

# Advertised Budget Summary

## Economic Overview

### Nationally

The COVID-19 pandemic brought the economic expansion, which had been the longest in U.S. history, to an abrupt end during the first quarter of 2020. The pandemic forced many states to impose economic lockdowns in order to restrict the spread of the COVID-19 virus. In the first quarter of 2020, the US economy shrank at an annualized rate of 5.0 percent, then as the lockdowns took hold, at an annualized rate of 31.4 percent in the second quarter. As the virus abated during the summer months, the Gross Domestic Product increased 33.4 percent during the third quarter and 4.0 percent during the fourth quarter. For the entire year, the US economy shrank by 3.5 percent, the first such decline since the height of the financial crisis in 2009, and the largest decrease since 1946. The FY 2022 General Fund revenue forecast assumes that the U.S. economy will continue to recover in 2021 and 2022 from the effects of the COVID-19 pandemic.

As the US economy partially shut down in the spring, the unemployment rate rocketed from a low of 3.5 percent in February to a peak of 14.8 percent in April. With the gradual and halting reopening of the economy, as of January 2021, the unemployment rate has fallen to 6.3 percent. As of February 2021, the number of new weekly unemployment claims remains elevated at roughly four times the February 2020 level. Nationally, in many sectors of the economy, activity remains subdued.

To deal with the economic effects of the pandemic, there has been unprecedented monetary and fiscal support for the economy. Early in 2020, the Federal Reserve cut its target for the federal funds rate to a range of 0 percent to 0.25 percent. It also stepped in with lending to support households, employers, and state and local governments and reinstated a policy of asset purchases of Treasury securities and Agency mortgage-backed securities. The Federal Reserve has made it clear that accommodative monetary policy will continue until the pandemic-related economic dislocations have abated. The U.S. Congress has also provided several packages of fiscal stimulus to businesses, households, and state and local governments, beginning with the \$2.2 trillion CARES Act that was signed into law in March 2020. The County received \$200.2 million from the CARES Act to cover necessary expenditures incurred due to the COVID-19 public health emergency. In December 2020, Congress passed the \$900 billion Coronavirus Response and Relief Act which extended some of the provisions of the CARES Act including a new round of funding for the Paycheck Protection Program and a second round of stimulus payments. President Biden has proposed a \$1.9 trillion package to include a third round of stimulus payments, additional funding for vaccine distribution efforts, and additional aid to state and local governments.

### Fairfax County

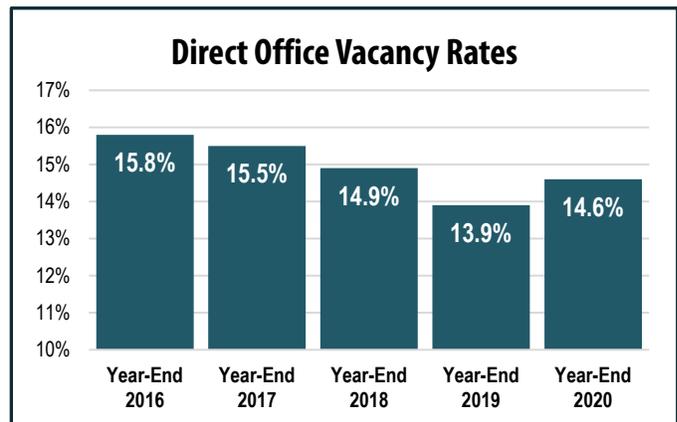
Current economic conditions make revenue forecasting very difficult. The FY 2022 General Fund revenue forecast assumes that the local economy will also continue to recover in 2021 and 2022. During the Great Recession, the Washington region was an anomaly in that it shed fewer jobs than most other areas of the country as the federal government increased spending and hiring to prop up the economy. However, during this most recent recession, the Washington region's economy was not insulated from the effects of the pandemic. Forecaster IHS Markit estimates that Fairfax County's real Gross County Product decreased by 3.2 percent in 2020, after increasing 2.8 percent in 2018 and 2.9 percent in 2019. The sectors of the economy relying upon discretionary consumer spending have fared the worst, particularly in the service sector. For all of Northern Virginia, from December 2019 to December 2020, the number of jobs in the Leisure and Hospitality sector decreased by 22.3 percent, while the number of jobs in the well-paying Professional and Business sector actually increased 0.2 percent during the period. In December, the unemployment rate in Fairfax County was at 4.4 percent, much higher than last December's unemployment rate of 1.9 percent. The rate peaked at 10.2 percent in April. The unemployment rate would be higher but for the fact that the labor force shrank by 4.1 percent, reflecting significantly lower labor market participation compared to pre-pandemic levels.

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Factors that could impact the region's economic outlook include the path of the virus and the speed at which vaccines can be distributed as well as the level of pent-up demand for services in sectors that have been hard hit by the pandemic, such as travel and restaurants.

Based on information from Bright MLS, the average sales price of homes sold in Fairfax County rose 8.4 percent from \$601,506 in 2019 to \$652,230 in 2020. Home prices continue to increase primarily as a result of the tight inventory of homes for sale and low mortgage rates. Since 2009, the average home sales price has risen 56.4 percent, or an average annual growth rate of 4.1 percent. Bright MLS also reported that 16,739 homes sold in the County in 2020, up 3.7 percent compared to 2019. Homes that sold during 2020 were on the market for an average of 19 days, down from 24 days in 2019.

In the County's nonresidential market, according to the Fairfax County Economic Development Authority, the direct office vacancy rate at year-end 2020 was 14.6 percent, up from 13.9 percent at year-end 2019. The overall office vacancy rate, which includes empty sublet space, was 15.5 percent at year-end 2020, up from 14.3 percent recorded at year-end 2019. The amount of empty office space increased to 18.5 million



square feet. Industry experts expect vacancy rates to increase as smaller office users let leases expire in favor of remote work and larger users put sublet space on the market.

At year-end 2020, office development continued around Metro stations in the Silver Line corridor and in other areas of the County as well. Seven office buildings, totaling approximately 2.9 million square feet, were under construction as of December 2020. The 1.2 million square feet of office space that delivered in 2020 outpaced 2019's total by more than 600,000 square feet. Office leasing activity totaled more than 3.4 million square feet during the first half of 2020, compared to 4.6 million in the back half of 2019. The slowdown in leasing activity is due to the impact of COVID-19 as the majority of Fairfax County's office workforce adapted to remote work and leasing decisions were placed on hold.

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### FY 2022 General Fund Budget Summary

Based on the current Real Estate Tax rate of \$1.15 per \$100 of assessed valuation, \$69.37 million in increased revenue is projected over FY 2021 levels. However, a one cent reduction to the Real Estate Tax rate is recommended, which reduces revenue by \$27.14 million. With a slight increase in Transfers In of \$0.29 million, \$42.52 million is available for FY 2022 requirements. The FY 2022 Advertised Budget Plan allocates \$13.07 million of these available resources for Fairfax County Public Schools (FCPS) priorities and \$11.70 million for County requirements, with a net decrease of \$2.25 million in reserve requirements. The remaining balance of \$20.00 million is recommended to be set aside in reserve for the Board for Economic Recovery initiatives in FY 2022.

The following table summarizes the FY 2022 Advertised Budget Plan.

<b>Adjustments included in FY 2022 General Fund Budget</b>			
<i>(Amounts shown are in millions, net change over FY 2021 Adopted Budget Plan)</i>			
<b>Available Revenue Increase</b>			
Revenue Increase at Current Real Estate Tax Rate			\$69.37
Real Estate Tax Rate Decrease of One Cent			(\$27.14)
Net Impact of Transfers In			\$0.29
<b>Total Available</b>			<b>\$42.52</b>
<b>FY 2022 Requirements</b>			
	<b>County</b>	<b>Schools</b>	<b>Total</b>
County Compensation	(\$1.97)	--	(\$1.97)
County Debt Service	\$0.28	--	\$0.28
Lifelong Education and Learning	(\$0.01)	\$13.07	\$13.06
Safety and Security	\$11.91	--	\$11.91
Health and Environment	\$9.12	--	\$9.12
Empowerment and Support for Residents Facing Vulnerability	\$2.92	--	\$2.92
Effective and Efficient Government	\$2.49	--	\$2.49
Cultural and Recreational Opportunities	\$2.18	--	\$2.18
Housing and Neighborhood Livability	\$0.47	--	\$0.47
Economic Opportunity	\$0.22	--	\$0.22
Mobility and Transportation	\$0.00	--	\$0.00
Agency Reductions and Savings	(\$15.91)	--	(\$15.91)
<b>Subtotal</b>	<b>\$11.70</b>	<b>\$13.07</b>	<b>\$24.77</b>
Reserve Adjustments			(\$2.25)
<b>Total Uses</b>			<b>\$22.52</b>
<b>Available Balance to be set aside in Economic Recovery Reserve</b>			<b>\$20.00</b>

### FY 2022 General Fund Revenue

FY 2022 General Fund revenues are projected to be \$4,499,426,703, an increase of \$67,086,736, or 1.5 percent, over the *FY 2021 Revised Budget Plan*, which contains the latest FY 2021 revenue estimates, and an increase of \$42,227,164, or 0.9 percent, over the FY 2021 Adopted Budget Plan.

On the County's real estate front, residential equalization reflects a 4.25 percent increase in FY 2022, while non-residential equalization fell by 4.05 percent. The overall Real Estate tax base grew 2.88 percent.

The value of a penny on the Real Estate Tax rate is \$27.14 million in FY 2022. Each penny change in the tax rate equals \$60.78 on a taxpayer's bill. Given an average value of a residential unit of \$607,752, the "typical" residential annual tax bill will rise, on average, \$224.15 in FY 2022 at the proposed Real Estate tax rate of \$1.14 per \$100 of assessed value. The increase was due to the rise in the average value of a residential unit, offset by the proposed 1 cent tax rate reduction included in the Advertised Budget.

Based on legislation enacted during the 2020 General Assembly session, the County was granted additional taxing authority, which could provide new revenue options. The legislation authorized all counties to impose a Cigarette Tax at a rate not to exceed 40 cents per pack, effective July 1, 2021. A ten cent increase from the County's current tax rate of 30 cents per pack would generate an additional \$1 million. The legislation also authorized all counties to impose a Meals Tax at a rate not to exceed 6 percent and eliminated the referendum requirement. However, a locality in which a meals tax referendum failed prior to July 1, 2020, would have to wait six years after the date of the failed referendum to impose the tax. As a meals tax referendum failed in Fairfax County in 2016, a meals tax cannot be imposed in the County until FY 2024, assuming a July 1 implementation. It is estimated that an additional \$25.0 million could be generated for each 1 percent on the Meals Tax rate. In addition, the legislation removed the rate ceiling for the Transient Occupancy Tax rate. Rates between 2 and 5 percent are earmarked for tourism promotion, but there is no restriction on the use of funds at a tax rate above 5 percent. Based on pre-COVID revenues, it is estimated that each 1 percent on the Transient Occupancy Tax would generate an additional \$5.7 million. The County's Transient Occupancy Tax rate is currently levied at 4 percent. The County also has the authority to impose an Admissions Tax at a rate not to exceed 10 percent. Each one percent on the Admissions Tax rate is estimated to generate \$0.8 million.

The availability of these options could reduce pressure on the Real Estate Tax rate and allow for greater opportunity to revisit other tax rates, including the Machinery and Tools tax, or expand tax relief. Staff will continue to examine all options to diversify the County's tax base – including the potential for revenue generation and the impact on Fairfax County residents.

It is estimated that the County receives approximately 23 cents for every \$1 of state taxes generated in the County. This estimate includes state support for public assistance and law enforcement, funding for schools, support for the Community Services Board, and certain transportation allocations. This analysis does not include revenue that is not directly received by the County from the Commonwealth, such as funds for transportation and roads that is remitted to the Northern Virginia Transportation Commission. The analysis also does not include all state revenue that is generated in the County, including the 0.5 cent sales tax for the Transportation Trust Fund, the gas tax, the sales tax on motor vehicles sold in the County, DMV license fees, bank franchise taxes or cigarette taxes. There is no jurisdictional breakdown of these revenue categories.

The *General Fund Revenue Overview* in the FY 2022 Overview volume has additional details on General Fund revenues.

## FY 2022 General Fund Disbursements

FY 2022 General Fund disbursements are \$4,488.43 million, an increase of \$16.51 million, or 0.37 percent, over the FY 2021 Adopted Budget Plan and a decrease of \$220.53 million, or 4.68 percent, from the FY 2021 Revised Budget Plan. As the FY 2021 Revised Budget Plan includes the carryforward of encumbrances from FY 2020 and other one-time adjustments for FY 2021 approved as part of the FY 2020 Carryover Review and FY 2021 Mid-Year Review, comparisons between the FY 2022 budget and the FY 2021 Revised Budget Plan may be misleading. Thus, this section focuses on changes from the FY 2021 Adopted Budget Plan. Of the \$16.51 million increase over the Adopted Budget, \$24.77 million reflects programmatic adjustments, offset by a reduction in reserve requirements of \$8.26 million.

It should also be noted that 109 new positions, some outside of the General Fund, are included in the FY 2022 Advertised Budget Plan, and are detailed on the following pages.

### Summary by Strategic Plan Priority

Concurrent with the release of the FY 2022 Advertised Budget Plan, the County's updated proposed Strategic Plan will be made available at [www.fairfaxcounty.gov/strategicplan](http://www.fairfaxcounty.gov/strategicplan). A plan was originally developed and presented to the Board of Supervisors on February 25, 2020. However, as a result of the COVID-19 pandemic, consideration of the plan by the Board and the public was postponed. Based on the significant cultural and societal changes that have occurred over the past year, including the impacts of the pandemic, as well as the renewed focus on equity and racial justice, staff has spent the past months making updates to the plan. As part of these updates, staff have worked closely with the County's Chief Equity Officer to ensure alignment with the One Fairfax initiative and have followed the recommendations from the Chairman's Task Force on Equity and Opportunity. The plan is built around nine priority outcome areas, which were shared with the Board of Supervisors in March 2019. For each priority outcome area, the plan contains specific strategies that the County can take to make progress towards an aspirational outcome, as well as quantifiable indicators and metrics to measure that progress. During the next phase, the Board will seek community input to provide feedback, make changes, and, ultimately, approve the plan alongside the adoption of the budget. Upon approval, the strategic plan will be more fully integrated into the budget preparation and decision-making process.



Funding adjustments included in the FY 2022 Advertised Budget Plan are presented below, categorized by the priority areas as included in the Strategic Plan. It should be noted, however, that two areas of funding – compensation and debt service – cross all priority areas. As a result, these categories are presented separately.

### Employee Compensation (Pay and Benefits)

(\$1.97) million

The FY 2022 Advertised Budget Plan includes no funding for employee pay adjustments in FY 2022. Employee benefit adjustments result in a net savings of \$1.97 million. Required increases due to rising retirement employer contribution rates, estimated health care premium increases, and an increase in the actuarially determined contribution for retiree health, are offset by savings due to migration to lower cost health plans and position vacancies.

#### Employee Pay

As noted above, no funding is included for employee pay increases as part of the FY 2022 budget proposal. With constrained revenue growth, resources were not available to fund the Market Rate Adjustment – calculated at 2.09 percent – or performance, merit, or longevity increases. The full cost of the County's compensation program is projected to cost approximately \$55 million.

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As no Market Rate Adjustment is funded as part of the FY 2022 proposal, the County's **Living Wage** will remain at its current rate of \$15.14 per hour.

As directed by the Board of Supervisors, staff will be exploring the potential for a one-time bonus as part of the upcoming *FY 2021 Third Quarter Review*. A one-time bonus in FY 2021 would not contribute to budgetary pressures in FY 2022 and beyond. If recommended, this bonus would be in addition to the \$2,000 one-time, hazard pay bonus approved by the Board for eligible employees on February 9. The hazard pay bonus is being supported through CARES Act Coronavirus Relief Funds. Among other criteria, employees are eligible if they are classified in very high- or high-risk categories per the VOSH (Virginia Occupational Safety and Health) standards.

## Retirement

An increase of \$8.37 million is associated with required employer contribution rate increases for each of the County's three retirement plans. It is the County's policy to fully fund the actuarially determined contributions; beginning in FY 2020, the contribution rates are calculated including amortization of 100 percent of the unfunded liability. Contributions are required to increase in FY 2022 primarily because all three systems failed to reach the 7.25 percent assumed rate of investment return in FY 2020. The Employees' system was up 2.9 percent, the Uniformed system was down 1.2 percent, and the Police Officers system was down 3.9 percent, all net of fees.

## Retiree Health Benefits

An increase of \$0.51 million is associated with the General Fund contribution towards the actuarially determined contribution for the County's OPEB (Other Post-Employment Benefits) liability. The latest valuation calculated the County's actuarial accrued liability at \$387.6 million and the unfunded actuarial accrued liability at \$56.8 million. The resulting FY 2021 contribution of \$18.9 million, an increase of \$2.6 million from the prior year, will be funded through a combination of a General Fund transfer, contributions from other funds, and an implicit subsidy contribution as calculated by the County's actuary. The increase is due to higher than anticipated retiree claims. As of the July 1, 2020 valuation, the County's OPEB liabilities were 85.4 percent funded.

## Health Insurance

An increase of \$3.46 million is associated with projected premium increases of 5.0 percent for all health insurance plans, effective January 1, 2022, as well as the full-year impact of January 2021 premium adjustments, which ranged from 0.0 to 6.0 percent. The 5.0 percent increase is a budgetary projection only; final premium decisions will be made in the fall of 2021 based on updated experience. Decisions will be based on the impact to employees and retirees, the actual claims experience of each plan, the maintenance of adequate reserves, and the impact on the County's OPEB liability.

## Benefit Savings based on Trends

A net decrease of \$14.30 million is primarily associated with savings related to the County's concerted effort to encourage migration into more cost-effective health plans through employee engagement and education. The design of the County's plans has shifted gradually from plans with a co-pay structure to plans with a co-insurance structure, as part of an effort to control cost growth through a stronger focus on features that encourage consumerism. The County's only remaining self-insured co-pay plan was closed to new enrollment in 2017 and the plan was discontinued at the end of 2020. Other savings in Employee Benefits are due to a new contract for group life insurance and savings related to position turnover.

## County Debt Service

**\$0.28 million**

In addition to requirements associated with School debt service, FY 2022 General Fund support of County debt service requirements is \$131.32 million, an increase of \$0.28 million over the FY 2021

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Adopted Budget Plan. The increased FY 2022 funding level supports programmed debt service payments, including the \$110.00 million in General Obligation bonds sold in January 2021 for the County. The 1.23 percent interest rate received in January represented the lowest rate received for a new money bond deal in the County's history – 77 basis points below the previous low interest rate of 2.00 percent one year prior. During FY 2022 it is anticipated that a General Obligation bond sale estimated at \$300.00 million will be conducted to fund cash requirements for on-going capital projects for School and County purposes. This bond sale estimate is consistent with the FY 2022-FY 2026 Advertised Capital Improvement Program (CIP).

## Capital Construction

Capital Construction is primarily financed by the General Fund, General Obligation bonds, fees, and service district revenues. General Fund support in FY 2022 totals \$18.68 million, representing a net increase of \$0.61 million from the FY 2021 Adopted Budget Plan due to increased annual funding for athletic fields maintenance associated with an additional 44 FCPS synthetic turf fields. An increase of \$0.38 million for environmental projects has also been included, offset by savings in other capital contributions. *Details of these adjustments are provided in the following section, categorized by the appropriate Strategic Plan priority outcome area.*

There is no funding included for County infrastructure replacement and upgrade projects in FY 2022; however, an amount of \$6.28 million is anticipated to be funded as part of the *FY 2021 Third Quarter Review* or *FY 2021 Carryover Review*. In recent years, it has been the Board's practice to fund some or all of the infrastructure replacement and upgrade projects using one-time funding as available as part of quarterly reviews.

### FY 2022 Capital Construction/Paydown Summary<sup>1</sup>

	Commitments, Contributions, and Facility Maintenance	Paydown	Total General Fund Support
Athletic Field Maintenance and Sports Projects	\$5,040,338	\$1,700,000	\$6,740,338
Park Authority Inspections, Maintenance, and Infrastructure Upgrades	\$960,000	\$1,740,000	\$2,700,000
Environmental Initiatives	\$1,298,767	\$0	\$1,298,767
Revitalization Maintenance	\$1,410,000	\$0	\$1,410,000
Payments and Contributions/On-going Development Efforts	\$4,478,940	\$0	\$4,478,940
County Infrastructure Replacement and Upgrades	\$0	\$0	\$0
ADA Improvements	\$0	\$350,000	\$350,000
Reinvestment, Repair and Emergency Maintenance of County Roads and Walkways	\$0	\$1,500,000	\$1,500,000
Developer Defaults	\$0	\$200,000	\$200,000
<b>Total General Fund Support</b>	<b>\$13,188,045</b>	<b>\$5,490,000</b>	<b>\$18,678,045</b>

<sup>1</sup> Reflects General Fund support. Other funding sources such as dedicated revenue and bond funding are not included in these totals.

Details about the Capital program are available in the *Capital Projects Overview* of the Overview volume.

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## Capital Improvement Program

The FY 2022-FY 2026 Capital Improvement Program (CIP) totals \$11.3 billion. The total bond program within the CIP is \$2.3 billion (includes both General Obligation and Economic Development Authority bonds), and the CIP bond program is managed within the County’s debt ratios. Highlights include the review and analysis associated with the long-range Bond Referendum Plan and the County’s debt capacity; efforts underway to identify potential FCPS/County shared-use facility sites and other co-location opportunities; and an outline of key changes from the FY 2021 CIP.

Although debt ratios are projected to be well below the Board’s self-imposed limits, the *Ten Principles of Sound Financial Management* also sets an annual \$300 million bond sale limit. The Board has agreed to an annual sale amount for FCPS of \$180 million, with the remaining \$120 million dedicated to all other County requirements. This annual sale limit is beginning to present some capacity challenges which are expected to continue into future years. The County sales limit has been level at \$120 million since FY 2007; however, Washington Metropolitan Area Transit Authority (WMATA) requirements have increased significantly since that time, reducing available capacity for other needs. Additionally, projects are taking longer to complete (particularly more complex colocation projects), delaying bond sales, and creating a backlog of sale requirements. Most recently, existing Library and Public Safety bonds have required a 2-year extension from the Circuit Court to provide a total of 10 years in which to sell the bonds after the date of the referendum. These issues are in addition to the capacity concerns voiced by FCPS, who have expressed interest in increasing the \$180 million Schools limit (last increased in FY 2019).

Staff are currently working with the newly formed Joint Board of Supervisors/School Board CIP Committee and are discussing ideas for both the County and FCPS capital programs. It is anticipated that the committee will be reviewing the entire debt program, including debt capacity, bonding versus paydown options, timing and sizing of future referenda, and the assumptions used in future year CIP projections. A key part of the discussions will be affordability, as debt service is only one of the many operational demands on the County budget.

The CIP Bond Referendum Plan, outlined below, continues to include Fairfax County Public Schools Referenda proposed in odd-numbered years and County Referenda proposed in even-numbered years. The Referendum Plan continues the approved level of support for FCPS, with referenda of \$360 million every two years, directly linked to the current approved sales limit of \$180 million per year.

### FY 2022-FY 2026 Bond Referendum Plan

Year	Category	Description	Total
Fall 2021	Schools	Capital Enhancement, Renovation, Infrastructure Management	\$360 mil
Fall 2022	County	Public Safety (\$72 mil) - Welfit Performance Testing Center, Chantilly Fire Station, Fox Mill Fire Station, Oakton Fire Station Human Services (\$25 mil) - Early Childhood Facilities	\$97 mil
Fall 2023	Schools	Capital Enhancement, Renovation, Infrastructure Management	\$360 mil
Fall 2024	County	Human Services (\$89 mil) – Tim Harmon Campus: A New Beginning/Fairfax Detox, Cornerstones, Springfield Community Resource Center, Early Childhood Facilities Parks (\$112 mil) - Fairfax County Park Authority and Northern Virginia Regional Park Authority WMATA (\$180 mil)	\$381 mil
Fall 2025	Schools	Capital Enhancement, Renovation, Infrastructure Management	\$360 mil



Strategic Plan Priority Area:

## Lifelong Education and Learning

\$13.06 million

As part of the FY 2022 Advertised Budget Plan, a net increase of \$13.06 million is dedicated to the priority area of Lifelong Education and Learning. Support for Fairfax County Public Schools totals \$13.07 million, offset by a slight reduction of \$0.01 million associated with the County's contributions to Northern Virginia Community College.

### Fairfax County Public Schools Support

The FY 2022 Advertised Budget Plan was developed, as we have done in prior years, with equal growth between transfers to support the Schools and County disbursements. This results in transfers to Schools totaling \$2,367.67 million, an increase of \$13.07 million, or 0.55 percent, over the FY 2021 Adopted Budget Plan. These figures include transfers to the School Operating, Debt Service, and Construction Funds. Transfers to the Schools funds make up 52.8 percent of General Fund disbursements in this proposal.

The FY 2022 Advertised Budget Plan includes \$2.37 billion in support for **Fairfax County Public Schools**, an increase of \$13.07 million, or 0.55% over FY 2021. Transfers to the School Operating, Debt Service, and Construction Funds make up 52.8% of General Fund disbursements in FY 2022.



Of the total increase, an increase of \$14.13 million is included as increased support to the School Operating Fund, an increase of 0.66 percent over the funding level in the FY 2021 Adopted Budget Plan. This level of support is far short of the \$104.40 million requested as part of the School Board's Advertised Budget Plan. The Superintendent's Proposed budget included a requested increase of \$42.69 million, or 2 percent, over the FY 2021 level. The request was primarily to offset projected decreases in Sales Tax, State Aid, and Federal revenue, as well as a reduction in the beginning balance, and did not assume a significant net increase in expenditures. On February 18, 2021, the School Board increased the transfer request by almost \$62 million, primarily to support a 3 percent compensation adjustment for all employees. The adjustment is consistent with the proposed budget amendment in the Virginia Senate, which would provide partial funding of \$13.4 million to support a 3 percent compensation increase for SOQ (Standards of Quality)-recognized instructional and support positions but would require \$60.3 million in local funds.

The General Fund transfer to the School Debt Service Fund is decreased by \$1.06 million, or 0.54 percent, from the FY 2021 level, primarily as a result of capitalizing on favorable market conditions through refundings in 2020. This amount includes annual bond sales of \$180 million as approved by the Board of Supervisors as part of the FY 2019 Adopted Budget Plan.

The General Fund transfer to the School Construction Fund in FY 2022 is \$13.1 million, representing no change from FY 2021.

The County provides support for Fairfax County Public Schools outside of General Fund transfers. In FY 2022, \$119.76 million is included in the County budget for programs such as Head Start, School Health, Behavioral Health Services, School Resource Officers, School Crossing Guards, after-school programming, field maintenance, and recreational programs, among others.

## Contributions to Northern Virginia Community College

Funding of \$2.57 million in Fund 30010, General Construction and Contributions, is included for Fairfax County's capital contribution to the Northern Virginia Community College (NVCC), reflecting a decrease of \$5,513 from FY 2021. FY 2022 funding is based on a rate of \$2.25 per capita. This rate is applied to the population figure provided by the Weldon Cooper Center for Public Service. Beginning in FY 2021, the NVCC had proposed, and Fairfax County supported, redirecting \$0.50 of

Fairfax County is a place where all residents at every stage of life are taking advantage of inclusive, responsive, and accessible learning opportunities that enable them to grow, prosper, and thrive.

the capital contribution rate from the capital program to the operational program to support a new skilled workforce initiative. In FY 2022, the entire capital contribution will support the Online Early College High School Initiative with the exception of \$0.50 which will support IT exams and certificates to match the needs of regional employers. The Online Early College Program will offer Fairfax County Public School (FCPS) high school seniors the opportunity

to enroll in up to two concurrent college-credit courses. Funding for capital construction projects will continue using balances that exist from previous year's jurisdictional contributions.

Additionally, the FY 2022 Fairfax County contribution to NVCC for operations and maintenance in Fund 10030, Contributory Fund, is \$113,421, a decrease of \$491 from the FY 2021 Adopted Budget Plan. The local jurisdictions served by the college are requested to contribute their share of the College's base operating expenditure (not including personnel services), which is calculated on a per capita basis as reported by the College using population figures from the Weldon Cooper Center. This funding reflects the County's share of the services provided to Fairfax County residents as reported by the College and is 45.4 percent of the local jurisdictions' contributions totaling \$250,000 for FY 2022.



Strategic Plan Priority Area:

### Safety and Security

**\$11.91 million, 46 Positions**

Safety and Security priorities for FY 2022 include support for new facilities, such as the South County Police Station and the Scotts Run Fire Station and funding to address workload issues, such as those in the Office of the Commonwealth's Attorney. Baseline funding is also included for the County's Body-Worn Camera program, as the last two phases of the program were approved by the Board as part of the *FY 2020 Carryover Review*. After accounting for the revenue impact associated with these adjustments, the net impact to the General Fund is \$12.50 million.

#### Body-Worn Camera Program

An increase of \$4.44 million is included to support the workload and information technology requirements associated with the implementation of Phases Two and Three of the County's Body-Worn Camera program, as approved by the Board as part of the *FY 2020 Carryover Review*. At Carryover, the Board approved partial-year funding to ensure that implementation in the remaining five police district stations would be completed in FY 2021. The full program will consist of 1,210 cameras issued to all district stations and other key operational staff. Funding in FY 2022 provides full-year funding for the 21 positions added at Carryover, including 4/4.0 FTE positions in the Department of Information Technology, 15/15.0 FTE positions in the Office of the Commonwealth's Attorney, and 2/2.0 FTE positions in the Police Department, as well as funding to support increased storage capacity to records management system for video evidence in the Circuit Court.

## South County Police Station Staffing

An increase of \$3.15 million in the Police Department is required to support 16/16.0 FTE new positions to continue the process of staffing the South County Police Station. These positions, which are in addition to 54/54.0 FTE positions added in previous year budgets, are required to staff a new police station located in South County. This completes the original staffing plan for sworn positions which was phased-in over a multi-year period to allow the department to gradually hire and train new recruits and will allow for continued analysis to ensure that current staffing estimates were accurate. Based on the original plan, an additional 10 civilian support positions are anticipated to be required in FY 2023 for the station to be fully operational by the estimated March 2023 opening.

Fairfax County is a place where all people feel safe at home, school, work and in the community.

## Commonwealth's Attorney Caseloads

An increase of \$2.23 million and 15/15.0 FTE new positions in the Office of the Commonwealth's Attorney is included to support the ongoing efforts of the Body-Worn Camera program, as well as handling all sex crimes and a majority of violent crimes. At the September 22, 2020, Public Safety Committee Meeting, the Commonwealth's Attorney requested additional positions to cover workload that was backlogged or no longer covered due to a lack of resources. As a result, prosecution of violent crimes, sex crimes, property crimes and other misdemeanors was reduced as a response. These new positions will allow the office to continue prosecution of all sex crimes and a majority of violent crimes and support the full implementation of the Body-Worn Camera Program.

## Scotts Run Fire Station 44 Staffing

An increase of \$1.18 million is required to support 8/8.0 FTE new positions in the Fire and Rescue Department to begin the process of staffing the new Scotts Run Fire Station 44, which is anticipated to open this summer. In early 2013, land, as well as design and construction of a second fully functional fire station in Tysons East, was negotiated through a development partnership to support future growth in Tysons. FY 2022 funding will provide for the full-year operation of a Medic Unit; the Medic Unit itself was purchased using one-time funding as part of the *FY 2019 Carryover Review*. This funding represents a phased-in approach to staffing the Scotts Run Fire Station, and additional funding and positions is included in the Multi-Year budget for FY 2023.

## E-911 Call Capacity

An increase of 5/5.0 FTE new positions in Fund 40090, E-911, is required to increase 9-1-1 call capacity as a result of changing the dispatch model to single dispatch with the opening of the new South County Police Station and the greater demand on dispatching as a result of the Next Generation 9-1-1 telephony system. It should be noted that this adjustment results in a reduction of \$0.59 million to General Fund revenue, which is associated with a redirection of revenue to Fund 40090 to offset related expenses in that fund.

## Government Center Security Restoration Plan

An increase of \$0.54 million and 1/1.0 FTE new position in the Facilities Management Department will support Phases 1 and 2 of a multi-year Government Center Security Restoration Plan. Phase 1 was approved by the Board of Supervisors as part of the *FY 2020 Carryover Review* and included recurring funding to support the extension of the current Government Center lobby security hours when the building is open to the public and a roving officer who will be responsible for patrols, building integrity checks, incident and alarm response, and relief of the lobby officer. Phase 1 also supports a reorganization of all contracted security officers to allow for coverage at all campus buildings during evenings and weekends. Funding for Phase 2 has been included in FY 2022 to support increased recurring annual contracted security services, additional cameras, and surveillance enhancement equipment, and one new position to act as a System Administrator/Program Manager for the implementation of this plan.

## Office of Emergency Management Support

An increase of \$0.36 million and 1/1.0 FTE new position in the Office of Emergency Management is associated with the transition of Urban Areas Security Initiative (UASI) funding to local government funding. This funding will allow the volunteer program to continue across the County to further assist with disaster volunteer management, community engagement and education, and overall disaster response. Funding also reflects baseline support for positions previously approved by the Board as part of the *FY 2020 Carryover Review* for pandemic response. These positions, initially supported using stimulus funds, will support long-term training to County staff assigned to response and recovery efforts, assist with the development and implementation of after-action reports, and support long-term financial recovery efforts.



Strategic Plan Priority Area:

## Health and Environment

**\$9.12 million, 18 Positions**

Investments in FY 2022 for Health and Environment priorities include baseline funds to support Health Department positions added at previous quarter reviews for pandemic response efforts that are currently funded through stimulus funds. Funding is also included to support County's Diversion First and Opioid initiatives, as well as increases investments in environmental projects.

## Public Health Nurses Supporting COVID-19/School Health Program

An increase of \$4.45 million is included to support additional positions in the Health Department previously approved by the Board of Supervisors as part of the *FY 2020 Carryover Review*. These positions were initially funded through the Coronavirus Aid, Relief, and Economic Security (CARES) Act Coronavirus Relief Fund in FY 2021 to support contact tracing. The positions will continue to support contact tracing, testing, and vaccination efforts for the duration of the pandemic; however, once the pandemic is over, these positions will be redeployed to the School Health program to address the nurse to student ratio.

## Funding for COVID-19 Mass Vaccination Efforts/Emergency Preparedness

An increase of \$1.58 million is included to support additional positions in the Health Department previously approved by the Board of Supervisors as part of the *FY 2021 Mid-Year Review*. These positions were initially funded through the CARES Act Coronavirus Relief Fund in FY 2021 to support mass vaccination efforts. The positions will continue to support vaccination efforts for the duration of the pandemic; however, once the pandemic is over, these positions will be utilized to expand the agency's capabilities to prepare and respond to public health events.

Fairfax County is a place where all people can attain their highest level of health and well-being within a healthy sustainable environment.

## Opioid Task Force

An increase of \$1.43 million and 7/7.0 FTE new positions is required to continue addressing the opioid epidemic. In response to the opioid crisis facing our nation and local communities in Northern Virginia, the Board of Supervisors established an Opioid

Task Force to help address the opioid epidemic locally. The primary goal is to reduce death from opioids through prevention, treatment, and harm reduction strategies. Despite progress made over the past few years, when we were starting to see improvements in the number of fatal opioid overdoses in the Fairfax Health District, initial 2020 data indicates that numbers may be on the rise, potentially related to the COVID-19 pandemic. Additional FY 2022 resources will:

- Fund a new position in the Health Department to support coordination of services, conduct home visits, and serve as an expert resource for Maternal and Child Health nursing staff of

## Advertised Budget Summary

opioid exposed infants and families. This position will expand outreach to agency partners such as Child Protective Services within the Department of Family Services and the Community Services Board, as well as community providers, including obstetricians, pediatricians, and local hospitals.

- In Fund 40040, Fairfax-Falls Church Community Services Board, provide peer support services to assist with resource navigation services for individuals in need of services, and contracted detoxification and residential treatment services.
- Support six new positions in the Office of the Sheriff for the jail-based Medication Assisted Treatment program within the Adult Detention Center to include a Coordinator, a Peer Recovery Specialist, and Nurse Practitioners to allow for 24/7 medical services coverage.

### Diversion First

Diversion First is a multiagency collaboration between the Police Department, Office of the Sheriff, Fire and Rescue Department, Fairfax County Court System, and the Fairfax-Falls Church Community Services Board to reduce the number of people with mental illness in the County jail by diverting low-risk offenders experiencing a mental health crisis to treatment rather than bring them to jail. A total increase of \$0.72 million and 5/5.0 FTE new positions is included to support the Diversion First initiative in FY 2022. This increase is offset by savings in the Office of the Sheriff based on lower populations in the Adult Detention Center, in part due to the success of the Diversion First program. This decrease is reflected in the *Reductions* section later in this summary.

Resources added in FY 2022 will:

- In the Circuit Court, provide for toxicology supplies and screening, electronic monitoring and incentive items for the Drug Court, Veterans Treatment Docket and Mental Health Docket in order to meet compliance requirements associated with the Virginia Supreme Court and the National Association of Drug Court Professionals.
- Allow the General District Court to address caseload growth and provide support to the judges.
- In Fund 40040, Fairfax-Falls Church Community Services Board, support direct clinical services with individuals in crisis and successful identification and intervention with individuals in need of diversion from incarceration.

### Environmental Projects

An increase of \$0.38 million – which results in total FY 2022 funding of \$1.30 million – is included for projects that advance the County’s Environmental Vision and Operational Energy Strategy. Fund 30015, Environmental and Energy Program, was created as part of the FY 2021 Adopted Budget Plan to consolidate all environmental projects in the same fund. FY 2022 projects were selected based on a process supported by the Environmental Quality Advisory Council (EQAC) and support a variety of environmental initiatives. The selection process includes the application of specific project criteria, review of proposals from County agencies, and identification of projects for funding. Funding includes support for the continuation of the Invasive Management Area Program, composting initiatives at County government offices and community drop-off sites at the I-66 Transfer Station and the I-91 Landfill Complex, the restoration of Park meadows, efficiency improvements at historic houses being considered for the Resident Curator program, and electric vehicle charging stations at County facilities. A complete list of projects is available in the Fund 30015 narrative in Volume 2.

### Climate Adaptation and Resilience Plan

Consistent with actions approved by the Board of Supervisors as part of the *FY 2020 Carryover Review*, an increase of \$0.37 million is included in the Office of Environmental and Energy

Coordination to support the development and management of the Climate Adaptation and Resilience Plan. The proposed plan was presented to the Board in June 2020 and will use community-wide and expert input to identify the County's climate risks and vulnerabilities and to develop adaptation and resilience strategies.

### **Funding and Positions to Replace Expiring UASI Grant Funds**

An increase of \$0.20 million and 2/1.75 FTE new positions in the Health Department is included to address grant positions that will no longer be supported through the Urban Area Security Initiative (UASI) grant. The positions are responsible for the continued development, revision, and operationalization of the agency's Emergency Operations Plan and various supporting documents that guide the agency's response to public health emergencies.

### **Healthcare Business Operations**

An increase of 4/4.0 FTE new positions in Fund 40040, Fairfax-Falls Church Community Services Board (CSB), supports a utilization management team to navigate the rules of more than six managed care organizations (insurance providers) to provide and bill for services provided by the CSB. The expenditure increase is completely offset by revenue for no impact to the General Fund.

### **Contribution to Birmingham Green**

A decrease of \$0.02 million is reflected in Fund 10030, Contributory Fund, for the County's contribution to Birmingham Green, a nursing and assisted living facility in Manassas. Operating costs for Birmingham Green are partially covered through the Medicaid and General Relief programs at the maximum rates established by the state. To the degree that these funds, along with some additional funds from Medicare, other insurance, and private pay, are inadequate to cover the full costs of the operation of the facility, Fairfax County and four other sponsoring jurisdictions subsidize the facility on a user formula basis. Each jurisdiction pays for personnel and operating expenses at a level proportionate to the number of the jurisdiction's residents. The decrease is based on actual costs and utilization rates at the facilities.



Strategic Plan Priority Area:

### **Empowerment and Support for Residents Facing Vulnerability**

**\$2.92 million, 9 Positions**

Investments made in the area of Empowerment and Support for Residents Facing Vulnerability are primarily included to support positions approved at previous quarterly reviews, such as those added in the Coordinated Services Planning call center to support increased requests for assistance and positions to address public assistance caseloads. Additional funding is also included to provide support coordination services for individuals with developmental disabilities. After accounting for the revenue impact associated with these adjustments, the net impact to the General Fund is \$2.03 million.

### **Coordinated Services Planning**

An increase of \$1.35 million in the Department of Neighborhood and Community Services is included to support additional positions in the Coordinated Services Planning (CSP) call center that were previously approved by the Board of Supervisors as part of the *FY 2020 Carryover Review*. These positions have been integral in addressing the unprecedented volume to the County's 222 line, as our residents have reached out for assistance with basic needs. With the expectation that the pandemic's effects on our most vulnerable populations will be felt for years, increased demands for assistance may continue for the foreseeable future. These positions are currently being funded through the Coronavirus Aid, Relief, and Economic Security (CARES) Act Coronavirus Relief Fund.

## CSB Support Coordination

An increase of \$0.68 million and 9/9.0 FTE new positions in Fund 40040, Fairfax-Falls Church Community Services Board, is included to provide support coordination services to individuals with developmental disabilities in the community and comply with current state and federal requirements, primarily those pursuant to the Department of Justice Settlement Agreement and implementation of Virginia's Medicaid Waiver redesign, effective July 1, 2016. The expenditure increase of \$1.06 million is partially offset by an increase in Medicaid Waiver revenue for a net cost to the County of \$0.68 million.

Fairfax County is a place where all residents facing vulnerability are empowered and supported to live independent lives to their fullest potential.

## Public Assistance Eligibility Workers to Address Increased Caseloads

As previously approved by the Board of Supervisors as part of the *FY 2020 Carryover Review*, an increase of \$0.64 million in the Department of Family Services is included to support additional positions in the Public Assistance program. The positions will continue to address the increase in public assistance caseloads in the Self-Sufficiency Division in order to meet state and federal guidelines for both timeliness and accuracy. The expenditure increase is fully offset by an increase in federal and state revenue for no net impact to the General Fund.

## Sexual Abuse Specialist Positions for Protection and Preservation Services

As previously approved by the Board of Supervisors as part of the *FY 2020 Carryover Review*, an increase of \$0.25 million in the Department of Family Services is included to support additional positions in Protection and Preservation Services to increase the number of staff who specialize in sexual abuse ongoing cases. The expenditure increase is fully offset by an increase in revenue for no net impact to the General Fund.



Strategic Plan Priority Area:

## Cultural and Recreational Opportunities

**\$2.18 million, 11 Positions**

Increased funding for Cultural and Recreational Opportunities is included in FY 2022 primarily to support new facilities, such as the new Community Center in Lee District and the new Sully Community Center. Baseline funding is also included as part of an initiative to standardize the maintenance of synthetic turf fields across the County.

### Community Center in Lee District

An increase of \$0.95 million in the Department of Neighborhood and Community Services is included to support the new Community Center in Lee District. The Board of Supervisors purchased the Mount Vernon Athletic Club in April 2020 with plans to establish a multi-service center that meets the needs of the surrounding neighborhoods. When complete, recreational and educational programming will be offered to residents of all ages at the facility. The facility will be fully operational in FY 2022; however, limited programming is expected to begin in the last quarter of FY 2021. It is anticipated that 5/4.5 FTE new positions will be included in the *FY 2021 Third Quarter Review* to allow the facility to open in FY 2021.

### Sully Community Center

An increase of \$0.64 million and 11/10.5 FTE positions is included for partial-year support for the new Sully Community Center. The center, when completed, is expected to house a Federally Qualified Health Clinic, on-site WIC (Special Supplemental Nutrition Program for Women, Infants and Children) services, and a School-Age Child Care program, as well as various social and recreational programs. Nine positions in the Department of Neighborhood and Community Services will support

operations and programs at the center, while two positions in the Health Department will provide support to clients receiving WIC services. The Sully Community Center is currently scheduled to open in the last quarter of FY 2022. Full-year funding will be needed beginning in FY 2023.

## Synthetic Turf Field Maintenance Program

An increase of \$0.61 million in Fund 30010, General Construction and Contributions, is associated with the transfer of maintenance responsibility of an additional 44 turf fields from Fairfax County Public Schools (FCPS) to the Fairfax County Park Authority, as approved by the Board as part of the

Fairfax County is a place where all residents, businesses, and visitors are aware of and able to participate in quality arts, sports, recreation, and culturally enriching activities.

*FY 2019 Carryover Review.* This increase represents a partnership with FCPS and supports one-half of the costs associated with the field maintenance; FCPS has agreed to fund the remaining costs. The Park Authority previously maintained all other FCPA and FCPS rectangular fields and the vast majority of diamond fields in their athletic field maintenance program. The

transfer of maintenance responsibilities to FCPA for the remaining 44 FCPS synthetic turf fields is designed to improve continuity and equity in maintenance and bring the school fields into an established field safety testing program. With this change, the Park Authority has assumed maintenance responsibilities of FCPS turf fields at all high school locations.

## Contribution to Northern Virginia Regional Park Authority

A decrease of \$0.01 million is included in Fund 10030, Contributory Fund, for Fairfax County's contribution to the Northern Virginia Regional Park Authority (NVRPA). The NVRPA is a multi-jurisdictional, special-purpose agency established to provide a system of regional parks for the Northern Virginia area. The NVRPA currently operates 30 regional parks and owns over 11,000 acres of land, of which more than 8,000 acres are in Fairfax County. These community resources are supported primarily from the annual contributions of its six member jurisdictions: the counties of Fairfax, Loudoun and Arlington, and the cities of Fairfax, Alexandria, and Falls Church. Each member jurisdiction's contribution is in direct proportion to its share of the region's population. Based on changes in the County's population, the Fairfax County share decreases slightly in FY 2022. The County's contribution to the NVRPA in FY 2022 is \$2.23 million. An additional \$3.0 million is included in Fund 30010, General Construction and Contributions for the County's annual capital contribution.



Strategic Plan Priority Area:

## Effective and Efficient Government

**\$2.49 million, 22 Positions**

Adjustments in the area of Effective and Efficient Government include funding for positions to support collective bargaining as a result of legislative changes in the 2020 General Assembly session. Other adjustments are to address maintenance requirements for new facilities and workload issues related to the County's capital program. Many of the adjustments included this section support all priority areas but are included here for ease. After accounting for the revenue impact associated with these adjustments, the net impact to the General Fund is \$2.33 million.

## Collective Bargaining

An increase of \$0.96 million and 6/6.0 FTE new positions are included to provide resources for collective bargaining, as the Board of Supervisors is expected to adopt an ordinance implementing collective bargaining in the County per legislation adopted by the 2020 General Assembly Session. This funding supports five positions in the Department of Human Resources as well as one position in the Office of the County Attorney to provide legal support.

# Advertised Budget Summary

## New Facility Maintenance

An increase of \$0.57 million in the Facilities Management Department includes support for required utility, custodial, repair/maintenance, and landscaping costs associated with partial or full year costs for new or expanded facilities in FY 2022. These facilities include Edsall Fire Station, the Police Heliport, Reston Fire Station, Sully Community Center, Tysons East Fire Station and Woodlawn Fire Station. In addition, funding has been included for full-year support for the Lee Community Center approved by the Board of Supervisors as part of the *FY 2020 Carryover Review*. These facilities will provide an additional 127,568 square feet to the current square footage maintained by FMD.

Fairfax County is a place where all people trust that their government responsibly manages resources, provides exceptional services, and equitably represents them.

## Lease Adjustments

A net increase of \$0.55 million in the Facilities Management Department has been included for lease requirements in FY 2022 based on an estimated 2.5 to 3 percent escalation on existing leases.

## Elections Support

An increase of \$0.22 million and 2/2.0 FTE new positions in the Office of Elections is associated with a position to address the increase in complexity of financial activity in the department and a position to address the increased workload associated with managing the County's voting equipment system.

## Capital Projects Workload

A net increase of \$0.21 million and 13/13.0 FTE new positions in the Office of Capital Facilities is included to address growing workload requirements associated with the planned projects in the Capital Improvement Program (CIP). Positions costs are primarily offset by Recovered Costs from capital projects.

## Facilities Management Workload Support

An increase of \$0.18 million supports positions redirected to the Facilities Management Department in FY 2021 associated with workload demands.

## Contributory Increases

A net increase of \$0.02 million in Fund 10030, Contributory Fund, reflects increases for contributions to the Metropolitan Washington Council of Governments and Northern Virginia Regional Commission, partially offset by reductions in contributions to the Northern Virginia Transportation Commission and the Virginia Association of Counties. These adjustments are based on agreed-upon formulas and are adjusted based on per capita rates and changes in estimated population, whose source may differ by agreement.

## Audit Manager

An increase of \$0.16 million and 1/1.0 FTE new position in the Department of Tax Administration is included to oversee the Audit Section in response to anticipated growth in the number of businesses in redevelopment areas and increases in the number and complexity of appeals. The expenditure increase is completely offset by an increase in revenues for no net impact to the General Fund.

## Capital Project Reductions

A net decrease of \$0.38 million in the General Fund transfer to Fund 30010, General Construction and Contributions, is based on reductions in the annual payments for the Salona property, a reduction of the amount necessary to support payments to developers for interest earned on conservation bond deposits, and a reduction in funding for ADA (Americans with Disabilities Act) improvements based upon existing project balances.

# Advertised Budget Summary



Strategic Plan Priority Area:

## Housing and Neighborhood Livability

\$0.47 million, 2 Positions

Additional resources included for Housing and Neighborhood Livability in FY 2022 are primarily associated with positions to support the County's affordable housing efforts, as well as a position to support placemaking as approved at a previous quarterly review.

Fairfax County is a place where all people live in communities that foster safe, enjoyable, and affordable living experiences.

### Affordable Housing Positions

An increase of \$0.31 million and 2/2.0 FTE new positions is included in the Department of Housing and Community Development to support the creation, rehabilitation, and preservation of affordable housing throughout Fairfax County with

an emphasis on the recommendations of the Affordable Housing Resource Panel and Phase II of the Communitywide Housing Strategic Plan to produce 5,000 units of affordable housing over the next 15 years.

### Chief Strategist for Placemaking

Consistent with actions approved by the Board of Supervisors as part of the *FY 2020 Carryover Review*, an increase of \$0.16 million is associated with a Chief Strategist for Placemaking position in the Office of the County Executive. This position will help ensure success as the County implements the Strategic Plan and closely coordinates and cooperates with departments in the County that play a role in placemaking.

### Contributory Increases

An increase of \$1,505 is included in Fund 10030, Contributory Fund, for the County contribution to the Architectural Review Board (ARB). The ARB administers the Historic Overlay District provisions in the County's Zoning Ordinance and advises the Board of Supervisors on other properties that warrant historic preservation through historic district zoning, proffers, or easements. The increase will support cost of payments to the recording secretary.



Strategic Plan Priority Area:

## Economic Opportunity

\$0.22 million, 1 Position

Increases in the area of Economic Opportunity for FY 2022 are primarily associated with additional support for the Department of Economic Initiatives.

### Support for Economic Initiatives

An increase of \$0.22 million and 1/1.0 FTE new position in the Department of Economic Initiatives is included to address growing workload requirements associated with the economic opportunity

Fairfax County is a place where all people, businesses, and places are thriving economically.

program and recovery initiatives. Funding also supports economic impact and fiscal analysis studies, which will allow the County to understand the return on investment of development project financing options and maximize economic and social benefits brought by the projects. In return, this could provide higher

revenues and help catalyze development in certain areas of the County.



Strategic Plan Priority Area:

## Mobility and Transportation

**\$0.00 million**

No additional funding is included for Mobility and Transportation initiatives as part of the FY 2022 Advertised Budget Plan. In FY 2021, the County benefited greatly from one-time funds received as a result of the Federal Transit Administration (FTA) regional transit services support included in the Coronavirus Aid, Relief and Economic Security (CARES) Act. In total, \$44.7 million through WMATA was available to offset requirements, including \$18.4 million which was applied as a credit to the County's FY 2021 operating subsidy contribution. Another \$26.3 million in credits allocated by WMATA was directed to Fairfax Connector to support the loss of passenger fare revenue, capital, operating and other County transit-related expenses to prevent, prepare for and respond to the COVID-19 pandemic.

The County's FY 2022 Metro operating contribution of \$177.0 million is a \$4.7 million increase over the \$172.3 million subsidy included in WMATA's FY 2021 Adopted Budget, yet is an increase of \$23.1 million when excluding the one-time stimulus credits which reduced the County's 2021 obligation. The increase in the operating contribution assumes inflationary adjustments for all operational categories (e.g., Bus, Rail and Paratransit services) including the opening of Silver Line Phase 2 Metrorail service. These figures are preliminary and based on the WMATA General Manager's FY 2022 Proposed Budget Plan. The County's FY 2022 operating subsidy will not be finalized until the FY 2022 WMATA budget is approved in spring 2021 and will include the impact of additional stimulus funds. In December 2020, the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) was approved, which provided \$14 billion to support transit. The region is expected to receive over \$700 million and, as with the CARES funding, the benefit to Fairfax County is expected to be generated through an additional Metro operating subsidy credit.

Fairfax County is a place where all residents, businesses, visitors, and goods can move efficiently, affordably, and safety throughout the County and beyond via our well-designed and maintained network of roads, sidewalks, trails, and transit options.

With the uncertainty surrounding the available federal stimulus, as well as additional support which may flow from the state, no adjustments in the General Fund transfer for Metro or Fairfax Connector are included in the proposal. Once the final WMATA budget is adopted in the spring, final recommendations will be included as part the FY 2022 Adopted Budget Plan or FY 2021 Carryover Review.

## Reductions and Savings

**(\$15.91) million**

In order to balance the FY 2022 Advertised Budget Plan, targeted agency reductions and savings of \$15.91 million have been recognized. It should be noted that this does not include over \$14 million in employee benefits savings which have been utilized to offset retirement and retiree health requirements.

Targeted agency reductions of \$6.07 million in the Department of Family Services, Fire and Rescue Department, Office of the Sheriff, Fairfax-Falls Church Community Services Board, and Juvenile and Domestic Relations District Court have been identified and are largely attributable to operational efficiencies, such as savings generated through program redesigns, and personnel savings related to turnover and vacancies. In addition, the total includes \$9.84 million in the FY 2021 General Fund Pandemic Reserve which has now been redirected to the \$20 million held in balance for Economic Recovery. As the Economic Recovery Reserve is unappropriated, the \$9.84 million is displayed as a reduction in disbursements.

## Reserve Requirements

(\$2.25) million

Per the Reserve Policy approved by the Board of Supervisors in April 2015 and included in the County's *Ten Principles of Sound Financial Management*, the County's reserves are targeted at 10 percent of General Fund disbursements. As part of the FY 2022 Advertised Budget Plan, reserves are projected to be slightly over the 10 percent target at 10.17 percent.

No General Fund contributions to reserves are included in the FY 2022 proposal. All three reserves – the Revenue Stabilization Reserve, Managed Reserve, and Economic Opportunity Reserve – are fully funded in the *FY 2021 Revised Budget Plan*. As total disbursements in the FY 2022 Advertised Budget Plan are lower than the prior year Revised budget, no additional contributions are necessary. Contributions as compared to the FY 2021 Adopted Budget Plan are down \$2.25 million.

### Revenue Stabilization Reserve

The Revenue Stabilization Reserve reached its target level of funding of 5 percent of General Fund disbursements in FY 2018 and is projected to be slightly above the target in FY 2022. No General Fund contribution is required to maintain funding at or above the target, representing no change from the FY 2021 Adopted Budget Plan.

### Managed Reserve

The Managed Reserve reached its target level of funding of 4 percent of General Fund disbursements in FY 2020 and is projected to be slightly above the target in FY 2022. No General Fund contribution is required to maintain funding at or above the target, representing an increase of \$6.01 million over the FY 2021 Adopted Budget Plan.

### Economic Opportunity Reserve

Fund 10015, Economic Opportunity Reserve (EOR), was at 0.7 percent as compared to its target level of funding of 1 percent of General Fund disbursements in FY 2020. As part of the *FY 2021 Revised Budget Plan*, it is projected to be at the full 1.0 percent target. For FY 2022, the EOR balance is currently projected to be slightly above its target, and no General Fund contribution is required. This represents a decrease of \$8.26 million from the FY 2021 Adopted Budget Plan.

## FY 2022 Budget: All Funds

All appropriated fund revenues in the FY 2022 Advertised Budget Plan total \$8.94 billion. This County revenue total is a decrease of \$108.59 million, or 1.20 percent, from the FY 2021 Adopted Budget Plan. On the expenditure side, the FY 2022 Advertised Budget Plan for all appropriated funds totals \$8.52 billion and reflects a decrease of \$99.68 million, or 1.16 percent, from the FY 2021 Adopted Budget Plan.

Additional details concerning non-General Fund revenues, expenditures, and positions for appropriated funds are available in the *Financial and Statistical Summary Tables* section of the Overview. Information on non-appropriated funds is located in Volume 2 of the County Budget.

# Advertised Budget Summary

## General Fund Disbursement and Reserve Adjustments included in the FY 2022 Advertised Budget Plan

	Positions	Disbursements	Associated Revenue	Net General Fund Impact
<b>Employee Pay &amp; Benefits</b>		<b>(\$1,973,052)</b>		<b>(\$1,973,052)</b>
<b>Employee Pay</b>		--		--
<i>No Funding Adjustments related to Employee Pay</i>		--		--
<b>Employee Benefits</b>		<b>(\$1,973,052)</b>		<b>(\$1,973,052)</b>
Retirement Rate Changes		\$8,365,296		\$8,365,296
Health Insurance Premium Adjustments		\$3,456,216		\$3,456,216
Retiree Health Benefits		\$510,000		\$510,000
Employee Benefits Experience Savings		(\$14,304,564)		(\$14,304,564)
<b>County Debt Service</b>		<b>\$276,660</b>		<b>\$276,660</b>
County Debt Service		\$276,660		\$276,660
<b>Lifelong Education and Learning</b>		<b>\$13,059,795</b>		<b>\$13,059,795</b>
<b>Fairfax County Public Schools Support</b>		<b>\$13,065,799</b>		<b>\$13,065,799</b>
School Operating Transfer		\$14,129,610		\$14,129,610
School Debt Service Transfer		(\$1,063,811)		(\$1,063,811)
Contributions to Northern Virginia Community College		(\$6,004)		(\$6,004)
<b>Safety and Security</b>	<b>46</b>	<b>\$11,906,911</b>	<b>(\$588,666)</b>	<b>\$12,495,577</b>
Baseline funding for Body-Worn Camera Program as approved in <i>FY 2021 Carryover Review</i>		\$4,435,704		\$4,435,704
South County Police Station Staffing	16	\$3,152,214		\$3,152,214
Commonwealth's Attorney Staffing	15	\$2,233,212		\$2,233,212
Scotts Run Fire Station Staffing	8	\$1,182,554		\$1,182,554
E-911 Call Capacity	5	--	(\$588,666)	\$588,666
Government Center Campus Security	1	\$542,875		\$542,875
Office of Emergency Management Support	1	\$360,352		\$360,352
<b>Health and Environment</b>	<b>18</b>	<b>\$9,117,072</b>		<b>\$9,117,072</b>
Baseline funding for Public Health Nurse positions approved in <i>FY 2020 Carryover Review</i>		\$4,450,804		\$4,450,804
Baseline funding for Health Department positions for Mass Vaccination Initiative approved in <i>FY 2021 Mid-Year Review</i>		\$1,575,562		\$1,575,562
Opioid Task Force	7	\$1,429,484		\$1,429,484
Diversion First	5	\$723,680		\$723,680
Environmental Projects		\$382,152		\$382,152
Baseline funding for positions supporting Climate Adaptation and Resilience Plan approved in <i>FY 2020 Carryover Review</i>		\$371,400		\$371,400
Health Department positions transitioning from UASI Grant	2	\$202,371		\$202,371
Healthcare Business Operations	4	--		--
Contribution to Birmingham Green		(\$18,381)		(\$18,381)

## Advertised Budget Summary

	Positions	Disbursements	Associated Revenue	Net General Fund Impact
<b>Empowerment &amp; Support for Residents Facing Vulnerability</b>	<b>9</b>	<b>\$2,923,810</b>	<b>\$894,099</b>	<b>\$2,029,711</b>
Baseline funding for Coordinated Services Planning positions approved at <i>FY 2020 Carryover Review</i>		\$1,351,778		\$1,351,778
CSB Support Coordination	9	\$677,933		\$677,933
Baseline funding for Public Assistance Eligibility Workers as approved in <i>FY 2020 Carryover Review</i>		\$643,450	\$643,450	--
Baseline funding for Sexual Abuse Specialist positions approved at <i>FY 2020 Carryover Review</i>		\$250,649	\$250,649	--
<b>Effective and Efficient Government</b>	<b>22</b>	<b>\$2,493,328</b>	<b>\$161,721</b>	<b>\$2,331,607</b>
Positions and support for Collective Bargaining	6	\$964,693		\$964,693
New Facility Maintenance		\$574,119		\$574,119
Lease Adjustments		\$550,954		\$550,954
Office of Elections Support	2	\$219,895		\$219,895
Capital Projects Workload	13	\$205,536		\$205,536
Facilities Maintenance Workload Support		\$175,812		\$175,812
Contributory Increases		\$17,237		\$17,237
Audit Manager	1	\$161,721	\$161,721	--
Capital Project Savings		(\$376,639)		(\$376,639)
<b>Cultural and Recreational Opportunities</b>	<b>11</b>	<b>\$2,182,943</b>		<b>\$2,182,943</b>
Support for new Community Center in Lee District (positions expected to be included in <i>FY 2021 Third Quarter Review</i> )		\$947,931		\$947,931
Staffing and support for new Sully Community Center	11	\$644,182		\$644,182
Baseline funding for Synthetic Turf Field Maintenance Program as approved in <i>FY 2020 Carryover Review</i>		\$605,000		\$605,000
Contribution to Northern Virginia Regional Park Authority		(\$14,170)		(\$14,170)
<b>Housing and Neighborhood Livability</b>	<b>2</b>	<b>\$470,017</b>		<b>\$470,017</b>
Affordable Housing Positions	2	\$308,512		\$308,512
Baseline funding for Chief Strategist for Placemaking position as approved in <i>FY 2020 Carryover Review</i>		\$160,000		\$160,000
Contributory Increases		\$1,505		\$1,505
<b>Economic Opportunity</b>	<b>1</b>	<b>\$220,138</b>		<b>\$220,138</b>
Support for Department of Economic Initiatives	1	\$220,138		\$220,138
<b>Mobility and Transportation</b>		--		--
<i>No Funding Adjustments related to Mobility and Transportation</i>		--		--

## Advertised Budget Summary

	Positions	Disbursements	Associated Revenue	Net General Fund Impact
<b>Agency Reductions and Savings</b>		<b>(\$15,908,597)</b>		<b>(\$15,908,597)</b>
General Fund Pandemic Reserve (redirected to unappropriated \$20 million Economic Recovery Reserve)		(\$9,838,597)		(\$9,838,597)
Fire and Rescue Department		(\$2,000,000)		(\$2,000,000)
Office of the Sheriff		(\$1,650,000)		(\$1,650,000)
Fairfax-Falls Church Community Services Board		(\$1,400,000)		(\$1,400,000)
Department of Family Services		(\$870,000)		(\$870,000)
Juvenile and Domestic Relations District Court		(\$150,000)		(\$150,000)
<b>Reserve Adjustments</b>		<b>(\$2,249,161)</b>		<b>(\$2,249,161)</b>
Revenue Stabilization		\$0		\$0
Economic Opportunity		(\$8,263,008)		(\$8,263,008)
Managed Reserve ( <i>not included in actual disbursements</i> )		\$6,013,847		\$6,013,847
<b>TOTAL</b>	<b>109</b>	<b>\$16,506,017</b>	<b>\$467,154</b>	<b>\$16,038,863</b>

## Advertised Budget Summary

### FY 2022 and FY 2023 MULTI-YEAR BUDGET PLAN: TAX AND FEE FACTS

Type	Unit	FY 2020 Actual Rate	FY 2021 Actual Rate	FY 2022 Proposed Rate	FY 2023 Planned Rate
<b>GENERAL FUND TAX RATES</b>					
<i>Real Estate</i>	<i>\$100/Assessed Value</i>	<i>\$1.15</i>	<i>\$1.15</i>	<i>\$1.14</i>	<i>\$1.14</i>
Personal Property	\$100/Assessed Value	\$4.57	\$4.57	\$4.57	\$4.57
<b>NON-GENERAL FUND TAX RATES</b>					
<b>REFUSE RATES</b>					
<i>Refuse Collection (per unit)</i>	<i>Household</i>	<i>\$385</i>	<i>\$370</i>	<i>\$400</i>	<i>\$425</i>
<i>Refuse Disposal (per ton)</i>	<i>Ton</i>	<i>\$68</i>	<i>\$68</i>	<i>\$66</i>	<i>\$67</i>
Leaf Collection	\$100/Assessed Value	\$0.012	\$0.012	\$0.012	\$0.012
<b>SEWER CHARGES</b>					
<i>Sewer Base Charge</i>	<i>Quarterly</i>	<i>\$32.91</i>	<i>\$32.91</i>	<i>\$36.54</i>	<i>\$41.03</i>
<i>Sewer Availability Charge</i>	<i>Residential</i>	<i>\$8,340</i>	<i>\$8,340</i>	<i>\$8,507</i>	<i>\$8,592</i>
<i>Sewer Service Charge</i>	<i>Per 1,000 Gallons</i>	<i>\$7.28</i>	<i>\$7.28</i>	<i>\$7.72</i>	<i>\$8.18</i>
<b>COMMUNITY CENTERS</b>					
McLean Community Center	\$100/Assessed Value	\$0.023	\$0.023	\$0.023	\$0.023
Reston Community Center	\$100/Assessed Value	\$0.047	\$0.047	\$0.047	\$0.047
<b>OTHER SPECIAL TAX DISTRICTS</b>					
Stormwater Services District Levy	\$100/Assessed Value	\$0.0325	\$0.0325	\$0.0325	\$0.0325
Route 28 Corridor	\$100/Assessed Value	\$0.18	\$0.17	\$0.17	\$0.17
Dulles Rail Phase I	\$100/Assessed Value	\$0.11	\$0.09	\$0.09	\$0.09
Dulles Rail Phase II	\$100/Assessed Value	\$0.20	\$0.20	\$0.20	\$0.20
Integrated Pest Management Program	\$100/Assessed Value	\$0.001	\$0.001	\$0.001	\$0.001
Commercial Real Estate Tax for Transportation	\$100/Assessed Value	\$0.125	\$0.125	\$0.125	\$0.125
Tysons Service District	\$100/Assessed Value	\$0.05	\$0.05	\$0.05	\$0.05
Reston Service District	\$100/Assessed Value	\$0.021	\$0.021	\$0.021	\$0.021

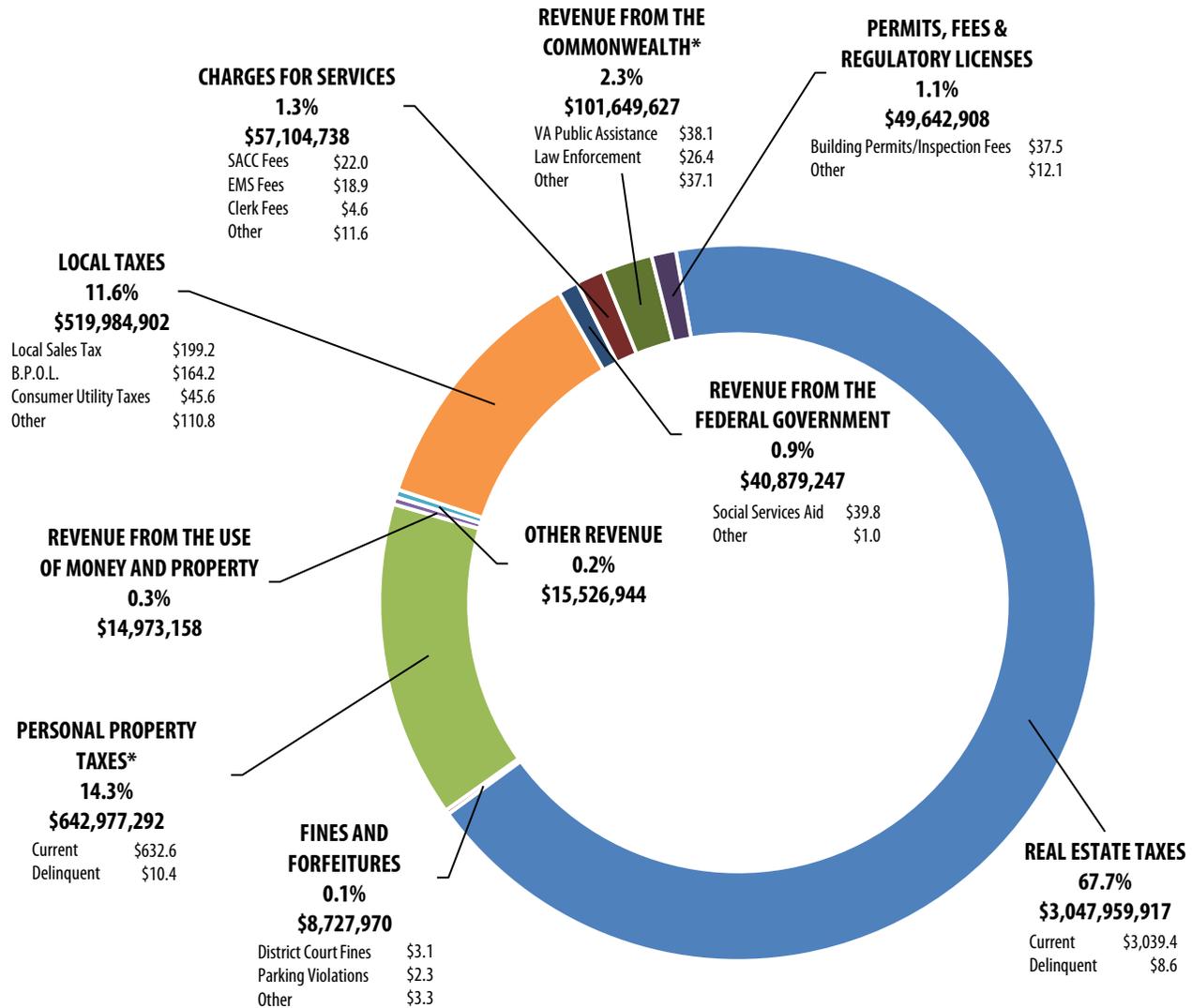
Rates ***italicized and in bold*** are proposed to be adjusted in FY 2022.

# FY 2022 ADVERTISED BUDGET PLAN

## GENERAL FUND RECEIPTS

### "WHERE IT COMES FROM"

(Subcategories in millions)



**FY 2022 GENERAL FUND RECEIPTS = \$4,499,426,703\*\***

\* For presentation purposes, Personal Property Taxes of \$211,313,944 that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Personal Property Taxes category.

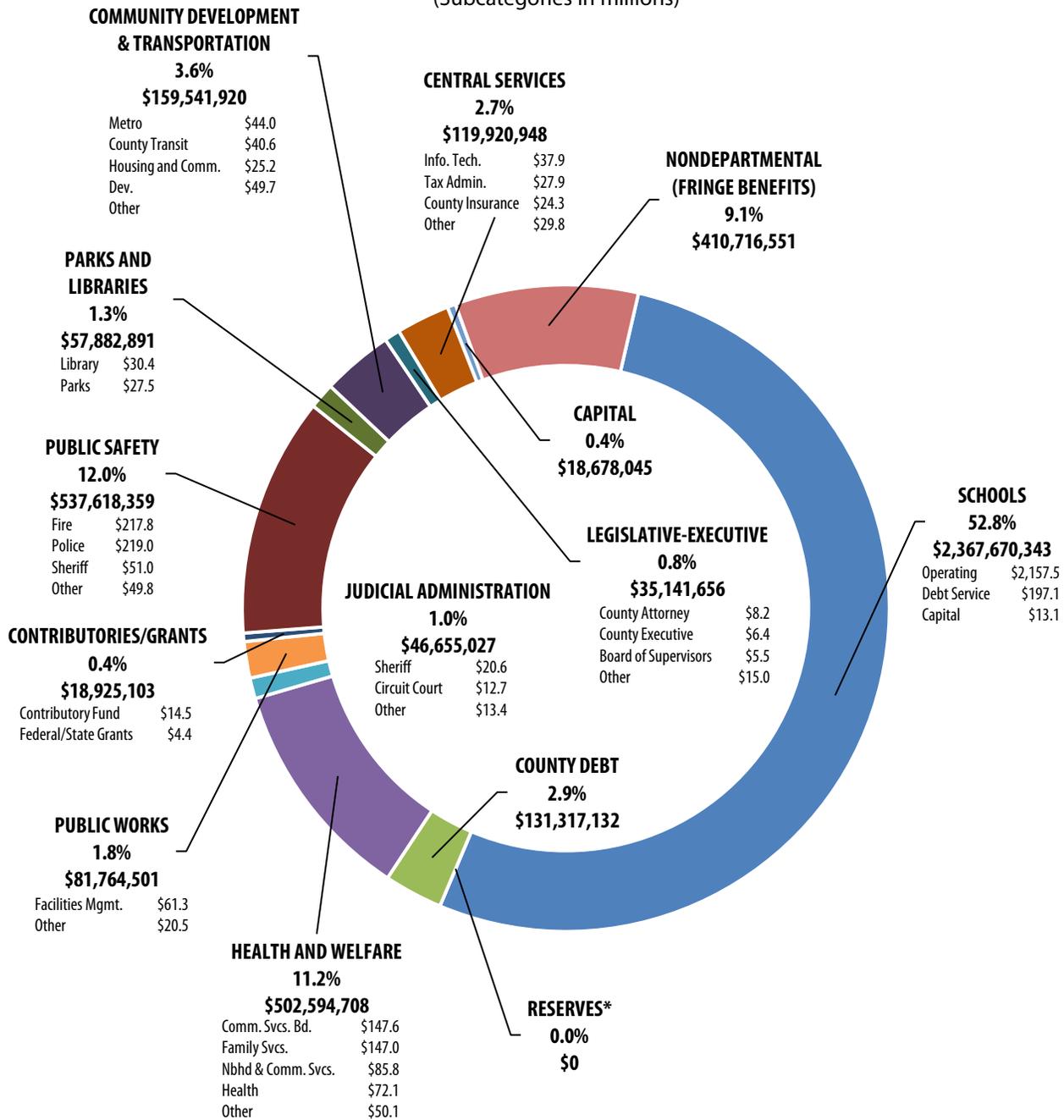
\*\* Total County resources used to support the budget include the revenues shown here, as well as a beginning balance and transfers in from other funds.

# FY 2022 ADVERTISED BUDGET PLAN

## GENERAL FUND DISBURSEMENTS

### "WHERE IT GOES"

(Subcategories in millions)



**FY 2022 GENERAL FUND DISBURSEMENTS = \$4,488,427,184**

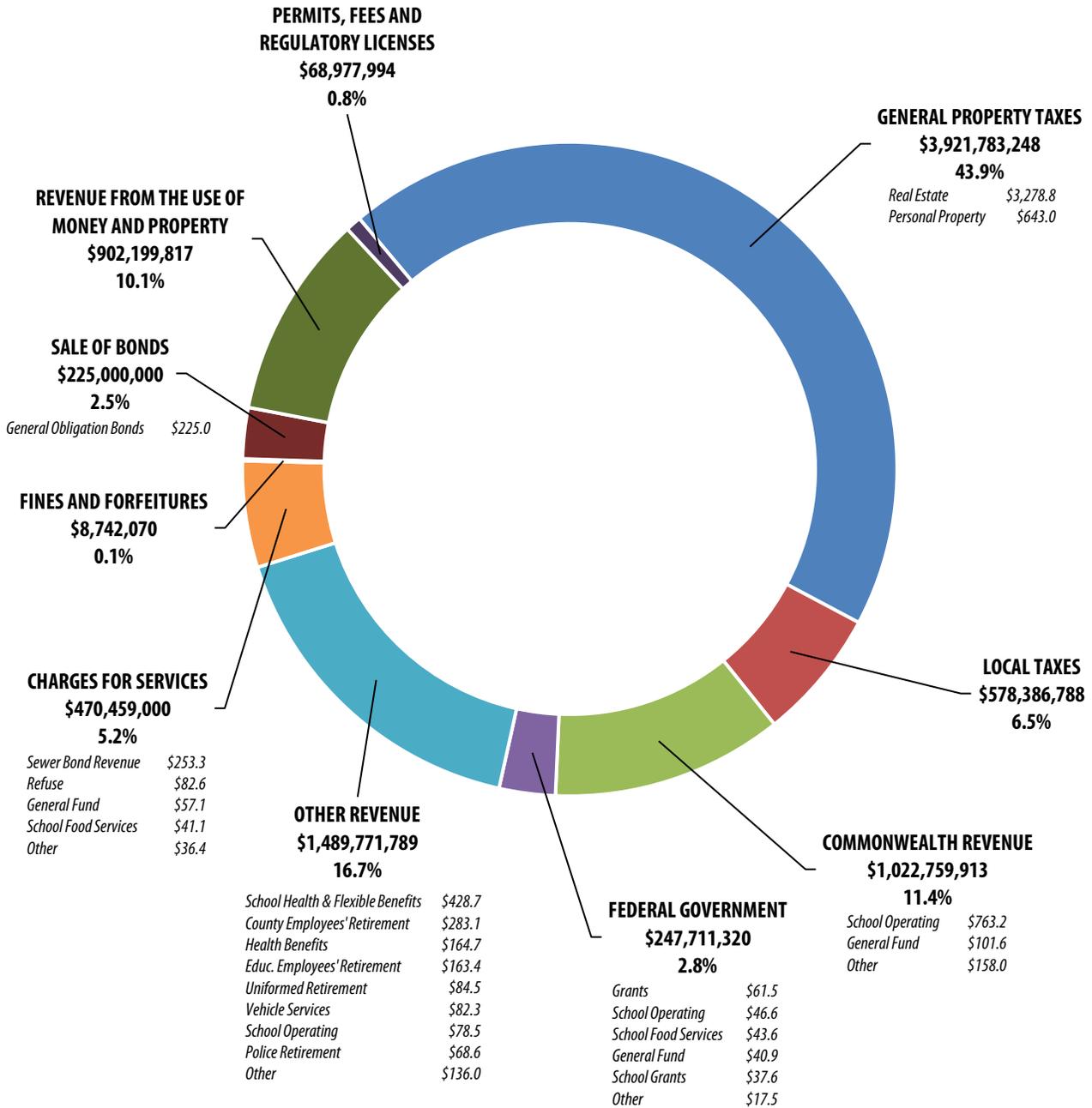
In addition to FY 2022 revenues, available balances and transfers in are also utilized to support disbursement requirements.

\* Disbursements to reserves include contributions to the Revenue Stabilization Fund and the Economic Opportunity Reserve, but do not include contributions to the Managed Reserve.

# FY 2022 ADVERTISED BUDGET PLAN

## REVENUE ALL FUNDS

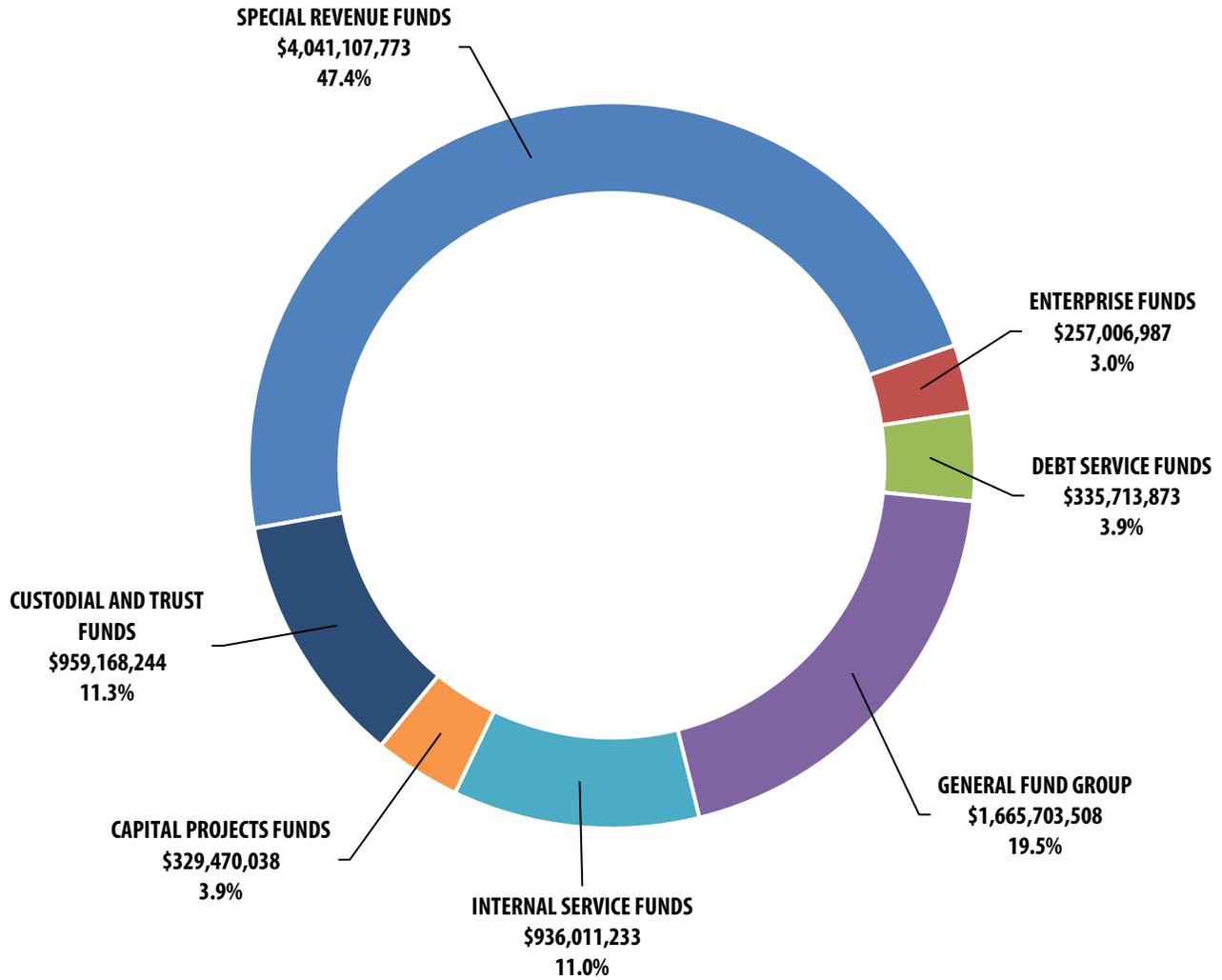
(subcategories in millions)



**TOTAL REVENUE = \$8,935,791,939**

For presentation purposes, Personal Property Taxes of \$211,313,944 that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 are included in the Personal Property Taxes category.

**FY 2022 ADVERTISED BUDGET PLAN**  
**EXPENDITURES ALL FUNDS**



**TOTAL EXPENDITURES = \$8,524,181,656**