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Fairfax County Board of Supervisors Meeting, Tuesday, May 2, 2023

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[00:00:13] And good morning, everyone, and welcome to our May 2, 2023, FY2024 budget markup day and also FY2025 budget plan recommendations. And as the board is aware, Friday afternoon we had pre-markup, and so nothing in this package will be new to the board or the community who followed what we did on Friday.

[00:00:37] And we're going to go through the package the same way we did Friday, so we have a number of actions. to take this morning including first board decision on the county and schools fy 2023 third quarter review which of course will be followed by board markup of the county executives fy 2024 advertised budget plan and the fy 2024 add-on package and then finally as we always do a board decision on the fairfax county capital improvement program cip for fiscal years 2024

[00:01:08] through 2028 with future fiscal years to 2033 and our first action don't normally but we can we certainly can do that we don't normally do that on budget markup but we will do that we can start with the pledge of allegiance so if all board members will stand and face the flag

[00:01:34] I pledge allegiance to the flag of the United States of America and to the republic for which it stands, one nation, under God, indivisible, with liberty and justice for all.

[00:01:54] And our first action today is approval of the FY 2023 third quarter review. The FY 2023 third quarter review, as advertised, included previous balances of $58 million, identified over $51 million in additional revenue, and included spending and reserve adjustments of approximately $97 million, with a majority proposed for investments in capital paydown and information technology needs.

[00:02:23] As a result, the advertised package included a net balance available to the Board of Supervisors of $10.7 million. The advertised third quarter package included a $10 million allocation to support the county's affordable housing initiatives.

[00:02:39] However, given the board's goal of achieving 10,000 net new affordable housing units by 2034 and the available balance as part of this process, the third quarter recommendation is amended to include an additional $8 million for affordable housing.

[00:02:55] When combined with baseline funding of just under $30 million for the FY 2023 budget, this results in a total county allocation for affordable housing in FY 2023 of just under $48 million. When also including $45 million in American Rescue Plan Act ARPA funds over the last two years and over $25 million in county funding in FY 2022, the two-year total commitment for affordable housing totals over $118 million.

[00:03:29] Additionally, adjustments are made to allocate $1.7 million to support recommendations from the girls fast pitch softball equity action plan review team to address disparities between girls softball and boys baseball facilities. This one time funding will be used to improve fields and related infrastructure for the six fields at Wakefield Park, which can accommodate use by girls softball teams and organizations. Recurring funding to maintain these fields will be addressed in the FY 2024 budget adjustments.

[00:04:04] Funding of $300,000 is also included to replace the playground equipment at Lake Akatink Park. This playground has been closed since November of 2022 due to safety concerns and funding is necessary to replace the equipment, which cannot be repaired as the original equipment vendor is no longer in business.

[00:04:24] As this same vendor was used for other playgrounds across the county, an additional $100,000 is included for Park Authority to conduct a safety assessment of those playgrounds and develop a plan for remediation or replacement. Other adjustments to the third quarter package include $300,000 to supplement Fairfax County Public Library's collections, $217,308 in partial year funding to contract for the removal of illegal signs in the right-of-way, and $60,000 to support the Northern Virginia Conservation Trust, and board members will see in the chart

[00:05:01] All of those adjustments outlined, which end in a net balance of zero. Therefore, I move approval of the FY 2023 third quarter review, including approval of Supplemental Appropriation Resolution AS 22305 for FY 2022 adjustments to reflect the final audit, approval of Supplemental Appropriation Resolution AS 23190, an amendment to the Fiscal planning resolution as 23901 which include the revenue expenditure and transfer adjustments

[00:05:37] grant awards and adjustments and associated reserve adjustments contained in the county and schools third quarter review dated march 21 2023 and the board adjustments listed above resulting in a net balance of zero i'd be happy that's been seconded by supervisors palchick faust i think that was all i heard is there discussion on the motion discussion on the motion supervisor herity uh yes madam chairman i uh so i brought up on friday we have heard an

[00:06:11] awful lot about the state of our parks um personally have uh had to invest some of my uh my funding into parks 250 000 into burke lake park now we've got a 300 000 program we know that there's similar situations I very much appreciate the chairman putting a hundred thousand dollars in for the assessment because I think that needs to be done but in response to to my board matter there are significant requirements and make in terms of maintenance in our parks the assessments going to help with

[00:06:51] the playgrounds but I don't know if it's going to help with the overall maintenance therefore I move that the the motion be amended to reduce the amount to support affordable housing initiatives by five million and that be used to create a five million reserve for park maintenance so moved you've heard the motion is there a second the motion dies for lack of a second other board members wishing to speak on this motion main motion yes Supervisor Alcorn yeah thank you just we didn't discuss this last Friday but I just want to

[00:07:31] point to a fairly large item embedded in third quarter i.t we you know we continue to pay for very very important i.t improvements maintenance projects uh through these quarterly uh system and you know it's working so far uh hopefully it will continue to work but just wanted to flag that it's a significant investment that doesn't get a lot of attention but it probably should and it is one of the things some of those projects will be coming back to the board's i.t committee for further discussion so thank you thank you supervisor alcorn any other discussion

[00:08:08] seen and hearing none all those in favor of the motion please say aye aye any opposed say nay any abstentions that motion carries unanimously mr chairman thank you vice chairman gross we will now move on to fy 2024 budget markup and move approval of the budget proposal first we begin with add-on adjustments this package begins with a balance of 110.38 million available for the adjustments included in the county executive's add-on package of april 12th 2023 this balance is attributable to updated revenue projections consistent with adjustments included as part of

[00:08:47] the fy 2023 third quarter review and reflects updated projections regarding transient occupancy tax and investment interest. Adjustments recommended by the board. The board recognizes the challenges inherent in developing and balancing this year's budget with rising assessments resulting in higher real estate tax bills, high inflation impacting expenditure projections, and a tight labor market making employee retention and recruitment difficult.

[00:09:17] With the county executive fully funding the Fairfax County Public Schools recurring operating requests as part of his proposed budget, the board has focused its adjustments on providing tax relief and boosting employee compensation. In December of 2021, the Board of Supervisors approved enhancements to the tax relief program available for seniors and people with disabilities, increasing gross household income and asset limits for tax year 2022. At that time, the board also approved enhancements for tax year 2023, including a new 75 percent

[00:09:52] income eligibility bracket, and a new tax deferral option, as well as capping total taxes relieved at 125% of the mean assessed value of Fairfax County homes. Based on these actions, the advertised budget included a reduction of $2.7 million in revenues associated with the tax year 2023 changes.

[00:10:14] Additionally, the advertised budget did not assume $64 million in revenue, which could be generated through the county's personal property taxes. Instead, the projection for this revenue category

was held flat, which is consistent with a recommendation from the Department of Tax Administration to implement a 90% assessment ratio for personal property taxes this year.

[00:10:39] Our residents may recall that last year, the board took the unprecedented step to approve an 85% assessment ratio. This action allowed personal property tax bills to be calculated based on an 85% of a vehicle's assessed value, helping to mitigate the impact of significant rising vehicle assessments last year.

[00:11:02] With the 90% assessment ratio for this tax year, the average personal property tax bill is expected to be consistent with or slightly lower than last year's bills. One of the most significant adjustments that this board is recommending to the budget is to lower the real estate tax rate from $1.11 to $1.09 per $100 of assessed value.

[00:11:28] The advertised budget assumed the $1.11 rate, but left a sizable balance for the board's consideration. By using over $47 million in the available balance to reduce the tax rate, the average increase on the real estate tax bill will be reduced by over 20% from $520 to $412.

[00:11:51] In total, when combining the impact of the real estate tax reduction in the real estate tax rate and the 90% assessment ratio for personal property taxes and the continued expansion of the tax relief program for seniors and those with disabilities, over $113 million in tax relief is provided in this amended budget.

[00:12:15] The pay adjustments in the county executive proposed budget included full funding for merit, performance and longevity increases, and partial funding of the market rate adjustment, which was calculated at a record 5.44%.

[00:12:31] As county agencies continue to struggle to fill positions, it's important that employee salaries remain competitive relative to the market and preserve employees' purchasing power in the face of inflation. The board has included $54.9 million in this package to fully fund the market rate adjustment, resulting in average increases of 7.83% for uniformed public safety employees and 7.50% for non-uniformed employees.

[00:13:05] The police department in particular continues to face recruitment and retention challenges. Last year, the board approved a new 25-year longevity step as well as funded an extra step for eligible employees to encourage retention. A $15,000 incentive bonus was also implemented last year to boost recruitment efforts.

[00:13:26] We're encouraged by the progress being made with the largest recruit class in over a decade now currently at our academy. To further improve the competitiveness of our police officer positions with other law enforcement agencies in the area, the board has included $10.2 million to provide a 5% scale adjustment for all uniformed police employees.

[00:13:50] The board also recognizes that the minimum starting salary for Fairfax County police officers, a factor that can impact whether potential recruits will apply for our job postings, is lagging behind those of other law enforcement agencies in the region.

[00:14:09] Recognizing that very few officers are hired, at the minimum a police officer won step one, This pay step will be eliminated by combining the ranks of Police Officer 1 and Police Officer 2 into a single Police Officer rank.

[00:14:24] The ranks of Animal Protection Police Officer 1 and Animal Protection Police Officer 2 will also be combined. These changes will have a minimal cost impact as they will impact the salaries only of those employees currently in police officer one step one, but will increase our minimum starting salary by 5%. The combined income of the combined impact of all FY 2024 actions on the minimum starting salary for police officers is an increase of over 15%. Pay increases for incumbent police

[00:15:01] officers will range from 10.44% to 15.44%, with an average of 12.83%. The board has also included funding to resolve two issues in the fire department rank structure. Currently, the salary for master technician rank is only 2.9% higher than that of a fire technician. Funding of $460,266 is included to increase this differential to 5% and adequately compensate the requirements

[00:15:34] of the master technician rank. The board has also included $1.56 million to increase the grade level of the fire lieutenant, the first supervisory rank in the fire department from F-22 to F-23.

[00:15:51] Although the primary focus of the board's adjustments is on tax relief and employee compensation, there are a number of other issues the board wishes to address as part of the markup of this budget, many of which were subject of testimony during our public hearings. First, funding is allocated to address several human services initiatives. Funding of $500,000 is allocated to increase support for two hotlines for those attempting to flee domestic and sexual violence, stalking, and human trafficking. This funding will increase staffing support for the

[00:16:27] 24-hour Artemis House hotline and backup support for the county's domestic and sexual violence hotline. Funding of $412,642 and one new position will support the expansion of opportunity neighborhoods into Centerville. This initiative, which is currently available in five other areas across the county, brings together residents, non-profit organizations, schools, and others to create a shared vision to address needs and achieve equitable results for youth and their families. With the Board's emphasis on preserving and expanding affordable housing, another cost

[00:17:05] effective strategy is investing in opportunities to allow low and moderate income homeowners, particularly seniors and those with disabilities, to remain in their homes. This package includes $350,000 to support non-profit projects that make home repairs and accessibility modifications.

[00:17:25] It should be noted that funding for this purpose will be provided to the Department of Housing and Community Development, and these services will no longer be eligible for consolidated community funding pool resources following the current round of awards. It is also important to note that these funds are separate from approximately $500,000, which will be available through CDBG dollars for home repairs for manufactured housing.

[00:17:52] The new manufactured housing coordinator included in the advertised budget will help to administer these funds. Consistent with the recommendation to add one-time funding as part of the third quarter package, this package is also amended to add $300,000 in recurring funding to support maintenance for girls' softball fields as recommended by the Girls Fast Pitch Softball Equity Action Plan Review Team.

[00:18:19] Other adjustments include $200,000 in funding to support the operating needs of Arts Fairfax and $96,000 to establish a self-help resource center within the law library at the Fairfax County Courthouse. The center would provide legal information only and will serve as an alternative for those who are unable to afford legal services and for whom pro bono help is not available.

[00:18:45] The next set of adjustments are all related to the board's support for our park system. Two initiatives in particular, the management of tree health on park property and the mitigation of invasives such as bamboo, received significant support from the community during public hearings.

[00:19:01] While funding totaling $900,000 was just approved as part of the third quarter review package to support these programs, additional staff are required to manage the increasing workload. Therefore, one position with associated funding of $152,642 is added to support bamboo mitigation and three positions with associated funding of $293,463 is added to support forestry operations.

[00:19:32] Through the combination of these resources and third quarter funding, the budget requests for both programs are now fully funded. funding of $114,640 is also included to support partial year operation of a mobile nature center with vehicles anticipated to be paid through sponsorships. This program will embrace equitable access to park resources by bringing unique experiences to those communities with little green space. Lastly, as county agencies have continued to struggle to recruit and retain

[00:20:08] employees in a challenging labor market, the board recognizes that the prolonged vacancies have resulted in personnel savings for many of our departments. Although the county has taken actions to reduce the vacancy rate, it is anticipated that vacancies will remain high for the foreseeable future, generating flexibility in agency budgets. As a result, $6.3 million is recognized in these savings as part of this package, with the expectation that this small relative adjustment of approximately one-third of one percent on average will not impact any

[00:20:44] county agency operations. This adjustment will be made with consideration of the size of each agency's budget as well as current vacancy rates. And all of these adjustments can be seen on the chart at the top of page seven, which again results in an available balance of zero. And as a result of these changes, we have a balanced FY 2024 budget. In addition to the reduction in the real estate tax rate from $1.11 to $1.09 per $100 of assessed value, two other rate decreases are

[00:21:20] included in this budget. A reduction in the Phase 2 Dulles Rail Transportation Improvement District tax rate from $0.20 to $0.18 per $100 of assessed value. A reduction in the Route 28 highway transportation improvement district rate from 17 cents to 16 cents per $100 of assessed value. Most taxes and fees in the FY 2024 budget remain unchanged, including maintaining the leaf collection rate at 0.012 per $100 of assessed value, maintaining the stormwater services district

[00:22:00] tax rate at 0.0325 of $100 of assessed value, maintaining the phase one Dulles Rail transportation improvement district tax rate at 0.09 per $100 of assessed value, maintaining the Reston Service District tax rate at 0.021 of $100 of assessed value, maintaining the Tyson Service District rate at 0.05 per $100 of assessed value. In addition, this budget does contain some increases in refuse and sewer charges, including an increase in the refuse collection fee from

[00:22:38] $475 to $490 per household, an increase in the refuse disposal fee from $70 to $72 per ton, an increase in service sewer charges from $8.09 to $8.46 per 1,000 gallons, and an increase in the sewer service base charge from $40.14 to $44.81 per quarter, and an increase in the sewer

[00:23:09] availability charge from $8,592 to $8,860. Therefore, having provided public notice and conducted a public hearing as required by Virginia law, I move approval of the FY 2024 budget as advertised with the changes as outlined above and required managed reserve adjustments. The tax and fee

adjustments become effective on or after july 1 2023 unless otherwise noticed these actions result in a balanced budget for fy 2024 you've heard the motion seconded multiply uh is there

[00:23:47] discussion on the motion mr chairman uh thank you very much uh vice chair gross and um i want to begin by uh thanking some folks our our staff of course uh for their outstanding job and helping guide us through the budget process our community who testified in high numbers and participated in in our district town hall meetings on the budget provided their input to us throughout the process and i hope having just read the adjustments to the budget that people can clearly see that this

[00:24:23] budget responds to what we heard in public testimony it responds to the inflation and the challenges that so many of our homeowners are facing and it responds to the need to increase employee compensation when we began this budget budget process the county executive presented his budget which I kind of called a mixed bag there was some good in it there was some challenges in it there was some things in the forecast as we move forward that i think we all have to be

[00:24:55] concerned about but what we have done is taken what was a good starting budget proposal and i believe take taken a balanced approach at being able to provide tax relief that's targeted not only real estate tax relief but personal property tax relief as we mentioned other forms of tax relief through senior and disabled real estate tax relief and we've taken that number as far as we could without jeopardizing the core services that our county residents rely on and our core

[00:25:31] services cannot be delivered without the workforce that works for fairfax county and so the adjustments to salary are necessary not just for retention and recruitment we are facing the same challenges that every county and every company is facing across the region and in most cases across the country the the war for talent and what we need to do to make sure that our outstanding services can be delivered by outstanding employees and we as a county have not been immune to the challenges

[00:26:07] with inflation the challenges for workforce and I would point out when it comes to workforce that we are in the most competitive public workforce arena in the United States because we are not just competing with other localities and with the state.

[00:26:23] We are also competing with the federal government for workforce and arguably the most competitive workforce arena in the country. And so these pay adjustments for our county employees are absolutely necessary for our public safety officials, our frontline workers to provide the core services that we need. This budget also responds to a number of the smaller but equally important issues we heard about throughout budget. Affordable housing clearly continues to be a priority of this board as it should, because affordable housing is something different than it used to be.

[00:27:00] It used to be a human service. It was thought of as a human service that was just a good thing to do for the community. I think most people in our county, including very profoundly in our business community, understand that affordable housing is an essential ingredient to economic success.

[00:27:18] It's not just a nice thing to do, it's a requirement. And when the EDA publishes their 130,000 job vacancies in Virginia, in Northern Virginia alone, I think it's very clear when you talk to the business community, the challenge in filling those positions is a lack of affordable housing. So if we want to respond to COVID in the way that we have throughout the process, which is looking forward, supporting our economy, making investments in our economy that will build strong financial resources for the future.

[00:27:53] We have to invest in affordable housing. It is necessary. So I am delighted that that is in here, including investments for parks, a number of things that I outlined in the motion that are needed to fight off bamboo and invasives to deal with equity.

[00:28:10] There was money in third quarter to help support libraries and their collection needs. And this budget literally, I feel like, has responded to every single issue that we heard during the public testimony in a very balanced way.

[00:28:27] Moving forward, we know that there are challenges ahead. And when we get to budget guidance, I'll outline some of the things that we will need to do in advance of next year's budget. But I'm very proud of this budget, and I want to end with probably one of the starting points that was in the county executive's budget that is most significant to economic recovery, and that is to fully fund the Fairfax County public schools budget.

[00:28:53] My colleagues will notice that there was very little testimony from schools this year, in part because the county executive realized and our board knows the imperative of fully funding our schools. They are the economic driver of Northern Virginia and by default, the economic driver of the Commonwealth of Virginia.

[00:29:15] Our schools have had challenges. Our teachers have had challenges. Our teachers deserve the pay raise that fully funding their budget allows us to take advantage of by drawing down state money. Our students who have struggled through COVID, some of the most vulnerable kids in the county, deserve and need the supports that are in the school budget to help them recover from learning loss. The school system, I think, has done an amazing job during unprecedented times, but knows that COVID recovery is a multi-year process. It's not something solved overnight,

[00:29:52] but it's something that we need to make sure if we are to be Fairfax County and to be the economic driver of the state and attract businesses to come here and invest in our community we have to start with an adequately funded fairfax county public school system and so i am glad from day one that this budget included those resources for our schools for our teachers and staff and most importantly for the overall economy of fairfax county moving forward and so this budget i believe

[00:30:26] Not only as literally balanced as we are required to do by state law, but I think the adjustments as I've outlined in here show a true balance between tax relief, investing in our county employees, standing up and fighting for and supporting our school system, and also making sure that the core services that have made this county the reputation that it has are supported in this budget.

[00:30:52] and we heard that clearly from our residents throughout the process. And so I am proud to put forward this budget today and would encourage my colleagues' support. Thank you. Thank you, Mr. Chairman. Other comments about the discussion?

[00:31:09] Supervisor Poutchek. Thank you, Madam Vice Chair, and thank you very much, Mr. Chairman, for those comments. I don't have too much more to add. I just want to make sure that I second a lot of what was said, especially for me it's important that we have been able to fully fund both our schools our salaries or my market rate adjustments which we know also invests in all of the core services our public safety our parks this is a good news budget it's quite a process and so really first of all I want to thank our budget team I believe this is your first budget as director Phil so

[00:31:48] congratulations mr. Hagan to your entire team to miss Jackson to miss horseman and mr. LaHate used to calling you by your first names really appreciate the work that's gone through this I think it hasn't been an easy process but they never are but I do think that you've put together an excellent process you've built a budget in coordination with I see many of our deputy county executives sitting here as well as with our budget chairs and vice chairs I want to thank all of them for their work and that really served the priorities of our board and our county executives priorities through the

[00:32:26] budget cycle so I want to thank you for helping us through this and helping us arrive at really what is a very good news budget it's a nice day in here though it may be rainy outside and finally I do think it's very important that through that you helped us find those targeted vacancies to help fund of the targeted vacancy savings across agencies because we know each vacancy is not the same as another and I think the way you were able to find a little more than six million dollars in there in coordination with our deputy county executives and our directors helps show that we are thoughtful in our process

[00:33:05] that we ensure that there will not be a negative impact as we do that and as we help ensure that market rate adjustment and then finally I know that hopefully next year will be fully in our collective bargaining I know our county employees are still awaiting and hopefully they will have their bargaining unit soon but this year it has been I think a very collaborative effort with our employee groups I see president of a CIU here I think without them it would have been very challenging for us to really get to this full funding of both the market rate and the salaries and to help address some of those issues many

[00:33:45] addressed today and I think others that need to be continued to address as we move forward I also want to thank the fire and police groups that with their support and their research and their analysis I think we were able to find the targeted investments there that needed to be made here so never an easy budget cycle but I think we were able to address many of the priorities the housing through the one-time funds and the federal funds and I appreciate our commitments both to getting to baseline funding of the two pennies by 2027 but most importantly and I think it was in the beginning of the chairman's remarks

[00:34:24] we have a balanced budget here and we await the state's balanced budget coming forward so I am hopeful that as we receive more information from their budget that we will be able to increase those investments in high needs areas like mental health which we know is a necessity across the board not just here but globally as well as with our housing we know that housing is so critical many families and businesses like my own moved to this county because of our great schools and our great opportunities but we know

[00:35:01] housing has become an increasing challenge and so continuing to invest in that and work regionally will be critical moving forward so again i want to thank our staff i want to thank the chairman as our budget chair uh the budget vice chairs um kathy smith and john faust congrats on your final budget with us and um hopefully we have as good an outcome next year if not we're gonna have to to bring you back. We'll see you sitting right behind them next year nudging us if we don't get

[00:35:37] there. So really again I think there were some challenges. We were able to meet them starting with a good budget and I think ending with an excellent budget. Thank you all and very happy to support your motion Mr. Chairman. Thank you Supervisor Palchuk. Additional discussion. I'm just going to come around the dais supervisor harry okay first i want to thank staff uh for all their hard work i know it's this is never a fun process and we all have it for a short period of time but you have it almost all year so you're

getting ready to start over for next year but thank you for all the for all the work thank you mr chairman for uh for a couple of very very good

[00:36:13] items in this package um certainly the uh the promised cola for our employees of 5.44 up from the two percent uh for taking another step in addressing our police staffing crisis i think we've really addressed the starting salary i uh i think we still have work to do on uh on on retention in terms of our police department uh for the home repair project i i think that is something that uh will help keep people very economically in their homes um and the targeted vacancies, which is, I think, something that we need to do more of, and I'll be talking

[00:36:52] to that a little bit when we get to budget guidance. But I think some of the hard work wasn't done, and this budget's still largely balanced on the backs of our taxpayers. It still continues the trend of over 5% increases in taxes, a rate that is unsustainable in the face of inflation and rising assessments.

[00:37:18] As I talked about on Friday, I prepared an alternative budget with ideas that would reduce that burden significantly by another 5 cents or another 5%. It reduced board office support by $1.1 million.

[00:37:40] That increase, nobody stepped forward and say where that requested increase came from. It just showed up in the budget last year. the agency trash routes and other savings of a million dollars that our solid waste staff has agreed with something I first proposed back in 2010 obviously I know this board will not support the 31 million reduction in affordable housing reduction in the school transfer which I'll talk about in a minute of a hundred million fully funding the MRA which my alternative budget did

[00:38:15] two years ago and does again this year um a 12 increase for second lieutenant and below at 26 million non-profit home repairs paramedic incentive pay which is really where we're having trouble with our fire department it's it's keeping paramedics uh as we we're slowly having to convert our basic our advanced life support ambulances to basic life support ambulances the domestic violence hotline uh which i talked about on friday i think is is very important in the science and

[00:38:49] the median um i didn't get much support for that uh alternative budget i've talked to a board member or two um so when i am going to propose today uh and you've got this in in writing and apologies for the the last minute um but it's the same thing that i pretty much the same thing i handed out on uh and went through on friday uh and it really talks about reducing the school transfer and in each of the last two years i've proposed reducing the school transfer by approximately 100 million dollars due to an analysis of student population levels some very

[00:39:29] obvious over projections and several non-personnel accounts in the 2022 budgets my assertions on this assertions on the student population were correct and the schools took a reduction the following year on the in the following year's budget for these. A quick look at the carryover balance for each of those two years shows carryover balances have grown by over 100 million in each of the last two years. The amount of these assigned carryover grew from 124,000

[00:39:58] to 215 in FY 2022. These assigned funds represent committed uncommitted requests from schools most most of which have not been thoroughly reviewed or approved.

[00:40:14] A review of the FY 2024 proposed budget by spending category clearly shows some unexplained increases. In the materials and supply lines alone, the school budget proposes spending $28 million more for FY 2023 and FY 2024 than in the previous three years combined.

[00:40:38] Yes, $28 million more in two years than in the previous three years. There are several other accounts which show similar anomalies and overall historical trends show a half a million more than pre-pandemic average spending despite a decrease in the student population.

[00:40:53] And I'm all for giving the schools all the resources they need to address the challenges of the pandemic and the challenges of our kids, but the spending needs to be done in a responsible way. And in looking at these numbers and in looking at the response from the school system that talked all about process and not about how the money was going to be spent, I didn't get that until late last night.

[00:41:21] I actually didn't see it until first thing this morning. It's investing in central office positions, which are increasing the burden on our teachers. If you listen to our teachers, the number one reason they're leaving is administrative burden.

[00:41:38] And I just, that's not the way we should go. The school budget also proposes $65.2 million for additional student population of $2,382 at a cost of over $27,000 per student.

[00:41:56] But when the population was reduced, they showed the reductions at $16,000. There's just a lot of unexplained increases in the accounts. Because the board was not receptive to the $100 million reduction, today I'm proposing an extremely modest reduction to the school transfer, which would give our taxpayers a little bit of additional relief.

[00:42:19] Because of the unexplained projected increases in budget accounts described above the growth in administrative positions without an explanation on how they reduce teachers' administrative burdens and the disparity of the costs of additional students versus the student population, I move a reduction in the school transfer of $31 million and a corresponding decrease in the real estate tax of one penny for FY 2024.

[00:42:45] So moved. You've heard the motion for a budget amendment. Is there a second to the motion? I'll second the motion. Supervisor Wackenshaw has seconded the motion. Now we will have discussion on the amendment.

[00:43:03] Supervisor Wackenshaw. Thank you, Madam Vice Chair. I do not support the motion, but I think it's worthy of discussion. And I think the Harity budget proposal that was presented to us at Markup last week is worthy of discussion, which includes the $100 million cut to the FCPS transfer.

[00:43:27] And I do appreciate Supervisor Harity putting together the proposal and showing the community what it would take to accomplish what he wants to accomplish. because until this point, Supervisor Herity's approach in the budget process has been to promise everything to everyone.

[00:43:49] You said that we can raise pay, we can spend more, and we can cut taxes, promise the sun, the star, the moons, told people they can have their cake, eat it too, and lose weight at the same time. And the proposal that you presented to us last week demonstrates that you can do that if you cut schools by $100 million at a time when our students are working to recover from the learning loss due to COVID, a time when we're struggling with recruitment and retention of

[00:44:24] teachers just as we are with our county employees. And the motion describes the unexplained projected increases. And we did get, as Supervisor Herdy noted, a detailed response and explanation from FCPS late last night, which I think does a good job of answering the questions that he has asked. I want to focus just on one of the cuts that Supervisor Herity proposed, which was

[00:44:59] the $18.5 million increase in the materials and supplies budget, which Supervisor Herity described as an anomaly. It's not an anomaly. It was outlined in the FCPS budget proposal.

[00:45:20] And that budget proposal described it, $15 million of it, dedicated to supporting the science of reading. And it's not this board's job to relitigate the reading wars that have taken place over the years. But the science of reading is a program that puts a greater emphasis on phonics. It's a program that Governor Youngkin has embraced. He signed a bill in 2021 and talking about the science of reading, he said kids need to learn to read so they can read to learn. And FCPS has embraced

[00:45:56] that philosophy. But in order to do that, you got to buy new textbooks. So the $18.5 million that Supervisor Herdy wants to cut from the FCPS budget is to purchase textbooks, textbooks to teach kids to read. On top of that, as we learned from the FCPS response, the $100 million cut would quote, most definitely require a reduction to salary increases. So the savings that Supervisor

[00:46:31] Herity identified to achieve the tax cut that he wants to achieve would come at the expense of teacher salaries, as we're struggling to recruit teachers, and textbooks for kids. So the Herity budget proposal doesn't cut waste. I think you were trying to find the waste. Instead of waste, you found teacher salaries and textbooks. It's not cutting fat from the FCPS budget. It's cutting

[00:47:04] into the bone, the bones of our school system, our teachers and our textbooks. But I think it's a valuable contribution to the debate that you've made by putting it forward. I do appreciate that. I can't support it.

[00:47:21] I think it's the wrong time to cut teacher pay. I think it's the wrong time to take textbooks out of the hands of kids. I think it's the wrong approach. Thank you, Mr. Chairman. Thank you, Supervisor Walkinshaw. Additional discussion. I'm going to allow Supervisor Herity to respond, and then we're going to go to Supervisor.

[00:47:43] Okay, all right. I just want to say, first of all, I agree with everything Supervisor Walkinshaw said. And the real problem I have here is that, you know, this is budgeting by ambush. We get a budget on, a proposed budget on Friday afternoon, proposing to cut $100 million from the school budget.

[00:48:09] Okay, we can deal with that, and we have, and we've looked at your proposal, and it's not substantial. You would be cutting, as we say, to the bone. what you are depriving the community of is an opportunity to input. You sneak these things in at the last minute so that you don't have to defend them to the public. The public, this budget is intended to reflect the priorities of the public. You've come up with a hundred million

[00:48:42] dollar proposal to cut public education the two days before we adopt the budget. That's budgeting by ambush it's not fair to the public and you know and with just the most minimal amount of time to evaluate what you propose we can demonstrate that it would damage public education so that's all i have to say supervisor herity well that's a mouthful to talk about so we talk about ambush i we'll talk ambush then ambush is getting a uh a response from a three-week-old budget question

[00:49:22] set of budget questions from schools on the morning of, which is when I got it, the morning of. So these were questions that were asked some time ago, and there was no quick response. If they were easy to answer, there would have been a quick response. And when I get the response, there's not real meat in the response. There is process answers in the response. To go to wanting to cut teacher salaries,

that's garbage. That's the same garbage that was spouted two years ago and the same garbage that was spouted last year at this dais. The fact is, when I proposed

[00:49:59] my alternative budget two years ago, I wanted to cut teachers. That's what the response was. Guess what? The carryover came back and it was $100 million higher. They didn't cut teachers. It was $100 million higher. This last year, it was $100 million higher. The numbers prove out the fact that that budget cut would have been a very, very reasonable budget cut because it, in fact, created the surplus of $100 million. And they didn't cut anything. We talk about, and Supervisor Palchuk talked about it, the chairman just did it with the $6 million

[00:50:37] targeted vacancies. There is no reduction for targeted vacancies in the FCPS budget. I am not sure where the $18.5 million comes from for the supplies line, or the $15 million that I want to cut, whichever one it was. There was no specific cut in there for $18 million. If you take the materials and supply lines, if you take the three-year average, when they had a higher population, it was $95 million. The current year estimate is $135 million more than the three-year

[00:51:09] average. $135 million more. $135 million more. It's not $15 million more. It's $135. They haven't explained what they're going to use that $135 million. They explained a $15 million reading thing for political purposes, but they didn't explain the $135 million. So I'm a little short on the explanation because $135 minus $15 million in my book gets closer to the $100 million.

[00:51:41] So the biggest thing this board can do, I know this is going to die, but the biggest thing this board needs to do is adopt budget guidance that will have our board auditor take a look at some of the anomalies that come in to in the school budget and give us a report in a timely basis perhaps even to the county executive before he prepares his budget that takes a look at the assumptions on school funding but let's get a professional taking a look at it so we take it

[00:52:15] out of the political realm a professional looking at it so that this board can get some advice on what the school our job is to be a check on the school board not to give them a blank check i mean we we we are responsible to our taxpayers our taxpayers want to fund high quality schools but they don't want to waste money on a on a bunch of administrators and and in money that isn't effectively being used to teach our students and with that i'll thank you accept the board's verdict

[00:52:48] this discussion is on the amendment to the budget others wishing to be recognized um i'll recognize chairman and that will be our last comment before we vote on the amendment thank you madam chair um i clearly am not supporting the amendment either i i do think it is a little bit like ambush i mean we we had something on the table friday that would have amounted to a hundred million dollar production in the school budget and that now has been changed to $31 million, and the $100 million was justified because we should just cut these things because

[00:53:28] I don't understand them. Ms. Supervisor Herity did not know what those items were funding, and we now know. So I guess in terms of ambush, we all have to do our homework. You know, if these were such important issues, chase down the answer. I did.

[00:53:44] Do a little bit of research. I did. Find out. Excuse me. I've got the microphone. Yes, Ms. Supervisor. Do a little bit of research. Find out where these are. We now know what they are. We now know. And we know that a reduction of this magnitude would most definitely require a reduction in the proposed salary increase.

[00:54:00] It would result in a loss of state funding. The state funded a minimum 5% increase in the substitute budget. That is from a memo from Dr. Reed. That's not political. That's the superintendent saying a cut of that magnitude would result in those things.

[00:54:16] You know, we sit around this dais a lot, complain about a lack of state funding. And we would put in jeopardy state funding by making cuts of this magnitude without even understanding, as was admitted Friday, what they are for. You know, Supervisor Herity drove up county spending dramatically in his budget request to us, drove up county spending dramatically.

[00:54:42] And the way he paid for that was gutting affordable housing and gutting Fairfax County public schools. as I said earlier, the two essential ingredients to our economy. The two most important things the business community will tell you are necessary to drive economic development and growth and no more important time to do that now as we recover from COVID. We're one of the only jurisdictions in the country that right now has more people working than we had before COVID. And part of that is because of the high quality school system that we have in Fairfax County that draws employers here,

[00:55:18] that draws jobs into the region. And so, you know, to summarize things by, like we always do every year, talk about cutting administrators, we're not going to touch teachers. Well, you know, the truth is in the memo from the superintendent. You can't make cuts of that magnitude without addressing teachers. I'm proud that my budget has found $6 million in county savings, far more than Supervisor Herity has suggested on the county ledger. So it's a lot harder to find savings in what you directly control it's a lot easier to lob the missile over onto another board and say

[00:55:56] i'm just going to gut you because i don't understand what this funding pays for so you know we need to be responsible here um i think our budget is responsible i think what we've put on the table is fair i think the idea of putting in jeopardy teachers you know we talk about vacancy issues on the county side our i believe our budget will dramatically address those vacancies But to act like the schools aren't facing the same challenges that we're facing on compensation and filling positions means we haven't spent much time in the schools.

[00:56:31] I've talked to those teachers, too. You know what they're tired of? They're tired of vacancies in the school system. They're tired of teacher positions not being filled. They're tired of not getting the pay that they're entitled to. Those are necessary for retention in high-quality schools.

[00:56:47] schools like the county are good when the people who work for them are doing their job and doing it well. And to make a cut of this magnitude and to thrust this upon us Friday afternoon, and then to acknowledge here today, acknowledge coming in here today, never mind, I was $69 million off.

[00:57:10] Now I just want to cut at $31 million, shows a lack of seriousness and responsibility to budgeting. It might be good for political opportunism to beat up on people in the school system, but it's not good for the county's reputation.

[00:57:25] It's not good for fiscal responsibility, as Supervisor Faust said. It's not fair to the public who have been involved and engaged in this process. Nobody came down to this podium and said, we think you should cut schools by $100 million. Nobody came down to this podium and said, never mind, maybe $31 million.

[00:57:44] Nobody said that. And so, Supervisor Herity is just completely out of touch with this proposal on what we have heard, on what responsible budgeting is, and what transparency is. And so, there's no

way I can support this proposal that's before us today that the rest of the board just got, what, 20 minutes ago.

[00:58:07] It was laid in front of us 20 minutes ago. Thank you. That was the final discussion point on the amendment. Now the vote will be on Mr. Haradies' amendment. All of those in favor of the motion, please say aye.

[00:58:24] All those in favor of the amendment, Mr. Haradies' motion, please say aye. All those opposed, say nay. Nay. Any abstentions? That motion is defeated by one to nine.

[00:58:43] The discussion now goes back to the chairman's motion to adopt the budget. Supervisor Faust, we're still coming around the dais this way. Thank you, Madam Chairman. Chairman McKay's discussion of what the budget contains and how it reflects our priorities and what's important was I felt excellent and I'm not going to try to repeat everything he said.

[00:59:12] I do just want to point out how pleased I am with the Board's continued investments and efforts and prioritization of investing in the affordable housing projects, both not only development and preservation, but also programs that will help people stay in their homes.

[00:59:39] You know, this is unfortunate, but at times you feel like you have to defend that investment because of the feedback you get, but I will tell you what it is the right thing to do for the people who need this housing, but it is also absolutely essential if we want to have the type of community that will attract people to live here, the placemaking aspect, and it is the workforce that we need in this community needs reasonable places to live.

[01:00:10] So, you know, we've come a long way in a couple of years. There is a commitment to increase the recurring funding for affordable housing, but I would just say I make absolutely no apologies for the fact that we have found tens of millions of dollars of one-time money that has made an enormous difference in the number of projects we've been able to fund in this county.

[01:00:40] With that, I support the budget. Thank you, Supervisor Lusk. Thank you, Madam Vice Chair. Let me begin by saying that I am very pleased that we have before us a very balanced budget.

[01:00:57] And I know it reflects, which is important, our spending priorities, but it simultaneously provides tax relief to our residents. i'll quickly echo some of the comments my colleagues have made without belaboring them and then take a few minutes just to highlight my own personal priorities in the budget okay first and foremost i am delighted that we are able to reach the mra for all county employees and that will be fully funded at the 5.44 percent this investment is a clear and definitive statement

[01:01:33] to our county employees. We value you. As the chair of the Public Safety Committee, I'm also particularly focused on the public safety professionals in this budget, and I also want to extend to them, I am committed to being an advocate for them and a partner as we move through this budget process and towards collective bargaining. And based on the current vacancy rates that we have for our public service agencies, some of the moves that we see being made by our surrounding jurisdictions as the chairman indicated it is clear to me that we

[01:02:12] have to take action to address public safety pay and I'm so delighted in this budget that we have the five percent pay adjustment for all uniformed police employees is important but when you combine it just to reiterate the point when you combine it with the other adjustments in this proposed Budget, this

will result in pay increases that will range from 10.4 to 15.44% with an average of 12.83 And that's what we need to be more competitive

[01:02:47] Additionally, it bolsters the investments that we've already made with regard to the signing bonuses And I'll say I am personally committed to continuing to look at this issue of compensation for first responders in ensuring that we are competitively paying them as related to others in the region.

[01:03:09] On the tax rate, delighted that we're able to reduce that by 1.5 cents and acknowledge that it does provide a reduction in the average homeowner's bill of 20%. I've also made points about the personal property tax rates.

[01:03:25] Last year, they were kind of out of control. This year, they continue to still cause pain for a number of our residents, And I'm delighted that we're able to make a 90% proposed assessment ratio for determining that bill and that we'll see either a lower or equal amount for property assessments in this upcoming year.

[01:03:51] I also know that the majority of my colleagues here share the enthusiasm for the budget. And I'll just quickly identify a couple of items that I'm personally delighted by. First, I'll call the attention to the addition of the $96,000 that's included in the budget for the Self-Help Resource Center within the law library that's going to be at the Fairfax County Courthouse.

[01:04:15] I want to thank, personally, Judge Peter Keedy-Smith for bringing that issue to my attention. As a result of our advocacy, we are able to provide legal support services and resources for those who are experiencing difficulties in navigating the judicial system.

[01:04:35] And again, for whom they are not eligible for pro bono services. Next, I'm delighted about the inclusion of funding to the Park Authority and specifically with the mobile nature centers, specifically with making sure that we can serve those underrepresented communities.

[01:04:54] And then also making sure that we have the opportunity to address some of the invasives and the staff to do that. Additionally, I'm going to note that we were not able to fund the park ranger program in this budget.

[01:05:10] But I did make some points about this relative to having the chief of police and also our director of the park authority collecting data with regard to service calls and also interventions by the park staff that occur in our parks.

[01:05:29] And I've requested those findings come back to our public safety committee at a future date. And that I believe that that consideration can lead to a number of possible actions, including the creation of a civilian park ranger program or expanding our police department's role in those types of calls to service.

[01:05:50] Next, I'm extremely supportive of the Arts Fairfax expanded funding to provide programming to our underserved communities I think that's so important, including the arts, as it's also connected to STEM.

[01:06:08] The inclusion also of the funding for affordable housing, so going back to Supervisor Faust's point, it's so important for us to continue to ensure that we are providing affordability for our residents, including those who might be new employees of Fairfax County, including those who are seniors who want to continue to live in this community, and making sure that we have mechanisms and methods for that to

happen the inclusion of the manufactured housing coordinator in this budget is one that's also i think important in helping

[01:06:44] that series of marginalized communities and on friday i made a couple of points about that specifically that we have to ensure that that position is hired as soon as possible and again the intent is that we have that position available at the beginning of the fiscal year so that we can finalize uh the manufactured housing home repair program which has been under discussion for a little more than a year and a half that i've been working with director fleetwood to create this is one of my own personal priorities and i think it makes sense because the majority of

[01:07:23] those manufactured housings are actually in my districts so with that said i'd like to conclude with a kind of an important point the steps that we are taking with this budget the MRA the reductions in the real estate tax rates and assessments priorities that we are funding all of this is precipitated by the economic conditions that exist in our region and in our county so it's extremely clear to me and many of the members of this board that we have to be more proactive about

[01:08:02] the diversification of our tax base and to reduce our reliance on property taxes. If we want to continue to grow this economy, if we want to insulate it from future economic upheaval, then we must meet the challenge with a sense of urgency and priority. And I look forward to working with Chairman McKay, Supervisor Faust, the rest of my colleagues, and the county executive to meet that challenge. So with that, I'll say that I am truly appreciative of this budget that has been brought before us and that has focused on our priorities and also balancing again

[01:08:39] the importance of tax relief for our residents and finally want to thank our budget chairman Mr. McKay and our vice chairs Faust and Smith for your diligent work on this budget and to my colleagues thank you all for your thoughtful consideration items and your responsiveness to the many speakers that came out to the public hearings and so with that Mr. Chairman, I'll conclude my remarks.

[01:09:05] Thank you, Supervisor Lusk. Moving to the side of the dais, Supervisor Smith. Thank you, Madam Vice Chair. When the budget came out, I had priorities that I'm happy that we were able to achieve, one of them being the employee compensation, so to be able to do the full MRA is really important.

[01:09:25] The police pay issue, we've been hearing about that and facing that, so that's something else we were able to address. And, of course, the tax rate reduction. and i appreciate the community coming in and speaking to us about parks and other areas where they wanted us to provide funding and we were able to do a lot of that and then um for sully district that we finally have opportunity neighborhoods we have been talking about this for years we it was going to be in the budget when the year of the pandemic coming and i think this will be an important program to pull together the schools our non-profits and the county to really serve the families in Sully District. So I'm appreciative of that. Thank you to the budget

[01:10:04] staff for answering all my questions and our discussions. Thank you to the community and my colleagues for your work on this. Thank you, Supervisor Smith. Supervisor Stork. Well, thank you, Madam Vice Chair. And first and foremost, of course, thank you, our hardworking budget staff who will finish up here in maybe a week or so, and then you get to start again, right? So, and hopefully, and we know each one you kind of look at with a little trepidation. I'd I think we're all looking a little bit at the economy with a little bit of trepidation saying, you know, how is it going to affect us?

[01:10:38] We know Fairfax County is truly a resilient and really continuing to very aggressively grow area, part of the country. So I think we can look at this with optimism, even while cautious optimism is probably the nature of our focus even for next year.

[01:10:55] But I'm very thankful for your work and very thankful for the core goals that we were able to achieve with this budget. I clearly support it, not only to do what is number one, I think, on all of our lists, and I think you've heard that, is that our staff, our people, is what makes the difference here.

[01:11:12] And with essentially the 130,000 people openings in this area for positions, we know that we cannot rest on the laurels and, frankly, our reputation, even though our reputation is quite a good one. And we have to do something to ensure that we are not only market competitive, in this case, salary and wages, but also competitive in the kind of environment, kind of workplace that people want to come to.

[01:11:38] And I think we do all those in this budget, the MRA increases that we're looking at for this, I think, help us to do that. We also have some equity issues. I know the budget addresses not only internal equity issues, what I'll speak about in just a minute, but even externally with our gender sports and how our women, particularly our so-called folks, have not had the same level of facilities, and this, I think, makes a difference with that.

[01:12:06] And then on another matter, I know Chairman and I, along with some other board members, have been working on trying to address some of the other equity issues in our high schools and access to our sports programs and the support of our sports programs there with our bathroom and vendor facilities there.

[01:12:24] So those are lots of different places, lots of different ways. I think this budget continues to add on to that. Education has been, always will be my number one. I spent 12 years on the school board, three years as chair, just to mostly make sure that we made a difference.

[01:12:42] And also to respect the fact that that board is an operating board. It is a responsible board. It's up to them how they spend that money. That's not to say that we always like it or even recognize that this is maybe the best way to spend that money. But in the end, that is their responsibility, constitutionally their responsibility.

[01:13:00] it's also constitutionally our responsibility to come up with the amount that we think best meets their financial needs and the and the partner in this process that's been frankly mostly not there at least not there in northern virginia has been the state and the state clearly has a long way to go i don't know if this current state budget will finally get the state back to their 2008 per capita school budget or not i'm hoping that it will we'll see well i think we're going to have a good way to find that out but to me that's an essential part of the state's responsibility and even that

[01:13:39] is kind of the bare state the bare minimum standard so and and covid clearly had a huge impact on on student learning i was with uh chris omenson and many of you know chris omenson her leadership on the school board for many years and and her leadership in schools around the country She's just written a new book called Unfinished Learning, where she talks a lot about the impact of COVID and the impact, especially on our neediest kids, on COVID and the lack of being in person in school.

[01:14:08] And we have to ensure that we provide the support and funding so the schools can target, focus, ensure that the kids that are most impacted, and frankly, those are the students where there's

multiple children in a family, maybe the family doesn't have quite the same resources, or there's learning challenges on the kids, those are the ones who have been most impacted.

[01:14:30] And ensuring that the school has those resources, at least from the county, I think is clearly our commitment. and I'm looking for the state to step up and do their part. Public safety has and is a critical priority for us. We recognize that we have to be competitive for our wages and, frankly, our wage structure, and I think this budget goes a long way towards improving some of those elements.

[01:14:59] It doesn't clearly address all of them. The fact that we are still, even with the largest recruiting class we've had in more than a decade, We are way behind and will take, we know, many years for us to fully return to the level of staffing that we know is essential.

[01:15:15] That has a real impact on people. First and foremost, our officers and the additional overtime, the additional hours that they have to put in, and their family lives that are deeply impacted by that. And I'm looking at this pay package, looking at our commitment here to further move us along and hopefully reduce some of that lack of staff police officers.

[01:15:40] Additionally, though, it has a real impact on something that this board committed to do seven, eight years ago, which is to open up a new South County police station. At the time, I know there was a lot of conversation about making sure that we staff that facility right because I wasn't on the board then, but I know board members talk about, at that time, the impact of opening the sully station and not having that sufficient officers well we are frankly getting ready to do something similar to that with the opening of the lorton station this summer and i want to be meeting with the chief later this week and i pretty much know what he's

[01:16:15] going to say and it's not what i or the community want to hear about the the full opening of that facility so those have real impacts and responsiveness to our our people and to our communities another excellent piece in here is the recognition of the domestic violence and sexual assault if you will hotline that we have we know that's a core issue here we know that we've this is one more thing that we can do but we also know that we need to fund additional domestic violence beds if you will for our community there's a significant shortage we have a number of

[01:16:55] families right now staying in hotels because we do not have the county facilities to accommodate them and that's something that's really recognizes that we have to be moving that forward and I look forward to to looking at that more focused and hopefully making a difference carry-o for housing is important critical I really excited to to to see that we have the home repair program in here and and the core thing I think this board does very very well which is leverage private sector not-for-profit sector passion and interest and volunteers and donations that go with that to make a difference in the lives of

[01:17:32] our community members whether it's housing or community service of many different kinds so the funding here I think will continue to leverage some of that benefit and for me particularly the the benefit will come from the weatherization and the energy savings that these families are going to get from that support so there's a lot of different elements of that that can make a difference for all of us and finally the environment here has the environment and our community the climate goals and the aggressive climate goals and frankly the the resiliency and the water issues that we have we continue to make good progress on that and i'm comfortable that this budget will

[01:18:09] continue that process we've we've set aggressive goals we are funding those goals in this budget and we have far more to do but i'm i'm confident we're on the right path the major challenge that i have is in with this budget and how could we do better we're just trying to increase the tax rate reduction that we have. I recognize, given the trade-offs that we have here, that that's not possible at this time. I think one penny and a half is significant, 20% significant in terms of the increase, but I'm looking for a state budget that gives us more opportunities to do more,

[01:18:46] and I know that the recognition is that we don't have that budget to use and compare and consider other options and I'm looking forward to to seeing a state budget that potentially allows us more options to make a difference there I know I know we have our challenges with the state and its funding I talk about this fairly frequently we send our population is about 13% of of the state and yet we have we fund the state actually our real estate I'm sorry our income taxes represent more than 22% of what the state collects so our population

[01:19:25] represents about 13% we send almost twice that amount on a per capita basis to Richmond I would love to see us get more back I think there's there's an opportunity to do that we get by whatever measure you want either 23 cents or 50 or 60 cents back on the dollar we send to Richmond regardless we know it's it's not sufficient for what we send to the state and even just a little bit more here would make a big difference in our budget and enable us to to make an impact on the real estate tax rate or even if they just fully funded the the car tax as they promised two decades ago

[01:20:01] that would make a real difference for our residents so there's lots of opportunities to make a difference and i encourage the state to continue to do that and we will continue to do our part to ensure that our priorities education public safety housing the environment those are funded as well. So thank you. Thank you, Supervisor Stork. Supervisor Walkinshaw. Thank you. I won't restate things that have been said. I appreciate the package, appreciate the chairman and vice chair's work on it and staff's work. Just two issues that I wanted to highlight. One that I don't think has been mentioned and we take it for granted maybe, but one of the things this budget

[01:20:40] does is continue to fund the senior tax relief that expansion that this board adopted in December of 2021. And, you know, I always try to remind people about the tax deferral program, which is an incredible deal for seniors with household incomes up to $100,000 and a net worth up to $500,000 you can have your property taxes deferred and I'm I'm very enthusiastic that that program continues to be funded in this budget another item that others have mentioned and Supervisor Stork mentioned but I just want to jump

[01:21:19] on it's a small dollar figure but I think very important the the funding to increase support for our domestic violence hotlines and before I was elected I was a community member of the council in domestic violence and I wanted to understand the hotline system a little bit better so I went one day and sat with one of our volunteers and it's kind of just like when I go on a police ride-along nothing happened nobody called that day which which is not reflective of a normal day it's just when I show up

[01:21:54] nothing happens but but our hotline system is actually a complex interplay there are multiple entities involved and multiple hotlines all of which has to be coordinated and I think this is going to move us in the right direction and I want to thank you Chris Leonard and Tom Barnett and Tony Zollicoffer and Joe Meyer from Shelter House for working together to get us here and for you Mr. Chairman for including it in the package I think it's gonna help us even better serve those

[01:22:30] in our community who are trying to get to a safe place in their lives. So, and thank you to my colleagues for supporting it. Thank you, Mr. Chairman. Supervisor Walkinshaw, thank you. Supervisor Alcorn. Yes, just briefly, I just want to share my colleagues' thanks to our budget chairman for all the work that he did to pull things together and to accommodate lots and lots and lots of different requests and suggestions and comments.

[01:23:00] You know, we had a very lively public hearing process, as we usually do, I guess. But anyway, this, I think, is an excellent outcome. I think it is the best that we can do this year. So happy with that. I also just wanted to flag just a shout-out leadership on affordable housing issues to Supervisor Paul Cech and also to Supervisor Faust for his continuing leadership on that issue.

[01:23:27] We have made some great strides, I think, during this term. And I think it's been a team thing, and a lot of people have been, I think, a part of that. But certainly, Supervisor Faust, your leadership on the housing committee and the budget process has really made a difference on that.

[01:23:49] So I finally just want to – I know we do it every year. Well, we don't do it. Staff does it. But the responses to the budget questions, that process, it's such an excellent process. Thank you, staff, for doing that. The school staff as well.

[01:24:06] I believe on the county side, we're up to 127 pages, I think, for this year alone, maybe. I don't know. Maybe I've lost track. And not only that, but also all the time spent in the public meetings process, the town halls.

[01:24:24] So thank you all so much. for really making the difference and making those successful in your professionalism and diligence through the whole process. It really does make a huge difference. So thank you. Thank you, Supervisor Alcorn.

[01:24:40] Almost everything has been said, but not everybody has said it. So before we vote, I just have a couple of comments. Adopting a budget is a primary responsibility of the Board of Supervisors. And I remember in December of 1995, attending a budget meeting, I was invited as a newly elected supervisor, but not yet sworn in, to attend the budget committee meeting.

[01:25:05] And I remember still walking out of that room thinking, what have I gotten myself into? It was a bad budget year. We didn't have budget Q&A then, but we did have 800 speakers at the public hearing for that particular budget in the spring of 1996.

[01:25:23] We added an entire Saturday to be able to accommodate all the speakers. Some of you remember that because you were staff. But affordable housing was not a significant issue when I joined this board, but it has become a local and regional stumbling block that requires public investment to ensure that all residents have clean and decent housing available to a range of incomes. But housing also needs to be attainable for all, and I had hoped originally that we could reduce the tax burden by

[01:26:00] at least three cents. However, addressing employee compensation was something we heard loud and clear from the public hearings and, of course, as personnel chair, I knew that. And even in casual conversations with constituents, people say, fund the police, pay police, pay our public safety.

[01:26:20] Teachers need raises. We heard that in the community. This budget strikes a prudent balance between available revenues and services, and I will vote to support for the 28th and final time Pepex County's budget.

[01:26:37] All those, yes, Mr. Chairman. Before we vote, I understand there may have been a word off in the final motion. So just for clarity, I'm just going to restate it. Nothing changes, but I'm going to repeat the motion, which is, therefore, having provided public notice and conducted a public hearing as required by Virginia law, I move approval of the FY 2024 budget as advertised with changes as outlined above and required managed reserve adjustments.

[01:27:07] The tax and fee adjustments become effective on and after July 1, 2023, unless otherwise noted. These actions result in a balanced budget for FY 2024. That is the motion, which has been seconded.

[01:27:24] All those in favor of the motion, please say aye. Aye. All those opposed, please say nay. Parity, nay. Any abstentions? That motion carries by a vote of 9 to 1. Supervisor Herity, and the negative.

[01:27:41] Thank you very much, Vice Chairman Gross, and thank all my colleagues for their support. We do have two more actions that need to be taken. Of course, our budget guidance and approval of the CIP program. First, budget guidance for FY 2024 and FY 2025.

[01:27:59] At our regular meeting of the Board of Supervisors of Fairfax County, Virginia, held in the Board Auditorium of the Fairfax County Government Center on Tuesday, May 2, 2023, The board approved the following budget guidance for FY 2024 and FY 2025. First, Fairfax County Public Schools.

[01:28:18] The board appreciates the continued partnership between the Board of Supervisors and the school board, as well as between the management and staff of both organizations. This spirit of cooperation has once again led to the full funding of the school's recurring requirements. With limited projected revenue growth in FY 2025, next year is shaping up to be a difficult budget year.

[01:28:39] The county executive is directed to build his FY 2025 proposal by focusing on the needs of each organization, which are expected to continue to include a focus on employee compensation while balancing spending and maintaining affordability for taxpayers.

[01:28:57] On the state budget, collaboration with the schools will also be required as we address any changes in the state budget. While the General Assembly continues its negotiations, we are optimistic that a compromise will be reach that includes additional funding for localities. It is hoped that any additional funding received from the state will allow the county to divert current general fund resources to other shared county and schools priorities, such as, but not limited to, adolescent mental health services and affordable housing initiatives. Staff is directed to report back to the board on

[01:29:31] additional funding and any recommended changes in funding allocations as part of the FY 2023 carryover review. On children and adolescent mental health, we are facing an unprecedented mental health crisis among children and adolescents. The rates of childhood mental health issues have been steadily rising over the past decade. However, the COVID-19 pandemic has further exacerbated the challenges. The American Academy of Pediatrics, the Children's Hospital Association, and the American Academy of Child and Adolescent Psychiatry have issued an urgent

[01:30:06] warning declaring the mental health crisis among children and adolescents so dire that it has become a national emergency. We must take action now. Therefore, our highest priority is to enhance our mental health system with a focus on children and adolescent mental health. County is already taking major steps. Last year, at the direction of myself and Supervisor Palczyk, the Roundtable on Youth Mental Health and Substance Use was convened. The Roundtable delivered a set of recommendations which are

in progress now. Through this budget guidance, the board is advancing the county's efforts by directing the Fairfax Falls Church Community Services Board, the CSB, to

[01:30:46] develop a carryover recommendation for a more robust mental health system. This should include utilization of any additional funding received from the state as well as CSB year-end balances on employee pay and collective bargaining. Negotiations are underway with two employee unions following the election of representatives for the fire and emergency services and police bargaining units. We anticipate that more employees will be at the bargaining table this time next year as groups continue to work toward an election in the general government bargaining unit and the school board has approved its own collective bargaining resolution. With increased employee

[01:31:25] involvement, the board anticipates the development of collaborative solutions to acknowledge and reward employees, as well as further improve the quality of services delivered to our residents. While understanding the fiscal constraints of the budget, FY 2025 pay adjustments for many of our county employees will be set by agreements that are reached through collective bargaining with approval by the board in December of 2023. However, there will be a large portion of our workforce that will not be covered under one of these agreements, and it will be important for

[01:31:59] the county executive to develop an FY 2025 proposal that provides equity and pay and benefits to those employees. On affordable housing, Fairfax County is committed to producing and preserving affordable homes. The board has adopted the goal of producing a minimum of 10,000 new affordable homes by the year 2034. Continued capital investments are necessary to meet this goal.

[01:32:24] Baseline funding of $31.4 million is currently included in the budget, equivalent to one penny on the real estate tax rate, including the actions taken by this board as part of the FY 2023 third quarter review. One-time funding of $75 million has also been allocated since FY 2022 for this important initiative. This one-time funding is a combination of utilizing $45 million in federal stimulus funds and $30 million from one-time general fund balances. It is hoped that this funding will have a significant impact on meeting the 10,000 new home goal. However, we need to

[01:33:02] continue to build baseline funding in order to maintain a long-term funding strategy. The county executive is encouraged to add recurring resources in FY 2025 to the goal of reaching a total investment of two pennies in the real estate tax rate by FY 2027. The provision of affordable housing is only one aspect of the board's priority. The other is to ensure that sufficient wraparound services exist for the occupants of that housing. This is most often provided by our nonprofit partners. However, the funding for these services has often lagged the need. To better

[01:33:38] address these needs, it is directed that the ongoing cost for these services be included in the initial conversations about developing units and the cost be planned for in the appropriate future operating budgets. Similarly, the board recognizes that additional resources for affordable housing will require additional county staff support in order to utilize the funding in a timely manner. Therefore, the county executive should include a recommendation to address the additional workload as part of the FY 2025 budget. As we advance our housing goals, it is important that we take action to preserve the affordability of our manufactured housing

[01:34:15] communities. The board is pleased that this budget establishes a manufactured housing coordinator position to support the recommendations of the Manufactured Housing Task Force. Staff should engage with the residents of these communities to ensure that they are aware of the programs

available to them, such as the county's manufactured home repair program, and should track participation in the program and return to the board with additional recommendations if resources are not adequate to address need. Staff should also seek opportunities to utilize our allocations to affordable housing preservation for manufactured housing community acquisition.

[01:34:51] On parks, the advertised budget included funding for several of the top priorities of the Fairfax County Park Authority, FCPA. Parks funding was further supplemented with an additional $6.5 million included as part of the FY 2023 third quarter review, directed primarily towards capital projects.

[01:35:11] Third quarter funding was also identified for the management of the natural areas of our parks through forestry operations and bamboo mitigation, and board action on the FY 2024 budget adds a total of four new positions that are needed to expand these efforts.

[01:35:29] The county executive is encouraged to identify baseline funding in FY 2025 for the operational costs of the programs that these new positions will support. FCPA maintains and operates 420 parks and nearly 24,000 acres of parkland.

[01:35:48] Providing adequate park security over this vast area is a daily challenge that is necessary to ensure that our residents feel safe while enjoying our parks. The Fairfax County Police Department, FCPD, responds to calls at park facilities throughout the county, but has recently faced the same workforce challenges that other law enforcement agencies across the country are experiencing.

[01:36:08] The board therefore requests that county staff, with representatives of both parks and FCPD, initiate a review of options to expand the presence of law enforcement within our park system, including the proposed park ranger program, and return to the board with any recommendations.

[01:36:25] A total of $1 million has been added to the parks baseline budget since FY 2023 to further equity initiatives, and an analysis is currently underway that will provide recommendations for greater access to parks programs and more equitable service delivery model.

[01:36:43] The board looks forward to the results of this study, which will be presented to the board as part of the Health and Human Services Committee meeting. Continued FCPA progress towards our One Fairfax goals will require additional investments from the General Fund as well as other sources such as the Park Foundation.

[01:37:00] The board hopes that the implementation of mobile nature centers in FY 2024 can serve as a model for future efforts to leverage a variety of financial resources and potential sponsorships to support equity projects.

[01:37:15] To further the already strong collaboration between the Board of Supervisors and the Park Authority Board, members of the Park Authority Board are encouraged to coordinate with their district supervisor in fall of 2023 to discuss budget issues in advance of the preparation of the FY 2025 advertised budget plan.

[01:37:34] This will provide an opportunity early in the budget process to discuss parks priorities within the context of early staff projections for FY 2025 revenues. Finally, FY 2025 budget development, the FY 2025 multi-year forecast included in the FY 2024 advertised budget plan prevents a relatively bleak outlook for the next budget.

[01:38:00] Total general fund revenues are projected to increase just over 1%, attributable primarily to the largest revenue driver, residential real estate, projected to be flat over FY 2024 based on the anticipated continuation of higher mortgage rates.

[01:38:18] With this challenging FY 2025 forecast, it is imperative that all options to generate and diversify county revenues be explored, but also focus on identifying expenditure savings or moderating expenditure growth.

[01:38:34] Therefore, the county executive is directed to undertake a comprehensive review of rates and fees as part of the FY 2025 budget. This examination should include an analysis of the taxing authorities available to the county and options which may be implemented to reduce pressure on the real estate tax rate.

[01:38:52] Additionally, as no challenging budget year is addressed solely by focusing on revenues, the board directs the county executive, as part of the development of next year's budget, to continue to scrutinize current services and programs to evaluate efficacy and determine further efficiencies or savings that could be achieved.

[01:39:12] The board appreciates the work done by county leadership and all county employees to strive consistently to meet residents' needs through the most efficient and cost-effective means. The creativity regularly employed by staff to streamline processes and innovate with technology helps to curb cost increases and identify savings that can be reinvested for other priorities.

[01:39:37] These actions have helped to minimize operating cost increases in recent years across the county, and similar efforts will be needed to address the fiscal challenges ahead. I now move the budget guidance that I just reviewed, which will help direct the FY 2025 budget process.

[01:39:55] You've heard the motion and multiple seconds. Is there discussion on the motion? Supervisor Herity? Yes. First, certainly happy to see a number of things in the budget guidance from the focus on mental health, the focus on parks, the recognition and the need to identify expenditure savings or moderating expenditure growth.

[01:40:21] I think we are looking at some tough years coming up as the commercial tax base, not just the residential tax base, but I think we're going to see further shrinkage in the commercial tax bases, those people that are leasing off a space that is basically empty. don't renew their leases or renew smaller leases which is what most of the many many of the businesses are doing um as i discussed friday and i and i discussed earlier today i'd like to move uh i'm just going to move two additions to budget guidance rather than the three that i handed out because we did not we did not establish the uh the funds for the park maintenance reserve so i will

[01:41:00] not be making that piece of the motion but the first is to add a uh the auditor auditor of the fairfax county board of supervisors review fairfax county public schools enrollment assumptions and general calculations the fairfax county public schools transfer makes up over half of the county's general fund 52.2 percent for fy 2024 over the last several years the carryover has grown to more than 200 million dollars student enrollment projections have been overstated in nine of the last 11 years. The county currently does not require FCPS to return excess funds from

[01:41:36] enrollment projections and does not verify student enrollment demographic or geographic distribution assumptions SCPS uses to calculate its requested transfer. For the FY 2025 budget process, the

audited board should review all FCPS enrollment and other key budget assumptions and provide a report to the board of supervisors and the county executive. And the second one is to review county positions, including current vacant positions, direct the county executive to conduct a review of all positions with a focus on positions that have been vacant for some time. The review should include a comparison of the position description and the actual responsibilities

[01:42:15] for each position. The review should concentrate on positions that have been vacant for some time and have not been actively attempted to be filled. So moved. You've heard the motion. Is there a second to the motion? Seconded for discussion. Supervisor Stork seconds for discussion.

[01:42:33] Supervisor Stork. Thank you, Madam Vice Chair. As the Audit Committee Chair, I particularly thought it would be helpful for me to respond to at least that portion of it. Really two points. One is that I deeply believe it is the responsibility of the schools to manage their own operation.

[01:42:52] You heard me talk about that a little bit earlier. That's not changed. I think we absolutely have a role in terms of reviewing information that's provided by Fairfax County Public Schools. We clearly have a role in asking questions and even challenging assumptions that they're making and identifying to the public overall what's shared with us about enrollment and the discrepancy of the differences between actual enrollment versus projected enrollment.

[01:43:22] But I don't think this is the way to do it, at least not with the Audit Committee. Number one, we've already adopted an audit calendar for this year. So that alone would mean that we have to offset or push aside something else that we're already committed to. And then, frankly, the bigger challenge is that we don't have an auditor at this point in time.

[01:43:41] So it's pretty difficult to say we're going to add more work to something that we, frankly, aren't even able to complete and do what we've already committed to do. So, again, I think the questions here absolutely belong to FCPS, and I would look for them to answer them, and would look at the budget process to identify how that we can address either with our questions or otherwise what the school and the school board is doing.

[01:44:08] But I can't support doing this at this point in time. So that's, I guess, the core of it. Thank you. Thank you. Did I see another hand? I thought I saw another hand up. All right. Mr. Chairman, final word.

[01:44:25] Just very briefly, I don't support this either. On the second one, the review of county positions and current vacancy positions, the county executive does that all the time. In fact, that's one of the reasons why we ended up with the $6 million in savings that were a part of the budget that we just adopted.

[01:44:45] So this is an ongoing activity. The county executive doesn't need to be directed to do that, And it's, you know, inherent in the conversation about next year's budget that it's going to be a tough year and continued look at these positions will have to happen.

[01:45:01] And thankfully, due to technology, County Executive has a daily dashboard of vacancies and monitors this on a daily basis. And we will continue to make sure that that happens. And so I don't think it's necessary because it's already occurring. Thank you, Mr. Chairman.

[01:45:18] Seeing and hearing no other discussion, all those in favor of the motion on budget guidance, please say aye. Aye. Any opposed, say nay. No. Oh, I'm sorry.

[01:45:34] I'm sorry. You said the, yeah. Surprised. Yeah, we have to vote on the amendment. I'm sorry. I'm sorry. I've been on this board too long. All right. the motion the vote is on the on mr harry's motion to amend all those in favor of the motion please say aye harry aye all those opposed please say nay nay any abstentions that motion fails

[01:46:05] one to nine now the vote is on the main motion which is the budget guidance that chairman moved All those in favor of the motion, please say aye. Aye. Any opposed, say nay.

[01:46:21] Parody, nay. Any abstentions? And that motion carries by a vote of 9 to 1. Mr. Chairman. Thank you, Madam Chairman. Finally, we have the approval of the FY 2024 to FY 2028 Capital Improvement Program with future fiscal years to 2033.

[01:46:38] I move board approval of the FY 2024 to FY 2028 capital improvement program with future fiscal years to 2033 with the following amendments. Direct Fairfax County staff to identify and aggressively pursue opportunities for build back better infrastructure investment funding to realize Fairfax County planned but unfunded construction and major maintenance needs.

[01:47:03] direct staff in the Department of Management and Budget to work with the Fairfax County Park Authority, FCPA. Staff 2-1, determine specific bonding and cash flow requirements for upcoming bond cycles, review the amounts of future Fairfax County, future Park Authority bond referendums, and explore all financing options available to support the renovation of the Park Authority Rec Center facilities immediately in need of renovation.

[01:47:31] Audrey Moore, Providence, George Washington, and Franconia. Two, identify options to address projected cash flow limitations for the fiscal years of FY 2024 through FY 2026 to allow for investment in recreation center facilities now as a bridge to future renovation projects.

[01:47:52] And three, encourage CIP planning staff to more regularly coordinate with FCPA staff to ensure that major park projects are considered in planning and scheduling bond capacity. Staff should continue to work together to identify and prioritize specific park capital needs.

[01:48:10] Direct CIP planning staff to revisit and reevaluate the bond referendum plan on an annual basis to determine if the causes of the bond sale backlog are mitigated and a return to the four-year cycle is desirable.

[01:48:28] direct CIP planning staff to identify any significant systemic causes of the backlog in unsold bonds that, if addressed, might expedite bond sales and facility construction. And finally, make all necessary adjustments to reflect actions taken during the Board's decision on the FY 2024 adopted budget plan that impact the CIP.

[01:48:52] You've heard the motion. Is there a second? Second. Multiply seconded. Is there discussion on the motion, Mr. Chairman? Just very briefly, this is the verbatim language sent to us by the Planning Commission. I just want to take a moment to thank our members of the Planning Commission as well as all our staff who work on the CIP and putting this language together.

[01:49:11] And again, we've not changed a single word here from what the Planning Commission approved, and I think they did an excellent job. Thank you. Seeing and hearing no further discussion, all those in favor of the motion, please say aye. Aye. Any opposed say nay.

[01:49:28] Any abstentions? That motion carries unanimously. Thank you, Madam Chair. And that brings us to the end of the budget markup process and also the end of our meeting of May 2nd, 2023. And the board is adjourned.



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