

Resolution  
on the  
Fairfax County Advertised Fiscal Year 2015 Budget

**Table of Contents**

|                            |                                     |
|----------------------------|-------------------------------------|
| INTRODUCTION               | 2                                   |
| I. RESOLUTIONS             |                                     |
| A. EDUCATION/FCPS TRANSFER | 2                                   |
| B. LIBRARIES               | 3                                   |
| C. DEBT MANAGEMENT         | 3                                   |
| D. PENSION FUND            | <b>Error! Bookmark not defined.</b> |
| II. REVENUES               | 5                                   |
| III. BUDGET PROCESS        | 6                                   |

## INTRODUCTION

The following resolution was adopted by the Federation Membership on March 27, 2014. The final resolution will be submitted to the Fairfax County Board of Supervisors.

Rob Jackson, President  
Fairfax County Federation of Citizens Associations  
April 2014

## I. RESOLUTIONS

### *A. EDUCATION/FCPS TRANSFER*

#### **Education Resolution**

**Whereas**, approval of the Fairfax County Public Schools (FCPS) advertised FY 2015 budget would result in a county transfer increase of about 5.7%, and the County Executive has proposed an increase in the county transfer to FCPS of about 2.0% for a difference of about \$64 million and FCPS represents about 52% of the proposed County budget; and

**Whereas**, based on the current tax rate, in the County Executive's proposed budget the projected increase in revenue for Fairfax County is about \$145 million;

**Whereas**, since FY 2009 the county's transfer to FCPS has grown at only a 1.1% compound annual growth rate whereas the general county fund has grown at a 1.4% growth rate; and

**Whereas**, over the last several years FCPS has increased class size twice, substantially reduced summer school, and salaries have stagnated with our maximum teacher salary now ranked 8<sup>th</sup> out of 10 Washington area school districts—10 being lowest, not the highest; and

**Whereas**, between FY 2009 and FY 2014 FCPS student population has increased about 15,000 (compound annual growth rate of 1.9%) with about 3,000 more students expected for FY 2015, and certain populations that require more expensive services have grown at an even faster rate, such as, students who receive free and reduced price lunches and ESOL students; and

**Whereas**, Fairfax County is one of the wealthiest counties in the U.S. and school bonds routinely pass overwhelmingly.

**THEREFORE BE IT**

**Resolved**, the Federation requests the Board of Supervisors provide FCPS with a fair share of available funds which should be a county transfer increase to FCPS of 50% of the FY 2015 projected increase in revenue for Fairfax County.

## ***B. LIBRARIES***

### **Libraries Resolution**

**Whereas**, the Fairfax County Public Libraries are centers for self-directed education for all ages and provide skilled research assistance and instruction for individuals and groups, and

**Whereas**, the Library Budget has been cut from \$34 million in 2007 to \$27 million in 2013 during the same time that two new branch libraries were opened and at the same time population and cost of living were increased, and

**Whereas**, the per capita Materials Budget has decreased from \$6.33 in FY 2000 to \$2.11 in FY 2013, and

**Whereas**, Fairfax County Public Library has 45-50 vacant positions,

**Whereas**, the size of the Library collection fluctuated as books were regularly added to and culled from the collection, there was a net loss of over 400,000 books between 2006 and January 2014, and

**Whereas**, the Fairfax County Board of Supervisors voted November 19, 2013 an increase of \$1M as a consideration item to the FY 2015 Library Budget for non-fiction materials, and the Library Board of Trustees Budget Committee voted February 3, 2014 to increase the library budget by \$2M to include \$1 M for Materials budget and \$1 M for other items including continuing education for librarians, and

**Whereas**, the Fairfax County Public Library is crucial to the future of the county as an economic powerhouse.

#### **THEREFORE BE IT**

**Resolved**, that the Federation calls for a \$2.0 million increase in the FY2015 budget to: conduct a strategic plan, increase of the materials budget to restore depleted collections, fill vacant staff positions, broaden the function of the library to support literacy for children and adults, increase technical resources and library support for new businesses as strategies for furthering economic development in the county.

## ***C. DEBT MANAGEMENT***

### **Debt Management Resolution**

**Whereas**, Fairfax County has maintained a Aaa rating from Moody's Investors Service since 1975, a AAA rating from Standard & Poor's since 1978 and a AAA rating from Fitch Ratings since 1997, and

**Whereas**, as of January 2014, Fairfax County is only one of nine states, 39 counties, and 33 cities to hold a Triple-A rating from all three rating agencies, and

**Whereas**, the county's 10% debt ratio (debt service expenditures, as a percentage of Combined General Fund disbursements) is consistent with its surrounding and stable rated counties including Montgomery, Loudoun, Arlington and Prince William, and

**Whereas**, the county has continued to fund its pension system based on actuarial estimates and in accordance with county code and has increased its pension funding in recent years to offset weak market returns, and

**Whereas**, Fairfax County has been able to maintain its triple-A bond rating throughout many economic downturns and Federal Government budget reductions over the past 36 years by following its sound financial management practices.

**THEREFORE BE IT**

**Resolved**, that the Federation recommends that the county continue to adhere to its sound financial management policies and practices, including matching recurring requirements with sustainable and recurring sources of revenue, and if necessary defer or eliminate any new debt issuance that might place the county's strong debt rating and healthy financial condition at risk.

**Resolved**, that the county be mindful and aware of its pension and other long-term obligations and closely monitor the effects of sequestration and other Federal Government budget reductions on the county's economy.

**Resolved**, that the County include Economic Development Authority debt service in the FY2015 and future budgets.

***D. PENSION FUND***

**Pension Fund Resolution**

**Whereas**, people live much longer than they did when the county retirement system was instituted (life expectancy is now 83, as compared to 70 not many years ago); and

**Whereas**, county employees are eligible for retirement at an far earlier age than in the private sector; and

**Whereas**, county employees are usually able to work and actually do work after retirement from the county; and

**Whereas**, the long-term liability of the pension fund is great.

**THEREFORE BE IT**

**Resolved**, that the county appoint a blue ribbon commission to study the effect of increasing the retirement age on the near- and long-term pension costs and the impact on staffing.

**II. REVENUES**

**Revenues Resolution**

**Whereas**, real estate values have increased on average 6.54% during the recent equalization process, meaning that maintaining the property tax rate of \$1.085 per \$100 would still generate about \$2.3B in revenue and increase the cost for the average homeowner of roughly \$333 per year; and

**Whereas**, county residents' income has increased only 2.1%; and

**Whereas**, tax payments are paid from income rather than home value; and

**Whereas**, the effects of the comprehensive State Transportation Act contains significant tax increases on sales, wholesale gasoline/diesel, property transfers, and other taxes.

**Whereas**, the rising additional fees that directly affect homeowners (stormwater fee, waste disposal, etc.) further increase the "tax burden" on homeowners.

**Whereas**, the Board of Supervisors has the authority to adopt a zoning ordinance to assess and impose transportation impact fees on any development needing a building permit, the collected impact fees to be used to pay all or part of the costs of reasonable road improvement, and that new transportation revenues collected from fuel taxes be used to alleviate congestion on county roads.

**THEREFORE BE IT**

**Resolved**, the Federation endorses maintaining a tax rate of \$1.085 per \$100 of assessed valuation, and urges that the Board of Supervisors work to accommodate recommended program funding for Schools and libraries as described above.

**Resolved**, the Federation urges the Board of Supervisors to look at all possible sources of revenue (within its authority).including but not limited to meals tax, BPOL, increasing residential permitting fees, SACC fees, etc.

**Resolved**, the Federation recommends that the Board of Supervisors adopt a zoning ordinance to assess and impose transportation impact fees on any development needing a building permit, the collected impact fees to be used to pay all or part of the costs of reasonable road improvement, and that new transportation revenues collected from fuel taxes be used to alleviate congestion on county roads.

**Resolved**, the Federation recommends the Board of Supervisors obtain the equivalent of one penny or \$20M from other revenue sources.

### **III. BUDGET PROCESS**

#### **Resolution on County Budget Process**

**Whereas**, there are no fewer than 86 Fairfax County boards, authorities and commissions, and 10 citizen advisory groups to the FCPS, all of which are advocacy groups for everything from trees to pets and child care to the elderly, none address a balanced, thorough analysis and prioritization of expenditures and revenue sources of the Fairfax County and Public Schools' budgets; and

**Whereas**, the ongoing financial situation creates counterproductive competition among vital programs, making carefully tailored cuts especially problematic; and

**Whereas**, a few of the District Supervisors have their own advisory committees on the county budget, whose chairs meet irregularly to exchange ideas; and

**Whereas**, community input must not only be broad, but also be informed by a depth of knowledge that effectively employs the diverse expertise of those who live and work in Fairfax County; and

**Whereas**, the Advertised Property Tax Rate for FY2015 had to be set just one week after the County Executive released his FY2015 Advertised Budget; and

**Whereas**, the county's increasing participation in public-private partnerships, including the Tysons transit and other community redevelopments, may expose taxpayers to open-ended financial risks without adequate public discussion; and

**Whereas**, the Advertised Budget was released on February 25, 2014, and the public hearings on the budget are scheduled to begin 41 days later, on April 8; and

**Whereas**, the most recent edition of the county's *Performance Measurement Matters* newsletter is dated Fall 2008; and

**Whereas**, the County and FCPS already develop a 5 year staffing plan and budget outlooks; and

**Whereas**, while the "performance" of most departments and agencies are reported in the county's proposed budget under the heading of Performance Measurement Results, many county offices report activities, such as attending meetings and preparing reports rather than citing work accomplishments/results; and

**Whereas**, both the county government and schools provide many non-mandated programs that should be reviewed for effectiveness, especially during economic downturns; and

**Whereas**, the Commonwealth's Transportation Plan imposes significant sales tax increases, wholesale gas taxes, and increased fees on property transfers; and

**Whereas**, Fairfax County has an obligation to ensure the most efficient use of tax dollars at a time of continuing shortfalls, to minimize damage to essential county and schools programs, and to limit the burden on county taxpayers.

**THEREFORE BE IT**

**Resolved**, the Federation praises the county's extensive series of public meetings to solicit community input on spending priorities, and urges that such meetings be continued in future years.

**Resolved**, the Federation strongly urges that the processes/calendar for county residents' informed input to the budget decision-making process allow at least 60 days between release of the Advertised Budget and the public testimony on the budget.

**Resolved**, the Federation strongly advocates for year-round review of the budget by a citizens' advisory committee to the Board of Supervisors, comprised of members whose focus is not advocacy of specific causes but a balanced, in-depth analysis and prioritization of expenditures and revenue sources for Fairfax County government and Public Schools' budgets.

**Resolved**, the Federation urges all District supervisors to appoint budget advisory committees, and at the very least appoint a chairman who can participate in countywide meetings with other district budget committee chairs.

**Resolved**, the Federation urges the County to publish 5-year budget goals.

**Resolved**, the Federation recommends that the county establish an inventory of all public-private partnerships that may expose taxpayers to unexpected budget obligations, and establish a process that ensures broad public discussion of any partnership that may entail hidden risks for taxpayers.

**Resolved**, the Federation requests that all Performance Measurement results in departmental budgets and Lines of Business documents, the latter of which needs to be updated, be reported in terms of accomplishments/results.