



County of Fairfax, Virginia

MEMORANDUM

DATE: April 16, 2018

TO: Board of Supervisors

FROM: Bryan J. Hill *B. Hill*
County Executive

SUBJECT: Adjustments to FY 2019 Advertised Budget Plan (Add-On Package)

This package has been prepared to present the revenue adjustments that have been identified since the preparation of the FY 2019 Advertised Budget Plan.

Staff has reviewed General Fund revenue estimates based on the most up-to-date information. An increase of \$900,000 to FY 2019 revenues is recommended as part of the Add-on Process. The revenue adjustment is based on State budget proposals during the 2018 Session of the General Assembly. The Governor's proposed budget included increased funding for State Aid to Localities with Police Departments (HB 599). Statutory policy requires that HB 599 funding increase at the rate of General Fund revenue growth. Both the House and the Senate kept the proposed increase for FY 2019. The projected increase for Fairfax County is \$900,000, for a total estimated HB 599 funding of \$25.4 million in FY 2019.

It should be noted that the regular 2018 General Assembly session adjourned on March 10th without agreeing on a state budget. Governor Northam re-introduced the same budget that the previous administration proposed in December and the General Assembly returned on April 11th for a special session to complete work on the state budget. Final adoption of the state budget is not expected prior to the Board of Supervisors' mark-up of the County's FY 2019 Budget on April 24th.

Staff will continue to monitor revenue collections monthly and will report to the Board with any necessary changes based on economic conditions. More details regarding the FY 2019 recommended revenue adjustments can be found in Attachment I, Summary of General Fund Receipts.

Given the current revenue status, no administrative expenditure adjustments are included in this package.

As a result of the recommended revenue adjustment, a balance of \$4.78 million is available in FY 2019.

Summary of Add-On Adjustments

	FY 2019
Balance from Advertised Budget	\$3,875,406
Additional State Revenue	\$900,000
Balance as of Add-On	\$4,775,406

There are no Consideration Items as of April 16, 2018.

Additional information regarding Add-On adjustments is included in the following attachment:

Attachment I – Summary of General Fund Receipts

ATTACHMENT I
SUMMARY OF GENERAL FUND RECEIPTS

An increase of \$900,000 to FY 2019 revenues is recommended as part of the Add-on Process. Revenue categories that are sensitive to economic change may require adjustments during FY 2019. Staff will continue to monitor revenue collections monthly and will report to the Board with any necessary changes based on economic conditions.

REVENUE FROM THE COMMONWEALTH¹			
FY 2019 Advertised	FY 2019 Revised	FY 2019 Increase/ (Decrease)	Percent Change
\$97,251,175	\$98,151,175	\$900,000	0.93%

¹ Excludes Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998.

The FY 2019 revised estimate for Revenue from the Commonwealth is \$98,151,175, an increase of \$900,000, or 0.9 percent, over the FY 2019 Advertised Budget Plan estimate. The revenue adjustment is based on State budget proposals during the 2018 Session of the General Assembly. The Governor’s proposed budget included increased funding for State Aid to Localities with Police Departments (HB 599). Statutory policy requires that HB 599 funding increase at the rate of General Fund revenue growth. Both the House and the Senate kept the proposed increase for FY 2019. The projected increase for Fairfax County is \$900,000, for a total estimated HB 599 funding of \$25.4 million in FY 2019.

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