

## Ken Balbuena Budget Hearing Testimony

April 14, 2026

Good afternoon. My name is Ken Balbuena, and I am the chair of Supervisor Herrity's Budget Review Committee. Thank you Supervisor Herrity for entrusting me with looking for multi-year trends and large variances in the County and FCPS' FY27 budget.

Affordability has been a key priority across the County and the Commonwealth. It was a priority of mine when I ran for the Board last year. Yet annual budgets in Fairfax County have continued to increase with the burden largely placed on residential taxpayers via their annual real estate assessments, personal property taxes, and now a meals tax that they voted against twice, but the Board passed regardless.

From FY21 to FY26, real estate tax revenue has increased 24.4% while personal property tax has increased 45.1%. This will continue to rise in FY27 with the average homeowner seeing a \$357.43 increase. While this is the first time in five years that this average assessment increase has been below \$400, the average increase for homeowners has been nearly \$2,600 cumulatively since FY21.

The Board is making Fairfax County unaffordable.

Much of the expenditures have supported staffing costs, and that number will only continue to rise. From a dollar-to-dollar perspective, the cost for benefits is outpacing the cost of salaries. While salaries grew 26.0% from FY21 to FY26, benefits have increased 47.8%. Collective bargain agreements (CBAs) costs (not including COLAs or longevity increases) for FY27 are \$83.3 million with additional increases already in place for the next few fiscal years.

The committee also explored FCPS's budget. Overall, school enrollment has decreased over the last two years, but the School Operating Fund has grown 72.3% since FY21 to match the rising cost per pupil. While the School Board and Board of Supervisors continue to say that the state needs to do their part in providing state funding (often citing the 2023 JLARC report), the state funding levels have a nearly identical trendline as the cost per pupil trend line. The committee discovered that while the FCPS website indicates that 92.7% of the FCPS staff are school-based, 13.1% of their salary expenses support positions at Gatehouse vs. classroom-based positions. Leadership team positions have an average nearly \$281k. Additionally, mid-level managers have seen several of their positions reclassified for additional pay increases, which was never widely publicized by any of the FCPS Budget Committee chairs, and since the School Board refuses to hire an independent auditor, it is up to private citizens to bring these kinds of FOIA-based facts to light as well as the amounts spent on legal fees.

On a positive note, I am personally pleased that there is ongoing funding for the Middle School After School program, which is something that I advocated for last year.

The Committee also looked at the increasing school debt and County debt. While school debt may have the public perception of having a greater increase, the reality is that the percentage of County debt has outpaced the percentage of school debt gradually over time.

The County's Zero Waste Plan is a driver in the budget increases (including the proposed 12 FTEs for installing trash cans throughout parks), but I will limit my remarks to the initiative having a direct impact

on the ability to upgrade the County's vehicles fleet. To quote the FY23 budget, "The transition from internal combustion vehicles to electric has collectively increased the overall costs for the vehicle fleet. As a result, the contributions currently paid into the replacement funds are expected to fall short of covering the anticipated costs of purchasing new vehicles."

Several police officers I have spoken with before and after my ride along with them indicated that replacing police cruisers is among the Department's greatest needs. Purchasing vehicles through the Department of Vehicle Services is both more costly and less efficient than going through outside vendors, and DVS has outsourced work to keep up with demand of outfitting police cruisers with the necessary security upgrades in a timely manner. It is also worth noting that 5 FTE Vehicle Maintenance Coordinator positions were eliminated from the Police Department in the FY25 Adopted Budget.

Lastly, affordable housing expenses for FY26 and FY27 are greater than the expected value of the 6-year trend line. Supervisor Herrity's latest Herrity Report, however, referenced that there may be a high vacancy rate for this subsidized housing.

In closing, I hope that this Budget Review Committee's work provides some key insights for you to seriously consider. We also encourage the Board of Supervisors to conduct a detailed Lines of Business review since it has not been done in a decade. On behalf of Supervisor Herrity's Budget Review Committee, thank you for your consideration.