



County of Fairfax, Virginia

MEMORANDUM

DATE: December 29, 2017

TO: Board of Supervisors

FROM: Joseph M. Mondoro
Chief Financial Officer and Director,
Department of Management and Budget

SUBJECT: Lines of Business Phase 2 – Update

Since late 2016, staff has been working on the 2016 Lines of Business (LOBs) Phase 2 projects that were identified by the Board of Supervisors at their Budget Committee meeting of September 27, 2016. Presentations to the Board were made beginning in early 2017 at a number of committee meetings and specific recommendations for operating expense savings and the Community Labor Force were included in the FY 2018 budget.

As a result of full agendas at many Budget Committee meetings in 2017, including for projects associated with the Joint Budget Work Plan and the Economic Development Support Fund nominations, staff has not had the opportunity to make additional presentations on LOBs Phase 2 to the Budget Committee.

Therefore, I am providing this update on the LOBs Phase 2 projects, outlining current status and future plans and linking to updates that have occurred during the year at various committee meetings as appropriate.

LOBs Phase 2 Projects

The following topics are completed/underway as part of LOBs Phase 2:

1. Coordination of activities between the Office of Public Private Partnerships (OP³), Volunteer Fairfax, Leadership Fairfax and Fairfax County Public School (FCPS) Office of Community and Business Partnerships and Employee and Community Engagement.

Initial information was provided to the Board on January 31, 2017 and can be reviewed at <https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/budget%20committee%20meeting/2017/january%2031/community-partnerships-volunteer-engagement-01-31-2017.pdf>

It is anticipated that a follow-up presentation to the Board Budget Committee will be scheduled in early 2018.

2. Review of opportunities for expansion of the Community Labor Force.

All current recommendations were included in the FY 2018 budget process.

3. Review current space provided by the County to community groups, as well as other resource agreements such as memorandums of understanding, and develop a policy for decisions about the allocation of space to make it more equitable.

A policy has been drafted and will be reviewed by new County Executive Hill in early 2018. It is anticipated that a presentation to the Board will be scheduled for early 2018.

4. Review the possible consolidation of the design/build function currently residing in multiple agencies.

Agreements between County agencies concerning distinct responsibilities have been updated to clarify roles. It is anticipated that a presentation to the Board Budget Committee will be scheduled in early 2018 to discuss the distinctions between County and School functions.

5. Develop options for redesigning the Systems of Care/Children's Services Act (CSA) funding to incentivize both County and FCPS efficiencies in placement.

Initial realignments are underway to shift the program manager position for the Systems of Care to assume the responsibility for overall coordination of the Fairfax-Falls Church Community Services Board's Youth and Family Services Division. This realignment will provide greater coordination of behavioral health treatment services for youth in support of the Systems of Care (renamed Healthy Minds Fairfax which is comprised of two pieces, Behavioral Health Services for Youth and Children's Services Act) and county-wide strategic blueprint for serving children with behavioral health needs. Staff will now begin to evaluate other opportunities between County agencies and with FCPS.

Staff continues to monitor the workgroup established by the state to review CSA private day school. The workgroup will most likely continue through 2018 in order to formulate meaningful recommendations on the issue and it is not anticipated that a recommendation will go before the General Assembly this session.

6. Review coordination opportunities between the Infant and Toddler Connection and other early childhood services provided by the County and FCPS, including Healthy Families.

Realignment of the Infant and Toddler Connection with the Office for Children is being undertaken as part of the FY 2019 budget. Staff will now begin to evaluate other opportunities between County agencies and with FCPS.

7. Review privatization options for CSB day treatment and residential services.

A comprehensive review is underway in coordination with the Capital Improvement Program review. It is anticipated that options will be presented as part of the FY 2020 budget development process.

8. Review privatization options for the Adult Day Health Care program.

A joint agency and community review is underway. It is anticipated that options will be presented as part of the FY 2020 budget development process.

9. Explore and develop opportunities to bring a modern, private-sector experience to the County's information technology infrastructure in support of the Economic Success Strategic Plan.

Updates on the efforts to replace the County's land development system will be ongoing with the latest provided on May 9th and available at:

<https://www.fairfaxcounty.gov/boardofsupervisors/sites/boardofsupervisors/files/assets/meeting%20materials/committees/2017/may09-it-lds-modernization.pdf>

10. Review opportunities for expansion of Real Estate Tax Relief, consistent with Board direction in the FY 2017-2018 Budget Guidance.

A memo dated January 30, 2017 was provided to the Board outlining the information as requested for future consideration.

11. Review General Fund operating budgets for potential flexibility.

Staff reviews annually as part of the budget process. Recommendations for reductions were included in the FY 2018 budget and are anticipated for FY 2019.

12. Metrics – Review of performance measurement program and recommendations for updating and benchmarking to assess program effectiveness. All services and programs supported by the General Fund will be included, as well as the efforts associated with the Economic Development Authority, the County's Economic Success Strategic Plan (ESSP), and One Fairfax.

Staff has a recommendation for consideration by new County Executive Bryan Hill to review in early 2018. It is anticipated that a presentation to the Board will be scheduled for early 2018. The approach that is envisioned is a multi-year review and refinement of existing metrics for consistency and usefulness for staff, the Board and the community. The model recently rolled out for the ESSP measures is a model for this broader approach.

13. Review and comparison of the County's compensation policies and practices.

This will be a multi-year effort. The initial review of Police compensation has been completed with implementation begun as part of the FY 2018 budget. A detailed review is underway for Fire & Rescue with senior management and trades reviews to follow. Recommendations will be reviewed and discussed with the Board as part of upcoming budget development and during Personnel and Reorganization Committee meetings.

14. Review opportunities for refining County retirement benefits for new hires.

The Pension Work group has begun to meet with a goal of providing feedback to the Board in early 2018.

15. Identify additional opportunities for transportation coordination between the County and FCPS, including the use of a photo identification card with cross-service application.

Underway with updates at a future Transportation Committee.

16. Review of vehicle fleet to validate current replacement assumptions.

Recommendations will be included in annual budget process development as appropriate.

17. Further review of centralized versus decentralized administrative service delivery opportunities (Department of Administration for Human Services (DAHS) and others).

A recommendation to realign DAHS administrative service delivery will be included in the FY 2019 budget. The review that has been undertaken includes a redefinition of the centralized health and human service system requirements to focus on management of the entire system, system-wide transformation and strategic initiatives, and decentralization of administrative functions more similar to the rest of the County organization.

18. Develop plan for expansion of early childhood services, consistent with direction given at the Board's retreat and in the FY 2017-2018 Budget Guidance.

A number of discussions have occurred with the latest in October here:

<https://www.fairfaxcounty.gov/boardofsupervisors/sites/boardofsupervisors/files/assets/meeting%20materials/committees/2017/oct31-health-housing-human-equitable-school-plan.pdf>. Specific recommendations have been funded at the FY 2018 Carryover Review and are under consideration for FY 2019. The impact on the CIP has also been addressed at several Joint Budget Work Plan meetings and will continue as the FY 2019 CIP is developed.

19. Develop options for Intellectual Disability (ID)/Developmental Disability (DD) service delivery given continuing changes.

Work is ongoing with last update provided to the Board at the October 31st meeting of the Health, Housing and Human Services Committee as outlined at:

<https://www.fairfaxcounty.gov/boardofsupervisors/sites/boardofsupervisors/files/assets/meeting%20materials/committees/2017/oct31-health-housing-human-developmental.pdf>

20. Update the Housing blueprint.

Underway with an update at an upcoming Health, Housing and Human Services Committee.

21. Capital Improvement Program – develop plan for increasing level of paydown and annual FCPS bond level.

Discussed several times as part of Budget Committee meetings in 2017. It is anticipated that specific recommendations for FY 2019 and beyond will be discussed in early 2018.

22. Review record digitization and multi-system integration opportunities.

Underway with discussion at an upcoming Information Technology Committee meeting.

23. Review issues for inclusion in the County's Legislative Program (i.e., prioritization of strategies to maximize Medicaid resources, behavioral health supports for military families).

Ongoing review underway.

24. Align the County's development process to support the County's Economic Success Strategic Plan.

Ongoing review with regular updates. The latest was provided at the October 31st meeting of the Economic Advisory Committee and can be seen at:

<https://www.fairfaxcounty.gov/boardofsupervisors/sites/boardofsupervisors/files/assets/meeting%20materials/committees/2017/oct31-economic-fall-update.pdf>

25. Review potential revenue opportunities to ensure maximization of non-county resources.

Ongoing review as part of the annual budget process with a recent Q&A update at:
https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/fy2019/qa/2019_qa2.pdf

26. Review maintenance issues at heavily used facilities, such as parks.

Agency requests continue to identify needs and will be discussed as part of the annual budget process with modest increases anticipated in FY 2019.

Projects for Future Consideration

The following topics were identified for further consideration by the Board at the conclusion of LOBs Phase 2. Unless noted, we have not begun work on these projects.

27. Develop a plan for the preservation and display of County history.
28. Review possibilities for coordination of County and FCPS library services. *Note: County and School staff are working jointly on evaluating options for replacement library systems.*
29. Review the options for making library hours more consistent. *Note: a memorandum from the library board dated July 28, 2017 was provided to the Board previously.*
30. Review the capacity of non-profits with Leadership Fairfax as a partner.
31. Continue to review both current and future facilities for multi-functional uses (County and FCPS). *Note: the Joint Budget Work Plan is also addressing this project and updates have been provided to the Board and School Board with recommendations to be incorporated into upcoming CIP discussions.*
32. Develop funding plan for FCPS bus replacement fund.
33. Review operational and service delivery redesigns for the continuum of housing and homeless services.

If you have any questions, please let me know. Otherwise, I look forward to providing further updates in 2018.

cc: Senior Management Team