



Fairfax County FY 2022 Advertised Budget Plan

Slides adapted from the
County Executive's
February 23, 2021
Presentation

www.fairfaxcounty.gov/budget



- With the timing and scale of economic recovery still uncertain, maintains conservative budgetary posture
- Builds upon the success that the County has had in utilizing federal stimulus funds, particularly the \$200.2 million received through the CARES Act Coronavirus Relief Fund
 - No additional stimulus funds are assumed in this proposal, but staff is monitoring progress of new stimulus package
- Adjustments are in alignment with the Priority Areas as outlined in the Countywide Strategic Plan
 - Updated proposed Strategic Plan is released concurrent with the budget

FY 2022 Advertised Budget Highlights

FY 2022
ADVERTISED
BUDGET PLAN

- Decreases Real Estate Tax rate by 1 cent to \$1.14 per \$100 of assessed value
 - Based on equalization, results in an increase in the average tax bill of approximately \$224
- Includes overall increase for County and Schools, excluding reserves, of 0.55%
 - Provides an \$14.13 million increase over FY 2021 for School Operating; School Board request was \$104.40 million
- Includes no funding for employee pay increases in FY 2022
- Recommendation includes a \$20 million unappropriated reserve for Economic Recovery
 - Could be utilized at Board's discretion and appropriated at future quarterly reviews for County or School requirements
- Funds modest investments in Board priorities such as Public Safety staffing, Diversion First, Opioid Use Prevention Efforts, and Environmental Initiatives
 - Also include baseline funding for previously approved initiatives, such as Body-Worn Cameras and Health Department positions initially funded with stimulus funds
 - Includes increase of 109 positions, primarily for new facilities and the continuation of previous initiatives

Release of updated proposed Countywide Strategic Plan

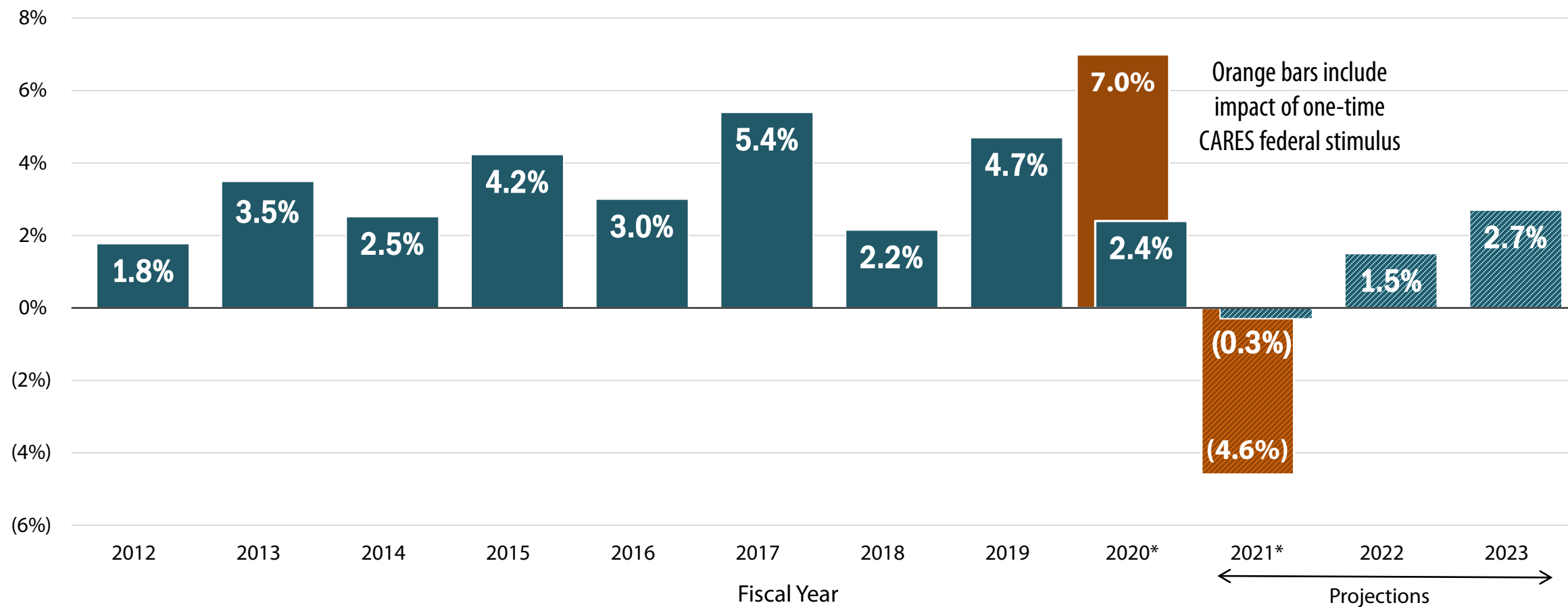
- Countywide Strategic Plan originally presented with the FY 2021 Advertised Budget Plan
- Onset of the COVID-19 pandemic caused us to delay action on the plan by one year
- Staff has utilized this time to make updates to the plan based on the significant cultural and societal changes that have occurred over the past year
 - Worked closely with County's Chief Equity Officer and followed the recommendations coming out of the Chairman's Task Force on Equity and Opportunity to ensure alignment
- Fundamental components of the plan remain unchanged
- Updated plan now available online



Annual Change in General Fund Revenue

FY 2012 – FY 2023

FY 2022
ADVERTISED
BUDGET PLAN



* FY 2020 growth rate of 7.0% includes one-time CARES federal stimulus revenue of \$200.2 million.

Real Estate Tax Base

- The projected value of 1 Penny on the Real Estate tax rate equals \$27.14 million in revenue in FY 2022
- The Commercial/ Industrial percentage of the total real estate assessment base decreased from 19.72% in FY 2021 to 18.17% in FY 2022

	2010	2011	2012	2013	2014	2015	2016
Equalization	(10.52%)	(8.98%)	2.67%	2.53%	2.63%	4.84%	2.40%
- Residential	(12.55)	(5.56)	2.34	0.71	3.50	6.54	3.39
- Nonresidential	(4.51)	(18.29)	3.73	8.21	0.14	(0.10)	(0.60)
Growth	0.57	(0.22)	0.60	0.74	0.77	0.93	1.06
TOTAL	(9.95%)	(9.20%)	3.27%	3.27%	3.40%	5.77%	3.46%

	2017	2018	2019	2020	2021	2022	2023 Prelim
Equalization	1.94%	0.97%	2.58%	2.45%	2.71%	2.02%	1.75%
- Residential	1.64	0.68	2.17	2.36	2.65	4.25	3.00
- Nonresidential	2.87	1.85	3.79	2.71	2.87	(4.05)	(1.95)
Growth	1.04	0.92	1.01	1.15	1.05	0.86	0.85
TOTAL	2.98%	1.89%	3.59%	3.60%	3.76%	2.88%	2.60%

FY 2022 Budget Summary

- Net County revenues increase totals \$42.23 million, with \$13.07 million transferred to support Schools Operating and Debt Service requirements, a net \$11.70 million to support County priorities, and \$20 million held in balance for the Board for Economic Recovery efforts
- Schools support and County requirements, excluding reserves, are both increased 0.55% over FY 2022
- Schools are 52.8% of General Fund Disbursements in FY 2022
- County's reserves remain budgeted at target of 10% of General Fund disbursements

Adjustments included in FY 2022 General Fund Budget

(Amounts shown are in millions, net change over FY 2021 Adopted Budget Plan)

Available Revenue Increase			
Revenue Increase at Current Real Estate Tax Rate			\$69.37
Real Estate Tax Rate Decrease of One Cent to \$1.14 per \$100 of Assessed Value			(\$27.14)
Net Impact of Transfers In			\$0.29
Total Available			\$42.52
FY 2022 Requirements			
	County	Schools	Total
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	--	--	--
Agency Reductions and Savings	(\$15.91)	--	(\$15.91)
Subtotal	\$11.70	\$13.07	\$24.77
Reserve Adjustments			(\$2.25)
Total Uses			\$22.52
Available Balance to be set aside in Economic Recovery Reserve			\$20.00

- Will continue to closely monitor revenue categories and include potential adjustments as part of the FY 2022 Add-On Package
- Staff will continue to maximize stimulus resources as appropriate
- Even if economy improves for FY 2023, will be challenging budget year due to competing demands
 - Employee compensation, impacted by collective bargaining
 - Board priorities that have not been addressed in FY 2022 including affordable housing and school readiness
- FY 2023 will be developed based on Strategic Plan priorities as approved by the Board of Supervisors

How to Provide Input on the FY 2022 Budget

- To learn more about participating in the budget public hearings, call the Clerk to the Board's Office at (703) 324-3151 (TTY 711) or to access the form at:

www.fairfaxcounty.gov/bosclerk/speakers-form

- The public can send written testimony or communicate with the Clerk's Office by email at: clerktothebos@fairfaxcounty.gov.
- Residents can also provide testimony by phone or submit video testimony. In-person testimony will not be allowed if the Board meetings are held virtually.
- The entire [FY 2022 Advertised Budget Plan](#) and the [FY 2022-FY 2026 Capital Improvement Program](#) are available online at:

www.fairfaxcounty.gov/budget

FY 2022 Budget Timeline

February 23, 2021	County Executive presents <u>FY 2022 Advertised Budget Plan</u>
March 2, 2021	Joint Board of Supervisors/School Board Budget Committee Meeting
March 9, 2021	Board of Supervisors authorizes advertisement of FY 2022 tax rates
March 23, 2021	Board of Supervisors authorizes advertisement of <i>FY 2021 Third Quarter Review</i>
April 13-15, 2021	Board of Supervisors holds Public Hearings on FY 2022 Budget, <i>FY 2021 Third Quarter Review</i> , and FY 2022-FY 2026 Capital Improvement Program
April 27, 2021	Board of Supervisors marks-up FY 2022 Budget, adopts FY 2022-FY 2026 Capital Improvement Program and <i>FY 2021 Third Quarter Review</i>
May 4, 2021	Board of Supervisors adopts FY 2022 Adopted Budget
May 11-12, 2021	School Board holds public hearings on FY 2022 budget
May 20, 2021	School Board adopts FY 2022 Approved Budget
July 1, 2021	FY 2022 Budget Year Begins