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Fairfax County Budget Policy Committee Joint School Board, Tuesday, February 27, 2024

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[00:00:04] are we good? We're going to go ahead and get started. Welcome everyone to our joint budget committee meeting of our Fairfax County Board of Supervisors and Fairfax County School Board. Before we turn, I'm going to turn to my partner, Chair of the School Board, in a moment to make a motion to allow remote participation. But before we do that, just as a reminder, in case there was any confusion, this committee meeting is slated to go from 3 to 4.30. I know there was some confusion about 4.30 or 5.00, but all of our committee meetings, Board of Supervisors

[00:00:40] Committee meetings, are an hour and a half, so we will try to wrap up by then. We have Environmental Excellence Awards starting at 5 o'clock, so if we run a few minutes over, I will certainly allow that, but we do need to be down there by 5 o'clock. That being said, before we turn to staff, I am going to turn to Mr. Frisch so that he can make a motion for school board remote participation.

[00:01:05] you mr chairman uh miss sizemore heiser has submitted a written request to attend this meeting virtually due to a personal conflict all those in favor of approving miss sizemore heiser's request i see miss lady miss marron miss anderson miss st john cunning mr moon dr anderson and myself that's unanimous for board members at the table and passes um mr mcdaniel has submitted a written request to attend this meeting virtually due to a personal conflict all those in favor of approving mr. dunn's request miss lady miss marron uh miss anderson miss st john cunning mr moon

[00:01:44] dr anderson and myself that's unanimous for board members who are present oh i just wanted to make sure correct okay got it all right all right excellent uh well with that being said uh we don't want to waste any time uh we're going to turn to county staff to start a presentation at the end of the presentation uh we will have ample opportunity for questions so if you can jot yours down hold those until they get through the presentation we'll be able to go back to any slide pages as needed and with that i am going to turn to ms jackson thank you very much um we do

[00:02:20] have a short slide deck for you this afternoon um as usual i'm joined by phil hagan lee burden and alice wiggington so we're all available to answer questions we have tried to keep this presentation short because we know really the purpose of this meeting today is for you guys to discuss not necessarily for us to repeat information that you're already familiar with So, really just trying to kind of set the stage and provide some context.

[00:02:43] So, on the first slide, we provided highlights. This is really the highlights from the county budget. As we'll talk about really what drives overall revenue for the county is real estate, as we know. And what we're seeing this year is that our real estate tax base is increasing only by about 2.73%.

[00:03:01] We'll discuss later that residential is up, but commercial equalization is actually down this year. The county executive's proposed budget does partially fund the school board's advertised budget request. We've funded $165 million of the $254 million request.

[00:03:18] We've included funding for the county's compensation program, including the first years of our collective bargaining contracts for our police, firefighters, and public safety communicators, as well as our compensation program for our non-represented employees, including a 2% cost of living adjustment or market rate adjustment.

[00:03:36] We've included on both sides adjustments for our required debt payments. This is consistent with the conversation that we had at the retreat, and it includes the $25 million increase on both the county and the school side, which was first included in our bond sale last year, which we maintained as part of this most recent January 2024 bond sale.

[00:03:56] Just these items, so compensation, debt service. Oh, sorry, I skipped over transportation. We've also included some preliminary estimates in this budget for our metro and our connector requirements. There's still a lot of unknowns in both of those areas. We've included a fairly significant, about a 20% increase in our general fund transfer for metro, but certainly that's going to be contingent upon what ends up happening at the state and whether they come forward with some more funding for metro. But just these items, county compensation, school support, debt service, and transportation would require a four cent increase in our real estate tax rate in order to balance, and that would push our tax rate from $1.9.5 to $1.13.5.

[00:04:37] And then everything else that we have funded on the county side, all of our investments in IT, human services, environmental and energy initiatives, are offset by agency reductions and some targeted fee enhancements, which total about $36 million. Next, Lee and I are going to provide a quick overview of our respective revenue pictures.

[00:04:59] You can see in the chart on the left side that we've projected an overall revenue increase for the county of just over $363 million. That is inclusive of the four-cent proposed real estate tax rate increase. I

would note that if we did not have that increase included, that this total would come down by about almost $130 million.

[00:05:20] So what we would actually see generated from real estate would be closer to $100 million versus the $228 that you see there. But overall, again, we have more detail in the county executive's full presentation, which is available online, where we talk a little bit more in detail about each of these revenue categories, but really what drives the story here is real estate.

[00:05:47] As far as the school's revenue goes, of course, you all are aware of the county transfer request. And on sales tax and state aid, you should know that the legislators down in Richmond, especially the House, are comparing what they've proposed with their amendments to the governor's introduced budget. But we, of course, are comparing to what we projected in the advertised budget.

[00:06:13] And in that budget, the advertised, we assumed that the grocery tax hold harmless was a permanent change. It was included in the Appropriation Act last year. And so I believe the intention was that would be a permanent change, but the governor's introduced Trump's that, and he did not include that in his budget. So $26 million of what is in that 42-2 is us assuming that the grocery tax hold harmless would prevail by the end of the session. So when the legislators from the House

[00:06:47] hear that their look at their amendments results in a $58 million loss compared to our advertised budget. They're confused by that because they don't realize that we did not use the governor's introduced budget. We used the governor's introduced budget plus $26 million for the grocery tax hold harmless. And then federal funds, only IDEA and Carl Perkins support the operating fund. The other federal grant funds are in our grant fund, so that's only a slight increase.

[00:07:18] And then beginning balance has a slight increase as well. We've included one slide here with some additional information on our real estate tax base because it is such a driver of the county's overall revenues. And you can see that we've included not only the information for 2025, but also some of the previous years as well, just so that you can compare. And so you can see really what's driving our overall increase in the real estate tax base is residential equalization, which is an increase of 2.86%, which we're happy that was positive. We had some concerns that it was going to be flat, but you can see how that compares to just the past two years where we saw

[00:07:56] much stronger growth in residential real estate, especially in single-family homes. Then on the non-residential side, you can see that we're negative by 1.24%. That's primarily driven by an over 9% decrease in equalization for our office elevator properties, which are over 25 percent of our commercial tax base, so certainly some of the issues and concerns that we're seeing with those properties is helping to drive down some of those assessment changes for non-residential. You know, sometimes we skip over this growth number, but Phil and I were actually

[00:08:33] talking about this yesterday. We might actually change up how we show this chart in the future, but I just want to point out that growth is an increase of 0.82 percent, and actually what's driving most of that growth is the commercial side. Overall, when we look at non-residential and we combine both equalization and growth, non-residential is actually positive. So our commercial tax base did grow over the course of this past year, and I think that's something for us to keep in mind, that we actually are seeing some positive trends there. It's just that equalization side. Again, those properties that haven't changed since last year are still declining. But again, overall, real estate increasing about 2.73 percent. We do have some

[00:09:11] information on the left part of the slide that shows that one penny on the real estate tax rate this year is just over $32 million. And with the proposed increase of four cents to $1.13 and a half, that would result in an increase in the average tax bill of just over $524. This next chart or the next slide shows really kind of the overview of both the county budget and the school's budget, trying to pull all of the numbers together. And so you can see what we have at the top part the chart are projected revenue increases, including both the revenue that's projected on the county side as well as the school side, and then the requirements and what we've funded

[00:09:50] on both sides as well. You see that top line is where we have allocated really our major revenue categories, the ones that we have the most flexibility with, our real estate, personal property, et cetera. That includes our base increase in those categories as well as the four cent increase in the real estate tax rate. We've also proposed increasing our cigarette tax rate to the maximum 40 cents per pack. That's up to the state maximum that generates about 1.29 million. You can see how we've allocated that revenue between the county and schools. So the county is about 171.5 million. The school's just under 174. And then we do what's in that

[00:10:28] unallocated column is really for us to cover our reserve requirements, which really support both entities, as well as the balance that's currently available for the board's consideration. Just moving down quickly, unless Lee wants to add anything on revenue, even though she's already talked about the $47.79 million on the school side for revenue.

[00:10:47] Then on the requirement side, you can see that we've both included our numbers for compensation. So about $148 million on the county side, over $219 on the school side. Again, those require debt service payments. Transportation, that 12.15 includes our projected increase, our preliminary increase, I would say, that we have included for Metro, as well as a slight increase for our connector services.

[00:11:15] I'm sure that you're aware that connector employees are right now on strike. They're in the middle of a contract negotiation, so we had put in a preliminary number in our budget with the understanding that those negotiations were ongoing. And then all of the other county priorities, that $6.76 million, that includes, again, our investments in IT. We've added some positions related to workload. We've added some investments in human services. We've added affordable housing positions. All of those total just under $7 million. And again, they're offset by some of those smaller revenue adjustments that you see in the top of the chart where we've had targeted fee adjustments and revenues that are

[00:11:53] associated with specific expenditures and on the school side on the expenditure side of course compensation pay and benefits and that represents a six percent increase for all employees as well as the late two percent that was approved by the general assembly in the fall and you know of course we had some health care increases our pension plans erfc their rates stayed the same VRSs went down and FCERSs went up. Debt service, of course, that's a required investment. Enrollment

[00:12:29] growth, I think you all are aware that overall our general education enrollment is only expected to increase about one percent, but our FRM, our ESL students, and our special education students are rising at a much faster increase, 6.7 percent for FRM, 3.7 percent for ESL, and 5.1 percent special education and so the enrollment growth is 46.6 million and then other priorities are investments in contractual requirements like utility increases inflationary increases those kinds of things as well as multi-year

[00:13:09] initiatives that were already in place at the time we started developing the budget and I think the multi-year initiatives total about 7 million because you are probably aware that we did not allow new resources requests or new initiatives to be considered for this budget this year because we're concentrating on compensation because we would like to lead the region in compensation for our employees.

[00:13:39] This is the fastest we've ever gone through some of these slides. On the next slide, we've included a chart. This was in the county executive's presentation, which shows the allocation of new spending in the county's FY25 proposal, and we wanted to make sure that we include this visual because, again, that other priorities piece is so small because it nets out with the reductions.

[00:13:58] And so this shows, again, spending. It's not including about $6 million in reserves that we've included for our maintenance reserve since that's technically not an expenditure. But you can see of our new spending in the county's budget, about 49 percent would go to FCPS, both for school operating and school debt service. County compensation is the next largest category at 42%. Then we actually have transportation at 4%. And again, as I noted earlier, we've included about a 20% increase in our general fund transfer for Metro. County debt service at 3%.

[00:14:31] And then again, all those other priorities are at about 2%. And you can see in that breakout there that we have included some adjustments for inflationary and contract rate increases, particularly to support some of our nonprofit partners in the human services area. Those total about $16 million.

[00:14:48] Again, we've made some targeted investments in human services, IT, parks, and then you can see a small component for safety and security and county operations at the top. But those are mostly offset, almost completely offset, again, by reductions totaling about $34 million.

[00:15:05] We did, at the beginning of our FY25 budget development process, we had tasked our agencies with coming up with options representing 7% of their general fund allocations for potential reduction. What we've included in this budget is an average reduction in county agencies of about 2%, and that's what's generating the majority of that $34 million in savings.

[00:15:29] On this next slide, because naturally these questions come up when we talk about compensation, because compensation is such a large part of both the county and schools' budgets, we've put together this chart showing not only the proposed compensation increases as part of FY25, but also a five-year history of what each entity is included for compensation.

[00:15:49] So I wasn't going to go into a lot of details about these numbers. All I will say is on the county side, the Fire and Rescue Police and DPSC represent the first year of the collective bargaining agreements that have been negotiated with the respective unions for those employees.

[00:16:05] I would say, and if you look ahead to years two and three of the contracts, those average increases will come down to around, I think, closer to 6% in the second year and around 4% or so in the third year. So certainly the first year, the collective bargaining contract, the average increases are a little bit higher in part. Sometimes we're just slotting employees in a new pay scale, and so that has an impact there as well. But we've included not only the total increase across this time period, but also the average increase that you can see at the bottom.

[00:16:33] Yeah, I guess the only thing that I would add is that if you average all six years for all classifications, The county ends up with a 5.3% raise, and ours is 4.9%, so very close to the same thing.

[00:16:53] This next slide is really just for information. This is our budget timeline. We tend to include it in all of our presentations to our boards. We've included not only the relevant county dates and school states, but sometimes we've gotten asked the question about the state dates as well, and so we've included those on here.

[00:17:09] So I really just want to draw your attention. We'll talk a little bit in a second about the March 5th date next week when the Board of supervisors takes action to advertise our tax rates, really the maximum tax rates for this upcoming budget. And then on the county side, we have our public hearings April 16th through the 18th, and the school board will hold their public hearings on May 14th. So just some of those interactions that we have and opportunities for the public to be able to provide input on the budgets. And those are coming up in the next couple of months. And then our last slide, really looking forward and again, trying to call out some of the important dates that are coming up Again, next week, the Board of Supervisors Board will advertise the maximum real estate tax rate.

[00:17:49] Again, what the county budget is balanced on is a four-cent increase. The county executive has encouraged the board to consider advertising a higher rate, really to provide some flexibility for some of those unknowns, particularly Metro and Connector, certainly to be able to have the conversation regarding schools funding as well and to see what happens at the state level in terms of funding in that capacity.

[00:18:12] We are having another Budget Committee meeting on March 12th on the county side where we'll be discussing our third quarter review and our capital improvement program. And then certainly we're going to continue to monitor both our revenue trends based on what's been happening the past couple of months since we developed the 25 advertised budget and as well as state actions.

[00:18:31] And then we come back to our board in April with what we call our add-on package, which is really just a summary of any adjustments that we're proposing to the advertised budget since, again, a lot of those decisions were made a couple of months ago. That's it. We were trying to be quick to make sure that you guys had plenty of time for conversation and discussion.

[00:18:52] Okay. It's time for questions. I'm sure a lot of people have a lot of questions, so let's try to not repeat, if we can, anything that anybody else has already said before us. Also, of course, if you have a highly technical question, we can submit it as a budget Q&A.

[00:19:10] Submit to budget Q&A for us means the answer comes back to everyone on the school board and county board to be able to make sure that we can see that. And so let me recognize Ricky before we go to questions. Thank you.

[00:19:27] Just a few things that I wanted to highlight as the budget chair for the schools. I really wanted to make sure that we articulated as much as possible that the FY budget is essentially bare bones. It's a proposal that really focuses on our teaching staff. It's important for us to know, and I think, I'm not sure if Ms. Burden mentioned it, but it's really important for us to know that there have been no new initiatives in this budget. There's been nothing to respond to AI and to some other needs. It's pretty much initiatives that have already started and with

[00:20:02] focus on salaries and benefits for our staff. It's really key to also understand why this has been our focus, because we are not in a teacher's market. I remember when I was a teacher way back when, and

I essentially had to wait for somebody to retire to get a job. This is not this market. We are needing to compete with divisions all around us, and We are not top of the scale with our divisions.

[00:20:31] We are seven of eights for our teachers with masters, and these are the teachers that we want to attract. You know, the research shows that one of the most important things that contributes to the success of our students is the teacher in front of them. We want them to be highly trained.

[00:20:47] We want them to be highly qualified so that they can continue to help create the excellent school division that we've all come to enjoy and count upon in Fairfax County. And also, it's important to talk about the kind of students that we currently have.

[00:21:04] I know one of the questions that has been raised last year and years before, and we continue to see this exponentially at a much higher rate. While we're not growing and we're not at those pre-COVID numbers, but we are growing in areas in which it takes more to educate those students.

[00:21:22] And I believe Ms. Burden did share the details of the number of students that we have that are in free and reduced meals. The number of students that we have that are English as a second language and the number of students that we have that require special needs services, those are much more expensive students because of the additional supports from 30% more to 50% more.

[00:21:42] And that is a huge component of this budget. And I'm really looking forward to this robust conversation here and to some of your questions. But do know that I think our staff, Dr. Reed, Ms. Burden, Ms. Widginton, et cetera, they've done a really good job at honing in on the minimal things that we need to get through this next year.

[00:22:04] And I think it's really essential to continue to stress that we are not going to hold on to our teachers with what we have currently. And we do need to not only attract new teachers into the system, but we need to retain the teachers that we have. And one last bit I do want to share as we begin this conversation is the allocation per pupil in the Washington area, in the Washington area, the Waby. Fairfax County is at about $19,000 per student, and that is fifth, with Arlington leading the charge at over $24,000 all the way to Loudoun, which is over us by $200,000, $300,000.

[00:22:42] We're not leading the pack in these efforts, and we should be, because we do consider ourselves to be a premier school division. So, thank you, and I am looking forward to all of the questions. I'll have some questions on my own. Thank you, Ricky, and And let me just context a few other things before we start with questions.

[00:22:59] I was going to go right into questions, but I think a few other contexts are necessary. And I'm going to ask our staff to circulate to everyone here the budget Q&A question C6 that I submitted that also shows the average real estate tax bill in all the jurisdictions that Ricky just mentioned.

[00:23:17] Because we are, if this budget proposal were adopted, we will have the highest average real estate tax bill of any jurisdiction in Northern Virginia. So I think making sure people understand that context piece similarly to the wavy. And then also, if we could circulate two other things.

[00:23:35] One is a, I have a chart that shows, going back to FY19, what the superintendent's proposed increase was, what the advertised compared to superintendents was, and then the county adopted increase.

[00:23:51] year-over-year to the school transfer so that people can see that. The highest on this chart ever was FY 2024, which was an increase of $144 million. So for context, in terms of the current $254 million assets on the table.

[00:24:08] And then lastly, Ricky reminded me on page 7, we have the pay adjustment comparisons. I believe in years past we've shown that over a 10-year horizon as opposed to a 6-year horizon. So if we could circulate to both boards a 10-year horizon on compensation just to show, especially for our new board members where we've been over the last decade, I think that would be helpful.

[00:24:31] This is very helpful, the six-year comparison, but I think if we could dig back, pick up an extra four years just and show that 10-year horizon would be helpful. With that being said, we're going to open it up to questions, and what I'm going to do is try to – this is going to be tough, But normally I go this way.

[00:24:52] This time I'm going to try to go this way. And I will just say if you don't have a question or something you were going to say has already been said, we can skip and come back to you. So this is not, you know, a one-shot deal. But I'm going to start with Mr. Moon. Thank you, Mr. Chairman.

[00:25:09] A public announcement first. There are four basketball games in Fairfax County this evening. That's right. West Potomac and Sanavir and Robinson and Southlakes. I expect all the supervisors to be at those four games.

[00:25:25] And some of our schools are on the road. Correct. There are four schools on the road. I'm only talking about in Fairfax County this evening. Mr. Chairman, another good set of data, you know, along with what you have suggested, we might want to share between two boards is a percentage of Fairfax County public schools share of counties general fund disbursements since if you pick FI 19 because I think your chart shows

[00:25:59] FI 19 because in back in FI 19 our share was 52.8 percent since that it has gone gradually down to the county executives advertised budget which is 51.4 percent that difference of 1.4 percent If you multiply that two, the next year's county executives' proposed budget amount of $5.46 billion, that's additional $76.4 million.

[00:26:34] That's another good set of data I think we need to have. Thank you, Mr. Chairman. Thank you. Ms. Dixit, you can pass too. We can circle back if not. I'm going to go in order unless you tell me you're going to pass and then we'll go back.

[00:26:52] No, I'm going to say something. Sure. Thank you, Mr. Chairman. So coming back to our budget and our ask from FCPS board, and we all know there's a teacher shortage. We just learned yesterday that we also have a shortage in our, you know, we know, but then we see the numbers in our custodian and the support staff for maintaining our schools.

[00:27:18] And because of that, a lot of preventive maintenance is not happening, And we have to do reactive maintenance just to show that the need is there. We have to recruit more people. We have a lot of shortages in our school staff.

[00:27:35] And if we don't hire those teachers, we're going to definitely, you know, the quality of education will go down. We won't be able to provide the education we want to provide to our students, the best quality education we want FCPS to be known of.

[00:27:50] So, definitely would like to see this budget request to be approved and funded. Thank you so much. Ms. St. John Conning. Thank you, Mr. Chairman. This is my first outing at the rodeo, so to speak, and from being boots on the ground to being at this level has been really alarming.

[00:28:15] I do have to say that I commend our superintendent for being hyper-focused on what we really need, which is our staff. I'm not going to lie and say that I wasn't disappointed with what we put out as a budget because I know we have a lot more needs that we're not addressing.

[00:28:33] And that was disappointing to me as someone that just came out of a school building. But I also am understanding that this process is a little bit different than what I've been doing and that we have to focus on what we really need. So I just wanted to give that point of view because I thought we could, like, ask for a lot more than what we're asking.

[00:28:56] I wish we could have. This is just bare bones. And I invite every supervisor to please come to some of our schools and to join us. I know that Mr. Lusk has. And I think if you spend an entire day, not just an hour, an entire day at some of our high-need schools, you will get it.

[00:29:18] And I wish some of our constituents would do the same. So that's all I want to say. Thank you. Ms. Anderson? Ms. Marin? Thank you. I do think that this budget and what the county is trying to meet us with, I know that there's good faith intentions, and I'm hopeful because I do know how much the Board of Supervisors wants to see our schools succeed.

[00:29:46] There's absolutely no doubt about that. What I want to convey is just how much our students are different than the past. We have almost 67,000 students who qualify for federal food programs. That is one-third of our pre-K-12 population, a third.

[00:30:04] And it just takes a different kind of resource to help them. We also have students who have lived through the pandemic, and we have students who have a different set of social-emotional needs. And while we are striving for academic excellence and success, students need to have those social-emotional needs yet before they can tap into their potential to be their best. So yes, we are all about the highest academics and excellence, but we also just have to get kids in the door where they're at and that it just takes money. And thankfully we have the strategies to help such students, but we have

[00:30:38] to be real that when a third of our school age population is living at an equation similar to a level of poverty, we have to change how we think about our county. It's not the same county it was 20 years ago thank you lady thank you um i was actually ready to go first which i've never done because i need to speak to you from my heart and my experience someone who's a lifetime educator had a master's plus 30 it still pains me that educators make 72 cents on the dollar with people with equal education we live in fairfax county one of the richest counties in the in the nation

[00:31:18] and we can't fund and pay compensation to our teachers i want to address the drop prop the drop situation. It's a must-do, but I would actually tell you it needs to be expanded because I just, and I'm not surprised by it, but I have people reaching out to me, and here's a text I just got yesterday. Hope all is well. Thanks for the intel on the budget a few weeks ago. Since we, because it's a couple, hit 25 years in Fairfax, I'm going to start looking at options outside the county.

[00:31:43] I wanted to see if I could put you down as a reference. One of these people was school counselor for the year for Virginia, was a finalist for the American School Counselors Association. They

both have 25 years in, but they're 53 years old. They're going to take their retirement ERFC, even though they're not fully vested, and they're going to go get a job in Loudoun.

[00:32:01] When I finished my career, nobody was leaving other systems to come to us. As a product of Fairfax County, and as someone, it took me three years to get into Fairfax County, the brand was incredible. The benefits were the best. The pay was the best.

[00:32:18] There were reasons why we recruited the best people coming out of college. And let me remind people that there are very few young people who want to do this work. The best school counseling track in the area was at Marymount, and it closed.

[00:32:33] It graduated as last kid last December, as last student. We have to pay our teachers, and we have to get our brand back to what it was. The year I retired, one of my colleagues, who was the same job as me, director of student services at another high school, left, got their ERFC, went to Manassas as a school counselor, making the same amount as that person who made us a 12-month employee who had all those night duties.

[00:32:58] I thought to myself, I'm an idiot. I was too loyal to the brand. I should have done that myself, but at the same time, I don't think I would be sitting here advocating for the people I care most deeply about. And that's our students. I care most deeply about our students. Hear me out, okay? Our demographics have changed.

[00:33:15] When I started at Marshall High School like some 30 years ago, I was shocked at the number of people who moved here from other countries because of our special education services. It is still happening. I've got a friend who's got a cousin who reached out to me to live in California. They're moving to Fairfax County to pick the right CAT-B program for their child because of what we can do for our students. The other thing is the mental health. Our kids are in crisis. We have teachers who don't want to deal with mental health. They want to teach, but we've added and layered on upon them all these other things that they have to do.

[00:33:52] We need to pay them because we're layering that on. And not only do we have a teacher shortage, we have a bus driver shortage. We have a custodian shortage. We have a trade shortage when it comes to facilities and maintenance and work orders. And again, I just can't emphasize enough that it pains me how many people we're going to lose. I believe Ms. Burden shared that they did an evaluation of people who left, retired from ERFC, but not VRS. And I don't know the time frame, but it was like 450 people. If we continue to lose the people who are mentoring

[00:34:26] younger teachers, and who are among our best, then we're really going to be in more crisis than we're in. So I just can't emphasize enough the fact that I do commend our superintendent and our finance department for making this truly bare bones, because it's just about paying people what they're worth. Okay. Mr. Bierman? Thank you, Mr. Chairman. Just a couple. I'd like to ask a few questions. So I believe you said that we were seventh of eight for our teachers with masters.

[00:34:59] What are we for teachers without masters? It's better, but we'll have to look that up if you can give us a second. Because, you know, historically we try to hire teachers with a master's. So when we do salary comparisons, we compare, you know, our target are the 2,600 on average education majors that graduate from the 37 colleges and universities in the Commonwealth.

[00:35:27] And those are the people that we'd like to come to Fairfax. And most of the colleges and universities in the Commonwealth also offer a combined bachelor's-master's program. So anytime we compare salaries, we compare the master's step one, because that's new teachers.

[00:35:43] We rank seven of eighth in that. And for the bachelor's degree, we rank fourth. And if we were to increase your proposed increase in salaries as 6%, what would that bring us to? Based on the proposals that the other divisions have released, which two of the divisions of the eight have not yet released their fiscal 25 budgets. They are released on the 28th and 29th, I think, so tomorrow and Thursday. And what we have proposed will propel us to number one out of eight in the metropolitan area with those eight WABY participants.

[00:36:23] What if the pay increase were 5%? What if the pay increase were 4%? If the pay increase were 5%, that would drop us to third or fourth, and so forth, with the Masters. And what about our competitiveness in the trades, as the school board member Lady just pointed out and Ms. Dixit?

[00:36:50] What's our competitiveness look like there in terms of our salaries, custodians, bus drivers? Yeah, we've made some investments, at least in the bus drivers, over the last couple of years. But I don't have data for specific job classes, but, you know, please submit that to a budget question, and Christina will pass it to us, and we'll provide an answer.

[00:37:12] Okay. That's what I have for now. Thank you. Thank you. Mr. Jimenez. Thank you, Mr. Chairman. First, I'd like to thank our superintendent and the school board for coming this way, and so nice to see all of you today. My question is a little bit more around infrastructure.

[00:37:31] infrastructure being so critically important and where we are with so many buildings, given our limited bond capacity, what is the strategic plan moving forward into the future as newer buildings are coming online? Is that more of a county question or schools question or just general? More of a general question. Let me clarify here for you a little bit. You're talking about infrastructure and you're talking about that there's a lot of buildings that are obviously need

[00:38:07] updating and there's an infrastructure problem. How are we going to address that moving forward with new buildings coming online. Obviously, with new buildings, there's still a backlog of infrastructure that's older infrastructure that needs to be repaired, et cetera. What's the plan moving forward?

[00:38:24] How are we moving through this process? I mean, so in terms of the new facilities, as you know, that's included in our CIP, we'll talk more about that on March 12th. In terms of the maintenance of the existing ones, we do work with our facilities management department. We put in money a lot of times at our quarterly reviews because we haven't been able to put the appropriate amount of funding in our baseline budget to really address some of those ongoing maintenance needs.

[00:38:47] So we tend to use one-time balances available at our third quarter and our carryover reviews in order to put funding in. FMD comes forward with us and says these are the facilities with the HVAC system or the roof that are kind of in most dire conditions, and those are the ones that we tend to fund on a year-to-year basis.

[00:39:05] But I think schools and county are both in a very similar situation in terms of some of the backlog of the maintenance of our facilities. And, I mean, really the answer is we're trying to stretch the

limited resources as best we can to make sure that we address those most concerning infrastructure systems.

[00:39:23] And, Supervisor Jimenez, thank you for the question. As I stated during the budget presentation, we're actually moving things around with EDA bonds versus GO bonds. So we're trying to stretch, as Christina said, stretch it out a little further so we can have more flexibility.

[00:39:41] I appreciate that. Thank you. Yeah, thank you, Supervisor Jimenez. And I think to both Christina and Brian's comments, we do have a strategic plan and a queue for renovations, but not the funds to move forward on them.

[00:39:57] And I think Ms. Dixit was commenting on the substantial HVAC backlog, for example, and a variety of other infrastructure needs. So I think probably around the table we have a plan and fewer resources, and we would like to complete the plan. So thank you.

[00:40:13] And just to be clear, that plan is based on the, remind us again, Christina, when the last adjustment was made to the bonding number, because we recently made two adjustments to increase school bonding capacity. Can you remind us of that? And so there were a couple of components that came out of our joint CIP committee a couple of years ago now.

[00:40:35] It seems like it wasn't that long ago. One was to include schools in our allocation or sinking fund at year end. And so now, and the percentage is going to escape me, maybe Phil knows it. But now when we reach year-end, we have year-end balances.

[00:40:51] We allocate a certain portion of those balances to what we call our sinking fund to really address some of those maintenance issues at county agencies. Now schools are a part of that allocation. I think now for a couple of years as part of our year-end process, we've provided funding to schools for that. Also coming out of that joint CIP committee, we originally had a recommendation to try to allocate a full penny to our capital program between both county and schools with the intent that knowing that it was going to take a little bit of time to increase our debt service payments based on our increased bond sales, as I'll mention, that we were going to try to put some of that towards pay down.

[00:41:27] Unfortunately, just based on in our budgetary situation in the past couple of years, we haven't been able to allocate a full penny. What we do have in the baseline is an additional two and a half million both to schools and to the county. So that is in the baseline for both. And then the last part, as the chairman alluded to, was increasing our annual bond sales, moving from $300 million total to $400 million total, $50 million both for county and schools. So far, we've instituted a $25 million increase on both sides as part of the January 2025 bond sale. We'll do the second $25 million increase on both sides, which will then get both county and schools to

[00:42:03] our new maximum bond sales. Okay. Mr. Lusk. Thank you, Mr. Chairman. I'll start by saying that the schools are so critical and pivotal to our economic success. And thinking about the workforce and really preparing our kids for the jobs of the future, that's what our schools are doing. And it's allowing us to attract some of the best companies year after year here in Fairfax County. I'll also make the point that I just shared with the chairman just a few minutes ago. I've gone out to a couple

[00:42:36] communities recently and they have really pushed back on this idea of this increased tax rate at least in my community and I've heard from two fairly large groups of folks and I've tried to explain to them what's driving the increase so I think with the schools it might be helpful for me and I've talked a

little bit about the enrollment growth but as we know it's only about one percent It's those other areas that are going to be critical for me to hopefully be able to speak more intelligibly about,

[00:43:10] so hoping I can get some additional information as it relates to the 6.7% increase in those who are getting free and reduced lunch, the 3.7% increase at ESL, and then the special education increase, understanding what are the specific programs and the costs associated with those that are connected to those increases, I think would be helpful. So maybe some talking points around that.

[00:43:38] And then I'll be clear, I think on the other priorities too, I heard a little, but I would like to understand a little bit better how that $35.85 million is going to be programmed within those other priorities as well.

[00:43:54] So if that could be something as a Q&A, that would be helpful for me personally. And then I'll say, I talked about this when we last met, there are two areas. One that was touched on, which is really around the substance abuse and the mental health, so behavioral health issues in the schools, and really trying to understand how we're addressing those and really what may be some of the cost increases in the service needs around those components I think is going to be really important.

[00:44:25] I think that resonates with people in terms of understanding how the schools are being kind of impacted by that service, those services and that delivery of service. And then last, this issue of, I know we talked a bit, looking at how we could ramp up a process to maybe eliminate first the student loan debt for those who are on reduced lunch and then figuring out if that could be ramped up to a full provision of breakfast and lunch for all students.

[00:45:01] But I just wanted to maybe ask if there's any information you can share in terms of the programming and the process for how we would go about kind of laddering up, starting first with eliminating the debt for those students who have reduced lunch debt, and then second, how we ladder up to that being a full lunch and breakfast program for those students who are attending schools and who would have that requirement or need.

[00:45:28] So with that, I'll conclude and pass it to someone else. Thank you, Mr. Chairman. On the food debt piece, I know I have a budget Q&A in on that. I've not received an answer yet on it. I had asked what the fiscal impact would be, I believe, at our last meeting. And so if we could, the starting point of that conversation that Supervisor Lusk raises is first to understand what the net cost difference is between the amount of money we spend today to collect and facilitate school lunch and breakfast payments versus what the cost would be if we were to eliminate that and make it free for all students.

[00:46:03] So the first step, I think, is we've got to get a handle on what that is. And so I know I have that budget Q&A that has been submitted. Ms. Palchik. Thank you, Mr. Chairman, and thank you all for being here and for the presentations. I was going to start with saying, I don't think it's just because I'm sitting across from Mr. Moon, but I'm having a little bit of deja vu as to what we're looking at when I was sitting on that board, and we were, again, in a very difficult budget, which we have not had, thankfully, in several years.

[00:46:33] But that is what we're looking at. What I was trying to find, because I know back in the day, And the last one I could find online was the market study. I know people have brought up the WABE report. And I remember at least one superintendent ago, if not two or three, we were doing, we did the market study to better understand across the board the different levels and where to target.

[00:46:57] And we had seen definitely in the middle years and had a target, the masters and the other levels. And we had a three, which then maybe became a five-year implementation plan for that. Has that been updated? Do you have market information? I'm sorry if I didn't find it more recently beyond the WABY guide as to how we're targeting what continues to be a challenge to hire and retain teachers.

[00:47:23] No, we've recently included in this budget an intention to do a cyclical market review with every classification group being reviewed on a regular basis instead of just ad hoc. So that will help with that.

[00:47:40] But you're correct. The three years that we provided an influx of funds for the teacher salaries, that was to deal with the middle SAG. And we do compare a little bit favorably there on the master's lane. But that's, you know, of course, our existing employees.

[00:47:57] But it's the top that we're targeting because we want to be the top in the region. Okay. And I would appreciate it. I just think I know we're back to that very difficult time. If you don't have a plan yet or a market study, the WAIB is so limited. I think that would be very beneficial for us to be able to do that.

[00:48:16] I believe our staff have their own SQL goal system, so I definitely recommend that to help us target this. And then secondly, I know this was brought up about facilities. I don't know if she's here, but I want to thank Ms. Szymanski. We were in a joint meeting earlier, your new facilities head.

[00:48:34] I really appreciate the collaboration and the work there. I think that's also an area of opportunity. It's not directly this budget, but as we start to look at land and facilities that are needed, when you're looking at new facilities, when we're looking at needs, especially if they're not currently used as school buildings, or we know that, as was brought up, the challenge is housing is the number one issue of affordability concerns in our county, whether it's attracting and retaining staff or enabling our communities and our families to

[00:49:07] afford to live here and to have jobs in housing that allow their kids to remain in their school and their school system. And so that is the balance, I think, that we're all struggling with on these two boards. And so as we work to try to chip away, we had a meeting earlier on the housing committee, chip away at the housing needs and the cost of housing, which we know is so detrimental to so many families, parents who have to work three jobs to stay in their housing.

[00:49:35] I think that's an area where beyond just the CIP work that was done is land that's used and owned by us or by you. And as we look at the community schools model and the services model and the NCS with the schools, I think I'm feeling hopeful and I just want to share this publicly that we continue to target and to look at those areas where we're looking to build, but also to refresh, replenish, redo, or really maintain our joint facilities, I hope that we will do even more in those areas, whether it's housing, schools, or community services.

[00:50:14] So it's a tough budget, but I appreciate that we're all here at the table and sharing both our hopes and our concerns and how this is going to shake out in the next couple months. Thank you. Mr. Wagonshaw. Thank you, Mr. Chairman. Mr. Burton, I appreciate the explanation on the grocery tax hold harmless, and I just want to make sure that I'm understanding correctly the assumptions that you made when you built the proposed budget.

[00:50:40] In reading it, it looks like you assumed the governor's budget with the exception of the grocery tax being held harmless. So other elements of the governor's budget, the limited, the SOQ re-

benchmarking, the The 1% bonus, I think it was, for teachers are the assumptions built into your proposed budget.

[00:51:00] Yes, we included everything else that the governors introduced except for the grocery tax hold harmless. Okay, and you rolled the dice a little bit on that one, but that's okay. I want to just drill down on the...

[00:51:17] The Senate included the... Well, the Senate included a lot of other things that are not in your budget. You just picked one. I hope you're right. I'm with you. I hope you're right. But that's a $24 million roll of the dice. We're certainly going to do everything we can to make sure that we get two sixes there and it comes through.

[00:51:36] On slide five, if someone can pull up slide five, I just want to drill down and make sure I'm understanding the enrollment growth, the $46.6 million, which is described there as enrollment growth, and you described it as enrollment growth.

[00:51:58] On page 47 of your budget, it says, of the 46.6 million, 7.8 million is needed to cover an increase of 1,749 students. To me, that 7.8 million sounds like enrollment growth. It goes on to say the balance of funding, 38.8 million, provides additional support to students. So am I reading that correctly in that the 38.8 million are additional supports and services to existing

[00:52:32] students and new students? Yes. Okay, so let me try to make it simpler. The cost increases for special population supports are largely staffing. We have over 100 staffing standards which align with the SOQs, of course. And so almost all of this is staffing. And the free and reduced, it's a 6.7% increase. That has a cost of $6 million of that $46.6 million. The ESL students,

[00:53:10] a 3.7% increase, and that's a $7.7 million additional cost. And then special ed students are a 5.1% increase. And of course, they're staffed at much, much lower ratios than the other two categories. That's $25.2 million, and then the remainder is general education, that 1%. But these numbers are driven by the staffing standards that are in the back of our budget document, and they conveniently have the SOQ right beside them so you can kind of compare

[00:53:41] and contrast. But that's why it's all staffing to support these students. To support the $1,749, or the 1,749 is just one category, because they're the only ones spelled out here.

[00:53:58] That's general education. That's the overall increase. But if you look at special ed students, they're going up 5.1%. The ESOL students are going up 3.7%. Okay, all right. They're going to reduce 6.7%. Got it. So the $38.8 million is SOQ required every dime of it?

[00:54:16] No. I mean, we exceed what the SOQ requires because that's a minimum. It's our existing standards. Yes, and it's my understanding that all 134 school divisions in the state of Virginia consider the SOQ to be the bare minimum, and they all are funding more than that.

[00:54:31] Understood. The $38.8 million is to provide the existing level of service that we're providing to kids we have today to the increases in those categories. Got it. Okay. Finally, just on the 6%, and this can be a budget Q&A, the 6% increase, maybe explain the decision to go with a 6% across the board increase as opposed to a 4% with a 2% to step as you've done in previous years? Step increases are movement on the schedule. So you don't see

[00:55:11] that anywhere. In like the previous year when we did a step increase of 2%, it was $55 million. But they don't improve your salary schedule in any way. So when you compare to other divisions, the step increase is just not reflected. MSA is applied to the scale, and so it increases everything. And we knew, or we figured, that the other divisions would step out with step plus MSA.

[00:55:38] If we step out with an MSA of 6% with no step increase, then that will propel us to the top because the MSA is applied to the salary schedule. It's not just movement. And our largest step increases are 4%, so, and our step is annually about 2% across the board, but nobody's losing anything as far as the teachers that are at a step increase where it's a larger amount of 4%, even at 6%, they're made whole. Okay, thanks. Mr. Stewart. Thank you, Mr. Chairman, and thank you

[00:56:17] all very much for being here today. This is always a challenge for all of us every year is to try to figure out how to make sure that our number one, I guess, responsibility, which is to make sure that the residents of Fairfax County are well served. And we know that our schools are such a part of why we all are here, as well as why businesses come here. So the core of that is our work together to make that happen. And many of you know that I've been doing this for more than 20 years.

[00:56:45] And like many of you too, I've seen the challenges over the years, not only as a parent, but also as a spouse of a 28-year Fairbanks County Public School employee and hearing kind of rumblings and the satisfactions and dissatisfactions and frustrations with the system and the bureaucracy and all that comes with being a large organization and trying to make a difference for our kids, which is core of why we're here.

[00:57:09] And for me, my point of view is that I've been doing this 20 years, and I have absolutely fully supported funding our schools for those 20 years, not only on the school board for 12 years and chair of the school board for three terms and many other roles there but also on the board of supervisors and and supervisor smith and i were chatting a little bit last night about the call where we were like eight years ago about what we wanted and and felt was important to fund more for our schools and i think we've come a far distance with that um in terms of additional funding this is a tough year and i don't i don't know that i can fully support for the um the fully

[00:57:49] funding request, because it's really high. And we know that the number one challenge we have here isn't really, frankly, any of us in the room in terms of our commitment to education and our willingness to fund it. The number one challenge in our room is the state's lack of funding for education. I know we're all working on that, but we've got to work harder because, for example, when the county gets back 23 cents on the dollar in direct funding, if you will, for our programs from the state. We send a dollar to Richmond, we get 23 cents back. And yes, I know, and based upon

[00:58:24] the discussions and arguments I've had with state representatives, we get more in the way of state prisons and universities and other things. But even at best, we get 50 cents back on the dollar. We know that we have a problem that has to be solved. And we got, frankly, a gift handed to us.

[00:58:40] It shouldn't have been a gift, but it's a reality of the JLARC study and the fact that we have, we're terribly underfunded. We're at the bottom, 49th, 50th in the country in terms of state funding for education. We know that Kentucky and West Virginia do far better than we do. We know that even if we got the average, it's about $2,000 more per student. We know all those things and we know that we, for years and decades, our local taxpayers have really paid the bill on that. And they paid it because they deeply

believe in their schools and education. But we're also finding now that it's just tough to continue that. We are now, as the chairman mentioned to start this,

[00:59:18] we are looking at the highest tax rate of any of our surrounding jurisdictions. And that is a problem for us competitively. It's a problem for us, especially with housing costs. And we know that our housing costs are too high. Every single person here who has a young person who's trying to get started, 20-year-old or whatever, trying to get started, and our community knows how difficult it is for them to get started and our seniors who we hear the most from because frankly on a fixed income and we're raising the substantial increases that we've had in housing prices we know that they are particularly impacted and we know we're sensitive to that because we want them to be here

[00:59:56] we want them to stay here we want them to make a difference volunteer and be part of our schools and our community so we all have a tough tough job to do but we've reached a breaking point that we have to, each of us, I do mean each of us, have to take a look at this. I've been here before as chairman, as well as on the school board, looking, and when we went through that recession in 2008 and 2009, we made some really tough choices, much like the Board of Supervisors did, and we found a way through it. It wasn't pretty. The challenges were just as great then as they are today in terms of people needing more support. We have our free and reduced meal

[01:00:34] populations that were increasing, more special ed, more ESL. All of those things were part of the reality that we experienced in, part of the reality that we're experiencing now. And so my advice to myself is, and to my colleagues is, yes, we're going to have to really look hard at what we're funding and how do we fund it more efficiently, more effectively, and focus our dollars on the things that matter the most. But I'm also advising and urging and, if you will, asking you to do the same. We're looking at our administrative costs and our efficiencies. We just had a budget committee meeting before this where we're talking about the efficiencies of our land use folks and zoning.

[01:01:14] You all need to do the same. You have to do the same. Your administrative costs have gone up dramatically, and I'm going to ask this as a specific budget question, but I know they have, just by following this over the last few years, have gone up dramatically over the last many years. You need to take a look at that. You need to say, where do we want to put the money? I want you to put the money in the classroom. I want you to pay our teachers. I want to make sure that they're the highest paid and we have competitive wages, because I know that's how we're going to get the best.

[01:01:42] But I'm going to urge you to do the same, which is take a hard, hard look and start now. Don't wait until we pass our budget. Start now and find a way to reduce positions, put those funnel more dollars into the classroom, make sure our teachers are the highest paid in the area. We're going to work hard to do the same, but we're going to start, I'm going to start from what the county executive presented, because that's probably my high point about what I think we can afford at this point in time. And we all need to be banging the table and talking to our friends at the state and saying, we need your help. This is serious. We've gone too long with the underfunding of education, and it's especially hurting Northern Virginia, and we need

[01:02:21] to change that. We all need to change that starting today. And they're there now working. Let's see if We can make a difference even this year. So I thank you all very much. I'm here to talk with each of you, but that's personally where I'm at, and I'll work hard to see if we can do better for our kids.

[01:02:37] Thank you. And just a footnote reminder before we go to Mr. Alcorn, because I get asked this a lot. You know, the JLARC study that has the $1,900 per pupil under funding, to put that in context of Fairfax County, we believe the low end of that, if the state tomorrow decided we're going to fund public education at the average, The low mark of that would be $345 million more for Fairfax County.

[01:03:02] Think about the different conversation we would be having here today if the state just said education is worth the average. We would be talking about fully funding the transfer request and how much we could reduce taxes to provide some relief for people in Fairfax County who are struggling to be able to afford to live here.

[01:03:20] That's the reality of the J. Lark study in real dollars. We'd be having a totally different conversation with our constituents. with you, you'd be having a totally different conversation with us. Mr. Alcorn. Thank you very much. Yeah, I want to go back to something school board member Marin pointed out. Thank you, Melanie, for bringing up, you know, some of the details, not just the 1% enrollment increase, but where we are seeing increases in the extra burden associated with that. Like Supervisor Lusk, I am interested in learning more about that because, well, for a lot of reasons. We're in a

[01:04:00] tough spot. I mean, we're basically looking at a relatively flat real estate market, but a very tight labor market. And for us, and as was just talked about, the state's not stepping up. So we're we're we're stuck in a pretty hard place and i i i hear you and i i understand the challenges with leading an organization and and frankly keeping people on staff and making sure that we keep our best and our brightest um and i appreciate that and i and i know this doesn't

[01:04:36] tell the whole story but um but we have challenges on the county side too and i guess one of the things, and this is a budget question, I think it might be helpful for me at least to see vacancy rates across county and schools for different positions, critical positions, you know, teachers, school bus drivers, I mean, whatever you think on the school side, but, you know, police, paramedics, mental health counselors on the county side, and And I think we're all in this together.

[01:05:12] I mean, frankly, this is a really tough time. So we are going to have to somehow muddle through this and work through it. But all I want to say is FCPS is and will always be our top priority, you know, for the board.

[01:05:34] So we'll work with you and do what we can. Thank you. Mr. Arity. Yeah, a couple of things to go off that. It is a priority, obviously. Went to a NAOP presentation, I think it was last week.

[01:05:52] Our commercial tax base is just, it's got a long wait. It's going to go down for a while. So this is just the beginning of several tough years. So we've got to look at this in the long term. And that's why I really want to thank the school board for agreeing to do a deep dive on the budget.

[01:06:11] You can't do that overnight. but I want to thank you for at least looking at that and taking the positive step to do a kind of a coordinated deep dive on it. I've already submitted a request for mid-year numbers just about an hour ago, so you haven't seen it yet.

[01:06:30] You've seen it, but they haven't seen it probably. You know, more people are leaving Fairfax than coming to Fairfax. It's been that way for a while, but births aren't making up for it anymore. I took a look at the Weldon Cooper Center for Public Services.

[01:06:46] They do a very detailed projection of school enrollment actually by grade. And their numbers show up student population for Fairfax of 174, 630.

[01:07:04] The budget's based on 181, 70. I'm sorry. Yeah. What is the difference there between theirs? And this is probably something you have to go do research on. I'm sorry. Your show is 174, 6.

[01:07:20] Got that backwards. Anyway, if you could explain the difference between those and where your projections come from. The Welding Cooper number doesn't include preschool. It only includes K-12, so it's usually going to be about 6,000 different than what number we conversationally use about schools, 180.

[01:07:41] Okay. If you could just get that to me in a budget question, that would be good. You know, I hear the difference on the free and reduced meals, the special needs, the ESOLs, students, And I know some of what's driving that because, you know, we've got Fort Belvoir.

[01:08:01] I know at Fort Belvoir, if you've got a special needs across the country, you want to be at Fort Belvoir because Fairfax County does a good job there. It's a reputational thing. I know if you're one of those 10,000 whatever plus students that left to go to private schools, if you've got special needs kids, you're probably coming back because private schools can't deal with that like we can.

[01:08:24] But what I'm curious of, are other jurisdictions seeing those same kind of increases? And you're going to have to answer this now. It could be a budget question. Are they seeing it? And if not, have we looked at why we're seeing it and kind of a deep look at that in each of those three categories?

[01:08:41] Because as I hear you all talk, school board members, that's really what's driving the cost. We want to understand those trends. And again, I think I've got some of the answers. You probably have more of them, but it would be useful to know why. Yeah, I know that Loudon is seeing a similar increase in enrollment that we're seeing with, you know, 1% or so for their general education population, but significant growth in the special ed, ESL, and FRM students.

[01:09:10] I don't know about Prince William and the others, but we certainly can take that back as a budget question. That would be interesting. And then last. If I might just add to that, just to make sure in context we're getting that back, but we're also getting the qualifiers in those because I think Supervisor Herity is right with Fort Belvoir.

[01:09:28] I'm not sure the same thing isn't happening with some of the other programs where it's opportunistic to enroll your kid in Fairfax County Public Schools if they have one of those needs. But I also think that going back, looking back a lot of years, Ricky and I were just talking about this a moment ago, we have increased access for kids for special needs and other things.

[01:09:48] And part of that is because we want to intervene and help these kids earlier, not necessarily because we're federally required to. So I think one of the things we should look at if we're going to do apples to apples is that, you know, if we're aggressively adding kids to these different classifications because they need help, but that's far in excess of what a federal or state standard is, but another school district is doing the bare minimum, we need to account for that somehow in the Q&A that comes back to us so we can see the full picture.

[01:10:18] Supervisor Herdy. And then this will be my last question. I'll submit some others verbally. We mentioned the WABI report and where we stood based on the WABI report.

[01:10:34] Was that total comp or was that salary, your comparisons, based on total comp or salary? No, it's just salary. It's just the salary schedules. Yeah, and so I'll be, you know, school board member Megan McLaughlin's not here, so I'll go ahead and step in for her.

[01:10:52] And this is one when you do the deep dive on the budget. I'm not going to tell you what to do. But the 7% ERFC, if we're not selling that, if that's not a retention tool, you've got to take a good look at that because you can't wave a wand and make it go away because you can't take it away from people.

[01:11:10] But that 7%, you could give everybody a 7% increase and not change costs. So it's something for you guys to take a look at. Are you going to disagree with the 7%? Yeah, we did an analysis at our last school board work session last Tuesday, which basically kind of unpacks salaries and stuff like that.

[01:11:29] And we rank fourth if you include the benefits. So our ERFC certainly moves us up from seventh to eighth, but the salary keeps us still pushed down. And I just worry it's not a driver. And if it's not a driver, if it doesn't drive retention, it doesn't drive recruitment, then you've got to wonder whether you're better off putting it in salary.

[01:11:52] And that's the hard question you guys have to ask yourselves. Okay. Miss Smith. Thank you, sir. So how long has your drop program been in place and are you finding it helpful in retaining teachers? We don't have that yet. That is a proposal in the superintendent's proposed budget and, of course, the advertised budget. Okay. But we have about 450 staff members that would benefit from this program and not leave us where the ERFC legacy

[01:12:27] program, there's a disconnect between ERFC and VRS in the sense that ERFC requires a minimum age, ERFC legacy, a minimum age of 55 and 25 years. VRS requires 30 years. So what we see happening is employees that once they hit that 25 ERFC, if they're 55 years old, it makes sense for them to go to Prince William or Loudoun, finish out their VRS five years while they're collecting their ERFC pension, and we would like to stop them from doing that. So you're trying this new initiative to see if that helps you. Right, exactly. And it's pretty big. I mean, the

[01:13:06] 450 people, just to kind of give you a flavor of that, is like 10 assistant principals, 8 principals, it's chiefs, it's directors, it's 16 math teachers at the high school level, it's 19 ESOL teachers across the system, it's how many special ed? I think it was 58 special education teachers and assistants, and those are all people that may be making that decision, and we think that the DROP program will help them make a different decision, and that is to stay with

[01:13:39] FCPS. Thank you. Christina, I would like you to do the answer you gave about the infrastructure financing into Q&A so everybody can see the differences we made there, because I believe we came up with significant improvements, and so many people are new to this, and those of us that have been around need a reminder of where that is. And so the next Q&A I want to ask, I think, gets to the heart of where we are in comparing the county executive's budget to the superintendent's

[01:14:11] request. And so right now the county executive faced his budget on a four cent increase to the tax rate. And so I would like to know if we were going to fully meet the superintendent's request, what that would do to the tax rate. Currently, we're saying the average increase to a homeowner in their taxes is $524. And so what would that be if we increase the tax rate to fully meet the superintendent's request? Thank you. Thank you. Mr. Dunn? Thank you. Jeff Bezos always leaves an

[01:14:51] empty seat at the table to represent the customer because it's absolutely essential to remember the focus of why you're in the meeting in the first place. But I think we always need to make sure that we also have an empty chair for the federal government, which has been underfunding special education for decades, and the state government, which has been underfunding FCPS also for decades. Chairman McKay correctly observed that the absolute minimum FCPS is owed by state is $345 million. To my great frustration, FCPS continues to publicize that figure. I don't

[01:15:28] want the absolute minimum from the state. I want what we're actually owed. And I asked Ms. Burden a couple weeks ago what that figure is, and she said it was $568.7 million. The difference there is $223.7 million, which is almost the entire difference or the entire amount that FCPS is asking increase from the county. So please, on both sides of the room, ask that we use the real number, not the absolute minimum. I've also asked what we're doing to get more money from the state and federal government, and the answer is not enough. So both sides of this room, I think,

[01:16:05] have an obligation to our constituents to step up our game, come together and strategize to actually get the money that we're owed. Otherwise, it just comes out of the budgets of people living on fixed incomes and the poor. There's no doubt that we need more money to recruit and retain talented educators and staff. Every public hearing we hear another story of someone who is not earning enough because they're paid as an hourly employee and they don't receive benefits instead of a contract employee. And every day I hear another story of a teacher or a staff member who is going above and beyond, sacrificing beyond belief, barely holding it together because they are

[01:16:45] shedding blood, sweat, and tears for the sake of our children, for the sake of our schools, for the sake of our community and we are not rewarding them financially. So the money is owed but we have to ask who is it owed from and I believe the correct answer is the federal and state government above all and we need to make sure we're working towards that. We have to realize that we benefit from the fact that our predecessors built the most the best public school school system in the world. Employers moved here, I moved here, so my children could benefit from this great school system. But what got us here will not get us there. We need to look at the

[01:17:25] trend lines and recognize that every year we're becoming much different than we were when the school system was built. So we have to recognize those trend lines and say, how can we on a long term basis, rather than just in every year in a bubble, plan for that future, plan for the fact that ESOL students will continue to increase, special education will continue to increase, and plan for that demand, even as Fairfax County becomes less wealthy and has more challenges.

[01:17:54] I don't see us doing that. I keep hearing about a bare-bones budget, and I'll say I don't consider this a bare-bones budget. Bare-bones budgets are the families along the Route 1 corridor who don't have enough food to eat at night, on the weekends, and in the summer.

[01:18:16] They're the ones struggling. And just the assessment, not the tax increase, just the assessment will increase their property tax bills, if you're living in a condo and apartment, 10% nearly this year. You add a 4% tax rate increase, a 4% increase, that means to help the students in need, the socioeconomically disadvantaged, you are basically taxing the poor to help the poor, right?

[01:18:44] Because those assessments on the condos where the poor live, they are having the highest increases this year more than the people living in single-family homes. So we have to recognize that we are punishing the communities we're trying to help. So I ask that we think about that. And if we're really

talking about a bare-bones budget, then what can we do? The fierce urgency of now, what can we do operationally to become more efficient? Because when I talk about operations, it's not because I'm looking for a tax reduction. I want to free up money to help the underpaid teachers to help the kids who don't have enough food to eat. And I see the county counting their

[01:19:21] budget, $40 million to start with. I know from conversations, this will last about eight weeks, there are millions of dollars in savings. A lot of things we can do on renovation queue to reduce that timeframe from 42 years just by changing how we bid contracts, right? Bringing in public-private partnerships. There's a lot we can do. Business as usual will not get us where we need to go. So I asked that we have real conversations not just about money but also about policies because when i heard school bus drivers last week it wasn't just about their pay rate it was about the policies the staffing and everything else didn't have to do with money right and when i talk to teachers

[01:19:58] it's about the administrative burdens they're driving them out of our school system not just what they're paid so let's have a real conversation about the real issues and not just pretend it's only about money and let's pretend it's not only about money from the county we have to have a real global conversation, holistic evaluation. Thank you. Thank you, Mr. Dunn. Two really quick things because I think they're important to acknowledge. First, as someone who has been talking about state underfunding of public education for two decades, it is frustrating because we haven't gotten there.

[01:20:30] I will say what makes this different, and I've said it repeatedly, is every time I brought that up, people would say, ah, that's Fairfax County whining. You got enough money up there. Let's be clear, the J. Lark study is the state's people telling them how bad they're doing. It's not us.

[01:20:48] It's not any longer Chairman McKay whining about this. This is the state people, the people who are not political. These are the people who work for the state government and do audit and reviews, telling the General Assembly, this is how bad General Assembly, Governor, you are doing on public education. It is not Fairfax County. It is not Chairman McKay. It is not the people around the table. That's very different than any other helpful tool I've had for 20 years fighting this battle. So this is a moment not to be lost. The second thing I want to do is I want to add on to what Mr. Dunn said a little bit about taxing the poor. I want to be really clear about this because

[01:21:25] I hear people say to me all the time, Fairfax County is one of the richest counties in the world. What's the problem? I'm going to say it very clear to everyone in this room. We do not tax income. Any questions? The state taxes income. The fairest system to tax people is income taxes.

[01:21:46] The most regressive thing you can do to people who are struggling is raise real estate taxes. Many of these people are stuck in homes they've lived in for a long time. They can't control that the value has gone up. The biggest bill we send them is a real estate tax bill. That's why people are leaving. And that's why we're getting the pushback from people about how much more can I afford to live in my house. Their incomes are going down and their real estate tax bill is going up. So if we really want to reflect people's real ability to pay, the state has the ultimate fairest tool, not to mention all the other tools that they have that we don't have, but they have

[01:22:24] the ultimate fairest tool to tax people based on their income. We do not tax income. We can be the richest county in the world and dramatically underfunded by the state, and we're still left with raising money on the most regressive tax system you can imagine, which is real estate.

[01:22:43] So I want to make that crystal clear because somehow that's confused a lot of places. And that's the reality that we are dealing with. Mr. Frisch. Thank you. I don't think there's a single person at this table who doesn't believe that we need and deserve the world-class school system that we've invested in for all these many years.

[01:23:05] It's the economic driver of our communities. It's why people move here. It's why businesses move here. It's why our homes are worth money. It's because of our school system. So I think what's clear about this budget is that we are making tough decisions. And it's not just the budget. It's the activity around the budget as well.

[01:23:22] We're saying no to new school programs. We're looking at how we fill our schools. We're looking at how we build our schools. And thanks to some of the new blood on our school board, looking at how we partner, perhaps, with private industry and private-public partnerships.

[01:23:39] We are looking at every single way we can to find extra change under the cushions of the sofa. And so our budget request reflects the reality that we're in right now. And as a school board, we have three options of getting that money, coming to y'all, coming to our state partners, and coming to our federal partners.

[01:24:00] And so many of us have been to Richmond to lobby our lawmakers about JLARC. And the chairman's right about this being a different year. It is a huge difference to be able to walk in hand with the document showing that their own nonpartisan analysts show that we are far underfunded compared to our neighboring states and compared to the national average.

[01:24:28] And so we are at 182,000 students and growing slowly, but we're growing. And as has been talked over in an infinitum, we are growing in populations that cost more to educate.

[01:24:45] And that is one Fairfax in action, is educating the students by their needs. It's the same thing we do for our students who have advanced academics and other special skills. Second, we are investing this money in places that move the needle, in our staff, in our teachers, in the people that interact with our kids, in our classrooms that have more students than the average school system in the area.

[01:25:14] And so I think it is important to point out every time we talk about the budget that the state has failed in its responsibility to provide school systems, not just in Fairfax County, but in every jurisdiction across the Commonwealth, the funding they need to help educate their students.

[01:25:33] And they need to step up. And we have the facts to ask them to step up. But it's also important that we, you know, that we come to you all and ask for additional help. The average county transfer in Virginia is 52% for the average locality to a school system of their budget.

[01:25:57] In Fairfax County, that's historically been 52.6% over the last 10 years, 52.8% over the last 15 years. The current advertised budget is 51.6%, 51.4%, pardon me. If we just took a little step and got towards our average, we would close the funding gap by two-thirds without changing how much you're asking taxpayers to fund.

[01:26:26] So this is not an easy conversation. It never is. But we are coming hat in hand with a request that is very simple. It's about paying for the needs of our students and paying for the needs of our retention and recruitment for our world-class workforce.

[01:26:42] And I'm sure we can get there together. Thank you, Mr. Frisch. And I'm going to ask, I know we have two virtual participants, Ms. Sizemore-Hyser, Mr. McDaniel, if you wanted to be recognized. Yeah, that would be great.

[01:27:01] I'm trying to turn my camera on, but I'm struggling a little bit. So can you guys hear me okay? We can hear you. Great, thank you. I'm happy to follow with Mr. Frisch. Listen, I know there's a lot of competing challenges, and I think some folks brought up the budget issues of the 2000s, right?

[01:27:17] And in some ways, we still haven't recovered from that, right? Around that time, some of our teacher salaries, including ERFC, were at the top of the range. Now, even with our Ask Now, our teacher salaries with a master's degree with ERFC is still only fourth in our surrounding jurisdictions.

[01:27:33] We've lost a lot of good teachers to our surrounding jurisdictions. We also are in a different place in Fairfax and nationally around teachers, staffing shortages, and the number of teachers going into this profession. I think that's something we need to recognize that's different than it was in 2009.

[01:27:51] um there's a lot of competing priorities we are one fairfax we need to do that together but a lot of people a lot of businesses move here for your school and without good teachers and without paying them there's we cannot keep up the quality of our schools and i just want to say a couple things about efficiency of our school system we currently are seventh in teacher salary with this pay increase will be top um in our shrine jurisdictions which means we're going to get the best here in fairfax county that's what our students and our taxpayers deserve that's how we keep our property values high however we are also currently the lowest in percentage of administrators to teaching

[01:28:31] staff so in terms of our central office for most efficient we are also towards the bottom of class sizes so again when we look at staffing compared to our spine jurisdictions we have higher class sizes in general than a lot of our starting jurisdictions at the secondary level that impacts our teachers ability to be innovative in the classroom to make sure our students are really ready for the careers of the future these are things that we need to look at and invest some of these things changes were made due to the budget changes from the state um in the early 2000s we just have to decide you know what school system can we continue to be i think we all want to provide

[01:29:07] an excellent education i think we all want to provide our county with that strong economy that strong schools often try and we just need to figure how we can get there together i believe and what mr fish said that there are many students who need diverse types of education advanced academic learners current technical education students special education students english english learners to provide that excellent education to all the students which is what i believe we all around the table firmly believe it takes an investment and we're at this inflection of public education and with public teachers going into the public education system i don't

[01:29:45] know what that inflection point is going to turn out to be but i believe that's where we are so thank you for your your strong support of our schools all these years and your partnership and i know there's many competing things that i firmly believe that together we'll get there so our county and our schools remain strong thank you rajna um let me ask one more time if mr mcdaniel is on the line and would like to say anything just very briefly uh mr chairman uh i would agree with what most of my colleagues have said and and you know as you as we continue this process i'm looking forward to hopefully having a direct conversation with each of the members of the board of supervisors

[01:30:20] And lastly, to kind of echo some of the sentiments around the table, this, I believe, in my view, is probably going to be a multi-year slug in terms of the tax base. And I would hope that certainly we can collaborate together as much as we can this year and set the tone going forward in future years for budgets.

[01:30:44] and i would hope that tone you know remains what it has been so far uh at least in this process which against collaboration working together and staying focused on the fact that we are one fairfax county and our residents have high expectations of us so thank you everybody for your time today thank you very much uh mr mcdaniel and before i uh turn to staff just to remind us of of our next steps i i do want to uh remind folks interestingly most people around this table probably don't know this fact, but the term One Fairfax was created for our equity program,

[01:31:17] but it actually was suggested by me because One Fairfax was the term I was using to describe our school and county budget process when I was first elected supervisor. And I remember reminding the school board multiple times that when they were talking about their needs and my board when we were talking about our needs, that both of us serve one population of people. And when you start moving the needle between the two things that we do on the county side things that happen on the school side affect the other so you know one of the challenges we're facing in a limited revenue

[01:31:52] time and we have to work on this collaboration is the the more we overextend to make the school transfer happen folks have got to understand that then has an effect on every support service that's used for students as well, whether it's libraries, parks, recreation facilities, after-school programs, SAC, school crossing guards, you name the list of community assets that we have that are on the county side of the ledger that absolutely are necessary to support the schools.

[01:32:24] And so I was using that terminology back in those days to say, we really have one budget here, even though we have two budgets, but most importantly, we have one population. that we serve. And I hope that, you know, as we move forward, we remember that as we deliberate. I think my only disappointment this year, and I'll just put it right out there on the table, as someone who has presided over the budget committee of the Board of Supervisors, I'm very proud of the fact that we can say that six out of the last seven years, we have fully funded the school transfer request. And I think my disappointment this year, and it's not a disappointment that it's not needs-based. I mean, it's not, you

[01:33:04] don't feel strongly about the request that was made. I believe you do. Clearly you've demonstrated that. You believe that's the request that is appropriate. I will just say that it is over $100 million above last year's. And when we've been able to fully fund these budgets over the last six to seven years, we have been increasing the school transfer nowhere close to what is being asked for this year. So I just want to be realistic about that. Our goal is to get as close as we can to that number, but that number is something that when we see the budget Q&A come back that Supervisor Smith has asked for, I think will show you what the financial impact on

[01:33:44] a lot of struggling people would be. And so to that point and to the point several other people have made, we may be in this for multiple years. So we have to be thinking about phases. We have to be thinking about looking internally at savings and efficiencies and at the same time what the public can bear in terms of being able to fund the world-class services that we have had built up in this county over many, many decades. And so we've got tough work ahead of us, but it's going to be work that requires give and

take. It's going to be work that requires collaboration. It's going to be work that requires creativity. I will not stop talking about the

[01:34:23] elephant in the room. Many people here have talked about it before, about what's going on at the state level. When the state gives back money all the time to people like they did last year and then we look at the challenge that we're having here and we know the tools that they have and we know the limited tools that exist at the local level, it's hard not to clearly understand why we're in the predicament we're in. I believe there are efficiencies improvements that can be made on the county and school side but to act like any inefficiency of the county schools or the county government is the reason we're in this predicament is flatly false. Doesn't mean we can't improve,

[01:35:03] but it's flatly false to suggest that is the reason why we have this problem. Last thing I would add is with commercial real estate, we know we're in a multi-year challenge here, but we also know we're not alone because the office vacancy rates in most major office markets outside of Fairfax County are worse than ours. The difference is they're in states that have states that fully believe in and fund public education, so they're a little more protected than we are from those downturns in revenue. At least the school side of the ledger is more protected. So I think these are just things we have to keep in context as we move forward.

[01:35:39] Going to be a challenging year, without a doubt, but many people around this table have been through many challenging years in the past, and so we just have to remember we have to keep the collaboration going, and we have to understand we might not be able to achieve all of our goals in one budget cycle, that doesn't mean we don't have to have a plan moving forward.

[01:35:59] And so with that said, I'm going to ask staff if they wanted to highlight, I think we already talked about the budget timeline moving forward, but I just wanted to make sure there was anything you wanted to add to that. I think we're good.

[01:36:15] I think we're good. No, I think we're good with this dialogue and conversation. We are going to work together to see what we can do. Obviously, we are working as one group trying to get us to where we need to be. We definitely love working with this team that FCPS has assembled, and we're here to support and move forward as best as we can.

[01:36:40] So we appreciate the comments, all of the comments today, and we look forward to a very interesting budget period. Thank you. Dr. Reed? Yeah, I just want to thank the Board of Supervisors and the chair and our county executive and the staff on both the county and the division.

[01:37:04] This is a needs-based budget that I've put forward. It does provide the underpinning and foundation for excellence, equity, and opportunity for each and every student in Fairfax County public schools. Our current enrollment is 182,414, which is higher than it's been even in 2020.

[01:37:24] It's the highest we've been in quite a little while. One of the things I was going to go back to, the enrollment report or the demographic report that was mentioned earlier, it's primarily based on birth rate. And one of the things that's not as accounted for is our influx of immigrant students that we're seeing right now, which is part of the strength of this amazing county.

[01:37:50] And so I just really appreciate the collaborative spirit around the table. I know we all have the interests of each of our students at our heart. And the best way we can provide supports for them is investing in our staff as well, in all the unique roles they have.

[01:38:05] So just appreciate this time this afternoon and look forward, as Executive Hill said, to working together to make sure we continue to have the most amazing county in the country. Thank you very much, Dr. Reed. Hard to not end on that note, but I might get a scowl from Ms. Jackson and Ms. Burden in mentioning this.

[01:38:25] But I would strongly encourage you, any questions that you had today that you didn't get an opportunity to ask that come up during this process, submit them as budget Q&As. I'll speak for myself, but I think I speak for all of us and tell you how informative those are, that you may have a question that nobody else around this table would have thought of, but everyone around this table appreciates seeing the answer to.

[01:38:49] So please make sure if you have those, submit those to county staff, submit those to school staff. They collaborate as much as they can on answering them, especially the ones that cross-cut, but can be very, very valuable information for us as we consider the budget decisions that we have ahead.

[01:39:06] And so with that, thank you all. We are adjourned. Thank you.

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