



# County of Fairfax, Virginia

## MEMORANDUM

**DATE:** April 18, 2018  
**TO:** Board of Supervisors  
**FROM:** Joseph M. Mondoro, Chief Financial Officer  
**SUBJECT:** Responses to BOS Budget Questions – Package 8

Attached for your review is Package 8 of responses to Board questions on the FY 2019 budget. If you have any questions or need additional information, please do not hesitate to contact me. The following responses are included in this package:

Question Number	Question	Supervisor	Pages
41	Please provide a definition for the term "obsolete building" and provide information on the County's office market in this context.	Bulova	129
42	Please provide more detail and background information related to the Consumer Protection Program – Rabies issue that is identified on the Human Services Resource Plan.	Smith	130-131
43	#42 Health and Human Services Resource Plan – How is the agency partially absorbing the costs for Mediation/Restorative Justice Services APP and how will this continue into future years?	Gross	132-133
44	What is the status and timeline of the master plan for Green Spring Gardens?	Gross	134
45	Please provide an update on the audio equipment provided for meeting spaces, the sporadic functioning of microphones makes communications for meetings for those with hearing impairment extremely difficult.	Bulova	135
46	Schools: Please provide the schools plan for dealing with the growth in Tyson's and corresponding timeline. (Facilities and Transportation Services)	Foust	136-137
47	Schools: The projected and actual number of students receiving each type of special education service over the past 5 years. (Financial Services)	Herrity	138-139
48	Schools: Please describe the Retiree Health Benefit subsidy for County and Schools employees. What would be the cost of increasing the Schools benefit to match the County's? Please include the impact to the Schools OPEB liability. (Human Resources)	Gross	140-141

It should be noted, the estimated time to compile this response was 16 hours. If you have any questions, please let me know.

#### Attachment

cc: Bryan J. Hill, County Executive  
Tisha Deeghan, Deputy County Executive  
David J. Molchany, Deputy County Executive  
David M. Rohrer, Deputy County Executive  
Robert A. Stalzer, Deputy County Executive

## Response to Questions on the FY 2019 Budget

**Request By:** Chairman Bulova

**Question:** Please provide a definition for the term "obsolete building" and provide information on the County's office market in this context.

**Response:**

The Fairfax County Economic Development Authority applies the industry standard of an obsolete office building as one that is older than 20 years. Based on this definition, out of 116.5 million square feet of office space in Fairfax County, 75 million is currently obsolete. However, "functionally obsolete" is an industry term and it doesn't necessarily mean that the building is unusable. It simply means that, due to the age of the building, it might not meet current industry standards.

Many older buildings are still in demand based on their proximity to amenities such as mass transit. Buildings built prior to 1980 have the lowest vacancy rate of all buildings countywide at 12.5 percent, and buildings built since 2010 have the highest vacancy rate at 23 percent.

A commercial office market is best served by offering a wide variety of price points for potential users. These older buildings provide a lower cost alternative for smaller users and new companies that have yet to establish the requisite financials to lease newer space.

## Response to Questions on the FY 2019 Budget

**Request By:** Supervisor Smith

**Question:** Please provide more detail and background information related to the Consumer Protection Program – Rabies issue that is identified on the Human Services Resource Plan.

**Response:**

The Human Services Resource Plan includes 1/1.0 FTE position in the Health Department to monitor domestic pets for potential rabies exposure. While this position is not included in the FY 2019 Advertised Budget Plan, the Health Department has identified an existing position for this purpose. It is anticipated that the Health Department can absorb the costs associated with this position during FY 2018 due to a greater than expected flexibility as a result of position vacancies across the agency. It is unclear whether the department will be able to continue to absorb these costs in FY 2019 and future years due to a \$350,000 personnel services budget reduction that is included in the FY 2019 Advertised Budget Plan along with increased efforts to fill vacant positions. Staff will continue to monitor the department's budget and an adjustment may be requested at a quarterly review.

Fairfax County has one of the highest incidences of rabies in the nation, with 40 to 60 rabid animals identified each year. The main tool for preventing rabies in domestic animals is vaccinating pets; however, as per the Fairfax County Code, Chapter 41.1 Animal Control and Care, it may also be necessary to confine a domestic animal to the owner's property for 10 days or 45 to 120 days, depending on the vaccination status of the pet (41.1-2-8) to ensure rabies control and limit potential human exposures. The Health Department works with the Police Department's Animal Protection Police Unit to identify all humans and domestic animals potentially exposed to rabies to prevent them from developing a rabies infection, which is nearly 100 percent fatal. Section 41.1-2-9 outlines that *"the owner of an animal that has bitten a person or any person having knowledge of any animal which has bitten a person shall immediately notify the Animal Services Division or the County Police Department. The owner of such animal shall permit the Director of Health or any person charged with enforcement of this Chapter to immediately examine such animal"* and confine it, as outlined more specifically in the chapter. Furthermore, it states that *"any such animal shall be released from confinement after the ten-day period only upon authorization of a licensed veterinarian or any person charged with enforcement of this Chapter."* The only way to definitively rule out a potential rabies exposure to a human from an animal is to test the animal for rabies (which requires euthanasia) or verify that it is healthy after its confinement period, referred to as a "health check."

Health checks are a requirement of the Fairfax County Code and recommended by the state. In lieu of traditional health checks directly by County staff, the current County system relies on the pet owner to call or self-attest online about the health status of their animal at the end of the confinement period. All other jurisdictions in Virginia make direct contact with the animal owner to conduct health checks after 10, 45 and 120-day confinements either by telephone or in person to ensure a healthy animal at the end of its confinement period. Last year, the Animal Protection Police Unit fielded 1,998 events that were considered rabies related, 1,941 of which required health checks after their confinement period. Unfortunately, the health status of most of those animals is not known because the compliance rate with the reporting system currently in place is less than 20 percent. In addition, violations of 10-day confinement agreements by animal owners are known to occur and could potentially result in cases

of human rabies in the community. The number of rabies related events reported in the County has increased by 30 percent in the past five years and this trend is expected to continue as the County's population density increases and the human and domestic animal population come into closer contact with wildlife.

To bring the County in line with the standard of practice in the Mid-Atlantic region, where the raccoon variant rabies is endemic, a position is required in order to complete health checks on all animals in 10-day, 45-day and 120-day confinements; consult on confinement mechanisms with the pet owner; track patients to ensure that they receive their rabies follow-up vaccinations on time; collect animals for rabies testing when circumstances dictate very rapid response or cross-jurisdictional issues arise; enter data in a rabies database so trend analysis can be performed; and serve as back-up to the Rabies Program Manager to ensure continuity of program needs. The department currently is on-call 24/7 for rabies related emergencies and this position will support the continuation of this service need.

In keeping with County regulations, the State Model Plan and standards of practice in surrounding jurisdictions, a new service model is proposed, in which the Animal Protection Police Unit would continue to generate and send reports of animal bites, and other potential rabies exposures that occur in the County, to the Health Department for review and execute the confinement agreements with animal owners. In this model, the Health Department would take on the responsibility of closing all confinements with a health check.

Communication and management of the Rabies Control Program is ongoing and the actions proposed in the new model would be inserted into the MOU the Health Department has with the Animal Protection Police Unit. The Animal Shelter will be included in these discussions. The Animal Protection Police Unit, the Shelter and the Health Department meet regularly to evaluate the roles and responsibilities of respective agencies and provide a mechanism for communicating and resolving issues as they arise and to ensure continued positive outcomes in the Rabies Control program.

## Response to Questions on the FY 2019 Budget

**Request By:** Supervisor Gross

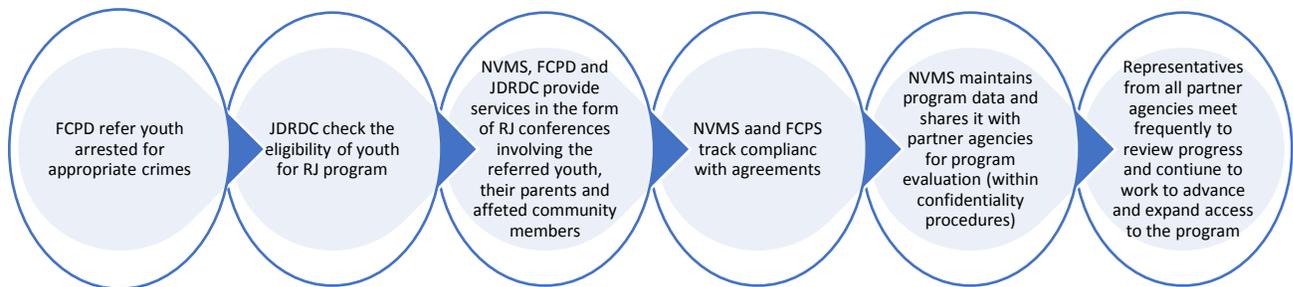
**Question:** #42 Health and Human Services Resource Plan – How is the agency partially absorbing the costs for Mediation/Restorative Justice Services APP and how will this continue into future years?

**Response:**

### Background

The Fairfax County Alternative Accountability Program (AAP) is a collaborative and community-oriented response to juvenile crime and wrongdoing in our community and schools. AAP is based on restorative justice principles and helps youth and community members address select criminal offenses effectively without creating a criminal record for the youth involved. Restorative Justice (RJ) conferencing is a proven approach in regards to addressing serious issues and increasing positive outcomes. The goals for this program are to reduce the number of youth who are court-involved and have criminal records; to hold youth accountable for their actions without exposing them to risk factors associated with having a criminal record; to create appropriate, incident-specific responses for each case; to reduce recurrence of criminal acts by youth; and to provide support for victims by participating in identifying how their harm is addressed.

Partner agencies include: Fairfax County Police Department (FCPD), Fairfax County Public Schools (FCPS), Fairfax County Juvenile & Domestic Relations District Court (JDRDC), Northern Virginia Mediation Services (NVMS), and Fairfax County Neighborhood and Community Services (NCS). These agencies collaborate in order to identify eligible youth, provide services and share information. Below is an outline of the process:



### Current Practices

AAP services are generally available to County residents including the Town of Herndon, Town of Vienna and the City of Fairfax. However, program participation numbers are increasing due to a large portion of shoplifting cases involving non-Fairfax County youth originating out of the McLean and Franconia Districts.

Since program inception, 370 cases involving 715 youth have been facilitated. Currently there are 41 cases pending assignment. Due to the overwhelming success of the program, pending cases and wait times are longer than desired. While increased interest in the program is overall positive, it also presents challenges. In order to address these challenges JDRDC has made the following program modifications.

*Facilitation* – Best practice dictates two facilitators. Initially, all RJ conferences were facilitated by two facilitators, one county and one NVMS. In order to address pending cases and reduce wait times, the program began solo facilitation in November 2017. JDRDC is currently addressing the shortage of facilitators through a revised contract with NVMS; however, due to the increased volume and complexity of the cases it is expected the contracted rate for facilitation will increase.

*Staffing* – In an effort to provide a timelier response to referrals, 1.5 full-time equivalent positions in JDRDC have redirected from their current duties for AAP.

*Funding* – The AAP program is currently being supported through the JDRDC budget. Expenditures have been trending slightly over \$50,000 annually. To date, JDRDC has been able absorb the cost of the program through other operating efficiencies, however as the program continues to grow alternative funding sources will need to be identified.

#### Moving Forward

This program is still in its infancy in regards to full implementation county wide. At this point it is difficult to determine future staffing and funding needs given the continuing growth of the program. JDRDC will continue moving forward with data collection, evidence-based practices and program evaluation in order to make accurate future year projections for program participation, appropriate staffing and funding requirements.

## Response to Questions on the FY 2019 Budget

**Request By:** Supervisor Gross

**Question:** What is the status and timeline of the master plan for Green Spring Gardens?

**Response:**

The revised Green Springs Master Plan was approved by the Park Authority Board on April 27, 2016. Primary changes from the previous master plan include:

- Incorporation of newly acquired acreage along Green Spring Road (approx. 2.5 acres)
- Refinement of use zones – particularly important to protect the historic areas of the park
- Addition of Ecological Restoration Areas to support work of NRMP
- Adjustment to the entry sequence and parking to help orient visitors to the park.
- Increased emphasis along Braddock Road frontage to increase visibility of the park
- Noted opportunity for expansion of the Horticultural Center
- Refinement of back-of-house area for greater efficiency and to remove conflicts with children's area
- Noted opportunity to provide an outdoor classroom

Completed items to date total approximately \$930,000 and include:

- ADA improvements:
  - Parking and route to the Visitor's Center
  - Main loop
  - Historic House routes and parking
  - Trail to the pond
  - Stone dust route to the gazebo and up to the boardwalk at the woods trail
  - Exterior route alongside the main parking spaces
- Structural improvements-pedestrian bridge, facility systems
- Demonstration gardens upgrades

Currently, there is no identified funding included in the Park Bond program for other revisions included in the Master Plan. Funding for these improvements will require consideration in future Park Bonds.

## **Response to Questions on the FY 2019 Budget**

**Request By:** Chairman Bulova

**Question:** Please provide an update on the audio equipment provided for meeting spaces, the sporadic functioning of microphones makes communications for meetings for those with hearing impairment extremely difficult.

**Response:**

The Department of Cable and Consumer Services (DCCS) has included funding for an Assistive Listening System (ALS) replacement in the FY 2019 Budget. The requested ALS replacement will accommodate individuals in the Fairfax County Government Center Conference Center meeting rooms, providing amplified sound when needed, or upon request, for meeting and event participants. DCCS will begin the procurement process in July 2018, for installation concurrent with other technology improvements in the Government Center Conference Center. In the interim, DCCS staff continues to assist Conference Center participants with their scheduling and A/V requirements.

Additionally, as a follow-up to the January 23, 2018 Board Matter on Portable Assistive Listening Equipment, the Fairfax County Public Library will deploy new portable devices for use at meetings outside of the Government Center by June 2018.

## Response to Questions on the FY 2019 Budget

**Request By:** Supervisor Foust

**Question:** Please provide the schools plan for dealing with the growth in Tyson's and corresponding timeline. (Facilities and Transportation Services)

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

The following schools serve the Tysons Urban Center: Freedom Hill ES, Spring Hill ES, Westbriar ES, Westgate ES, Churchill ES (only for AAP Level IV), Lemon Road ES (only for AAP Level IV), Longfellow MS, Kilmer MS, Marshall HS, and McLean HS.

Pages 65, 75, 77, and 79 of the Capital Improvement Program (CIP) FY 2019-23 offers a list of potential solutions to consider to alleviate current and projected school capacity deficit(s). For consideration purposes, as many options as possible have been identified for each school, in no significant order and may be contingent on other potential solutions listed. Any option(s) chosen for implementation will be discussed and decided through a transparent process with the appropriate stakeholders, in accordance with School Board Policies and Regulations.

- **Freedom Hill ES:** Monitor student membership.
- **Spring Hill ES:** Increase efficiency by reassigning instructional spaces within a school to accommodate increase in membership; and potential boundary adjustment with schools having a capacity surplus.
- **Westbriar ES:** Monitor student membership.
- **Westgate ES:** Monitor student membership.
- **Churchill ES (only for AAP Level IV):** Monitor student membership.
- **Lemon Road ES (only for AAP Level IV):** Possible program changes; add temporary classrooms to accommodate short-term capacity deficit; repurpose existing inventory of school facilities not currently being used as schools; and potential boundary adjustment with schools having a capacity surplus.
- **Longfellow MS:** Possible program changes; add temporary classrooms to accommodate short-term capacity deficit; and potential boundary adjustment with schools having a capacity surplus.
- **Kilmer MS:** Possible program changes; and potential boundary adjustment with schools having a capacity surplus.
- **Marshall HS:** In construction.
- **McLean HS:** Increase efficiency by reassigning instructional spaces within a school to accommodate increase in membership; minor interior facility modifications to create additional instructional space and help to accommodate capacity deficit; capacity enhancement through either a modular or building addition; and potential boundary adjustment with schools having a capacity surplus.

Additionally, page 45 of the CIP shows a Tysons ES in the 10-year CIP forecast with planning starting in FY 2027. It also shows the planning of the repurposing of Dunn Loring Administration Center and

Pimmit Hills Administration Center starting in FY 2025 and FY 2027, respectively, which are located outside of the Tysons Urban Center. Please note that the 10-year CIP forecast is tentative and is reviewed and updated annually. Page 120 of the CIP displays a map with the location of the Tysons ES site, Dunn Loring Administration Center, and Pimmit Hills Administration Center.

Lastly, page 29 of the CIP provides information on how FCPS monitors membership impacts from new housing. FCPS works with the Fairfax County government to determine the impact planned housing would have on school facilities. The planned housing are proposed from comprehensive plan studies and rezoning applications. School impact analysis memos with estimated student yields from the planned and proposed development are provided to Fairfax County government and also distributed to the appropriate School Board members. In addition to the estimated student yields, for comprehensive plan studies, including the Tysons Urban Center comprehensive plan study, recommendations to address future school facilities needs are provided to Fairfax County government. In conjunction with the development review process, FCPS staff conduct field verifications of previously approved applications to track the construction status of residential development. Additionally, development can be constructed by-right (i.e. does not require a rezoning development application to construct) and this verification process allows FCPS staff to gain insight into changes in a community. This verification process helps provide a better understanding of when and where students from these developments will enter the school system and have an impact on nearby schools.

Development in the Tysons Urban Center include:

Application Number	Application Name	Status	Proposed Units	Estimated Students	Elementary School
PCA 84-D-049-05	Tysons II	Under Construction	451 MFHR	46	Spring Hill
PCA/FDPA 2002-PR-016-02	Park Crest	Under Construction	1,354 MFHR	119	Spring Hill
RZ 2004-PR-044	Tysons Corner Center	Under Construction	1,345 MFHR	138	Westbriar
PCA 2004-PR-044-02	Tysons Corner Center (Phases 3 & 4)	Approved	1,573 MFHR	18	Westbriar
RZ/FDP 2006-PR-028	Towers Crescent	Approved	756 MFHR	58	Westbriar
RZ/FDP 2010-PR-014A	Georgelas	Approved	307-478 MFHR	26-41	Spring Hill
RZ 2010-PR-014B	Georgelas	Approved	1000-1912 MFHR	87-167	Spring Hill
RZ 2010-PR-014D	Georgelas	Approved	550-2,035 MFHR	48-177	Spring Hill
RZ 2010-PR-014E	Georgelas	Approved	10-12 SFA, 100-222 MFHR option 2	13-23	Spring Hill
RZ/FDP 2010-PR-021	Capital One	Approved	1,230 MFHR	135	Westgate
RZ/FDP 2010-PR-022	Campus Point Realty	Approved	1,085-2,035 MFHR	108-204	Westbriar
RZ 2011-PR-017	MR Commons	Approved	2,571 MFHR	187	Westgate
RZ/FDP 2011-PR-005	NVC and Clyde's	Approved	428-680 Option 1 940-1546 Option 2	47-169	Westbriar
PCA 2011-PR-023	Arbor Row (Cityline Partners LLC)	Approved	110 - 140 MFHR	11-14	Westbriar
RZ 2011-HM-012 & 013	Dominion Square	Approved	2,000 MFHR	174	Westbriar
RZ 2011-HM-027	1587 Springhill Holdings (Sunburst)	Approved	501 MFHR	45	Westbriar
RZ/FDP 2011-HM-032	Tysons West	Under Construction	425-669	47-73	Westbriar
RZ/FDP 2011-PR-009	Scotts Run North	Approved	467-691 MFHR	50-74	Westgate
RZ 2011-PR-010 & 011	Scotts Run Station South (Cityline Partners)	Approved	2383 MFHR	207	Westgate
RZ 2012-PR-002	Greensboro Park	Approved	520 MFHR	58	Westbriar
RZ 2013-PR-009	Tysons Westpark	Approved	1,280 MFHR	136	Westbriar
RZ/FDP 2014-PR-004	Amherst Property	Approved	275-400 MFHR	29-43	Spring Hill
RZ 2014-PR-021	BIT Investment Fifty-Two	Approved	1,950 MFHR	207	Westgate
RZ/FDP 2015-PR-006	International Place at Tysons, LLC and 8133 Leesburg Pike	Approved	250-385 MFHR	29-43	Freedom Hill
RZ 2017-PR-010	The View at Tysons	Pending	650 MFHR	72	Spring Hill
RZ 2017-PR-015	The Mile	Pending	1,920-3,310 MFHR	215-350	Spring Hill
RZ 2017-PR-021	The Evolution at Tysons	Pending	1,400 MFHR	157	Spring Hill

## Response to Questions on the FY 2019 Budget

**Request By:** Supervisor Herrity

**Question:** The projected and actual number of students receiving each type of special education service over the past 5 years. (Financial Services)

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

Services are provided in the areas of learning disabilities and emotional disabilities (Category A services); in autism, intellectual disabilities, noncategorical elementary, and physical disabilities (Category B services); in adaptive physical education, communication disorders, deaf and hard-of-hearing, assistive technology, class-based preschool, preschool resource, preschool autism classes, therapy services (physical or occupational), visual impairment, and career and transition services. Most students receive their primary service in either Category A or Category B.

The attached chart provides a breakdown of services by category and level for the past five years.

Special Education Services										
	FY 2014		FY 2015		FY 2016		FY 2017		FY 2018	
	Proj	Act								
<b>Category A</b>										
<i>Level 1</i>										
Emotionally Disabled	732	677	682	675	659	630	617	609	567	667
Learning Disabled	5,582	5,568	5,670	5,288	5,276	5,014	5,266	5,038	4,948	5,108
<i>Level 2</i>										
Emotionally Disabled	1,085	1,110	1,165	1,064	1,079	1,066	1,063	1,065	1,052	1,068
Learning Disabled	7,844	7,932	7,995	8,113	8,146	8,286	8,171	8,254	8,348	8,242
<b>Subtotal Category A</b>	<b>15,243</b>	<b>15,287</b>	<b>15,512</b>	<b>15,140</b>	<b>15,160</b>	<b>14,996</b>	<b>15,117</b>	<b>14,966</b>	<b>14,915</b>	<b>15,085</b>
<b>Category B</b>										
<i>Level 1</i>										
Autism	594	628	643	647	662	651	637	689	725	769
Vocational (Davis, Pulley, STEP)	0	0	0	1	0	3	3	4	0	2
Intellectually Disabled	102	86	96	91	86	76	72	79	83	74
Physically Disabled	47	44	42	38	41	38	38	32	31	43
Noncategorical	408	454	487	505	524	500	525	521	559	600
<i>Level 2</i>										
Autism	1,676	1,658	1,790	1,796	1,903	1,976	2,087	2,113	2,238	2,227
Vocational (Davis, Pulley, STEP)	229	230	227	234	240	253	255	279	269	316
Intellectually Disabled	1,090	1,042	1,088	1,078	1,107	1,070	1,120	1,070	1,183	1,056
Physically Disabled	140	137	134	108	115	108	111	111	108	90
Noncategorical	1,145	1,090	1,111	1,156	1,204	1,172	1,228	1,211	1,263	1,316
<b>Subtotal Category B</b>	<b>5,431</b>	<b>5,369</b>	<b>5,618</b>	<b>5,654</b>	<b>5,882</b>	<b>5,847</b>	<b>6,076</b>	<b>6,109</b>	<b>6,459</b>	<b>6,493</b>
<b>Other</b>										
<i>Level 1</i>										
Preschool Resource	918	804	932	781	912	801	900	832	876	912
Deaf/Hard-of-Hearing	351	322	331	319	308	332	336	323	366	287
Vision-Impaired	298	298	298	314	315	317	301	311	316	321
Speech and Language Impaired	10,198	10,037	10,049	9,940	9,933	9,996	10,017	10,017	9,963	10,123
<i>Level 2</i>										
Preschool	953	971	925	1,000	952	1,002	943	1,086	981	1,109
Preschool Autism	214	220	220	272	243	252	261	301	275	327
Deaf/Hard-of-Hearing	102	86	96	76	86	72	81	67	71	74
Vision-Impaired	12	15	16	14	12	9	11	4	7	4
<b>Subtotal Other</b>	<b>13,046</b>	<b>12,753</b>	<b>12,867</b>	<b>12,716</b>	<b>12,761</b>	<b>12,781</b>	<b>12,850</b>	<b>12,941</b>	<b>12,855</b>	<b>13,157</b>
<b>Related</b>										
Adaptive Physical Education	1,641	1,949	1,828	2,115	2,010	2,208	2,170	2,307	2,245	2,407
Audiology Services	296	267	267	266	268	259	267	223	288	223
Career and Transition Services	3,281	3,334	3,287	3,505	3,531	3,669	3,485	3,842	3,385	3,776
Assistive Technology Services	2,748	2,829	2,783	2,823	2,764	2,888	2,683	2,920	2,902	2,860
Therapy Services	3,040	2,885	2,961	2,844	2,916	2,823	2,916	2,829	2,851	2,907
<b>Subtotal Related</b>	<b>11,006</b>	<b>11,264</b>	<b>11,126</b>	<b>11,553</b>	<b>11,489</b>	<b>11,847</b>	<b>11,521</b>	<b>12,121</b>	<b>11,671</b>	<b>12,173</b>
<b>Grand Total</b>	<b>44,726</b>	<b>44,673</b>	<b>45,123</b>	<b>45,063</b>	<b>45,292</b>	<b>45,471</b>	<b>45,564</b>	<b>46,137</b>	<b>45,900</b>	<b>46,908</b>

## Response to Questions on the FY 2019 Budget

**Request By:** Supervisor Gross

**Question:** Please describe the Retiree Health Benefit subsidy for County and Schools employees. What would be the cost of increasing the Schools benefit to match the County's? Please include the impact to the Schools OPEB liability.

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

Subsidy amounts for retirees differ between the two organizations and vary according to years of service, date of retirement and the pension plan from which someone retires. The chart on the following page compares subsidy levels of the different plans.

The cost to increase the subsidy levels for FCPS participants covered under the FCERS plan to the same level as Fairfax County Government is estimated to be \$1.1 million annually. This estimate is based on current enrollment, and will increase over time if a higher percentage of retirees retain FCPS health coverage.

Additionally, the Actuarial Accrued Liability (AAL) for FCPS Other Post Employment Benefits will increase by \$44.8 million, and the Annual Required Contribution will increase by \$3.2 million. The increase to the ARC is in addition to the increase to the explicit subsidy, resulting in a total annual increase of \$4.3 million.

As background information, both County Government and Schools retirees shared similar subsidy levels until FY 2006, when Fairfax County Government began using Retiree Drug Subsidy (RDS) monies received from the Federal Government to increase the retiree health subsidy on a temporary basis. Subsidies for County Government employees were increased by \$10 in Fiscal Year 2018.

Instead of increasing the retiree subsidy, Fairfax County Public Schools used the RDS monies to decrease premiums for retirees. When FCPS converted Medicare retirees to a Medicare Part D pharmacy benefit program in 2013, rebate dollars under the RDS program ended, and new rebates became available. FCPS continues to apply these rebates to reduce retiree premiums.

### Comparison of Retiree Health Benefits Subsidy

<b>Fairfax County Government Retirees</b>		<b>Fairfax County Public Schools Retirees</b>		
<b>Years of Service</b>	<b>Monthly Subsidy</b>	<b>FCERS Members Age 55-64</b>	<b>FCERS Members Age 65+ or eligible for Medicare</b>	<b>ERFC Members Age 55+ and VRS** Members Monthly Subsidy</b>
5-9	\$40	\$25*	\$15*	\$100 ERFC
10-14	\$75	\$50*	\$25*	\$100 ERFC
15-19	\$165	\$125	\$100	\$100 ERFC + \$60-\$76 VRS
20-24	\$200	\$150	\$150	\$100 ERFC + \$80-\$96 VRS
25 or more	\$230	\$175	\$175	\$100 ERFC + \$100 or more VRS

\* Applies to individuals who retired or enrolled in the FCPS health benefit program on or after July 1, 2004. If retired prior to July 1, 2004, the minimum subsidy is \$100 per month.

\*\* VRS provides a monthly health credit to retirees with at least 15 years of service. The subsidy offsets the retiree's cost for health premiums and applies to any health plan coverage (including Medicare). The Virginia General Assembly sets the subsidy amount (currently \$4 per year of VRS service).