

**McLean Citizens Association
Resolution
Fairfax Supplemental Appropriations—FY 2006**

WHEREAS, in April 2005, the Board of Supervisors adopted a budget that increased general fund spending by \$162.7 M (or 5.82%) above the revised (September 2005) budget for fiscal 2005; and

WHEREAS, the Board of Supervisors, at the same time, reduced the tax rate by 13%, an amount that, when coupled by skyrocketing property assessments, still resulted in double-digit tax increases for most county residents and small business property owners; and

WHEREAS, average residential real estate assessments have risen 23.9% for 2005, resulting in double-digit increases for the sixth consecutive year in the Dranesville District, a total increase since 2001 of more than 79% for many homeowners; and

WHEREAS, the MCA supported further limits on spending in the fiscal 2006 county budget and an additional 7.8 cents reduction in the tax rate, for a final rate of 95.2 cents/\$100 of assessed value; and

WHEREAS, in April 2005, the Board of Supervisors again failed to adopt any of the policy, procedural, or structural recommendations that the MCA has consistently recommended to improve the efficiency and effectiveness of county government so as to reduce tax increases for residents of Fairfax County; and

WHEREAS, Fairfax County announced in August 2005 that it has excess revenues above the revised (September 2005) budget of \$46.6 M; and

WHEREAS, Fairfax County has a history of underestimating budget revenues, such that, from fiscal 2001 through fiscal 2005, it over-collected a total of \$372.88 M in taxes and fees above its budget estimates; and

WHEREAS, the County Executive has proposed placing \$14.6 M of the \$46.6 M surplus into Fairfax County's revenue stabilization fund (Reserve Fund), which would bring the Reserve Fund to 67.6% of its targeted amount; and

WHEREAS, the County Executive has proposed spending the balance (\$32.3 M) of the surplus revenues,

NOW, THEREFORE, BE IT RESOLVED THAT THE MCA:

- 1) Commends the County Executive for recommending that a portion of the budget surplus be placed into the Reserve Fund.
- 2) Strongly urges the Board of Supervisors to place at least two-thirds of the \$46.6 M budget surplus into the Reserve Fund.
- 3) Strongly urges the Board of Supervisors to establish a policy that preferentially places any future budget surplus revenues into the Reserve Fund.

As Adopted: September 7, 2005

Distribution:

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