



FAIRFAX COUNTY FY 2015 ADVERTISED BUDGET PLAN  
Testimony Before the Board of Supervisors  
April 10, 2014  
Sally Horn, President, McLean Citizens Association  
(as delivered)

- On April 2, 2014, the McLean Citizens Association (MCA), which is the unofficial town council for the 31,000+ households in the Greater McLean area, overwhelmingly passed a resolution that makes five specific recommendations relating to the FY 2015 Advertised Budget Plan.
- MCA's overarching recommendation is that the Board retain the current tax rate of \$1.085 per \$100 of assessed value. We believe this is a realistic and reasonable tax rate, given the economic factors that I will enumerate below. Just as individuals and families must live within their means, so too, should our government and school system.
  - As you all are aware, this year's increase in the assessed value of most homes in Fairfax County means that the typical County homeowner already is facing an average increase in his/her real estate tax bill of 6.54%. For many homeowners, the increase is far larger.
  - Further, if you factor in other tax and user fee increases, and the modest, if any, salary increases that most residents received, that typical taxpayer is facing a net decrease in his/her disposable income, even if the tax rate is not raised.
  - I would like to note that MCA applauds the parallel proposals of the County Executive and School System to eschew the use of one-time funds to pay for recurring expenses and instead, to use only recurring funds to pay for recurring expenses. However, since real estate revenues are the principal recurring

funds that the County would draw on to make up the difference, we do not believe that FY 2015 is the year in which to seek to achieve that goal. Keeping the tax rate at its current level is a higher priority for us, for the reasons previously cited.

- Another important reason not to raise the tax rate is that both the County and the School System routinely have unspent money at the end of the fiscal year, last year on the order of \$59M and \$56M respectively, as well as other one-time funds. From our perspective, this year, these funds should be used to close any gaps between the funding the County Executive and FCPS have requested and the funding that they receive in the Approved Budget Plan before these moneys are used for other purposes.
- MCA's second recommendation is that the Board should strive for an equitable balance between funding for services that are provided directly by Fairfax County and the transfer to the Fairfax County Public Schools.
  - In the FY 2014 Approved Budget, the Board of Supervisors reduced funding for certain County programs, including libraries, parks and human services, in order to provide more funding for what were deemed to be more pressing County and School needs. MCA is pleased to see that funding for these programs was restored in the Advertised Budget.
  - With respect to the School transfer request, our resolution notes several steps that the School Board could take to close the \$64M gap between its request and the transfer proposed in the FY 2015 Advertised Budget Plan. These include: (1) using the expected additional \$28-32 million in state moneys to fund the programs the Superintendent and School Board proposed to fund in the their budget request, (2) using what I would term the "approved but unspent" funds that are available at the end of FY 2014 – but that others have variously called carryover or surplus funds – to help close the remaining gap, and/or (3) revising the assumptions underpinning their estimates of expected FY2015 revenues and expenditures, including with

regard to expected employee attrition rates, so that the funds requested more accurately reflect actual experience.

- Third, MCA recommends that the Board of Supervisors' Independent Auditor be asked to review critically the underlying documentation for the School Board as well as the County Executive's funding requests either this year or, if this is not possible, for FY 2016. The goal would be to compare projected revenues and expenditures in the budget requests against actual revenues and costs to determine whether budgeting assumptions, such as projected attrition rates, are valid or whether more realistic assumptions would lead to budget savings. As noted above, both the County and School System routinely have sizeable "approved but unspent" sums of money at the end of the fiscal year, which suggests the potential for improvements to current budget forecasting.
  - And, if the Board believes it needs statutory authority to address these aspects of the School System transfer request, we urge you to submit a request for such authority to the Virginia General Assembly.
- MCA's fourth recommendation is that the Board should scrutinize critically the County Executive's FY 2015 and FY 2016 Possible Budget Reductions list to remove any items that would reduce or eliminate direct impact human services delivery to disabled, elderly or disadvantaged individuals; or eliminate personnel positions at Fairfax County Parks; or reduce library operations and acquisitions. Further, that review should identify alternate means to achieve savings.
- Fifth and finally, MCA urges the School Board to revisit the Superintendent's list of additional possible reductions. As with our recommendation regarding the County Executive's list, the goal would be to identify areas for possible savings outside of the classroom.
- Thank you.