



CLERK'S BOARD SUMMARY

REPORT OF ACTIONS OF THE FAIRFAX COUNTY BOARD OF SUPERVISORS

**MONDAY
April 22, 2002**

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Budget Mark-up Session

10-02

DMB:dmb

The meeting was called to order at 10:05 a.m., with all Members being present, and with Chairman Hanley presiding.

Others present were Anthony H. Griffin, County Executive; David P. Bobzien, County Attorney; Catherine A. Chianese, Assistant to the County Executive; Nancy Vehrs, Clerk to the Board of Supervisors; and Patti M. Hicks, Deputy Clerk to the Board of Supervisors.

BOARD MATTERS

1. **EARTH DAY/ARBOR DAY CELEBRATION** (Tape 1)

Chairman Hanley noted that Fairfax County is celebrating this year's Earth Day/Arbor Day celebration on Saturday, April 27 from 11 a.m. until 4 p.m. at the Annandale Campus of the Northern Virginia Community College.

2. **MOMENT OF SILENCE** (Tape 1)

Supervisor Connolly asked everyone to keep in thoughts and prayers the family of Robert de Lorenzi who recently died. He was a vital force in the technology community, the incoming president of the Central Fairfax Chamber of Commerce, and a Board member of both the Northern Virginia Technology Council and the International Telework Association. Mr. de Lorenzi helped organize the County's successful Washington Area Conference on Teleworking and he will be missed.

Supervisor Bulova asked everyone to keep in thoughts and prayers the families of two Robinson High School students who were seriously injured in an accident over the weekend.

Supervisor Hyland asked everyone to keep in thoughts and prayers the family of Mr. Edward Bennett who has been known for his philanthropy in the Mount Vernon District and his support of many causes.

3. **ITEMS FOR THE RECORD REGARDING THE FISCAL YEAR 2003 BUDGET** (Tape 1)

Supervisor Mendelsohn stated that the vast majority of his communications supported various aspects of the school budget with the most significant number of those for the Immersion Program and to spend the \$75 million of the Revenue Stabilization Fund ("Rainy Day Fund") for the School budget.

Chairman Hanley provided a summary of 1,382 contacts for the record that do not include the public hearings testimonies. She noted that it is an unduplicated list with individuals and groups being in one category only.

Supervisor Connolly stated that his office received in excess of 350 communications from constituents regarding the budget.

Chairman Hanley clarified that her list included copies of communications that also were addressed to other Board Members.

Supervisor Hudgins stated that her office made an effort to distinguish communications from Hunter Mill District residents from others in the County and that out of the 339 contacts she received, 79 were not Hunter Mill District residents. She provided a summary of her communications for the record.

AGENDA ITEMS

4. **10 A.M. – BOARD DECISION ON THE COUNTY'S AND SCHOOLS' FISCAL YEAR (FY) 2002 THIRD QUARTER REVIEW** (Tape 1)

(SAR)(FPR) (NOTE: The public hearings on the County's and Schools' FY 2002 Third Quarter Review were held on April 8-10, 2002.)

Following comments, Supervisor Bulova moved adoption of Supplemental Appropriation Resolution (SAR) AS 02073 and amendment to the Fiscal Planning Resolution AS 02902 which includes the revenue, expenditure, and transfer adjustments and grant awards and adjustments contained in the County and Schools' Third Quarter Review and SAR AS 01081 to reflect final FY 2001 audit adjustments. This action results in an available balance of zero. Supervisor Connolly seconded the motion and it carried by unanimous vote, Supervisor Bulova, Supervisor Connolly, Supervisor Frey, Supervisor Gross, Supervisor Hudgins, Supervisor Hyland, Supervisor Kauffman, Supervisor McConnell, Supervisor Mendelsohn, and Chairman Hanley voting "AYE."

Supervisor Bulova moved approval of adjusting the Managed Reserve to maintain the Reserve at two percent of total disbursements based on the actions taken by the Board as part of the Third Quarter Review. Supervisor Connolly and Supervisor Hyland jointly seconded the motion.

Following discussion with input from Edward L. Long, Chief Financial Officer, the question was called on the motion and it carried by unanimous vote.

ADDITIONAL BOARD MATTER

5. **WELCOME TO JANE K. STRAUSS, BUDGET CHAIRMAN, FAIRFAX COUNTY SCHOOL BOARD** (Tape 1)

Chairman Hanley recognized the presence of Jane K. Strauss, Budget Chairman, Fairfax County School Board, and warmly welcomed her to the Board Auditorium.

PMH:pmh

AGENDA ITEMS

6. **10 A.M. – BOARD MARKUP OF THE COUNTY EXECUTIVE'S FISCAL YEAR (FY) 2003 ADVERTISED BUDGET PLAN AND THE FY 2003 ADD-ON PACKAGE** (Tape 2)

Following a brief statement, Supervisor Bulova moved approval of the FY 2003 revenue and administrative adjustments as identified in the *FY 2003 Advertised Budget Plan* and the FY 2003 Add-On package. The resulting balance after these actions will be \$7,405,963. Supervisor Connolly seconded the motion and it carried by unanimous vote.

Supervisor Bulova moved approval of the adjustments in Attachment A: Board Mark-Up package which results in a balanced budget. Supervisor Connolly seconded the motion.

Following discussion, with input from Edward L. Long, Chief Financial Officer, Supervisor Hudgins referred to the document entitled "Adjustments to the County Executive's *FY 2003 Advertised Budget Plan*," page five, and moved a substitute motion that the Board transfer to the Schools:

- \$23,222,172 (the value of the proposed \$0.02 reduction in the tax rate)
- \$11,600,000 (increase available to transfer to School Operating Fund)

This motion died due to the lack of a second.

PAW:paw

(Tape 3)

Following discussion, the question was called on the motion, which **CARRIED** by a recorded vote of nine, Supervisor Hudgins voting “NAY.”

7. **REAL ESTATE TAX RELIEF FOR THE ELDERLY AND DISABLED**
(Tape 3)

Supervisor Bulova stated that on April 8, 2002, the Board conducted a public hearing on increasing the eligibility criteria for the County’s program of providing tax relief to certain elderly and disabled persons, and the Board kept that record open until April 29, 2002. Accordingly, she moved that the Board adopt the amendments to Sections 4-14-1 and 4-14-2 of the Fairfax County Code which increase the asset limit for tax relief from \$150,000 to \$160,000 as part of a multi-year strategy to adjust the asset limit closer to the State maximum. Supervisor Hyland seconded the motion.

Following discussion, Supervisor Mendelsohn asked to amend the motion to direct staff to collect data to determine the impacts of the State limits for both income and assets. Chairman Hanley clarified that that action was already inherent in the item.

Following additional discussion, Chairman Hanley stated that the Board would formally take action on this item on April 29, 2002.

The question was called on the motion and it carried by unanimous vote.

8. **INCREASE OF THE FISCAL YEAR (FY) 2003 SOLID WASTE REDUCTION AND RECYCLING CENTERS (SWRRC) FEE FROM \$195 TO \$225** (Tape 3)

Supervisor Bulova moved that the Board increase the FY 2003 SWRRC (“parkouts”) fee from \$195 to \$225. Supervisor Mendelsohn seconded the motion.

Following discussion, the question was called on the motion and it carried by unanimous vote.

9. **AFFORDABLE HOUSING** (Tape 3)

Supervisor Bulova moved that the Board appropriate \$836,000, available within Fund 144, Housing Trust Fund from higher than anticipated proffers, to replenish the \$1.7 million in the Affordable Housing Partnership Program. Supervisor Connolly seconded the motion.

Following discussion, Supervisor Hudgins asked unanimous consent that the Board direct staff to schedule a meeting with the Fairfax County Redevelopment and Housing Authority (FCRHA) and review its strategic plan. Without objection, it was so ordered.

The question was called on the motion and it carried by unanimous vote.

Further discussion ensued.

10. **TRANSITIONAL AND EMERGENCY HOUSING** (Tape 3)

Supervisor Bulova moved that the Board direct staff to utilize \$200,000 in appropriated funds in Fund 145, HOME Investment and Partnership Grant, for preliminary costs associated with the development of a facility for transitional and emergency housing. Chairman Hanley seconded the motion and announced that she would be presenting a more detailed motion on this matter at the April 29, 2002, Board meeting.

The question was called on the motion, which carried by unanimous vote.

11. **BUDGET GUIDELINES** (Tape 3)

Supervisor Bulova moved that the Board approve Budget Guidelines as follows:

1. The Board directs the County Executive to develop a budget for Fiscal Year (FY) 2004 that limits increases in expenditures to projected increases in revenue.
2. Information on the FY 2004 revenue and economic outlook should be forwarded to the Board for discussion in fall 2002 so that guidance to the County Executive regarding the tax rate as well as the transfer to the Schools can be provided by the Board. If real estate assessments continue to increase significantly, the Board will direct the County Executive to develop a budget for FY 2004 that includes a reduction in the real estate tax rate.
3. The available balances materializing at the Carryover and Third Quarter Reviews which are not required to support County expenditures of a critical nature or to address the Board's Policy on the Revenue Stabilization fund, be utilized as follows:
 - Of the remaining balance, one-half will be allocated to the Schools to support non-recurring requirements.

- The County will review paydown construction requirements or other one-time items for allocation of the balance of these funds.
4. In order to eliminate structural imbalances between County resources and requirements, resources should be allocated with consideration for the continued availability of these funds:
- Non-recurring funds will be directed toward non-recurring uses.
 - Only recurring resources may be targeted toward recurring expenses.
5. The County's policy concerning the utilization of recurring and non-recurring funds should be followed by the School Board. The School Board should not use non-recurring balances that may materialize during quarterly reviews on recurring expenditures in the annual budget.

Supervisor Bulova moved that the Board direct staff to:

- Review the County's compensation program and Personnel Policies including, but not limited to, the Pay for Performance system and the policies and procedures for promotions of County staff.
- Provide a summary of this review and recommendations from the County Executive on options for adjusting County policies to the Personnel Committee of the Board of Supervisors prior to consideration of the *FY 2004 Advertised Budget Plan*.

Supervisor Hyland seconded the motion.

Chairman Hanley stated that the Board would consider the motion on Items 1-5 first.

Supervisor Connolly seconded the motion regarding Items 1-5.

Following discussion, Supervisor Mendelsohn suggested that the Board schedule a meeting between the Chairman of the Board of Supervisors, the Board's Budget Chairman, the Chairman of the School Board, and Chairman of the School Board Budget Committee as soon as reasonable. Chairman Hanley indicated that she would have a long term suggestion on how both Boards and the community can work together on this next week.

The question was called on the motion (Items 1-5) and it carried by unanimous vote.

Compensation Program and Personnel Policies:

Supervisor Bulova moved that the Board direct staff to:

- Review the County's compensation program and Personnel Policies including, but not limited to, the Pay for Performance system and the policies and procedures for promotions of County staff.
- Provide a summary of this review and recommendations from the County Executive on options for adjusting County policies to the Personnel Subcommittee of the Board of Supervisor's prior to consideration of the *FY 2004 Advertised Budget Plan*.

Supervisor Gross seconded the motion.

Following brief discussion, the question was called on the motion and it carried by unanimous vote.

County Fees and Fares:

Supervisor Bulova moved that the Board direct County staff to:

- Undertake a review of County fees and fares, including but not limited to, School Aged Child Care fees, CONNECTOR fares, parental participation fees in Juvenile and Domestic Relations District Court programs, and Community Services Board programs. This review should include an analysis of the extent to which the program is supported by fees, whether fees/fares are comparable to other jurisdictions, what the impact on usage would be if fees/fares were increased and whether income eligibility standards are appropriate.
- Provide the results of this review and recommendations for fee and fare revenue enhancements to the Board prior to Board action on the *FY 2002 Carryover Review*.

Supervisor Connolly seconded the motion.

Following discussion, Supervisor Mendelsohn asked to amend the motion to include curbside solid waste pickup services, and this was accepted.

Supervisor Kauffman moved to amend the motion to request the School Division to consider charging fees on a possible sliding scale based on ability to pay rather than eliminating such programs as Junior ROTC and language immersion.

Following further discussion, Supervisor Bulova asked unanimous consent that the Board discuss this matter with the members of the School Board separately. Without objection, it was so ordered.

Supervisor Kauffman withdrew his amendment to the motion.

The question was called on the motion, as amended, and it carried by unanimous vote.

Section 8 Operating Deficit:

Supervisor Bulova moved that the Board direct the staff of the Department of Housing and Community Development to continue to monitor the cash position and policies to enhance revenues receipts and to meet periodically with the Board's Housing Committee to discuss the long term options for eliminating the Section 8 Fund Balance deficit. Supervisor Connolly seconded the motion.

Following discussion, the question was called on the motion and it carried by unanimous vote.

Seniors-on-the-Go Program:

Supervisor Bulova moved that the Board direct staff to undertake a review of the status of the Seniors-on-the-Go Pilot Program, including, but not limited to, the current area served, number of senior clients, advertising and marketing efforts, and information on the extension of the program countywide. This information should be provided to the Board prior to Board action on the *FY 2002 Carryover Review*. Supervisor Gross seconded the motion.

Following discussion, the question was called on the motion and it carried by unanimous vote.

NV:nv

(Tape 4)

Community Services Board MR Graduate Programs:

Supervisor Bulova moved that the Board direct the County Executive, the Fairfax-Falls Church Community Services Board, and the Human Services Council to conduct a review of the MR Graduate Program. The review should include the following:

- Number of clients receiving services, both current and projected over the next several years
- Types of services and service levels provided
- Transportation requirements
- Facility requirements
- Parental and client participation in offsetting treatment/service costs

Supervisor Bulova stipulated that this review should be completed prior to the end of the calendar year to allow for consideration in the development of the FY 2004 Budget.

Supervisor Connolly seconded the motion and asked to amend it to direct staff to also provide benchmarking information on how other communities finance these programs, and this was accepted.

The question was called on the motion, as amended, which carried by unanimous vote.

Review of County Replacement Funds:

Supervisor Bulova moved that the Board direct staff to review the various equipment replacement reserves to determine whether these funds are sufficient to finance the required replacement of major operational equipment including, but not limited to, computers, vehicles and trucks, fire apparatus, and operating equipment in County residential facilities. This review should be completed prior to the Board's consideration of the FY 2004 Budget. Supervisor Connolly seconded the motion.

Supervisor Mendelsohn asked unanimous consent that the Board direct staff to determine whether the School Division was doing the same. Without objection, it was so ordered.

The question was called on the motion, which carried by unanimous vote.

Reorganizational Opportunities:

Supervisor Bulova moved that the Board direct the County Executive to continue to review reorganizational opportunities, including the administration of human services programs. Supervisor Connolly seconded the motion, which carried by unanimous vote.

12. **TEN SOUND PRINCIPLES OF SOUND FINANCIAL MANAGEMENT**
(Tape 4)

(R) Supervisor Bulova moved that the Board adopt the Resolution amending and reaffirming the Ten Principles of Sound Financial Management as distributed to the Board. Supervisor Connolly seconded the motion, which carried by unanimous vote, Supervisor Bulova, Supervisor Connolly, Supervisor Frey, Supervisor Gross, Supervisor Hudgins, Supervisor Hyland, Supervisor Kauffman, Supervisor McConnell, Supervisor Mendelsohn, and Chairman Hanley voting "AYE."

13. **FISCAL YEAR (FY) 2003 CAPITAL IMPROVEMENT PROGRAM (CIP) ADOPTION** (Tape 4)

Supervisor Bulova made reference to page 12 of the handout entitled *FY 2003 Budget Markup Process* and moved that the Board approve the FY 2003 – FY 2007 Capital Improvement Program (with future fiscal years to 2012) with the following amendments:

- Approval of a \$60 million Public Safety referendum in fall 2002 including approximately \$29 million for a replacement Public Safety Communications Center/Emergency Operations Center, \$25 million for renovations to the Jennings Judicial Center and \$6 million for priority fire station renovations and improvements to include constructing an appropriately located Hazmat facility.
- An increase in School Bond sales to \$136.4 million in FY 2003. It is the Board's intention that this action will result in the acceleration of the planning funds for Woodson High School and Glasgow Middle School renewal to FY 2003 and will not interfere with the existing placement of projects waiting to be funded. The remaining CIP period will include \$130 million per year for school bond sales. Additional increases to school bond sales will be reviewed annually.
- Approval of a \$20 million Park referendum in fall 2002 for land acquisition and development. The development funding shall include \$1.4 million for costs associated with the Wakefield Girls' Softball Complex.
- Approval of a library construction and renewal bond referendum for fall 2004. Staff should return to the Board with recommendations as to the referendum amount and specific library projects for consideration.

- Inclusion of preliminary planning and scoping funds for Burke and Oakton Libraries at a cost of \$550,000 using one-time General Fund monies to be identified at the *FY 2002 Carryover Review*, if available.
- Revision of the language in the Principles of Sound Capital Improvement Planning to include a reference to the County's revitalization initiatives as outlined in the document entitled *FY 2002 Budget Markup Process* as distributed to the Board.
- Direction to staff to review fund balances at the *FY 2002 Carryover Review* for the purpose of providing funding for the land acquisition reserve, if available, so that the County may take advantage of opportunities that develop during FY 2003.
- Direction to staff to continue to enhance the CIP process over the next several months and communicate progress with the Board in the November/December 2002 timeframe.
- Direction to staff to make all necessary adjustments to reflect actions taken during the Board's decision on the *FY 2003 Adopted Budget Plan* that impact the CIP.

Supervisor Connolly seconded the motion and discussion ensued.

With regard to Bullet Two, School Bond sales, Supervisor Connolly asked unanimous consent that the Board direct staff to reflect in the record that Jane K. Strauss, School Board Budget Chair, indicated by a "head nod" that the Board has an understanding with the School Board that it will honor the request to use the extra funds to accelerate the renovations at Woodson High School and Glasgow Middle School. Without objection, it was so ordered.

Following discussion, Supervisor Hyland asked to amend the motion to add a bullet to approve a neighborhood improvement and revitalization bond referendum for the fall 2005 and further direct staff to return with recommendations as to the referendum amount and specific projects for consideration.

Chairman Hanley clarified that this amendment would not affect the schedule of other projects.

This was accepted.

The question was called on the motion, as amended, which carried by unanimous vote.

Supervisor Frey asked unanimous consent that the Board direct staff to provide the following information at the next meeting:

- A report on space utilization at the Adult Detention Center
- An accounting of unspent transportation bonds

Following discussion, with input from Anthony H. Griffin, County Executive, the timeframe for the request was clarified as the May 6, 2002, Board meeting.

Without objection, the request, as clarified, was so ordered.

14. **COMMENTS ON THE FISCAL YEAR (FY) 2003 BUDGET AND COMMENDATION OF SUPERVISOR BULOVA** (Tape 4)

Chairman Hanley commented on the FY 2003 Budget as outlined in her handout entitled *Kate Hanley April 22, 2002 Mark Up* and also commended Supervisor Bulova, Budget Chairman, on her efforts.

15. **PRINCIPLES OF SOUND CAPITAL IMPROVEMENT PLANNING** (Tape 4)

Supervisor Bulova moved that the Board adopt the Principles of Sound Capital Improvement Planning as outlined on page 12 of the handout entitled *FY 2003 Budget Markup Process*. Supervisor Connolly seconded the motion.

Following discussion, the question was called on the motion, which carried by unanimous vote.

16. **BYRNE DISCRETIONARY GRANT PROGRAM** (Tape 4)

Supervisor Bulova moved that the Board:

- Authorize the filing of an application with the United States Department of Justice, Bureau of Justice Assistance, for the County to receive \$12 million from the Byrne Discretionary Grant Program.
- Direct and authorize Anthony H. Griffin and Edward L. Long, either of whom may act, to file the application, including all necessary understandings and assurances contained in the application, and to be the County's official representatives in connection with the application.

Supervisor McConnell seconded the motion, which carried by unanimous vote.

17. **PRAISE OF COUNTY EXECUTIVE** (Tape 4)

Supervisor Connolly praised the leadership efforts of Anthony H. Griffin, County Executive, for directing conditional budget reductions by all agency heads.

Supervisor McConnell also expressed appreciation to the County Executive.

18. **STATE FUNDING** (Tape 4)

Supervisor McConnell invited the Board to review her letter on the website <http://www.fairfaxcounty.gov/gov/bos/spd/NL0402.htm#Message> where she cautioned that the County will be in the same budget situation in the coming years if funding formulas from the State remain the same.

Following discussion, Chairman Hanley relinquished the Chair to Vice-Chairman Hyland and asked unanimous consent that the Board make its views known when the Board determines the direction of ongoing studies by the State. Without objection, it was so ordered.

Vice-Chairman Hyland returned the gavel to Chairman Hanley.

Discussion continued briefly.

19. **TRANSPORTATION COMMITTEE MEETING** (Tape 4)

Chairman Hanley announced that the Board's Transportation Committee would be meeting at 1 p.m. in Conference Room 232.

20. **BOARD ADJOURNMENT** (Tape 4)

Supervisor Hyland moved to adjourn the meeting. Supervisor Hudgins seconded the motion, which carried by unanimous vote.

At 11:55 a.m., the Board adjourned.