

Resolution on the
Fairfax County Fiscal Year 2026 Advertised Budget

Approved by the Federation Board and Membership
March 27, 2025

Respectfully submitted to the Fairfax County Board of Supervisors

cc:

Fairfax County Chief Executive Bryan Hill

Fairfax County School Board

Fairfax County Public Schools Superintendent Dr. Michelle Reid

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President



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I. INTRODUCTION

The Fairfax County Federation of Citizens Associations (The Federation) is an 85-year-old organization for the residential communities within Fairfax County, representing tens of thousands of Fairfax County homeowners in all nine magisterial districts. Our main focus is to ensure a prosperous long-term future for all Fairfax County residents.

We continue to face economic challenges in Fairfax County. Even before the Department of Government Efficiency (DOGE) began layoffs in the federal government and reduced contract work with many Fairfax businesses, the County reported less revenue than meets our needs. It would be prudent for the County to plan for a darker economic environment in the near future. Faced with potential tax increases and lines of business reductions, Fairfax County ought to base important decisions about programs on our strategic plan.

As detailed in the 2023 Virginia Joint Legislative Audit and Review Commission (JLARC) report¹ Fairfax County does not get our fair share of educational funding from the Commonwealth of Virginia. We continue to support the Board of Supervisors advocating at the General Assembly for a more equitable share of our tax dollars. We are also aware that successful advocacy will require a multiyear effort. In the meantime, we must fund our public schools.

For the first time in recent memory the Federation is not supporting fully funding Fairfax County Public Schools' (FCPS) transfer request. We do not believe the FCPS FY 2026 Proposed Budget represents a truly needs-based budget. Despite the County Executive's request for all County departments to submit budgets with 10% cuts, FCPS has not suggested any programmatic or policy shifts to improve their operations and/or ensure that our tax dollars are spent both efficiently and effectively. In a difficult fiscal environment, every government agency must examine whether their approach to spending represents their best critical thinking about how to meet their mission, and not to simply engage in business as usual.

The Federation has long supported diversifying our tax base by levying taxes on lodging, cigarettes, admissions, BPOL, and Prepared Foods and Beverages. We support the Board in implementing a tax on Prepared Foods and Beverages up to 6 percent. This would diversify the tax base and put less pressure on homeowners, who provide the bulk of County revenues.

¹ <https://jlarc.virginia.gov/landing-2023-virginias-k-12-funding-formula.asp>

II. FINDINGS & RESOLUTIONS

A. REVENUES

WHEREAS, 66.6% of revenue for the General Fund come from real estate taxes and the greater portion comes from residential real estate; and

WHEREAS, each 1% of a meals tax is estimated to generate \$33M over a full year for an estimated maximum potential revenue of \$198M with a 6% meals tax; and

WHEREAS, seven jurisdictions near to Fairfax County have a meals tax and the District of Columbia has a 10% meals tax; and

WHEREAS, the Advertised Budget contains \$59.5M in reductions and the County has explored 10% across-the-board reductions, although less than 4% was taken in most cases; and

WHEREAS, by FY 2026, Loudoun County projects it will generate roughly \$1.37B just from the personal property tax levied on data centers, in a fiscal budget which last year totaled \$4.7B,²

NOW THEREFORE BE IT RESOLVED:

(1) The Federation supports diversifying our tax base by levying a meals tax up to 6%; and

(2) The Federation commends the County Executive for seeking cost reductions in these uncertain economic times; and

(3) The Federation supports exploring the siting of data centers in Fairfax County to enhance revenue in a manner that responsibly accounts for issues of electricity demand, water use, reduced noise, air pollution, and proximity to residential housing.

² NetChoice <https://netchoice.org/jaw-dropping-numbers-loudouns-data-center-tax-revenue-could-top-real-estate-taxes-in-just-a-few-years/>

B. EMPLOYEE COMPENSATION

WHEREAS, the Advertised Budget proposes a cost-of-living adjustment of 2.00% for general County and non-represented uniformed public safety employees, as well as Performance, Merit and Longevity increases; and

WHEREAS, the Advertised Budget proposes an increase in the County's living wage to \$17.44 per hour; and

WHEREAS, the budget proposes to fund collective bargaining agreements with Firefighter and E-911 dispatcher bargaining unit members and police officer bargaining unit members; and

WHEREAS, The Fairfax County Police Department reports officer shortages which are unlikely to be entirely filled by the current number of recruits,

NOW THEREFORE BE IT RESOLVED:

(4) The County should continue to compensate all employees in a way that recruits and retains high quality employees.

C. PUBLIC SAFETY

WHEREAS, the Advertised Budget calls for the elimination of the Community Emergency Response Team (CERT) program at the fire department; and

WHEREAS, CERT equips community members with essential skills to assist professional responders during disaster situations, effectively serving as a force multiplier; and

WHEREAS, the Advertised Budget calls for the elimination of the Community Fire and Rescue Academy; and

WHEREAS, the Community Fire and Rescue Academy provides a valuable resource for the public to understand the critical functions and operations of the Fire and Rescue Department; and

WHEREAS, the Advertised Budget calls for the elimination of the Student Tools for Emergency Planning (STEP) program in the Department of Emergency Management and Security; and

WHEREAS, the STEP program provides students with an important emergency preparedness curriculum to learn about disasters, emergencies, severe weather hazards, and health hazards,

NOW THEREFORE BE IT RESOLVED:

(5) The Federation recommends the County reduce funding, if needed, and continue operations of the CERT Volunteer program; and

(6) The Federation recommends the County retain the Community Fire and Rescue Academy; and

(7) The Federation recommends the County retain the STEP program.

D. EDUCATION FUNDING AND SCHOOL TRANSFER

WHEREAS, FCPS' FY 2026 Proposed Budget includes a seven percent raise in compensation for all employees, estimated to cost \$213.7M; and

WHEREAS, FCPS benchmarks its employee compensation figures against surrounding jurisdictions without including the Educational Employees' Supplementary Retirement System of Fairfax County (ERFC), a locally-unique benefit to FCPS; and

WHEREAS, FCPS' FY 2026 Proposed Budget adds 285.6 positions over the FY 2025 Approved Budget;³ and

WHEREAS, during the five-year period between FY2016 and FY2021 enrollment increased by more than 3,800 students and FCPS positions increased by 872.5 positions,⁴ but during the five-year period between FY2021 and FY2026 budgeted enrollment decreased by 8,746 students and FCPS positions increased by 1,329.6 positions;⁵ and

³ We would like to state our objection to FCPS providing misleading figures in its FY 2026 Proposed Budget summary presented to the School Board on February 4, 2025. On p. 30 FCPS shows a "net position adjustment" of -917.7 positions in FY2023. This figure does not reflect net adjustments for FCPS as a whole, but only adjustments due to enrollment and/or student needs. On p. 105 of the FY 2026 Proposed Budget, the FY2023 actual figures vs. the FY2022 actual figures show a decrease of just 106.2 positions.

⁴ See Fairfax County Public Schools FY 2021 Approved Budget, p. 16.

⁵ See *ibid* compared with school position information in Fairfax County Public Schools FY 2026 Proposed Budget, p. 105, and enrollment information in "Fiscal Year 2026 Proposed Budget," February 4, 2025, p. 23.

WHEREAS, FCPS has not engaged in an efficiency or effectiveness review regarding its staffing levels, its programming, and/or its policy decisions; and

WHEREAS, FCPS has not identified suggested savings to prepare for the likelihood that the transfer request will not be fully funded, or that changes in the federal workforce further erode the County's revenue base,

NOW THEREFORE BE IT RESOLVED:

(8) The Federation does not support the full transfer request in FCPS' FY 2026 Proposed Budget; and

(9) The Federation supports the County Executive's proposal to increase the transfer request to FCPS by \$118.6M, even though that figure falls \$149.6M short of the funds requested by FCPS' FY 2026 Proposed Budget; and

(10) The Federation urges FCPS to utilize stronger and more thorough fiscal stewardship in its budget process, to help build public trust; and

(11) The Federation suggests FCPS prepare for the likelihood of a budgetary shortfall by targeting spending according to strategic priorities, and based on where spending adds the most to the effective operations of our schools.

E. ENVIRONMENTAL

WHEREAS, the Advertised Budget reduces funding compared to FY2025 levels for programs that protect and provide opportunities for residents to interact with the natural environment, including control of invasive plant species, trail maintenance in areas managed by the Park Authority, and management of the urban forest; and

WHEREAS, the Advertised Budget nonetheless protects major environmental program areas, devotes substantial resources to ongoing efforts, and retains staff positions that contribute to institutional knowledge that can be leveraged in coming years,

NOW THEREFORE BE IT RESOLVED:

(12) The Federation supports the County's continued focus on funding both near- and long-term environmental programs.