

**Resolution on the
Fairfax County Fiscal Year 2021 Advertised Budget**

Membership Approved #####

Respectfully submitted to the Fairfax County Board of Supervisors,



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Fairfax County Federation of Citizens Associations

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I. INTRODUCTION

The Fairfax County Federation of Citizens Associations (The Federation) is an 80-year old umbrella community organization representing tens of thousands of Fairfax County residences in all magisterial districts.

As homeowners, our members are acutely aware that almost 75% of the Fairfax County FY2021 Budget is dependent on residential real estate and personal property taxes, primarily borne by homeowners.

The Federation is also aware that changing demographics in the county—combined with failures by the Commonwealth of Virginia and the Federal Government to provide adequate funding of their various mandates and responsibilities—have multiplied costs and shifted the burden of maintaining our quality of life, infrastructure, and Fairfax County Public Schools (FCPS) to the county, and disproportionately to homeowners. In addition, we are learning that the county needs to respond to unplanned crises like the Coronavirus (COVID-19). Event like this will now and the future have a social and fiscal impact on our community.

The Federation continues to support revenue diversification in order to fund schools and county services. This year revenue diversification took a huge step forward with the passing of City and County Taxing Authority Equalization with House Bill (HB) 785. This will help reduce our heavy reliance on property tax rates to fund county services and the schools. However, provisions in the amended bill will delay certain tax authority from taking effect immediately.

This year's presentation of the advertised budget by County Executive Bryan Hill is unprecedented as he also shared a Strategic Plan for the County. County staff charged with putting together the plan made first-rate efforts to gather feedback from a wide range of stakeholders. The Board should carefully consider the Strategic Plan and use it as an important tool in setting future spending priorities.

At the time this resolution is being drafted the county, state, nation, and world are in the grips of the Global Pandemic of the Coronavirus (COVID-19). It is not possible to know the pandemic's full impact at this time. However, clearly it is going to have an unprecedented impact on the human lives and the economy in the county and globally. We will have to act to lessen the impact on county residents and the long-term economic impact. We can also learn how to be more prepared for emergencies in the future and provide for continuity of operations. This will require planning and financial resources in the future.

Federation members recognize that our lifestyle comes at a cost, but continue to insist that the following critical needs are addressed by the budget and the Board of Supervisors in FY2021 and successive years:

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- (a) continued excellence of FCPS, which serve as a magnet for growth and provide the underpinning of the county's economic health;
- (b) the principles of the One Fairfax policy be applied when creating county budgets;
- (c) safe and secure, that would include mitigation of the current global pandemic, with a reasonable safety net for residents and families with mental, physical, or substance abuse issues, or are homeless, or are living in poverty;
- (d) adequately maintained and staffed parks, recreational facilities, and libraries;
- (e) responsive, transparent and proactive governance, financial planning and oversight, including maintenance of the county's AAA bond rating;
- (f) healthy environmental quality, and strong waste and pest management programs.

COVID-19 Principles (for discussion at Board meeting 3/19)

This is a note for the resolution that I planned to write on 2/25/20. I have tried to incorporate issues throughout the resolution. In general, I think they should still raise the 3 cents, because they will need the money in the current crisis. FYI- surgical masks around being sold for \$700/100 greatly marketed up. To telecommute/telework it costs the county a million dollars a day. This may be coming. The BOS will need the money and the flexibility. I think that the admissions tax should be delayed. So should some of the other new taxing authorities. FYI- If, people make the argument that increased assessments mean a tax increase, then decreasing assessments mean a tax decrease?? :-)

What do you think is going to happen to real estate assessments when this crisis is over? Prime house selling time usually starts in May when the Pandemic is likely to start hitting its spike in the USA.

II. FINDINGS

A. Revenues

WHEREAS, there is a proposal to increase Real Estate Tax rate by 3 cents to \$1.18 per \$100 of assessed value, and, 1 cent of that dedicated to affordable housing; and

WHEREAS, there is a proposal to implement 4% Admissions Tax in October 2020 on the sale of movie, theater, and concert tickets; and

WHEREAS, real GDP increased 2.3% in 2019, but due to the Global Pandemic of COVID-19, we will almost certainly see a worldwide recession in FY2021; and

WHEREAS, office vacancy rates in the County this past year continued to decline 17.1 million sq. ft., and office real estate assessed values are up for third consecutive year, which represents a 2.71% increase in commercial real estate as a revenue stream; and

WHEREAS, Virginia General Assembly passed County and City Taxing Authority Equity this past session that going forward allows the county to diversify its revenue stream; and

WHEREAS, we are in a global pandemic and we are almost certainly going to go into a recession in the United States and worldwide; the forecasted revenues and economic picture presented on February 25, 2020 for the advertised budget can no longer be relied upon; and

B. Employee Compensation

WHEREAS, high quality services in the county require a professionally-trained workforce, especially in times of crisis; and

WHEREAS, the proposal is to give general county employees a 2.06% Market Rate Adjustment (MRA) at the cost of *\$28.73 million; and*

WHEREAS, the proposal is to give general county employees Performance, Merit, and Longevity Increases at a total cost of *\$23.28 million; and*

WHEREAS, the recommendation is to provide salary supplements to state parole officers and to standardize supplements for all state employees *\$460,000; and*

WHEREAS, increase in Living Wage from \$15.14 to \$15.45 per hour for county employees; and

C. Public Safety

WHEREAS, the FY2021 Advertised Budget includes \$10.36 Million for Safety and Security and will add 51 positions; and WHEREAS, these funds support:

- (1) the Police Department Body-Worn Cameras Program,
- (2) Staffing for the Scotts Run Fire Station,
- (3) Staffing for the South County Police Station,
- (4) an Increase in E-911 Call Capacity,
- (5) implementing additional Information Technology Requirements,
- (6) increasing the number of Electronic Control Weapons (Tasers); and

WHEREAS, the FY2021 Advertised Budget also includes 21 new positions and an additional \$3.07 Million to fund the expansion of the Diversion First Initiative and Opioid Task Force; and

WHEREAS, the FY2021 Advertised Budget includes a 2.06% Market Rate Adjustment, Performance, Merit, and Longevity base pay and compensation increases for the General and Uniformed Public Safety personnel;

D. Education Funding and School Transfer

WHEREAS, Fairfax County's continued economic growth and strong property values both depend in part on the excellence of its public schools, a fact which is regularly recognized by the Board of Supervisors and the Fairfax County Economic Development Authority, who cite FCPS as one of the primary reasons that businesses relocate to Fairfax County; and

WHEREAS, the FCPS Advertised FY2021 Budget focuses on improving FCPS' market position with regard to teacher and staff compensation, which is vital in attracting and retaining the finest educational personnel; and

WHEREAS, even assuming these investments in FY 2021, FCPS teacher salaries may be set at competitive but not necessarily compelling levels; and

WHEREAS, the FCPS Advertised FY 2020 Budget avoided pitting educational interest groups against one another to compete for funds, and represents a realistic requested transfer amount rather than a wish list; and

WHEREAS, FCPS School Board Policy 8258.2 states that "it shall be the goal of the Fairfax County School Board that school facilities be renovated on a 20- to 25-year cycle"; and

WHEREAS, FCPS utilizes more than 750 temporary classrooms, and under current Capital Improvement Plan cash flow utilizing bond funding of \$180M per year, school facilities are

replaced or updated every 37 years on average; and

WHEREAS, FCPS Superintendent Scott Brabrand, County Executive Bryan Hill, and their respective staffs have admirably maintained a spirit of continual FCPS and county collaboration and cooperation; and

E. Public Works and Environment

WHEREAS, the proposed budget calls for an increase of \$0.38 million (total funding \$1.30 million) for projects that advance the County's Environmental Vision and Operational Energy Strategy; and

WHEREAS, the county has proposed an increase of \$0.32 million and 2/2.0 FTE new positions support the Office of Environmental and Energy Coordination (OEEC) in the Office of the County Executive, including \$0.14 million and 1/1.0 FTE new position in the Department of Planning and Development is provided to address current and projected workloads in the Environment and Development Review Branch, and an increase of 1/1.0 FTE new position is included in Fund 40080, Integrated Pest Management, due to increased departmental and programmatic requirements in the Forest Pest Program; and

WHEREAS, the county is expected to collect \$45.5M from the Consumer Utility Tax in FY2020; and

WHEREAS, in Fund 30015, the county proposed spending of:

- \$250,000 towards Invasive Management Area Program,
- \$75,000 for Watershed Protection and Energy Conservation Matching Grant Program,
- \$272,000 to fund restoration of 12.5 acres of Parks meadows,
- \$45,500 for Phase 2 of the Pollinator Meadow at the DVS Alban Road maintenance facility,
- \$110,000 is included to fund the purchase and installation of HVAC controls at Parks facilities that are not staffed,
- \$130,000 Phase 1 natural landscaping initiative at the Fairfax Government Center. Converting 5,600 square feet of mowed lawn to perennial beds, planting up to 40 canopy trees and adding interpretive signage,
- \$91,385 for Energy Masters Program at low-income housing facilities in Fairfax County. Energy Masters train volunteers to perform simple energy efficiency upgrades in apartments and in low-income housing. More energy and water efficient and training residents to continue saving energy and water in the future,
- \$86,000 for 1.25 acres of wetland restoration at Green Springs Garden, magnolia bog. One of 11 in Virginia. Adjacent to pedestrian trail offering unique interpretative and educational opportunities for visitors,
- \$58,140 provided in Fund 10030 to continue partnering with two non-profit agencies to support tree planting efforts throughout the County, and

WHEREAS, in the county's capital improvement plan (CIP) includes the following projects:

- The Community-wide Energy and Climate Action Plan (CECAP),

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- The Energy Service Companies (ESCO) Contract,
- The Energy Strategy Program – FMD,
- The Energy Strategy Program – Parks,
- Composting at Government Facilities,
- Light Emitting Diode (LED) Streetlights: \$1,800,000 has been approved to date to support the first year of a five-year LED streetlight conversion plan, totaling \$9,000,000, and
- Parks Lighting and Energy Retrofits (Countywide): This project supports lighting retrofits and upgrades at Fairfax County Park Authority facilities for energy efficiency and conservation; and

F. Transportation

Restoration of Transportation Funds Allocated to Dedicated Funding For Metro

The Federation appreciates the recent state legislation that restored \$50 million a year of the \$102 million diverted in 2018 from the Northern Virginia Transportation Authority to pay for dedicated funding for Metro. The legislature increased the tax on real estate transactions in Northern Virginia to 20 cents from 15 cents per \$100 of sales price to help pay for the restoration.

The restored money will help pay for roads and transit, enabling the region to move ahead more quickly on such projects as

- Including widening Richmond Highway (Route 1) in Fairfax including the addition of bus rapid transit there, and
- Widening and improving Route 28 in Fairfax, Loudoun and Prince William

Increase and Indexation of the State Gas Tax

The Federation also appreciates the recent state legislation that will raise the state gas tax by 5 cents a gallon in each of the next two years, and then index it to inflation. The gas tax would increase to 21.2 cents per gallon 1 July 2020 and to 26.2 cents per gallon a year later. In subsequent years, the rate would be adjusted annually to keep pace with inflation. This is a step toward a modern, sustainable transportation system in Virginia. This once-in-a-generation package will boost our economy, reduce congestion, and dramatically transform rail and transit throughout the Commonwealth. Revenue from the tax will be used to:

- help pay for the Governor's \$3.7 billion plan to double passenger rail service over the next decade,
- ensuring the state's transportation fund remains solvent to support critical transit, including Metro, and infrastructure projects.

Motorists in Northern Virginia, Hampton Roads and the Route 81 corridor also pay a regional gas tax — about 2.1 percent more, or an average of 21.9 cents per gallon, which

goes to fund projects in those regions. The legislation extends that regional gas tax to all counties and cities in the commonwealth to boost funds for local projects. The legislation also reduces vehicle registration fees, establishes a highway use fee for alternative-fuel and fuel-efficient vehicles, and keeps the state's annual vehicle safety inspections. In Northern Virginia, it raises the local transportation tax that applies to hotel rooms to 3 percent from 2 percent and increases a real estate transfer tax that applies to home sales, changes that are expected to generate about \$30 million in additional funds for Northern Virginia projects, officials said.

III. REQUESTED ACTIONS

NOW THEREFORE BE IT RESOLVED based on all of the foregoing that the Fairfax County Federation of Citizens Associations urges the Board of Supervisors to take the following actions in adopting the FY 2021 Fairfax County Budget:

A. Revenues

- (1) The Board of Supervisors should pass the 3-cent increase, BUT, retain flexibility in how it is spend in the Mark-Up. The current Global Pandemic may require many unforeseen expenditures that are evolving on a daily basis; and
- (2) the Board of Supervisors should plan out how to implement new revenue streams from City-County Taxing Authority Equity, while balancing the strain on local business from the global pandemic; and
- (3) the Board of Supervisors should consider a delay to the proposal to implement 4% Admissions Tax in October 2020 on the sale of movie, theater, and concert tickets, since the hospitality industry will be greatly impacted by closures per Governor Northam's state of emergency. The Board may want to consider a later date for implementation.; and;

B. Employee Compensation

- (4) the Board of Supervisors should careful balance employee compensation verses the proposal to add 177 new positions to the county payroll. We ask the Board to fund existing employee compensation packages for all categories of county employees; before adding a single new position; and

C. Public Safety

(5) THEREFORE, BE IT RESOLVED the Fairfax County Federation of Citizens Associations urges the Board of Supervisors to adopt the FY 2021 Fairfax County Budget for Public Safety, to include:

- a) staffing for the Body-Worn Camera Program,
- b) staffing for the Scotts Run Fire Station,
- c) staffing the South County Police Station,
- d) increasing the E-911 Call Capacity,
- e) fund Information Technology Requirements,
- f) Electronic Control Weapons
- g) the Diversion First Initiative and the Opioid Task Force; and

D. Education Funding and School Transfer

(7) the Board of Supervisors should accept the County Executive's recommendation to substantially fund FCPS' requested transfer; and

(8) the Board of Supervisors should continue to address FCPS' capital needs, while maintaining the county's AAA bond rating, by increasing FCPS' bond funding to the extent feasible; and

(9) the county and FCPS should formally expand their collaborative approach to gain additional efficiencies wherever possible, such as in the areas of technology and hiring/retention; and

E. Public Works and Environment

(11) the Federation applauds the County Executive's plan to fund the County's Environmental Vision and Operational Energy Strategy; and

(nn) the Federation applauds the additional new positions in environmental services; and

(nn) the Federation supports the expenditures for invasive management to Restore natural areas and protecting the tree canopy is important to support the ecological integrity of natural areas; and

(nn) the Federation supports energy education and outreach initiatives and promoting community engagement are very important for sustainability and conservation issues and the financial incentives for implementing sustainability projects are a good move to drive these types of projects forward; and

(nn) the Federation applauds the County's commitment to restore native plants, birds, and pollinators by removing non-native invasive plants, remedying prior inappropriate management choices and improving habitat and we encourage the county to continue

funding park restorations in the future; and

(nn) the Federation strongly supports funding phase 2 of the Pollinator Meadow at the DVS Alban Road maintenance facility, converting 16,000 square feet of highly compacted gravel surface to a pollinator meadow within the lower Accotink Creek watershed; and

(nn) the Federation supports installation of new HVAC controls at Park facilities that are not staffed in order to reduce energy use; and

(nn) the Federation encourages County efforts to use natural landscaping at more County sites; and

(nn) the Federation applauds the County for the Energy Masters Program because the program benefits low-income and elderly populations by reducing their energy and water bills while lowering the County's carbon footprint; and

(nn) the Federation supports County efforts to restore wetlands and specifically for funding the Green Springs magnolia bog and the development of interpretative and educational opportunities for the public so they can learn about this incredible recourse; and

(nn) the Federation strongly supports the continued efforts to bolster the County's tree canopy into the future; and

(nn) the Federation supports the using CIP funds of the Energy Programs (CECAP, ESCO, Energy Strategy Programs, and LED Streetlight conversions); and

(nn) the Federation supports the Composting Pilot Program at Fairfax County government offices; and

F. Transportation

(nn) the Federation xxxx

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IV. FURTHER REQUESTED ACTIONS

BE IT FURTHER RESOLVED that the Board of Supervisors should take action during the Global Pandemic of COVID-19 to shift resources to save lives and protect the public. We realize that means other priorities we supported on February 25, 2020 when the budget was advertised and are mentioned here may not be possible.

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BE IT FURTHER RESOLVED that the Board of Supervisors review the County's Emergency Preparedness Plan and Continuity of Operations Plan after the current Global Pandemic has subsided to see what lessons were learned and how we can better plan for emergencies in the future. That these lessons be applied to the new Strategic Plan and to assure under the One Fairfax Principles that one segment of the population is not disproportionately affected than another.

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