

Fairfax County Federation of Citizen's Associations
Minutes of Membership Meeting on March 7, 2002 (Draft 3-12-02)

Attending. See attached roster of attendees.

Call to Order. President Art Wells called the meeting to order at 7:30 p.m. and introduced County Executive Anthony Griffin with congratulations for his and Fairfax County's recent awards for good management.

Review of the Advertised County Budget for FY2003: The County Executive spent 2.5 hours reviewing the attached 44-page presentation, available at the Fairfax County web site. He also brought information about the management awards, the published budget summary, and CDs of the entire budget documents.

Mr. Griffin noted that we will not know the implications of the recently approved state budget for some time. However, Fairfax is reliant on the state for only 3.3% of revenue, which will limit the impact of the state's fiscal problems. Sales tax for January was down 12% statewide from last year, and 6.9% in Fairfax. The increased dependence on residential real estate taxes illustrates the lack of alternatives to fund services.

Because of reduced sales tax and investment revenue, a 5% reduction in spending for FY2002 was ordered, with exemption for public safety and selected human services. From the Third Quarter Review, it is obvious that little will be available as a beginning balance for FY 2003. However, Fairfax County is not in recession. Economic growth during FY2003 could reach double digits.

Department heads were offered the option of accepting the current budget with adjusted personnel costs or submitting new budget proposals with a list of 10% in potential reductions. All chose the first option for this "Stay the Course" budget.

Questions and discussion initiated by members focused on the following topics:

- The efficiency of tax administration. The least efficient is the car tax, which requires 100 employees for collection and transmittal of 70% to Richmond, from whence it is returned to the localities. Parking tickets are difficult to collect. Real property is fixed, making tax collection easier than for personal property. Utility companies collect those taxes and remit them to the County.
- The dramatic decline in non-residential real estate taxes because of vacancy rates, extensive subletting, and an oversupply of space.
- The strong market for housing of all types, possibly because of the 40,000 jobs added to the local economy and favorable interest rates.
- The increases in assessments for other localities, which range from 14% in Fairfax City to 50% in D.C.
- The transfer request for schools increasing more than the School Board budget because of actual declines in state funding.
- The County Executive's recommendation for an increase in bond sales to \$200M. Every \$100M in bond sales generates \$1M in debt service. In FY2002, the School Board asked the County to sell additional bonds with the cost of debt service charged to the School Board budget.
- The number of new positions required for new or expanded facilities in addition to the police for the Sully substation.
- The increase in requested operating funds: 19% since last adopted budget.
- The need to adjust School Age Child Care fees for market equivalence.
- The scheduled opening of the Little River Glen Adult Day Health Care Program (July 2002 or 2003?)
- The growth in programs for Special Education grads (>21 yrs. old) operated by the Com Services Bd.
- Questionable need for continuation of the West Nile Virus contract for monitoring and testing.
- Adjustments made to correct last year's problems with the performance rating system, which gave outstanding performance awards to more than 90% of employees.
- Perceived inequities in the advertised compensation increases for FCPS employees (4.6% combined COL and step) compared to increases for County employees of 5% in addition to a market index increase of 2.67%.
- The feasibility of having coordinated personnel systems for County and School Board employees.
- Increases of 20% in both employee premiums for health insurance and the County's share.

- The need for \$10.2M for Information Technology projects (software, hardware, contracting) on top of the personnel costs for the current Technology operation.
- The feasibility of providing solid waste disposal for additional residents if so petitioned.
- The inclusion of Rail to Dulles in the CIP without the availability of funding.
- Federal funding for public safety/homeland defense being restricted to planning, training, equipment.
- Lessons learned from 9/11 about the need for better coordination of decisions and services during emergencies (a repeat of information presented at an earlier Membership meeting).
- No funding for sidewalks and street lights; insufficient funding for storm water management.
- Shortfall of \$24M in funding to complete the Judicial Center expansion.

The County Executive ended by announcing dates for BOS budget work sessions and that there may be a need to schedule additional time for public hearings beyond April 8-10.

The meeting was adjourned at 10:10 p.m. without the conduct of old or new business.