



MACHINE TRANSCRIPT • CORAGGIO CONSULTING

Fairfax County Board of Supervisors Budget Policy Committee, Tuesday, March 25, 2025

Date Tuesday, March 25, 2025
Place Fairfax County Board of Supervisors, Virginia
Length 1h 10m (video)

- Official meeting video (Fairfax County): <https://video.fairfaxcounty.gov/player/clip/3741>
- Official Board of Supervisors page (Fairfax County): <https://www.fairfaxcounty.gov/boardofsupervisors/>

Machine transcript (speech-to-text) produced by Coraggio Consulting. Not an official county record. Names and numbers may be misspelled; check the video at the timestamp before quoting.

Speech-to-text: whisper.cpp, model large-v3-turbo. Produced 2026-10-30. Each paragraph starts with its time [HH:MM:SS] in the meeting video.

[00:00:01] Good morning, everyone. We're going to go ahead and get started this morning. Welcome, everyone, to our budget committee meeting of March 25th, 2025. And we have two agenda items today to cover, as we historically do at this budget meeting, and that is the FY2025 third quarter review and the overview of the FY2026 to 2030 capital improvement program.

[00:00:27] And before we get started today, I'll just point out today is Supervisor Lusk's 30th birthday. So everybody wish him a happy 30th. Keep that in mind as we go through the day. Yes, I'm going to let, it's a budget committee meeting, so I'll let other people do the math.

[00:00:49] It's a little more than 30, but happy birthday to Supervisor Lusk. And with that, I'm going to turn this over to Phil Hagan. Good morning, Mr. Chairman and members of the board. There are a limited number of general fund adjustments included in the third quarter package, which I'll be going through this morning.

[00:01:09] I think we just need to get a slide deck up there. So overall, I'd note that the package is also smaller in dollar terms than each of the prior two third quarters this year. There we go. So this presentation I'm going to go through touches on all of the general fund adjustments based on the smaller number.

[00:01:31] We're able to go through all of them in the presentation. As is our practice with our quarterly reviews, you'll see that we have focused our recommendations on capital, IT projects, park support, as well as vehicle replacement. This package does recommend adding 30 new merit positions, but there is no recurring funding required to support those positions.

[00:01:51] So this slide has the overview of the FY 2025 third quarter review. We start with a general fund balance of \$28 million. The bulk of that balance is \$26.4 million in additional revenue that we identified as part of the mid-year revenue review last fall. It also includes \$1.25 million held in balance since carryover and \$0.34 million as the result of FY 2024 audit adjustments.

[00:02:15] So the staff recommendations in the third quarter package include \$9 million in additional revenue, a net increase of \$26.57 million in expenditures, and contributions to reserves that total \$2.37 million. I would note that the reserve adjustments include the \$2 million in contributions to the managed reserve that are required for FY2026.

[00:02:37] As the board will recall, the advertised budget anticipated using third quarter revenues in order to fund that managed reserve contribution. We've also included an adjustment in the ARPA fund that's necessary to account for an audit adjustment in FY2024, slightly reducing the amount left to spend in FY2025.

[00:02:56] Of the \$222 million that the county received through ARPA, only about \$21 million has not yet been spent, though all funds have been allocated to projects and must be spent by December 2026. Revenue increases since the carryover review totaled \$35.4 million.

[00:03:15] \$26.4 million, as I said, was identified in the fall, and \$9 million is part of this package. Nearly half of the increased revenue is from interest on investments. The pace of rate cuts by the Federal Reserve has been slower than we originally anticipated, and we have revised our FY 2025 estimate accordingly.

[00:03:31] Other categories with significant increases in revenue estimates include business, professional, occupational licenses, or B-POL taxes, deed of conveyance and recordation taxes, and delinquent personal property tax collections. We continue to be conservative in our forecasting, especially with potential for federal actions to have a significant impact on the local economy.

[00:03:53] Capital investments are the largest portion of the disbursement increase, totaling \$20.32 million. \$14 million of that amount is for infrastructure replacement and upgrades at county facilities. That funding will support projects that are urgent, safety-related, or endangering life or property, addressing roof repairs, emergency building envelope repairs, and parking lot and garage improvements.

[00:04:14] Then \$4 million will support space realignment projects at county facilities. Those projects increase operational efficiencies and sustainability while also helping us reduce our reliance on leased space. And then finally in this category, \$2 million will support the build-out costs associated with a temporary lease site for the criminal justice academy the current facility is beyond its useful life and we don't expect that it will last until a new facility can be built IT funding is our second largest category at eight point eight seven million dollars eight point four five million of that is for IT projects which we have historically funded as part of our quarterly reviews and then another point four one million dollars will allow for the purchase of

[00:04:53] software licenses for personal property tax forecasting and employee development recruitment software. For Park Authority, we're recommending another tranche of \$5 million in support of

their rec centers. This is consistent with the support that the board has consistently approved for the Parks Capital Program over the past several years. Also included in the package is \$300,000 for contract expenses primarily related to security at meetings and at large events.

[00:05:23] And then similar to action taken at last year's third quarter, we're recommending additional funding for vehicle replacement specifically related to the transition to hybrid and electric vehicles as well as the transition of police vehicles from sedans to utilities while we have vehicle replacement reserves the increased costs that are related to these transitions had not previously been built into the anticipated cost of the vehicles currently being replaced and then this slide lists all the other general fund spending adjustments that don't fit neatly into those other major categories, the largest of these being a \$5.55 million contribution for our other

[00:06:01] post-employment benefits, or OPEB trust fund. The county pre-funds the cost of retiree health benefits during the period of active employment. This adjustment is consistent with one that we included in the FY2026 advertised budget, and it recognizes increased plan costs primarily related to prescription drug claims among our retirees. Then just under \$1 million is included to support the 250th commission. This would be in addition to the funding of \$150,000 that was provided to the commission in the FY 2024, 25, and 26 budgets. Startup costs of three quarters of a million dollars are included for the Fair Ridge Family Shelter. This would cover anticipated operations

[00:06:40] from April through June of the current fiscal year. \$350,000 is included for a study of multimodal transportation in the Fair Lakes area. And then finally, \$100,000 is included as support for volunteer Fairfax. They have seen fundraising fall short of their expectations.

[00:06:58] County staff are going to be working closely with them to make sure that they are sustainable during FY2026. And the last bullet on this slide, just over \$17 million has been identified in savings in fringe benefits as well as in our general fund agencies. I'd note that these are savings that are not anticipated to have an impact on agency operations. These are based on spending patterns during the current year so then as i mentioned at the beginning of the presentation we are recommending 30 new merit positions with no new recurring funding requirement three of these positions are in the park authority they'll be supported by funding previously approved by the

[00:07:35] board to support equity initiatives these positions are going to be supporting the development of the new recreation management system which will include the registration system and the new sliding fee scale program the other 27 positions are in the community services board these would be non-merit positions that we're recommending to be converted to merit. The increased cost from these positions will be supported by state funding that's intended by the state to enhance CSB compensation as well as help maintain a stable workforce. And so after all of these adjustments, we have a balance of just over \$8 million. Again, this is a one-time balance typically used for one-time funding

[00:08:13] requirements. So given the uncertainty regarding the potential impacts, the actions of that new Presidential administration on our local economy and on demands demands for county services We would recommend that any balance remaining after board action be held in reserve to offset any potential impacts And so finally wrapping up with the calendar First of all, I do want to note that the school's third quarter review is typically published prior to the county's third quarter This year the school schedule is a little bit later than typical and so staff school staff they're scheduled to present the fcps third quarter review this thursday march 27th my office will

[00:08:53] certainly forward the school's third quarter review to the board once that is published so that the board can consider it in its actions this may the rest of our calendar though public hearings on the third quarter review will be held concurrent to the fy 2026 budget public hearings on april 22nd 23rd and 24th and then action on third quarter is scheduled just prior to budget markup on May 6th.

[00:09:16] So that's it for this presentation. Certainly entertaining questions. Thank you very much, Phil. And before I open it up to questions, just the balance that we have here, the \$8 million balance, how does that compare to the balance remaining in third quarter historically, maybe over the past several years in the county, just to give perspective to folks as to what that number amounts to?

[00:09:47] Christina Jackson, Chief Financial Officer, I think it's fluctuated. I mean, I do think at our quarterly reviews, because we tend to have a lot of capital or IT needs, we tend to spend a lot of those available funds. This might be a little bit on the higher side. I want to say normally it's within like the \$3 to \$5 million range.

[00:10:03] Just as last year's third quarter, it was \$5.24 million that was left over after staff recommendations. We're certainly within that same range. Okay. I just wanted to make sure people knew the number relative to what our budget experiences have been in the past. And then just one other quick question, because obviously things of recurring nature jump out.

[00:10:24] And I know you said the Fair Ridge family shelter is not recurring because this is only operational funding from April to June, presuming that in next year's budget will be a full year's operational costs associated with that shelter. But the April to June time period is we're ahead of schedule in terms of the work that needs to be done to open.

[00:10:46] I mean, how do we end up with several months where we're going to have this open before we're able to put it into a full budget? Katie Horstman with Department of Management and Budget. So Fair Ridge Shelter was always intended to open in April.

[00:11:03] So we're right on schedule, actually. So we've added the one-time funding at third quarter, and it's actually already included in the advertised budget. So full year funding is addressed in the 26th budget already. If anyone's watching wondering why we're only funding it through June, And then also, it is absolutely a recurring cost, and so it's appropriate in this instance because it's just building us to the time period when we're actually able to adopt a full-year budget funding for the operational cost.

[00:11:30] I just wanted to make sure people were clear on that because we will routinely get requests from people to fund recurring things in third quarter, which we try as best we can to never do just because of the nature of the process and the limited amount of funds that are here.

[00:11:47] And so that one jumped out. I just want to be clear on that. Questions that board members have? Supervisor Walkinshaw. Thank you, Mr. Chairman. First of all, obviously, you know, supportive of setting aside as much of the available balance as possible. With the knowledge that \$8-ish million is not a significant amount given the turmoil that we're potentially facing, but I think it's prudent.

[00:12:13] Just on the vehicle replacement fund, the county executive's memo notes that an in-depth analysis is being conducted on the vehicle replacement fund to determine the appropriate level of funding. Do we know the timeline for that analysis?

[00:12:30] And I ask because I've had a budget Q&A on that topic up my sleeve, and I'll keep it there if that analysis is coming relatively soon. I don't want to duplicate the work that's being done, but do we know the timeline for that?

[00:12:51] Thank you for that question. I'm looking to see when my next meeting is with that group on this topic. Okay, you can get back to me. Say that again? Next week. Thank you. Next week. Next week is the next meeting or the analysis?

[00:13:09] Well, the analysis is being done now. Next week is the meeting, and then I'm going to come forward with what we've unearthed and how we're going to move forward. So I apologize. I couldn't find it quick enough. And one of the things I'd like to see, whether it's part of that analysis or separate, is for the vehicles that we have already replaced gas-powered vehicles with EVs, do we have a running tally of the fuel and maintenance savings?

[00:13:38] If any, I won't prejudge it. I suspect there are some that we've achieved over the years that we've been doing it. Yeah, we'll try and get that into the analysis as well. I'm not sure if we've gotten that level of specificity, but we'll... I think it's an important context because, obviously, at these quarterly reviews, we're talking about the costs to purchase new vehicles, but the savings are kind of buried, I suspect, annually in the operating budget in fuel costs.

[00:14:09] But we need to have some analysis of that to determine the cost-benefit of the replacement. I think that's a really good point because obviously if you look at this, if you just read this on its surface, it looks like we've got to spend a lot more money to transition our fleet, and that's half the story.

[00:14:29] The other piece is I don't know if part of this number is in anticipation and it mentions here to keep pace with rising vehicle prices, but actually on the EV side of things, prices have been going down substantially. And so I don't know if this is anticipation of future effects of tariffs or other things. It might affect just the overall cost of cars, but we got to look at this fully, not just the acquisition cost, but the maintenance, fuel costs, and I'm hoping that the analysis shows that there's some driving downward in terms of cost for EVs, and that's something that, you know, we've been seeing out there, and I realize that, you know, it depends on

[00:15:09] the class of vehicle and the type of vehicle, but I don't want anyone walking away thinking this program is just costing us money because there are instances where it's probably saving us quite a bit of operational money. Thank you. Other questions, supervisor Alcorn, uh, thank you, Mr. Chairman, uh, just a question on the 17.2 million dollar savings, um, fringe benefits and general fund agencies, that sounds great, uh, really appreciate the work county staff is doing to find savings. Considering sort of our challenges, I guess now and going forward, my question is on any of the savings.

[00:15:47] Is there a relationship to? in the advertised budget the 60 million dollars and these 17.2 million dollars, in other words, is there anything are they tied together, are specific reductions proposed? In the advertised budgets tied to this, any of these in any way? So I'd say when we're looking at third quarter, we're primarily looking at the spinning patterns throughout the course of this year, identifying where agencies would really have this money falling out of their budget the end of the year and accelerating, really recognizing where we're going to see that money falling out. I think you'll see some linkages, certainly to you know where agencies are going to have reductions next year.

[00:16:26] But there's not necessarily a tie to that. This is really looking at the spending patterns that we have with the agencies Okay. Yeah, I just I just want to make sure where I mean if this turns out that's way We just need to know but I would want to make sure that we're not Basically presupposing board action on those 60 million dollars that none of these are a fait accompli Based on what we're doing here. Okay, great. I thank you and just just to follow up I don't want to make more work for staff But I know they already have this because they came up with the number if we could put in a budget Q&A to just show us Break down for us that 17.2 million, you know

[00:17:03] what's the driver of that, and maybe show us by agency where those savings are, because it is a good news story, but it's also one we just want to be conscious of going into the next budget. So if we can see what makes up that \$17.2 million, that would be helpful. We could put some detail in the Q&A. I will say the agencies are listed out on page 12 of the package. So of that savings, \$7 million is infringed benefit, and then we have a by agency listing totaling \$10.2. So we have some detail, but we can expand. Yeah, what I'm looking for is some narrative on what's causing that more than which agencies are doing it? What is the reason for that? I think it's what we need

[00:17:38] to hear. Is that vacant positions? Is that specific things that are happening within agencies that we should know about? I'm just looking for a little narrative that explains that information that you just mentioned. Supervisor Beerman. This is probably a budget Q&A, so you don't have to answer right now, but it would be great to understand or hear about some of what our new and ongoing IT projects actually are and the ways in which they are helping us you know be more efficient as a county because I'm sure we're actually saving more money that we're spending

[00:18:16] more money on them but we're probably saving money on them too so that can be I know I don't have the IT staff on the other side of the table so that could be a budget Q&A thanks any further questions Please. Supervisor Lusk.

[00:18:32] Thank you, Mr. Chairman. I just want to agree with reserving as much of the third-quarter carryover as we possibly can for our uncertain economic situation, and then I appreciate I was going to ask the same question, Supervisor Beerman's question on the IT improvements.

[00:18:50] Would it be possible also on the \$14.32 million on the infrastructure replacement upgrades for the county facilities? I know I think I heard you reference the parking lots and garages and other roofs But just curious to see the details for those Improvements as well would be helpful. Thank you. Mr. Chairman. Okay One last thing to bring up on this the little over five and a half million that is to meet the county's annual required contribution for OPEB based on actual retiree health claims experience

[00:19:28] Do you have, it's kind of the same thing we were asking a moment ago in terms of a narrative. Do you have a way of explaining that to us, what's actually happening there? Is this a trend we should be expecting to see continue to happen, or is this out of alignment with what we would normally be seeing at this point in time in a year?

[00:19:48] Certainly, Mr. Chairman. So our OPEP trust, again, we do pre-fund that during the employee's active period of employment. And so we do have a trust fund where we've actually, for the past few years, hovered right around 100% funded with that.

[00:20:03] So in very good funding situation, especially compared, honestly, to other localities throughout the country, we're in an exceptional position with being right around 100% funded. With our most recent

valuation, our actuaries did see a spike in claims, an increase in claims.

[00:20:19] I shouldn't necessarily just say a spike, but one of the main drivers there was the GLP-1 drugs and kind of that increased utilization regarding that, increased cost regarding that. Certainly as our actuaries are looking at what our medical claims will be out, they're trending out in the future, assuming what future medical inflation will be.

[00:20:38] So certainly this is something that we look at every year that we have actuaries take a look at our claims experience every year to tell us what the updated picture is of that retiree health liability and then building that into our funding needs. This year, certainly, the increase is after, honestly, several years, many years of being able to decrease our contributions into the OPEP Trust Fund.

[00:21:02] Those decreases, including some of the changes made with the plans. For example, we had some nice savings from moving over to the EGWIP plan that we did a good decade ago. Otherwise, as well, as we've gotten to this 100 percent funding, we've been able to bring down our annual contribution. So certainly we're seeing the increase in 26. We're needing to do that in 25 as well, just based on when the actual evaluation fell.

[00:21:26] You know, we'll certainly see what happens. I wouldn't necessarily picture this \$5 million increase as a trend where we're going to need to do a similar increase in the future. I'm hoping that this is right-sized what we need as far as a contribution and will keep us right around that 100% funded. Okay. Excellent. Thank you for that. Supervisor Palcic. Thank you, Mr. Chairman. These are probably maybe both for Joe. I'm not sure, but two questions. One is going to be, if you could share with the full board, we had a recent Mosaic CDA annual meeting. Well, I know that additional funding coming back to the county won't be in third quarter. I expect it will be in carryover. If you could share the approximate amount that we expect from the Mosaic CDA

[00:22:04] surplus. Yeah, sure. Joe Lahate, Budget Office. We held the Mosaic annual CDA meeting, and I think you can just see the logic there that the strong growth in assessed values in that district have skyrocketed. So we have excess money on an annual basis after the debt service is paid. And we also have one more reserve where that's been overfunded as well, too, in large part due to additional interest earnings. So we've got roughly about approximately \$250,000 in excess interest earnings.

[00:22:27] So those funds will come back to the county at carryover, probably just given the timing where we are now. This happened a couple of years ago, but again, I think it just speaks to just some modest additional returns that we're already getting back and a little more sugar on top, I think is the simplest way to say it. And some conservative forecasting that put us in this position, which is always good.

[00:22:45] If we're consistent, if anything. The Clarified 250 is a smaller amount. There's a lower one. And I think I should say that's just off the reserve that we hold. There is an additional, I think, almost close to \$4 million that we held back prior to. So we spun off almost \$8 million total mosaic.

[00:23:01] Half is used for the debt. The other half remains with the county. So when that debt is paid off fully in 2036, then that remaining \$4 million comes back to the general fund. Thank you. And then on the other side of it, I know we had a conversation last Tuesday about carryover for the 123 study, which we are working with transportation to narrow the scope and get it, I think, more in line with some of the other transportation studies that are now funded through carryover.

[00:23:28] So I believe we haven't finalized that amount, but that might be coming as a finalized consideration item for third quarter. Yeah, we're here, and I think we're continuing to work with you to fine-tune that number with transportation staff, but I think we're aware of it. Obviously, watch the media and speak with you as well, too.

[00:23:44] So as soon as we can get a fine-tuned number from them, we can have that for discussion. Thank you. Supervisor Alcorn. Yeah, Mr. Chairman, thank you. And on the last piece, it would be great if staff also could look at other sources of funding for that study. know different parts of the county we have road funds sometimes there there are other sources i think that would be helpful as well so thank you i was going to say yeah i think we've cut a lot of that flexibility which is why this is being looked at and as you know we're not at proffers yet and that's more of the implementation piece beyond the scope this is beyond the scope of that

[00:24:21] but i'm totally open to that if we have that flexibility in transportation i don't know if we do. Yeah, there are a lot of different funds out there that come to transportation, so yeah, staff can look into that. Thank you. Supervisor Lovsky. And on the same point, Mr. Chairman, I just wanted to remind the board that when we took the action on the Springfield study, we made a statement that we should look at determining whether or not we can do some of this analysis in-house as a way to trim the cost. So I think part of the review should include that internal analysis as a way for us to see if we can curb and bring down those

[00:24:58] costs as well. Thank you Mr. Chairman. Thank you Supervisor Luskin and I know that those conversations are happening within DOT and there's a lot of these that could be done all over the county and so the other thing is looking at the criteria we use for triaging them and making sure that you know they're doing things like obviously the Springfield one is designed specifically to follow on an analysis towards economic development and a revitalization area and so there's other reasons for them some are safety driven some are for different purposes

[00:25:32] but always helpful to get DOT's input both on how much staff time goes into these and how much cost to pay a consultant for information that we might not have but also in helping triage is a very large county and I think there's probably a transportation study that we could be doing in every district in this County and so we just need to be cognizant of that as we move forward. Okay, anything else for third quarter?

[00:26:00] All right. Excellent. Thank you very much Well done as always and again just for the boards Refresh your memory. This will be this is usually one of the first things that we talk about In terms of budget when we make our budget rounds and so we'll be seeing updated fine-tuned numbers When we get to May and with that we're going to move on to item number two which is an overview of the FY 2026-2030 Capital Improvement Program, and Christina.

[00:26:31] Yep. Changing gears a little bit, Phil, Katie, and Joe are at the table. We're also joined by Martha Reed, our Capital Programs Division Director. So, you know, certainly we spend a lot of time this time of year talking about the operating budgets, but we don't want to ignore the capital side. So we just have a brief presentation on our CIP program and overviews, including this first slide.

[00:26:51] you can see our total CIP totals over \$15 billion. So over a really long period of time, there are a lot of components in that number. Certainly the discussion today is going to be much more narrow than

that \$15 billion number. Just as a reminder, our CIP includes both county-managed and non-county-managed programs, including Nova Parks, Fairfax Water, et cetera.

[00:27:13] It includes our self-supported programs, including stormwater and wastewater and solid waste. But really the focus of today's presentation will be on our general fund-supported capital program, which we include as part of our annual budget each year, as well as our bond program, both general obligation and EDA. I wanted to do a quick reminder of the joint CIP committee that we finished up a few years ago at this point. It seems like it was not that long ago. We had some good recommendations that came out of that joint committee, the first being increasing our annual bond sale limit from \$300 million to \$400 million.

[00:27:51] This past bond sale in January was our first at that new \$400 million mark, so that's now our new standard. That does represent a total increase of \$100 million from a few years ago, and we split that evenly between both the county and schools at \$50 million each.

[00:28:07] Another one of the recommendations that came out of that committee was dedicating the equivalent of one penny on the real estate tax rate, both for those increased debt service payments as well as pay down. We have not yet reached the equivalence of one penny. Right now, we're at about \$21.5 million.

[00:28:25] That includes \$5 million that we have in pay down for both county and schools. That's \$2.5 million each. And our total increase in debt service payments is a little over \$16 million. So certainly, the two years of those bond sales with the extra 50 plus this past January with the extra 100, that has resulted in some additional debt service payments.

[00:28:45] And so, again, we're not at the full penny yet. but we're at about \$21.5 million. And then the last recommendation that came out of that committee was increasing our allocation at year end to the capital sinking fund. Previously, we allocated 20% of balances to our sinking fund.

[00:29:02] We've bumped that up to 30. And we also started including schools in that allocation as well. And we have more information about the sinking fund allocations in a couple of slides. On our general fund program, capital program specifically, that totals about \$31.7 million in FY26 budget.

[00:29:21] This includes pay down, maintenance at some of our facilities. It also includes, you might recall, last year we shifted our contribution for Nova Parks out of our GEO program to our pay down program, so that's also included in that \$31 million number. There is a decrease of about \$700,000 embedded in this number as a result of reductions taken by the Park Authority in order to balance the 26 budget.

[00:29:44] You can see what those reductions were there, \$250,000 for trail maintenance, \$250,000 for athletic court maintenance and \$200,000 for forestry. We had bumped up those numbers in 2025, so this was backing off of some of those increases. Again, it does maintain that \$5 million that we had included for pay down as a result of the recommendations from the Joint Committee.

[00:30:06] And certainly, just like we talked about before with third quarter, we really rely on our quarterly balances at both third quarter and carryover to supplement the funds in our general fund capital program, particularly for capital renewal. And we do that not only through some of the allocations that you see included in this year's third quarter review, but also through those sinking fund allocations. And you can see we've been quite successful with the sinking fund since it began back in 2014. Again, right now

we're setting aside 30% of our year imbalances that aren't required for critical purposes. And since 2014, we've set aside over \$200 million for capital reinvestment.

[00:30:43] And you can see in the chart there at the bottom how that's been allocated. This is a board-approved formula, 45% for FMD, 25% for schools, and then you can see the other categories there. And I would note, you know, FCPS is there just to under \$29 million, and they've only been included as part of that allocation for three years.

[00:31:02] So certainly we anticipate that that allocation is going to grow, considering we've been doing this for 10, and they've only been part of it for three. But certainly it's a really important component of our program in terms of funding our capital program, because we recognize that getting funding in the baseline budget is difficult.

[00:31:18] get in this environment. Shifting to our bond program, certainly, you know, that gets a lot of focus, our geo program specifically. This slide just includes a couple of highlights and overview of the program just as a reminder that all of our referenda expire eight years after they're approved by the voter, although we do have the opportunity to petition the circuit court for two-year extensions. We've had to take advantage of those extensions over the past few years, and I anticipate we're going to be doing so for probably some of our 2018 and our 2020 bonds, just based on the fact that we've had that backlog of projects, as we've talked about for a number of years.

[00:31:56] So I do anticipate that we're going to be taking advantage of those two-year extensions. We do try to right-size those bond sales every year. We want to ensure that we're not going to sell more than we need. We want to make sure that we sell only what we're going to need to spend. But then also keeping in mind that we need to balance that time frame because we also don't want to increase those backlogs that we've talked about over the past couple of years. I do anticipate that based on the outstanding bonds that we need to sell, those 2015 public safety bonds, some of those 2018 bonds, that we're probably going to be selling that maximum \$400 million number, at least for the next few years while we try to do some of

[00:32:33] that catch up. Our January 2025 geo bond sale, again, totaled that full \$400 million. You can see schools is the largest portion of that at \$230 million, and the county is at \$170 million. Again, that's our new baseline. But you can see in that chart that even on the county side, 44 million is WMATA. So really you take a big chunk off of that 170 just immediately in terms of what we're able to invest in our own county infrastructure. We did get an interest rate of 3.57 percent, which compared to the rest of the market that day was very competitive. But when you look back at the interest rate we were able to achieve just a few years ago, that 1.23 percent, it is a pretty big

[00:33:12] difference. You can see the 26th advertised budget included an increase of just over \$15 million. That would have been reduced by more than \$9 million had we been able to achieve that 1.23% interest rate that we got a few years ago. So certainly in this type of an interest rate environment, it does have a real impact to our budget bottom line each year. And so that's something that we have to be mindful about when we look towards our capital program in future years, just thinking about the interest rates. For our upcoming bond referendum plan, our next county referendum is not until 2026, so this is forward-looking. We do have some suggested changes

[00:33:49] to that bond plan. The changes are listed here on slide number eight. The first is adding the health department laboratory. As I'm sure the board is aware, that facility right now is in an old school

building. It's space-constrained. They're also having to utilize a modular lab that they put into place during the pandemic. It's the sole public health lab in Virginia, So it's a very important facility for the county.

[00:34:14] So we've now included that and added that to the 2026 fund referendum at \$35 million. We're also recommending splitting that early child care referendum. We initially had planned \$50 million in 2026. We're recommending splitting that \$25 million in 2026 and \$25 million again in 2032.

[00:34:33] We did put aside half a million dollars in carryover this last year in order to do some studies to determine how best to utilize those funds. Again, we want to make sure that we don't get out too far ahead. We want to make sure that we have a plan for utilizing those funds before we go to referendum. We've also noted here on this slide that we've been really successful in building child care and some of our co-location opportunities and using some of the balances that we have included in our early childhood fund as well in order to meet some of those needs.

[00:35:00] And then lastly, for libraries specifically, initially we had three libraries planned for the 2026 bond. And working with library leadership based on some cost escalations that we've seen, they've agreed to prioritize Kings Park Community and Herndon-Fort Knightley Community Libraries, and we're suggesting deferring the Centerville Library to the 2032 bond, again, to try to right-size in given this market and some of the cost escalations that we've seen.

[00:35:27] And I think that this really also speaks to, I think that, you know, with our bond program especially, it's very easy to look at silos and just look at libraries and just look at public safety. But I think that we've made a really concerted effort to kind of look across the programs and try to prioritize across some of those silos to make sure that we're directing the funding where it really needs to be.

[00:35:50] We did not make changes to these other categories that you see here on slide nine. So school remains at their \$460 million every two years. Again, 2025 is the next referendum this November. We've kept metro, public safety, and park bonds the same. The only other thing that I wanted to note here is we do have some old bonds dating back to 2015 and 2016 that, based on some of the delays of the projects, we don't anticipate that we're going to be able to spend those bonds for those specific projects.

[00:36:19] So you'll see in our third quarter package that we are recommending reallocating some of those unused bonds. We actually write our bond questions a little bit more broadly to give us the flexibility to do some of these movements so that we want to make sure that we're utilizing our bond funds. So you'll see that there's some redirections in our third quarter review, primarily moving funds from Pendol and the Kennedy and Rutgers shelters to some of the other projects.

[00:36:44] Those projects are going to be able to be included in some co-location projects utilizing EDA funding. So we're not going to be losing any progress on those projects necessarily. We're just really being able to utilize some of those older bonds to make sure that they don't expire before we can. before we can spend them.

[00:37:01] And so this next slide includes our revised bond referendum plan. Again, you can see schools is coming up in fall of 2025 and the next county referendum would be in 2026. So certainly given the fiscal environment that we're in, we still have an opportunity to make changes to our fall 2026 bond referendum plan next year.

[00:37:21] I will say we really only have one decision point that I think is a little bit more urgent we'll talk about in the coming slides. But again, we'll continue to monitor this, we'll come back to the Board next

year if we have any additional recommendations for adjustments, but I think the primary thing we're going to be keeping in mind for this plan is affordability, which we talk about on this next slide.

[00:37:43] We pride ourselves on our 10 principles of sound financial management. There are two primary ratios that we have included in those principles in terms of our debt capacity, our debt to market value ratio, and our debt to general fund disbursements ratio. Of those ratios are in a good position. We're not worried about that. Really, when we talk about our bond program, it's all about affordability, especially in this interest rate environment.

[00:38:07] So, I mean, certainly, you know, Joe and his team continue to calculate these ratios because we want to make sure that even when we look at our projections, that we're still under that 3%, under that 10% target, that again, affordability is really the key here. We talked about that for the FY26 budget, we had an increase of about \$15 million in our debt service payments. For FY27, if we've had a chance to look at our multi-year, and if you add schools and county together, we're looking at a \$34 million increase in debt service payments. A big part of that is the Judicial Annex, Building 1, and we'll be talking about that in a moment, but so certainly

[00:38:42] as we're looking ahead to FY27, I would anticipate if we continue with our current plan, we're going to see a fairly sizable debt service hit as part of that budget. So, you know, we spent some time talking about our geo program and certainly that's where we direct a lot of our attention that's where a majority of our projects are funded but certainly we have the ability to use other financing options including economic development authority bonds and certainly those are helpful when we're talking about more complex projects especially if you have a project that has housing for example it's very

[00:39:19] difficult to kind of blend those funding streams which is why staff has come forward with recommendations to shifting to eda for some of the projects and you can see at the bottom of this slide, some of the projects that we have coming up in the next one to five years. I mentioned the Judicial Annex Building 1. The time frame right now, the timeline actually calls for a bond sale in FY 2026, which would again impact our debt service payments in 2027. So that's really the decision that is most before the board in terms of whether or not we want to move forward with that.

[00:39:52] The total, total project estimate for building one is over \$200 million. We would be utilizing about \$18 million in general obligation bonds that were previously approved for the police evidence storage facility, but there would be about \$185 million, which would need to be financed through EDA bonds.

[00:40:10] And again, the fiscal impact to FY27 would be almost \$17 million. So certainly we'll be, you know, as we come to the board and talk to the board about budget decisions this year, I think this is one of the things that we'll talk about just to make sure that we're comfortable in terms of moving forward with this project because it is a pretty sizable hit def by 27 given the economic climate that we're in. And then certainly Martha is part of a group with some of her colleagues looking at co-location opportunities, really trying to look at where we can maximize limited space. They have a unique mapping tool that they've put together

[00:40:50] when they can look at lease facilities, they can look at the vulnerability index, look at early childhood facilities and kind of really determine where we have some opportunities to co-locate facilities. We also think this is going to be helpful with the board matter, establishing the Joint Facility Review Committee. I know Supervisor Smith's very excited about doing a redo.

[00:41:09] Supervisor Walkinshaw, welcome. But we think that GIS mapping tool is also going to be helpful to be able to be utilized with the work of that committee as well. So, you know, it really is an opportunity for us to take a look at our facilities, again, kind of try to break out of those silos a little bit and see if we can achieve some operational and financial savings as we go through those projects.

[00:41:33] And then our last slide is our timeline. A lot of these dates have already passed. The Planning Commission will mark up the CIP on April 2nd, and certainly our residents have an opportunity to speak to the Capital Improvement Program as part of our normal public hearings April 22nd through the 24th, and then the Board generally adopts the CIP as part of markup on May the 6th.

[00:41:53] Thank you for your time. Thank you very much. Let me just first say the co-location efforts are seen. We've come a long way in that area, and I know Martha's done a lot of work on that, but I think there's a lot more of that happening than people realize, and frankly, I think it's the way we need to go.

[00:42:12] We harped about this here for many years, and seeing it materialize before our eyes is good, not only for savings in our bond program, but also operational savings and efficiencies for our residents to be able to go to one place to do multiple things.

[00:42:29] And so I definitely want to applaud that, and I think that collaboration will continue in the committee, and we'll have an opportunity to highlight some of the success stories. The question I have is on the Metro \$200 million. Obviously, we had a DMV moves meeting yesterday, and thankfully, the numbers are starting to go back into the right direction.

[00:42:53] We still have a major challenge at Metro, both on the operating side and on the capital side. And so my question is the \$200 million, it says no change on there, but that \$200 million was based on what type of forecast, And are we kind of running that parallel to what the capital needs are associated with the DMV moves group?

[00:43:18] Chairman, I'll start and then maybe the 20 second will follow me. So we've just been kind of going at an incremental adjustment. Right now, we're at roughly approximately \$45 million a year. And we essentially bumped that by the time we get to \$20, assuming \$50 million a year. Knowing full well, there's a lot of discussions going on with respect to their current operations, capital and operating-wise.

[00:43:36] But I think we want to have at least a placeholder and just be realistic in terms of where this is. So, yeah, a small share in terms of the overall program, \$400 million, but it's almost a third of our county, \$170 million. So this continues to kind of creep up in a challenging fashion. Okay, because one of the reasons I ask that is it goes in the opposite direction of what you just said.

[00:43:56] But I think, you know, there's a hunger for other transportation improvement projects to be in our bond program that are not Chelsea Metro projects. And I don't know if, you know, we're anticipating any space to be able to creatively do any of that, whether it's continuing to move the needle on ped and bike or some of the other things that we're working on in the county.

[00:44:17] But, you know, the bond, these obviously go to the voters, the voters approve them. I think all of us have heard from folks that said, you know, there's more to transportation than just metro. And I don't know if there's a glimmer of hope for us in that area as we look forward to future forecasting or not.

[00:44:33] But it's a marker I want to put down because, obviously, we have a responsibility to Metro. A lot of great improvements are happening in Metro. And on the capital side, they continue to have great needs.

But so does the rest of the county outside of the Metro system itself.

[00:44:49] And I think that's, you know, something we're going to want to be able to explore. To follow up on that comment, yes, we're going to have to explore multiple opportunities as we move forward. I think there is a second group specific to the Commonwealth of Virginia, SJ28.

[00:45:09] Thank you, Supervisor Alcorn, is working on it. They're coming up with revenue solutions. As we work through DMV moves, we're also going to come up with some revenue opportunities and or solutions. As Joe Lahate said, we put in this market not knowing where we were going to land.

[00:45:26] As you stated earlier, DMV Moves started off at a billion-dollar request. I think we're down below \$500 million, and I'm still working the numbers with the team to get us to a place where I can come back to Ms. Jackson and to Mr. Hagen and to Mr. Lahate and say, this is the number.

[00:45:46] We're not quite there yet. There is also a second component piece with DMV Moves, and it's the bus operation portion. If we can find some potential savings there, that number gets to be driven down a bit more. So we still have some time.

[00:46:02] I believe I committed to this summer or early fall to get to a place of the operation and the cap. And then I believe coming forward after that will be some opportunities with bus.

[00:46:18] But we do have VRE. And we do have MARC, because it is a regional perspective that we're working on. So there's going to be a lot of moving pieces between now And I will say October, but hopefully our numbers comport with what we have in our budget process now moving forward.

[00:46:37] So I think we're going to be in a better place, but it's not going to be \$1 billion as stated earlier. Right. No, that was clear yesterday and refreshing for, I mean, a lot of things at Metro are working and working well now with ridership increases and other efficiencies that they're looking at in their budget.

[00:46:55] I know their capital needs piece, though, is big, but it's also constrained. One of the things that we talked about was the importance of fixing the core elements of the system as opposed to rapid expansion at this time, because clearly there are core elements that are affecting ridership numbers in Fairfax County.

[00:47:14] Obviously, the Roslyn Tunnel is one of the big ones, but there are other ones that were mentioned, and so I really appreciate the focus on state of good repair, core improvements that build efficiency, automatic train control technology that make the experience better for customers, because what I hear from most people is we need to get Metro fixed, and a lot of those fixes are underway right now before we look at massive expansions.

[00:47:39] And so I just wanted to make sure that our number was generally tracking that and that what I assumed is true, which is this is a pretty educated guess on where we're going to be. I just want to make sure we keep our mind open to the potential of maybe weaving other transportation projects into our bond program outside of Metro specifically.

[00:48:00] And to further dovetail, sorry, the meeting kind of turned a little bit on me yesterday. They talked about consolidation of bus priorities, and I basically stated, and I think the chairman and Supervisor Luss could back me up on this, I am trying to deal with the state of good repair, automation, and bus priority.

[00:48:22] That's all I was tasked to do in that group, but consolidation did come up, and we need to deal with that at some point as well. Yeah, that's, I mean, but no action on any of this has been taken, and I think the consolidation piece is still going to be different by jurisdiction.

[00:48:38] As I mentioned yesterday, we run a major transit operation in Fairfax, and I am not, I will speak for myself and say I'm not interested in going to a regional metro board to get permission to do things like change connector routes, to be able to respond to population growth, construction, ridership trends, to change a route to pick up more middle and high school kids through our school student bus program.

[00:49:06] There's a lot of complexities here in complications, and so there's collaboration on maybe enhanced procurement and other things that could be done regionally better, but there's a very distinct difference between consolidation and a full takeover.

[00:49:24] And I stated that yesterday, and I don't see this group coming out with a recommendation that seeks to take over local bus routes. I do think it's going to come out with a recommendation where it makes sense for smaller governments to be able to do that. And the example used yesterday was when the D.C. circulator was turned over to Metro.

[00:49:43] Well, Metro is running almost all of the bus service in the District of Columbia already. So it made perfect financial sense for them and operational sense to get out of that business. And it was a very small line that the district was running. We're very different than that.

[00:49:58] And that's one of the challenges at Metro, is recognizing the differences in the different jurisdictions. But I only brought it up today because I wanted to put context to the \$200 million number and leave the door open to future other transportation considerations in the bond program.

[00:50:13] Supervisor Alcorn. Thank you, Mr. Chairman. I completely agree with everything you just said. I appreciate you bringing it up. One follow-up question on specifically the \$200 million. Is any of that basically from the 2018 agreement, or is it all new?

[00:50:33] Basically, is that – do you know? Yeah, I think we assume it's all new. It's all new at this point. So basically the 10-year capital agreement that the region came to in 2017, 2018, whatever it was, basically that bond would not be – this would be a separate bond from that agreement.

[00:50:54] Okay, fantastic. And certainly, yeah, and I haven't looked at the slides from DMV moves yesterday, but there is a big chunk of the ongoing need that's capital. So, you know, we may see through SJ28 or through other venues, we may see some opportunity for new revenue sources, maybe, maybe not, we'll see.

[00:51:19] But given the bulk, maybe not the bulk, but given the large share that is going to be capital, I think starting to think about financing for that, not just as pay down, I think is a healthy discussion. And thank you so much for pointing out the other needs.

[00:51:35] And just as a reminder, we do have the active Fairfax plan finally coming to us. And as part of that discussion, I am pretty sure we're going to see some very specific and well-documented needs going forward on the pad and bike stuff.

[00:51:53] And we're going to have to have a discussion on how and when we finance those things as well. So thank you, Mr. Chairman. Yeah, thank you, Supervisor Alcorn. And the \$100 million, you know, this

board working towards bike and ped facilities is making a huge difference, but obviously that's not in perpetuity.

[00:52:10] And so where can we look for other resources? This may be a crack in the door that's opening, but, you know, we'll see what comes out of that group. Supervisor Smith. Okay, you know I have to say something about the Centerville Regional Library. Right now I have a task force.

[00:52:28] We're looking at the Centerville Suburban Comp Plan. You know, so that was part of the discussion, so there's disappointment there. So I'll reach out to the library staff so I can understand why that library dropped off. But it is a hard thing to swallow, so thank you.

[00:52:47] Supervisor Palcic. So as I'm sitting here, I very much appreciate, right, that we're looking at the CIP and how to be more creative and co-locate. I hope that we're also, and as we have these conversations, looking maybe at co-creates.

[00:53:07] I pass by the Falls Church City campus every single day, and I know that they went ahead and found some very creative solutions, public-private partnerships, right, to create what really is a very walkable, transit-oriented school plus community development.

[00:53:25] I know they're not easy, but especially in our urbanizing areas, I believe we still only have one school that's in a former office building. I don't know if we have more at this point. But as we look at that co-location and the continuing rising costs of construction and knowing that we have other projects like active Fairfax that we would like to be able to use those operating and other dollars for, I really do think and happy to be helpful in any way that as we look at these, let's really look at beyond co-location, right, by co-financing,

[00:53:59] co-creating those spaces. I think that's an area where we're just, if we don't move forward on that, we're going to keep falling behind similar jurisdictions. And to that, again, I don't know if there are other opportunities. I know it's some of the costs we can't control when it comes to construction, but others, whether it's figuring out how to support both our internal design and construction or our school partners, right, our park authority partners, how do we look, that's everyone's buildings, right, that's all of our county residents that pay

[00:54:36] for these, even though they're separate agencies, are there possibilities for helping support each other and the efficiency of getting through our internal processes? So I know we talk about that a lot, but it seems that with the continued rising costs, we absolutely have to look at that at this point.

[00:54:56] Yeah, I'll pause there. But, yeah, thank you. It was quite sobering today. Go ahead, Joe. I said we get a variety of P3 submissions on an annual basis, and I know our office, coupled with Department of Economic Initiatives, reviews them. I think the first thing we look at is does the prospective partner have the capital financing to help come to the table?

[00:55:13] Or is it one of those situations where this is a great idea, can you all just pay for the whole thing, and we'll jump on board when it's open. So I'm not sure that really is what we're looking for. But we vet those, have some serious conversations, and I think that's true with the park authority as well, too. At the same time, I think the ongoing conversations we have with school staff, park staff, I think we're – and everything Martha does as far as co-location teams as well, too.

[00:55:34] So I think we're trying to stay in front of it and just truly vet when there's a good partner available. Yeah, no, and I hear – and I think it's more on our board, I think, to think about rather than responding, how do we start visioning? Where do we start visioning, right? I think it takes many years, right? But to know we have areas of land, and I know I have quite a few in the urban areas that are just sitting there or underutilized or, you know, so how do we start thinking about whether it's through ULI, I think that's what they did, or through other organizations, rather than just sitting there and waiting for something, how do we help instigate that through our perhaps economic partners?

[00:56:11] Yeah, and I think there's some good pieces out there. There's obviously the city-county partnership with Willard and the community center. Obviously, we wanted the town of Herndon piece. Market forces took over. Developer backed out. So I think those are some of the key pieces and a few others as well out there, too. But we'll continue to explore them all.

[00:56:28] And like I said, any opportunities or leads you all have, we're more than willing to vet them internally for review. Thank you. Okay. Supervisor Lusk. Thank you, Mr. Chairman. I just wanted to acknowledge I had the opportunity to attend the DMV moves meeting with you and Our county executive and I just want to acknowledge the work that you guys are doing to help us Kind of bring down that overall cost structure And it's very positive to see that that is kind of the modus operandi for Metro now that really focused on looking for ways to gather more efficiencies

[00:57:02] And I want to say I know we talked about the extension of future rail lines and the cost associated with it and the acknowledgement that we can afford under the current kind of modeling and process to be able to be extending additional metro lines.

[00:57:20] So we've got to be thinking about how we can bring down those costs over time and look into the future for some additional expansion. And then I also wanted to just acknowledge the discussion on the bus prioritization and the things that were being discussed there are very, I think, positive as well and appreciate that we have our own uniqueness here in Fairfax County, and we've got to position ourselves to say these are the things we can support, but then these other things we might not.

[00:57:48] Full consolidation is not something that we could support here in Fairfax County. So just wanted to lift that up, that you guys are doing a great job of protecting our interest and making sure we're driving improvements in the system overall, increasing safety, and really modernizing our rail system in a way that lets the residents know that the investments that we're making and the additional costs, we're getting some true benefits as a result.

[00:58:16] So thank you, Mr. Chairman. Thank you, Supervisor Lusk. And I think one of the last things to mention that came up yesterday is I think part of this effort, too, is reminding our folks that bus can be a very good, sophisticated way to get to and from places and getting rid of this notion that, you know, a bus is just for one certain income subset of people in certain areas of the county. In fact, a bus, when done right, like the Richmond Highway BRT, like the Route 7 analysis is being done, bus done right can be

[00:58:50] much more affordable, just as capable, and can be a major driver in ridership on the rail system if done right. And so these feeders into the rail system are essential to Metro's long-term stability and ridership numbers. And I think we have to think about it that way. And it's different than maybe we thought about bus in the past. And I frankly find it refreshing.

[00:59:11] Supervisor Stork. Thank you, Mr. Chairman. And I wanted to first to appreciate the fact that the Health Department Laboratory, anybody who was in there, and I was in there 67 years ago it didn't impress you as a modern facility and that's not a statement on the individuals there and the work they were doing but you recognize that especially given what I didn't know which it's the only local public health facility in Virginia that makes a lot of sense that we would do we would invest in the upgrades to that etc I was curious though because I've I've been reading that there's been some and may not be like facilities but

[00:59:50] There's been some departure, if you will, of biological research organizations or biological firms in DMV and didn't know if that at all was a consideration or the focus was mostly to utilize existing county property and to keep the core of the facilities on county property.

[01:00:15] So you can respond as a budget question. That's fine. Just it was it was more of a curiosity. I fully supportive of the need to modernize those facilities. I don't want anybody to misunderstand that question Under the the sinking fund How specifically were the allocations determined on page five you have the breakout is there a particular?

[01:00:40] Model or approach that was used a formula if you will that was used to to identify how best to do that Martha Reed with the Department of Management and Budget. At the time that the sinking fund was developed, those percentages were based on the backlog that those particular categories had at the time.

[01:00:58] And over the years, when we introduced the schools, we adjusted the percentages and we tried to make sure that nobody really lost out on the amount that they were receiving each year. But I will mention that the Planning Commission has talked to us about taking a look at you know where we are on those maintenance backlogs maybe those percentages need to change so we want to do a full analysis and see what are the spending patterns in each of the categories and what are those backlogs and there may we may come back to the board at carryover with an adjustment to the percentages it wouldn't be huge but maybe tweaking those percentages so that we're

[01:01:37] you know keeping that up to date and that in the second fund dollars that go there is principally for items that age out after 5 or 10. I always think of the turf fields as one example. I know there are many others, but that's the core use of the sinking fund is to have dollars to automatically replace those in the future and not having to draw down further CIP dollars.

[01:02:02] Right, and it's to supplement what we're not able to put into the baseline for infrastructure. So it can be anything from HVAC and roof replacement to trail maintenance, you know, upkeep of athletic courts, that kind of thing. Okay, good.

[01:02:18] Well, I always support that. I think that's good fiscal prudent management. So I want to always make sure that we're funding that at a level that's really necessary so that we don't have to draw down CIP dollars in general. I mean, I realize there's exceptions to kind of a few.

[01:02:35] And in addition, pay the interest associated with that for what should be maintenance, really large-scale maintenance improvements and upgrades as opposed to new capital improvements. The only thing I wanted to add to that, and my memory could be wrong, Martha, but didn't we also go through a rating system where the different things were scored?

[01:02:56] And so it was based on a backlog, but it was also based on a score that was achieved in terms of the state of good repair of some of the projects that were on the list. Is that right? That's right. Most

agencies categorize their maintenance backlog as basically on a school scale. So an F is something that needs to be handled right away. And then category D, we have a definition for all of them. And obviously A is in good shape. But yeah, each agency goes through that process of evaluating what's on their list and which

[01:03:32] are the most immediate needs. I think that's an important distinction because there's backlogs everywhere, but I just want to reassert and reaffirm to people that it's also based on condition, that it's not just where you are in the queue, and so in fairness to the entire county, the areas that are getting the maintenance improvements are the ones that need it most, and that there's a scoring component associated with this that is fairly applied countywide to go after and fix the things that most need to be repaired with money.

[01:04:03] Okay, Supervisor Storm. And safety security would be at the top of that list historically or typically? Yes. Okay, good. The other thing is you have identified on slide 8 continued consideration in future co-location projects.

[01:04:20] Is there anything in particular that was in mind? I know, obviously, the Mount Vernon Governmental Center area, we've had a general discussion, and I think we're kind of taking a look at whether or not what's feasible or possible or reasonable or appropriate. Are there other areas that there's expectations that there are opportunities?

[01:04:39] So, yeah, that's in terms of the child care potential to put child care in a co-location facility. Specifically child care. Yeah. So, obviously, when we're looking at co-locations, and we are looking at one in the Mount Vernon area, including your office and the fire department, we wouldn't want to put child care in next to, you know, where the fire engines are coming in and out.

[01:05:01] But across the street is the library. And so that might be a better fit. So, yeah, as we identify locations where we have multiple uses in a facility or in a complex, we're looking to see if child care would fit there and if there's a need, obviously.

[01:05:20] I know the need is greater than the facilities that we have to do that. And I realize that's one of the issues that the schools are looking at as part of their boundary study and how they're going to handle potentially middle school, et cetera. Is that part of, I mean, is there any kind of co-location or co-discussion, if you will, with the schools about some of that co-location opportunities with each other?

[01:05:49] Yes, we are definitely in conversation with them, especially in your area, because there is that school right next to the library, and we don't know what the future holds for that. So that's part of the study, for sure. And there are a couple of other schools in the area that potentially could be utilized.

[01:06:06] Think of Kondras Elementary School, former elementary school, now used by the schools, but it's not very many students that are in that facility anymore, but yeah, plenty of other opportunities. And last is just, is there any, I know we've talked about co-location a lot, and I'm pleased that, you know, particularly in our area, we've been a leader in bringing those things together.

[01:06:25] Have we done any overall either quantification or overall talking points about what we've seen are the benefits or, frankly, the savings that have come from co-location? I mean, I know we're supportive not only in terms of services that provides individuals, but is there anything else that we can point to that says, you know, co-location has saved us X dollars because of maintenance deductions or security or other kinds of impacts?

[01:06:55] I mean, we definitely, when we did the Lorton Community Center and Library co-location, there was identified savings because of reduced lobby space, you know, restroom space. So we definitely had a number at that time. We can look at some of the other co-locations that have occurred and see what kind of savings were, you know, both in construction, but then also in terms of, you know, not having two separate buildings.

[01:07:23] You don't have two separate HVAC units you have to maintain and that kind of thing. We could look at sort of estimating when we started this real push for co-location, what kinds of savings have occurred in those different areas. We can definitely look at that. I'd encourage that.

[01:07:40] I mean, just footprint savings alone and the amount of green space it potentially could increase. I mean, those are all, I think, goods that we want to let the community know why we're doing this. And obviously, we're doing it not only to save money, but to also improve the quality of life in the area.

[01:07:56] So, thank you. Yeah, I think on that point, if we do do that type of analysis, let's also be cognizant of what we've gotten that we otherwise wouldn't have gotten. So, for example, on the Kingstown one that Supervisor Lusk is familiar with, very familiar with, we didn't envision initially having child care in that facility, but we were able to make room for it in the overall footprint.

[01:08:19] Now, that might have cost us a little bit because we needed a little more square footage and a few other facilities, and now we're going to have an operational cost associated with that. And so savings, obviously, a big driver of this for efficiencies, but let's just also balance that and just be cognizant of the fact that there are also services that are being provided that might not have gotten done otherwise because there wasn't something in the CIP that had a child care facility anywhere near the Kingstown area but for.

[01:08:50] that project that came along and that was added to it. And so I think it's probably fair to say these are going to be on a case-by-case basis in terms of, you know, savings that are generated. In some cases, it's additional services that we're able to provide more efficiently that we know are in need in the area that might drive up the cost.

[01:09:09] And then lastly, always being cognizant of making life easier, as you said, you know, for our residents. Not making them have to go four different places to do four different things. There's a value associated with that that might not show up on the county's ledger, but it does show up in the resident's mind in terms of creating efficiencies, too.

[01:09:28] And so it's a very complex issue. I'm not saying we can't come up with metrics, because I think we can, but I think we just have to be cognizant they're probably going to be on a case-by-case basis, to be fair. Okay. Anything else? I think I got through everyone who wanted to be recognized.

[01:09:45] Anything else on the CIP program? Okay. Again, markup of the budget will take place at our meeting May 6. Adoption of the budget will occur at our board meeting on May 13, including the elements that we talked here about third quarter and about our CIP plan.

[01:10:03] The next budget committee meeting is scheduled for September 16, 2025, at 11:00 AM in the Government Center to discuss FY 2025 carryover review. That seems so far from now. But it'll get here quick.

[01:10:18] And our budget team will be very busy over the next couple weeks, and all of us will be as well. And so with that, our budget committee of May 25th is adjourned.



Coraggio Consulting · aguyonx.com