particularly with respect to refinancing, resales, and occupancy requirements. This position will work to keep the FTHB units within the program, contributing to affordable housing preservation, and the Board of Supervisor's goal of no net loss of affordable housing.