

Board of Directors Meeting Agenda

7:30 pm, Thursday, October 28, 2010

PLEASE NOTE: Meeting location is at the South County Governmental Center

8350 Richmond Highway, Alexandria, VA 22309

2nd floor, Room 221 A/B

Call to Order/Welcome - Tania Hossain

Organizational Topics - Tania Hossain

- **Board Vacancies and Appointments:**
 - **Committee Chairs - Tania Hossain**
 - Potential interest in the Human Service Chair position.
 - **Bulletin/Newsletter - Fred Costello**
 - Newsletter articles due by November 1, 2010 to Fred at fedbulletineditor2010@fairfaxfederation.org.
 - **Approval of Board Meeting Minutes - Ed Wyse**
 - Approval of the minutes from the September 16 Board meeting.

Treasurer's Report - Scott Schlegel

- Approval of the treasurer's report

Old Business

- **Speaking at the General Assembly's redistricting hearing update - Tania Hossain**
<http://www.fairfaxfederation.org/testimony/TestimonyRedistrictingHearing101005.pdf>
Next sets of hearings are scheduled by the Senate Committee on Privileges and Elections --Redistricting Subcommittee is on Nov. 4 that we signed up to speak
More information about the Senate's hearing is available on the following news release
<http://dlsqis.state.va.us/Ref/NewsReleases/NewsRelease091610.pdf>
- **COY Banquet - Jeff Parnes**
- Please spread the word out about the next Citizen of the Year Award. More information is available on our website at <http://www.fairfaxfederation.org/coy1.htm>

New and Miscellaneous Business

Board & Committee Reports

- Association Services - Don Hinman
- Budget - Charlie Hall

Kosmo provided the following update via email on behalf of the Budget Committee:

Tania, Members of the Federation Budget Committee, and the Federation Board:

At this afternoon's meeting of the BOS Budget Committee, Deputy County Executive Edward L. Long, Jr. presented the FY 2012-FY 2014 Forecast for the County's expected revenues and disbursements, and Dr. Jack Dale presented the same for the FCPS. Below is a short summary of the County presentation, and I presume that Charlie Dane or Tim Thompson will report to you on the FCPS forecast. At the moment, neither presentation is online. Kosmo

FY2012 Shortfall:

Additional Revenues	\$78.3M
Disbursement Increases	(\$64.9M)
Balances used in FY 2011	(\$67.9M)
Total	(\$54.5M)

BUT this does NOT include:

- an increase in the schools operating transfer
- compensation increases

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- infrastructure costs because of Capital Construction and Rail to Dulles
- costs related to services for the 2% expected increase in population.

County employees have had no raises for 2 years. Adding \$32.6M to the County compensation program and \$76M to the FCPS compensation program brings the FY 2012 shortfall to **\$163M**. Looking to FY 2012 and FY 2014, the shortfalls are currently projected to be **\$268M** and **\$328M** respectively because there is no hope of such a surge in the economy and revenues from real estate property taxes to provide relief.

The presentation went into detail for each area of revenues and the economic conditions affecting each. On the disbursement side, only general costs were covered (such as retirement, health insurance, OPEB, debt service), with Metro and IT being the only programs mentioned.

Education & Youth - Judy Harbeck

Tim Thompson sent the following budget update via email

Budgetary Update provided by Hello Charlie & Kosmo - Below is the FCPS Budget info as presented by Sup't Jack Dale today to the the FCSB and BOS as referenced in your mail to us earlier today. **FY 2012 Summary**

Revenue Assumptions	\$ 21.8 M
Expenditure Assumptions	<u>104.9 M</u>

Total Deficit	(\$ 83.1 M)
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Reserve Use

- | | |
|--|---------------|
| - Compensation Reserve Depleted | 3.0 M |
| - VRS Reserve Utilized for Rate Increase | <u>15.0 M</u> |

Projected Deficit for FY2012	(\$ 65.1 M)
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Challenges:

- o Loss of ARRA (Fed'l Gov't stimulus funds - \$50M)
- o VRS Holiday
- o VRS rate increases beginning in FY 2012
- o VRS repayments begin in FY 2013
- o Local Composite Index (LCI, last year \$61M) fluctuations unknown (Gen'l Assembly could/can "play" w/ this again)
- o Student enrollment continues to INCREASE - 2120 more in Sept. 2010 (over 700 not registered until 1st day of school)
- o **Employee Compensation is a PRIORITY**

Revenue Assumptions:

County Transfer (no change)	\$ 0.0 M
Sales Tax (3.4% projected increase)	8.5
State Aid (from State's biennial budget)	12.4
Federal Aid (2% projected increase)	0.8
Stimulus Funding	(26.9)
Education Job Funding	21.3

Expenditure Assumptions:

Membership (students) Growth	17.7
Retirement	20.9
OPEB (GASB 45)	(5.0)
Other (med insurance, worker's comp, etc)	13.0

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Market Scale Adjustment (COLA @ 2%)	35.8
STEP (averages 2.3%)	40.2
Lapse (turnover and vacancy savings)	(28.4)
Instructional Mandates (online SOL tests)	8.5
Student Achievement Gap (SAG) projects	1.5
Stimulus Priorities	- ? -

- Maintaining Gen'l & Sp'l Ed class size
- Deficit doesn't include Title 1 / ARRA fund

Future Considerations

Employee compensation

Enrollment Growth (FY 2012 projected to be 177,416 from 175,296 this year - FT 2011)

Restore Class Size (ie - reduce the avg class by 2.0 students)

Full Day Kindergarten (ADK)

Foreign Language Programs

Restore Instructional Supply Funding

Early Childhood Education

Preventative Maintenance

Bus Replacement

Computer & Equipment Replacement

- Environment - Tania Hossain
The Northern Virginia Soil and Water Conservation District will be our guest at the December 16 meeting. They are currently working on the content of the program and will be focused on environmental issues.
- Human Services - **Vacant**
Update on the Partnership for a Healthier Fairfax Project - Tania Hossain
- Land Use - Fred Costello
- Legislation - Frank Anderson
- Membership - Kahan Dhillon
- Public Safety - Gail Parker
- Resolutions - Bill Hanks
- Transportation - Jeff Parnes and Carrey Campbell
- Website - Jeff Parnes

District Council Reports

- Braddock - Art Wells
- Lee - Don Hinman
- Mason - Keith Taggard
- Mt. Vernon - Karen Pohorylo
- Providence - Charles Hall
- Sully - Jeff Parnes
- Springfield - Mike Thompson

Adjournment

The next membership meeting will be on November 18, 2010 at Braddock Hall ~ focus on Transportation

The next November/December board meeting will be held on December 2, 2010; location TBD