CITY OF FALLS CHURCH

Fiscal Year 2019 Adopted Budget

Annual Expenditures and Revenues and Five-Year Capital Improvements Program

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July 1, 2018

Honorable Mayor and Members of the Falls Church City Council, and
Taxpayers and Residents of the City of Falls Church:

I am pleased to present the FY2019 Adopted Budget and Six-Year Capital Improvements Program (CIP) for the City of Falls Church. The Fiscal Year (FY) 2017-19 Adopted Policy Budget is the result of a collaborative effort amongst a variety of stakeholders including input from public hearings, budget town hall meetings. This budget continues the City's commitment to growing responsibly, while taking steps to address the City's financial challenges. Major issues addressed in this budget include: maintaining excellent government services and schools, funding the adopted capital plan, and funding the City's obligation to the Washington Metropolitan Area Transit Authority (WMATA). Last November, the voters approved a Bond Referendum for up to $120 million for a new George Mason High School, and meeting this need is a principal factor for this budget cycle and will be for years to come.

Overview of Revenues and Expenditures

The following chart summarizes the changes to expenditures and revenues between FY2018 and FY2019 for the General Fund:

	TOTAL BUDGET			
	FY2018	**FY2019**	**$ Change**	**% Change**
Operating Revenues	$ 85,982,645	$ 89,168,250	$ 3,185,605	3.7%
Debt Proceeds	269,000	959,000	690,000	256.5%
Interfund Transfers	1,114,567	1,383,237	268,670	24.1%
Total Revenues	**$ 87,366,212**	**$ 91,510,487**	**$ 4,144,275**	**4.7%**
Expenditures				
School Transfer	$ 41,148,000	$ 42,319,046	$ 1,171,046	2.8%
General Gov't	37,207,314	37,952,691	745,377	2.00%
WMATA	954,819	1,187,500	232,681	24.4%
Debt Service	6,445,512	9,198,000	2,752,488	42.7%
CIP Financing	600,000	1,240,000	640,000	106.7%
Pension ROI	-	(640,000)	(640,000)	-
Interfund Transfers	1,010,567	1,290,000	279,433	27.7%
Total Expenditures	**$ 87,366,212**	**$ 92,547,237**	**$ 5,181,025**	**5.9%**
Net Revenue Requirement			**$ 1,036,750**	
RE Tax			**2.50** cents	

The School Board transfer is $42,319,046 which represents $1,171,046 (or 2.8%) increase over FY2018. Not shown in the chart above, but detailed in the School Board section of the budget book, the total School Division operating budget, including state and federal revenues is $51,039,858, a 0.9% increase over FY2018.

The FY2019 General Government operating budget (not including debt service, Capital Improvements, or transportation) provides for operating expenditures of $37,952,691. This represents an increase $745,377 (or 2.0%) over FY2018.

Debt service will increase by $2,752,488 (or 42.7%) in FY2019 primarily due to the financing of George Mason High School (approximately $6.5 million for architecture and design), City Hall (approximately $11.3 million) and Mary Riley Styles Public Library (approximately $1 million for architecture and design).

The adopted budget has an increase of $132,681 (or 13.9%) for WMATA based on the recently adopted mass transit metro funding legislation (HB1539 and SB856) along with $100,000 for transportation projects.

Tax Rates

The Adopted FY2019 Budget requires an increase in the Real Estate Tax Rate of 2.5 cents, which results in a $169 increase for the median homeowner in the City.

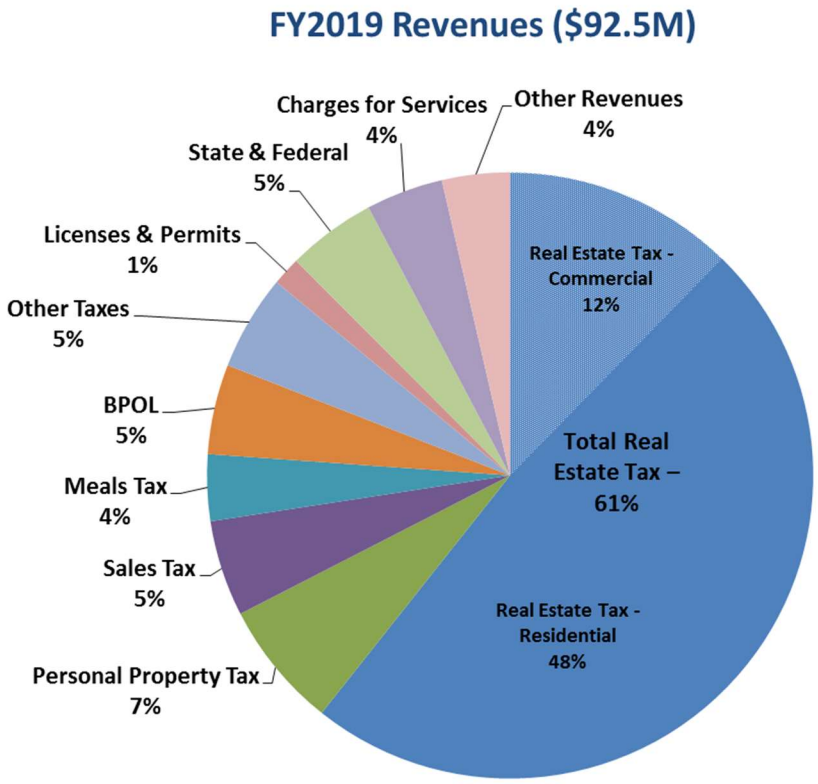
The operating budgets for General Government and Schools allows for a 3 cent reduction in the Real Estate Tax Rate, absent the increase required for the debt service and for WMATA. The increase in debt service (equivalent to 5 cents on the tax rate) and the increase for WMATA (equivalent to 0.5 cents on the tax rate) more than offset those operating budget savings. This is very similar to the 6 cents required to fund the Capital Program that was discussed when the FY2018 CIP was adopted in July 2017, and in the informational meetings and materials that were provided by City Management during the lead up to the Referendum for GMHS last November.

	FY2019 Revenue Impact	Real Estate Cents	Median Homeowner Impact
Debt Service*	**$ 2,002,488***	**5.0**	**$338**
Operating Budget	**(1,302,068)**	**(3.0)**	**(203)**
WMATA**	**232,681**	**0.5**	**34**
Net Revenue Requirement	**$ 933,101**	**2.5**	**$169**

**Debt service impact excludes cost of bond issuance funded with bond proceeds*
***WMATA impact excludes use of NVTA 30% Funds*

FY2019 Revenues

The chart below provides a summary of the major sources of revenues for the General Fund.



The table below provides a summary of FY2019 revenue projections by category compared to the FY2018 Adopted budget.

	FY2018	FY2019	$ Change	% Change
Real Estate Tax	$ 53,257,000	$ 56,151,000	$ 2,894,000	5.4%
Personal Property Tax	5,713,900	6,278,200	564,300	9.9%
Sales Tax	4,649,000	4,742,000	93,000	2.0%
Meals Tax	3,094,750	3,279,000	184,250	6.0%
BPOL	4,263,000	4,439,000	176,000	4.1%
Other Taxes	4,493,000	4,702,000	209,000	4.7%
Licenses & Permits	1,492,346	1,410,626	(81,720)	-5.5%
State & Federal	4,494,223	4,385,990	(108,233)	-2.4%
Charges for Services	3,505,896	3,806,484	300,588	8.6%
Other Revenues	2,403,097	3,352,937	949,840	39.5%
Total Revenues	**$ 87,366,212**	**$ 92,547,237**	**$ 5,181,025**	**5.9%**

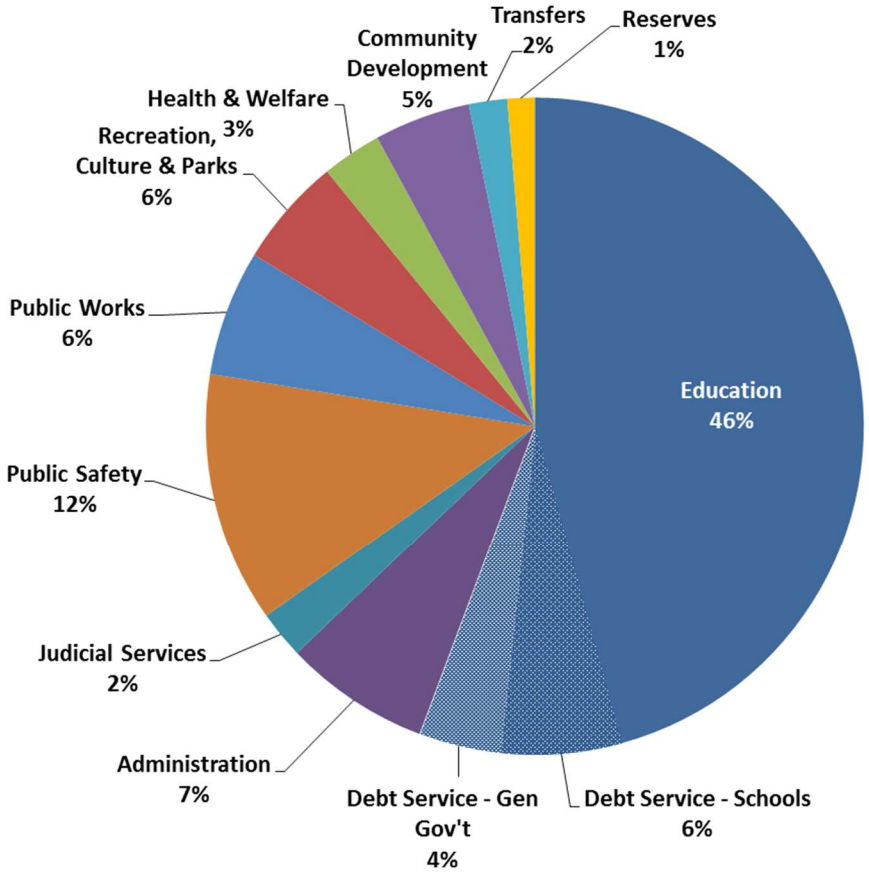
The total assessed value of real estate in the City is approximately $4.1 billion as of January 1, 2018, an increase of $136.3 million (or 3.4%) over January 1, 2017. The growth in assessed value reflects market appreciation of 2.8% and approximately $36 million of new construction in the City.

The following chart summarizes changes to assessed value by property class due to the combination of new construction and market appreciation.

	FY2018	FY2019
Single Family:	up 3.2%	up 4.7%
Townhouses:	up 1.4%	up 2.6%
Condominiums:	up 0.9%	up 1.7%
Commercial:	up 5.9%	up 3.6%
Apartments:	up 6.7%	down 0.6%
Overall:	**up 3.6%**	**up 3.4%**

FY2019 Expenditures

The following chart represents the City's allocation of General Fund expenditures by function.



The Debt Service share of 10% of the budget is above the City's historical range of between 6% and 8% of expenses. This ratio is expected to grow to 14% by FY2022 with the issuance of construction bonds for George Mason High School, as well as City Hall and Mary Riley Styles Library.

Capital Improvements Program (CIP)

The CIP provides a plan for investment in City schools, parks/fields, library, government facilities, and transportation, sewer, and stormwater infrastructure. Major capital projects currently under construction include the City Hall Public Safety Project and the Mt. Daniel Elementary School expansion project. The new George Mason High School and the renovation and expansion of Mary Riley Styles Library are currently in design, with construction expected next year.

Transportation projects are funded principally with state and federal grants, and constitute a large and growing part of the CIP. New transportation projects included with the FY2019-FY2024 CIP are phased over time to line up with available grant funds and with available staff resources.

The chart below summarizes projects and funding level by area:

PROJECT	**FY2019**	**FY2019-FY2024**
PUBLIC SAFETY	$ 223,000	$ 1,373,000
PUBLIC FACILITIES (includes general govt, library & schools)	8,007,999	9,657,999
RECREATION & PARKS	-	3,150,000
TRANSPORTATION FUND	4,851,500	72,231,822
TOTAL GENERAL GOVERNMENT & SCHOOLS	**$ 13,082,499**	**$ 86,412,821**
SEWER FUND- Utility Enterprise	$ 1,394,000	$ 16,235,980
STORMWATER FUND- Utility Enterprise	-	17,000,000
TOTAL UTILITY FUNDS	**$ 1,394,000**	**$ 33,235,980**
TOTAL ALL FUNDS	**$ 14,476,499**	**$ 119,648,801**

The projects are described in the Capital Improvements Program section of this Budget and in a more detailed CIP Notebook found at www.fallschurchva.gov/CIP.

Key FY2019 projects are in the areas of:

Fire Station: $223,000, debt financed, for final funding for HVAC and boiler replacement.

Facility Reinvestment: $350,000, pay as you go funded, to replace or rehabilitate deteriorating components and systems to extend facility life. Identified projects include:

- Community Center: HVAC replacement, flat roof replacement, boiler, chiller and cooling tower replacement, elevator car and hydraulic system replacement and sump pit installation;
- Aurora House: stair replacement, roof replacement, and bathroom renovations;
- Cherry Hill Farm House: basement structural support replacement, structural additions to prevent water intrusion, humidity control, and HVAC replacement;
- Cherry Hill Barn: structural work, siding replacement, fire suppression and security system at the Cherry Hill Barn;
- Property Yard Garage: replacement of shop roof and bay doors; ramp replacement and structural repairs.

Library (Public Facilities): $7,307,999 construction funding for the renovation and expansion of the existing Mary Riley Styles Public Library which is currently under design.

Transportation: $58,204,000 transportation projects are funded through state and federal grants. Some of the major new FY2019 projects include: Neighborhood Traffic Calming, West Falls Church improvements, Oak Street Bridge replacement, Maple Avenue roadbed reconstruction, five traffic signal intersection improvements, Park Avenue parking and streetscape improvements, and W&OD improvements.

Sanitary Sewer: The FY2019 CIP includes funding in the amount of $550,000 to re-line aged and deteriorated sewer pipes. It also includes $200,000 for analysis and design for increased sanitary sewer capacity for the West End of the City's commercial corridor along Broad Street. Identified capacity limits will be addressed over the next few years using of Availability Fees that are paid by developers during new construction.

Sanitary Sewer fees are unchanged at the current rate of $9.87 per 1,000 gallons.

***Storm Water*:** The adopted budget maintains the Stormwater fee at $18.36/200 square feet of impervious surface.

Budget Guidance

In December 2017, the City Council adopted guidance for the FY2019 budget development. Below is a list of that guidance, and discussion of how the adopted budget meets that guidance.

- Review all City government and school programs and operations to achieve the most cost effective delivery of services possible. This includes exploring opportunities for consolidating services currently provided by both the General Government and School Divisions.

  - ✓ *Consolidation of Economic Development & Development Services into one Department of Community Planning and Economic Development results in greater alignment of economic development goals with planning all the way through to building permitting. This consolidation allows for the creation of a dedicated project manager for the West Falls Church Economic Development Project with no new funding.*
  - ✓ *In FY2018 Budget, the appointment of Deputy City Manager as Human Resources Director resulted in cost savings, and this is now formalized in the FY2019 Budget. To address workload problems and loss of programs, the FY2019 Budget includes funding for a new part-time HR Specialist ($50,000). This will restore needed HR functions and allow the Deputy City Manager to resume role as Legislative Liaison and as lead on special projects.*

- The FY2019 General Fund operating budget, inclusive of both general government and school operations, should be no more than 2% growth relative to the FY2018 budget. Any revenue above that budget level should be dedicated to accomplishing the approved capital program.

Organic Revenue growth:	*3.7%*	*$3,185,605*
General Government Expenditure Growth:	*2.0%*	*$ 745,377*
School Transfer Growth	*2.9%*	*$1,171,046*

The new debt service for the Capital Program requires $2.0 million, or a 5 cent increase in the Real Estate Tax Rate in FY2019. This requirement was presented in multiple public hearings and presentations during the adoption of the CIP in July 2017 and during discussion of the Referendum.

- Present a FY2019 operating budget and capital financial plan that is in accordance with the City's adopted Fiscal Policies.

  - ✓ *The adopted budget is in compliance with adopted Fiscal Policies.*

- Present high level multi-year revenue and expenditure projections so that FY2019 budget decisions can be assessed in the context of long term sustainability. Revenue forecasts should include potential economic development along with other factors.

    - ✓ *These are included in the budget document and were discussed at work session.*

- Present a budget that provides a level of employee compensation that is competitive within the regional labor market and sustainable over the long term, and that funds the City pension plan per the annual required contribution (ARC).

    - ✓ *The FY2019 Budget provides a 3% merit increase for City employees in order to reward talent and maintain an effective workforce. The budget provides funding for a step increase for uniformed police officers, which is also at 3%, with no COLA. At work session, we will provide market comparisons.*

    - ✓ *The City pension plan is fully funded and the ARC is fully funded.*

- The Budget should provide options for funding improvements that will further the progress in making the City's business districts vibrant, attractive, and walkable, and options for funding the neighborhood traffic calming program on a sustained basis.

    - ✓ *$200,000 funding for NTC, using NVTA 30% local funds.*
    - ✓ *$435,000 in grant funding for Park Avenue Great Street project in FY2019 and $6.3 million over six years.*
    - ✓ *$60,000 for Downtown Enhancements, to support flower baskets, tree lighting, and the like. This is a sustained funding source through the Transient Occupancy Tax.*
    - ✓ *Regular sidewalk cleaning in the downtown area.*
    - ✓ *$100,000 for rewiring the Maple and Broad traffic signal, which has had recurring problems.*

- The Capital Improvements Program (CIP) should meet the commitments of the City Council in the adopted FY2018 – FY2022 CIP and include a ten year planning horizon for major capital needs.

    - ✓ *The adopted CIP reflects the commitments made in the FY2018 Five year CIP.*
    - ✓ *For the first time this year, the CIP includes a 10 year planning horizon for major capital projects.*

- The CIP should include strategic use of the NVTA 30% and 70% funds as well as other state and federal sources of funds for transportation improvements for all modes of transportation, including walking, cycling, transit, and vehicles. These transportation investments should be aligned with the walkability priorities established in the Mobility for All Modes Chapter of the Comprehensive Plan.

    - ✓ *NVTA 30% funds are fully deployed.*

- ✓ *NVTA 70% regional funds: applications have been submitted for West Falls Church area improvements, and pending before the NVTA. (Note: after adoption of the FY2019 Budget, the NVTA awarded $15 M in grant funds to multi-modal transportation improvements related to the 10 acre West Falls Church Economic Development Project.)*

- Address funding for WMATA that:
  - Does not exceed the proposed 3% cap on annual increases to jurisdictional contributions for the operating budget.
  - Assumes that increases in WMATA capital funding beyond sustainable growth will come from a new state or regional source in light of Falls Church and other Northern Virginia jurisdictions' inability to sustain the FY2018 levels of capital contributions.

    - *The City's locally funded subsidy to the WMATA will be $1,076,000 in FY2019, an increase of $236,000 over FY2018. To put this figure in perspective, the City's local subsidy in FY2015 was $200,000, and the FY2019 local subsidy represents an increase of $876,000 since FY2015, or the equivalent to 2.1 cents on the Real Estate Tax Rate.*

    - *The FY2019 local subsidy excludes estimated receipts from the State Transportation Fund of approximately $1.3 million. The funding for the State Transportation Fund was enacted by the Virginia General Assembly in May 2018.*

    - *The City's local funding for WMATA is considered as our Commercial and Industrial Equivalent (C&IE) match which allows us to access our NVTA "30% funds" which in turn is used to match transportation grants for improvements in the City, including traffic calming, intersection improvements, and other improvements.*

- Calculate and highlight in the budget presentation the pension expense avoided by the investment of a portion of the water sales proceeds in the pension fund.

  - ✓ *The Adopted Budget includes $640,000 in avoided expense to fund the Capital Program, which represents a 7% return on $9.2 million investment. The Adopted FY2019 Budget implements this program as envisioned by City Council in 2014 and is part of the financing plan for the City Capital Program. It represents savings for taxpayers equivalent to 1.5 cents on the Real Estate Tax Rate.*

- Accompany the FY2019 budget presentation with public information that explains the budget clearly and solicits public participation and input in budget decisions.

    - ✓ *Town Hall meetings were held on March 18 and April 10 as part of a Sunday Series of information for the public on both the Campus Project and the budget.*
    - ✓ *The City Office of Communications conducted a public information campaign to inform and solicit feedback on the budget.*

Looking Ahead

Significant issues for the future include:

- The City has initiated the design and construction for a new George Mason High School under the Virginia Public Private Education and Infrastructure Act (PPEA). Concurrently, the City is marketing ~10 acres of high school campus property adjacent to Haycock Road and Route 7. Market forces will ultimately determine the value of this property and the future tax yield it may generate. The outcome of this marketing and land transaction negotiation will significantly impact the cost to the taxpayers – estimated to be approximately $300 for the average homeowner if the real estate development project goes smoothly; approximately $1,100 for the average homeowner if it is delayed or unsuccessful. The City has conducted careful planning and gathered a strong team of advisors to maximize the potential for success, but will need to remain flexible and adapt quickly to market changes, possible economic downturn, inflation or other forces beyond the City's control.

- WMATA costs are expected to continue to rise in FY2020 and beyond. The six year capital program that was released with the FY2019 WMATA adopted budget would require as much as 6 cents on the Real Estate Tax Rate by FY2024. There are ongoing regional, state, and federal efforts to address WMATA's deficiencies, which may change this projected impact on City finances.

- The City's pension funds are currently fully funded on a market value basis, and 98% funded from an actuarial basis. In FY2019, the City is seeing a significant reduction in the required contribution to its pension plans due to healthy returns on plan investments. If current actuarial assumptions hold, City retirement contributions can be expected to be stable over the coming years.

- Economic development and private investment in the City remains critical to generating the revenue reinvest in aging public infrastructure. As a minimal target, the City should seek at least $40 million per year in new construction value to buttress normal market appreciation and sustain City services and infrastructure without rate increases.

The City of Falls Church continues to enjoy strong credit ratings: Standard & Poor's AAA; Fitch AAA, and Moody's Aaa *(Note: after budget adoption, the City was upgraded to Aaa from Aa1 by Moody's in May 2018).* Sound financial management sets the stage and builds the trust necessary for accomplishing our most important community goals. These include maintaining adequate fund balances as a cushion against the unforeseen; using capital reserves for regular and well-planned reinvestment in infrastructure; and using one-time money such as grants and fund balance only for one-time expenses and not for ongoing expenses.

With the major capital commitments that are now underway, it will be more important than ever to uphold these sound financial management policies and continue to build upon the strong foundations that have been established through hard work and good stewardship.

Respectfully,

F. Wyatt Shields
City Manager

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City Overview

FY2019 Adopted Budget

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CITY COUNCIL & OFFICIALS

CITY COUNCIL

P. David Tarter
Mayor
Marybeth Connelly
Vice Mayor
Phil Duncan
Letty Hardi
Ross Litkenhous
David F. Snyder
Dan Sze

****

CITY OFFICIALS

F. Wyatt Shields, *City Manager*
Cindy L. Mester, *Assistant City Manager*
Kiran Bawa, *Director of Finance*
Carol W. McCoskrie, *City Attorney*
Celeste Heath, *City Clerk*
Jody Acosta, *City Treasurer*
Thomas D. Clinton, *Commissioner of the Revenue*
S. Stephen Bittle, *Sheriff*

CITY VISION

In the year 2040, the City of Falls Church is a welcoming and inclusive community – a special place in the heart of Northern Virginia. Involved citizens are key to the City's long-term success as a leader in education, environmental sustainability, multi-modal transportation, and vibrant economic development.

By investing in neighborhoods, community services and facilities, schools, and parks the City preserves small-town character and history while honoring a deep commitment to progress and a growing community. The continual rejuvenation of robust commercial areas supports the City's high quality of life for all citizens.

Inherent in this Vision Statement is a set of core values that embody what the City of Falls Church is striving to achieve over the next 25 years. That set of core values is listed here.

Small-Town Character in an Urban Setting

- Community involvement and spirit
- Festivals and events
- Substantial investment in the arts, including public art
- Historic preservation
- Revitalization districts as focal points

Economic Sustainability

- Flourishing commercial base including local shopping and dining
- Business development
- Skilled labor force
- Regional attractions and tourism economy
- Public-private collaboration

Environmental Sustainability

- Parks and open spaces for recreation and the environment
- A lush urban forest
- Safe, breathable air
- Clean, safe streams as measured against water quality requirements for being "swimmable and fishable"
- Zero waste
- Energy efficiency/reduction in GHG emissions

Inclusiveness and Social Sustainability

- Diverse housing stock for all income levels
- Services and facilities for all ages and abilities
- Celebrations of race and culture including music, arts, and commemorations of history and historical events

Education

- High quality public education and library facilities
- Continued academic excellence
- Opportunities for life-long learning

Mobility and Accessibility

- Travel options to walk, bike, transit, or drive
- Local accessibility and regional mobility
- Regional cooperation and regional solutions

Public Health and Safety

- Ample opportunities for physical activity
- Access to fresh, local foods
- Low crime rates
- Responsive police service
- Access to quality physical and mental health care
- Hazard mitigation

Responsive and Accountable Governance

- Fiscal responsibility
- Accessible and responsive public servants
- High participation with citizen boards and commissions
- Openness and transparency

Resolution 2017-14
Adopted April 10, 2017

CITY OVERVIEW

Falls Church is an independent city lying just a few miles from the national capital. This proximity has been a major influence on its development, especially over the last century. Falls Church is small in area (2 square miles) and population (estimated at 14,269 as of July 2017 according to the Weldon Cooper Center), but its heritage predates America's colonial era.

As far back as 12,000 years ago, before the English came to Jamestown in 1607, the gently rolling landscape of Falls Church was traversed by Native American hunter-gatherers. As they moved inland from the north and east, they traveled two trails that intersected within the present boundaries of Falls Church. After a series of wars ending in 1677, they left the region and settlers gradually moved in.

The City's history dates back to the late 1600's when it was an early colonial settlement shared with native Indians. The community grew up around The Falls Church, which was founded in 1734 and whose congregation has included president George Washington and Virginia statesman George Mason. Falls Church slowly grew around the intersection of two Indian trails leading to the lower Potomac River falls, not far from the current intersection of Broad Street (Route 7) and Washington Street (Route 29). In 1875 the Town of Falls Church was chartered by the Virginia General Assembly. Falls Church became an independent City in 1948 led by parents determined to improve the quality of local schools. Named an All-America City in 1962, Falls Church has also earned the Tree City USA award for 32 consecutive years from the National Arbor Day Foundation.

Falls Church ranks first in the nation in the percentage of persons with at least a college degree. In the most recent census, 75 percent of the persons 25 years of age or older living in Falls Church had at least a bachelor's degree. Approximately 40 percent of the population had a Master's, professional, or doctorate degree, which is almost four times the national average.

- Council-Manager form of government
- Chartered as independent city in 1948
- Seven member City Council, elected at-large for four year term
- Mayor and Vice Mayor selected by Council for two year terms

City Council Front Row left to right: David Snyder, Mayor Dave Tarter, Vice-Mayor Marybeth Connelly. Back Row, left to right: Letty Hardi, Dan Sze, Phil Duncan, David Tarter, Ross Litkenhous.

CITY OF FALLS CHURCH, VIRGINIA
DIRECTORY OF OFFICIALS

F. Wyatt Shields, City Manager
Cindy Mester, Assistant City Manager
Kiran Bawa, Director of Finance
Carol W. McCoskrie, City Attorney
Celeste Heath, City Clerk
Jody Acosta, City Treasurer
Thomas D. Clinton, Commissioner of Revenue
S. Stephen Bittle, Sheriff

CITY STATISTICS

- 2 square miles
- Population of 14,269 (Estimate as of July 7, Weldon Cooper Center)
- $4,450,566,300 total assessed value of real estate at January 1, 2018; $4,144,519,800 taxable assessed value
- Percentage of population with a bachelor's degree or higher is 75% (US Census Bureau 2010 census data)

	FALLS CHURCH	WASHINGTON METRO	U.S.
January 1, 2018 Median Single Family Home value	$805,100[1]	$399,900[2]	$247,200[3]
Unemployment Rate, December 2017[4]	2.3%	3.3%	3.9%

RACE AND ETHNICITY, 2010

White	80.4%
African American	5.0%
Asian	9.5%
Other, unknown	0.5%
Two or more races	4.6%
Total	100.0%
Hispanic (any race)	*10.2%*

Source: U.S. Census Bureau

AGE DISTRIBUTION, 2010

0-19	26.1%
20-44	31.3%
45-64	30.6%
65+	12.0%
Total	100.0%
Median Age	37.9

Source: US Census Bureau

OCCUPATIONS OF CITY RESIDENTS

Construction	353	3.07%
Manufacturing	38	0.33%
Transportation	128	1.11%
Information	293	2.55%
Wholesale Trade	126	1.09%
Retail Trade	1,156	10.04%
Finance, insurance, and real estate	165	1.43%
Real estate and rental and leasing	209	1.82%
Professional, scientific, management	1,747	15.18%
Management of companies and enterprises	59	0.51%
Administrative Support & Waste Management and Remediation	387	3.36%
Health care and social assistance	1,570	13.64%
Educational, health, and social services	578	5.02%
Arts, entertainment and recreation	269	2.34%
Accommodation and food services	1,160	10.08%
Other services (except Public Administration)	778	6.76%
Public administration	2,493	21.66%
Total Employed	11,508	100.0%

Source: Virginia Employment Commission, as September 2016

REGIONAL COOPERATION

Memberships:

Northern Virginia Regional Commission (NVRC)
Northern Virginia Transportation Commission (NVTC)
Northern Virginia Transportation Authority (NVTA)

Northern Virginia Regional Park Authority
Fairfax-Falls Church Community Services Board
Metropolitan Washington Council of Governments
Northern Virginia Criminal Justice Academy

Services provided by contract *by* other localities:

Arlington County
- Jails
- Commonwealth Attorney
- Circuit Court
- Fire
- E-911
- Boys residential home (Argus House)
- Probation Services

Fairfax County
- Health
- Area Agency for Aging
- Social Services

Services provided by contract *to* other localities:

Aurora House (residential group home for girls)

[1] Source: City of Falls Church Real Estate Assessor's Office; assessments for single family homes and townhouses.
[2] Source: National Association of Realtors; sales price for single family homes and townhouses, excluding foreclosures.
[3] Source: *Ibid.*
[4] Source: Bureau of Labor Statistics, Local Area Unemployment Statistics

ECONOMIC DEVELOPMENT TRENDS

The Local Marketplace and Mixed-Use Development

The City of Falls Church benefits from over $545 million in new development and investment built along its primary commercial corridors in recent years. The Broadway (2003), Byron (2006), Read Building (2007), Pearson Square (2007), Spectrum (2008), Northgate (2014), 301 W. Broad (2016), and Lincoln at Tinner Hill (2016) have followed a pattern of higher-density, mixed-use and other development on underutilized infill sites. Collectively these projects produce about $10.6 million in gross revenue and $3.8 million in net revenue for the City annually. At the end of calendar year 2017, very nearly all eight of the mixed use projects built since 2003 are fully stabilized. With the opening of the new Target store in March of 2018 at the Lincoln at Tinner Hill building, it is anticipated that the few remaining vacant spaces in that building will soon lease up, due to the strength of a newly opened anchor tenant for the building. Orange Theory (fitness concept), Pivot Physical Therapy and an ice cream business will soon open in that building as well.

Commercial space in the mixed-use buildings has added 370,000 square feet to the City's inventory, including a 60,000 square foot Harris Teeter grocery that opened in July 2016. Included in that total is the Tax Analysts Building, a physically detached component of the Pearson Square project on South Maple Avenue, containing 85,000 square feet of fully occupied Class A office and retail space.

Office Trends

Office space in the City averages more than 50 years in age, according to CoStar, which also reports the average rent at $23.25 per square foot (full service). Newer space averages $30 per square foot, full service. The City's convenient location and competitive office rental rates contribute to a vacancy rate of 8.3 percent – lower, by comparison, to Northern Virginia's direct office vacancy rate of nearly 20 percent.

The City trend in attracting medical practices and small professional office tenants continues. In 2013, office properties at 500/510/520 N. Washington Street were purchased by an affiliate of Inova Health Systems as a mid-range real estate 'hold' and possible long-term health facility development opportunity. Since that purchase, private and Inova health and wellness related offices have undertaken substantial renovations in those buildings, a trend that is likely to continue. Likewise, properties at 500/510 Annandale Road were sold to Pulmonary and Medical Associates, one of Northern Virginia's largest medical practices, with 20,000 patients; the group moved to Falls Church from a location in Arlington and rehabilitated two buildings for their use and to sublease. They have recently added a walk-in medical clinic to their offerings in these buildings. They have also advised that medical office space demand exceeds supply in their buildings, thus they are evaluating other medical office space acquisition/renovation possibilities. In addition, there are many new and existing dental and medical practices in both older and new office buildings in the City, including in the newer mixed use buildings.

Retail Trends

Scarcer than available office space in the City is vacant space for retail. As it becomes available, this space is quickly backfilled, and typically at higher rent. CoStar reports the vacancy rate for retail space in the City in late 2017 was 2.3 percent, even lower than last November's 3.5% rate. Average retail rent in the City is at $26.98/sf (triple net), also trending up since last year. This does not include far higher rates for space at the Eden Center, which is not reflected in CoStar data. This also compares with higher vacancy rates and higher average rents in the rest of Northern Virginia.

In 2016, the City saw the grand opening of the 60,000 Harris Teeter store in the 301 W. Broad project, and the opening of the 43,000 square foot Good Fortune grocery in the Eden Center. Both of these grocery users have contributed to a rise in sales and meals tax receipts in the City in recent years. In 2018, the City anticipates the opening of another grocery addition, a new Aldi grocery store in the late fall in the Tower Square shopping center on Hillwood Avenue. In late 2017, a smaller specialty grocer, Troika Gastronom, relocated into much larger space in the same Tower Square shopping center as the "coming soon" Aldi grocery. Food and beverage businesses have also been the source of great demand for commercial space in Falls Church. Most recently during 2017 we saw the openings of Liberty BBQ, Falls Church Distillers (the first distillery in the City has been an exciting and very popular destination option), and a re-opening of the popular Afghan restaurant, Panjshir, in a new and larger space, as well as and Mediterranean Chicken and Ramen Factory 42 in the strip center in the 300 block of S. Washington Street. In 2018, we anticipate openings for many other food and beverage establishments including Northside Social on the corner of Park and N. Maple; a new brewery, Audacious Aleworks; and Bakeshop (both Audacious Aleworks and Bakeshop will open in the strip shopping center across from The Falls Church). Dominion Wine and Beer, at 107 Rowell Court will also be opening a second floor tasting room in mid-2018. In the past few years many other food/beverage operators have also joined the list of diverse offerings in the City including Einstein Brothers Bagels, Pizzeria Orso, Chipotle, Paisano's, Sfizi, Honeybaked Ham, Mad Fox, Space Bar, Moby Dick's, Caribbean Plate, Subway, Dunkin' Donuts, Sweet Frog, Zinga, Happy Tart, Locker Room, Pita Pouch, Plaka Grill and Lil' City Creamery, all serving to bolster the City's meals tax revenue.

The health, fitness and beauty boom continues in a big way in the City. Back in 2012, California-based 24-Hour Fitness chose Falls Church as the location for its second facility in the Washington, DC region. The company invested more than $7 million to convert a former Syms clothing store into a state-of-the-art fitness and training center. Since then, we have seen many spas, hair styling (including the latest popular trend of barbershops), yoga, crossfit, boxing, cycling and other concepts open their doors in Falls Church. In late 2017, CycleBar most recently joined those ranks, with Orange Theory in the Lincoln building anticipated to open in April 2018.

Pipeline Projects

A land entitlement application was approved in 2016 for a $155 million mixed-use project on 4.3 acres at the northeast corner of West and Broad streets. "Founders Row" was anticipated to consist of 322 apartments, a 145-room hotel, and about 100,000 square feet of retail/restaurant space, including a multi-screen, dine-in Movie Theater. Modifications to the approvals of that project are expected to be considered by City Council in 2018, changing the composition of the project to include 72 age restricted rental apartments, in substitution for the hotel. Construction for that major project could get started in 2018 if City Council approves their requested use change.

An application was filed in 2015 by Insight Property Group for a mixed-use project on almost three acres at the intersection of Routes 7 and 29 in the center of Falls Church. The "Broad and Washington" project is expected to be considered by the City Council in April 2018, after completing their visits with City Boards and Commissions and following a sixth special exception submission.

Intense interest and activity from investors pursuing land assembly and higher density development opportunities in the City of Falls Church continues. The City aggressively seeks to capture investment and new development with the right mix of uses to strengthen, broaden and balance its tax base. The multi-family residential market still shows strength for new rental housing, especially smaller units targeted to young professionals and empty nesters in the Washington, DC area. The market for age-restricted, active senior apartments is emerging in the City and developers are taking notice.

The Eden Center

One of the most remarkable commercial success stories in Falls Church and, indeed, the metropolitan Washington region, is the Eden Center on Wilson Boulevard. The center is Northern Virginia's premier Asian shopping destination, with over 130 businesses. Its Vietnamese restaurants, eclectic array of shops, vendors and cultural events regularly draw chartered buses from surrounding states and Canada. Good Fortune, a New York-based Asian grocery chain, opened a 43,000-square-foot flagship store at the Eden Center in 2014, providing a strong anchor for the center. Due to the unique nature of the center and its popularity, there is rarely a vacancy in this center.

George Mason High School Campus/10 acre redevelopment project

The most significant and important future land use project anticipated in the City was formally and officially "launched" on November 7, 2017, when 64% of City voters authorized the issuance of up to $120 million in bonds to pay for a new high school in the City. Both the City schools and the City government continue to work towards selecting a partner for each of two projects: 1. constructing a new high school and 2. to develop the 10 acre mixed use site located on the corner of Haycock Road and Leesburg Pike. Both a school design/contractor decision and an economic development agreement are scheduled to be completed in late spring 2019. Both concurrent selection processes will include multiple opportunities for public input and comment. The schedule currently calls for the new high school to begin construction in 2019, and open in summer 2021. The commercial development on up to 10 acres of the campus would commence after the new school is open.

Employment, Education and Household Income Trends

In December of 2017, the Virginia Employment Commission reported that the City of Falls Church has only a 2.3 percent unemployment rate, compared to the state-wide Virginia rate of 3.4 percent and a nationwide rate of 3.9 percent. Forbes reported in July of 2017 that the City of Falls Church has an annual median household income of $122,092, the second highest of any jurisdiction in the United States; the City is the smallest jurisdiction on Forbes list. The Forbes annual article also highlights the City's extremely high educational attainment level – 78.8% of our adult residents have a bachelor's degree or higher, which is the highest for any city or county in the country

COMPREHENSIVE PLAN OUTLOOK FOR THE FUTURE

- The City will continue as a vibrant and thriving enclave in the Northern Virginia region, inhabited by citizens and businesses who believe strongly in community involvement and spirit.

- The City will retain its small-town character even with more dense development in its commercial districts. This character will be conveyed visually through the cohesive architecture and urban design of the commercial districts, which complement the residential neighborhoods, and through the successful preservation and rehabilitation of the City's historic resources.

- The City's commercial base will be strong and serve the greater Falls Church community, while also attracting people from throughout the region to eat, shop, and conduct business in the commercial centers. The City will have attractive office spaces located within walking distance of restaurants and shops. Public-private collaboration will result in the creation of public gathering places for cultural events and meetings.

- In meeting the need for new and expanded George Mason High School, the City is exploring the potential for commercial development on a portion (as much as 10 acres) of the existing campus. The proximity of the campus to the West Falls Church Metro, I66, the UVA Va Tech Northern Virginia Center raise the potential for high quality development on the site that will create a sense of place, provide needed amenities, and generate revenue to help pay for new or renovated school facilities on the campus.

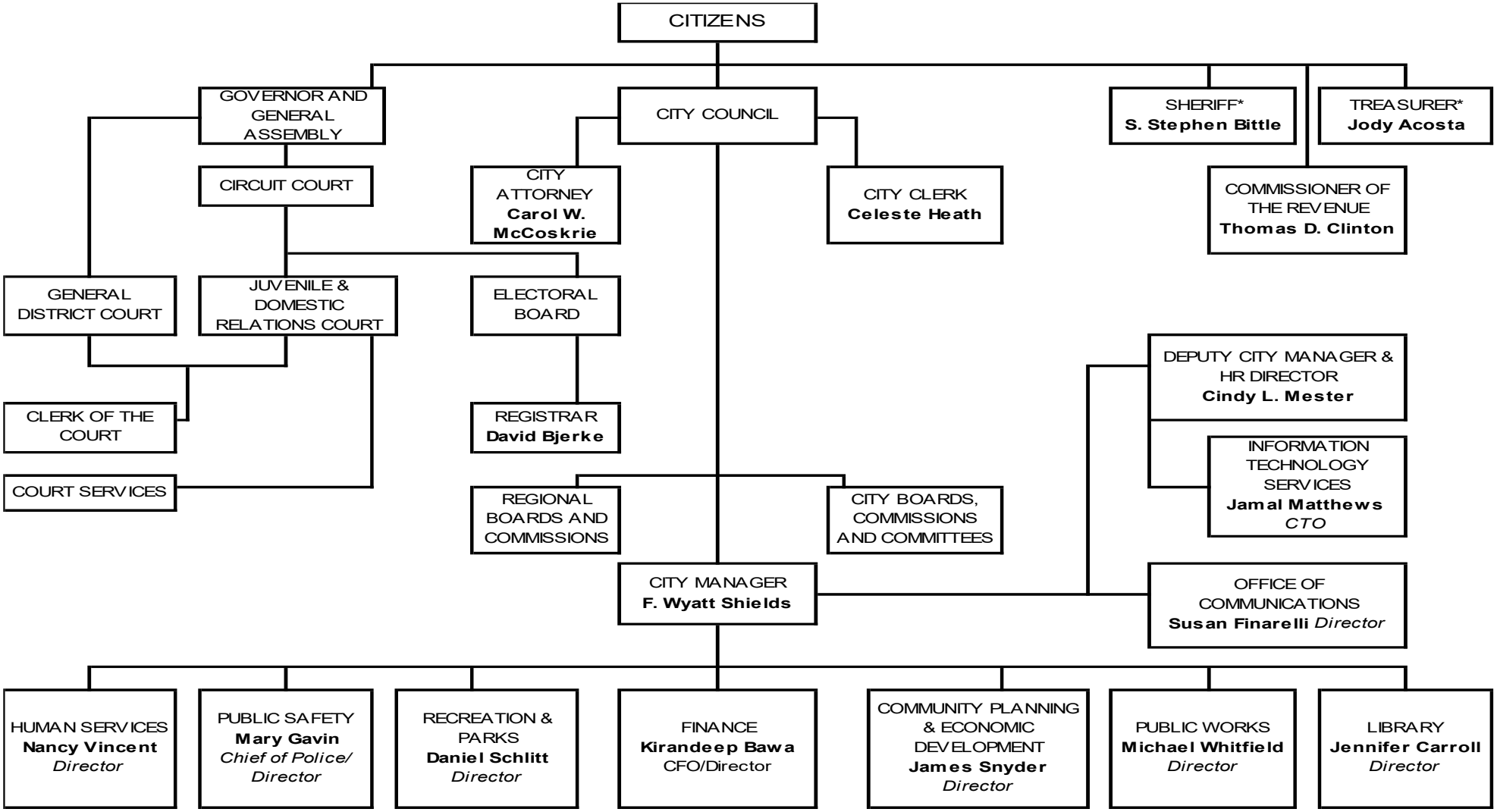
- Education will continue to be a high priority for the City. Schools will be maintained as high quality public facilities, commensurate with the continuing academic excellence for which the City is known, and will serve as an important focus for community, social, and cultural activities.

- Local educational services will expand to include institutes of higher education and an extension of educational opportunities to all City residents. The addition of these higher education resources will draw new ideas from the region and perhaps from beyond, from which the entire community will benefit. The City's library will remain an integral component of the excellent educational system.

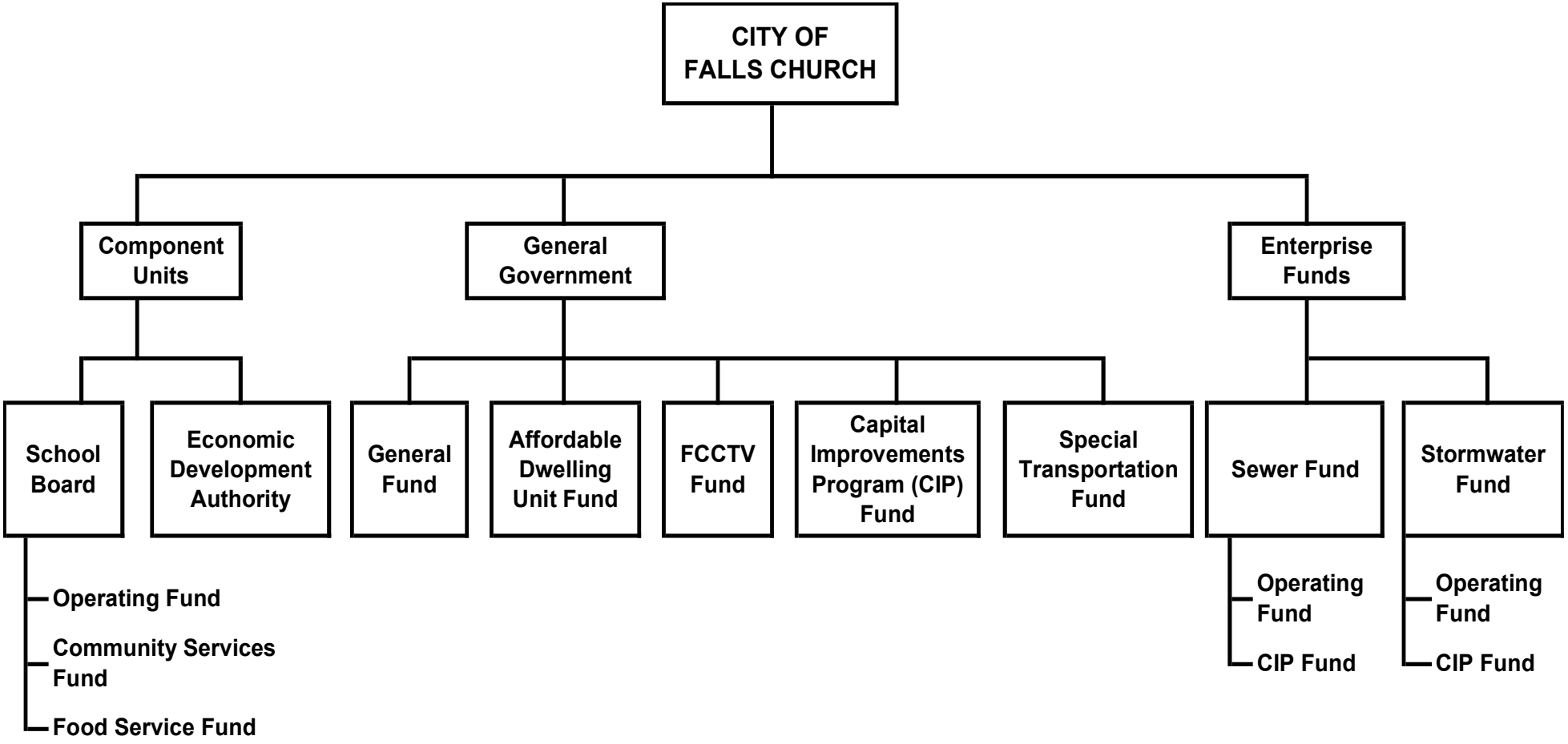
- Planning for open space will also provide for active recreation and sports.

- The City will remain attractive to a wide range of family types, cultures, and generations, including single-person households, those with children, and citizens in retirement, embracing the City's varied ethnic and cultural diversity. A diverse housing stock will provide opportunities for all income levels and family types.

ORGANIZATIONAL CHART



FUND STRUCTURE



GENERAL GOVERNMENT

General Fund: The General Fund accounts for all expenditures and revenues not otherwise included in the other funds. It has an annual appropriation. Any unexpended and unencumbered amounts at the end of the fiscal year revert back to fund balance.

CIP Fund: The CIP Fund accounts for major capital outlays of the General Government and School Board, generally those exceeding $100,000. The City's Planning Commission reviews and approves a five-year program with an eye towards the City's financial policies. The City Council makes the final approval through an Ordinance. The five-year program is reviewed each year and adopted every year to ensure that needs are addressed in relation to the City's fiscal environment.

Special Transportation Fund: The Special Transportation Fund is a separate capital program fund established in FY2014 with the main purpose of accounting for the revenues received from the taxes implemented as part of House Bill 2314 and the expenditures thereof. Revenues include: (1) 30% of 1% sales tax, 2% hotel and occupancy taxes and .15% on recordation taxes; (2) the equivalent of Commercial and Industry Tax of 12.5 cents; and (3) if the City has eligible projects, revenues from the Northern Virginia Transportation Authority, the source of which is the 70% of the additional sales, hotel and recordation taxes noted in (1). In addition, grants for transportation programs are accounted for in this fund.

Affordable Dwelling Unit Fund: The ADU Fund was established to accumulate dedicated funding for affordable dwelling programs. Initial funding was transferred from the General Fund. Other sources of funds have included developer contributions.

Cable Access Fund: The Cable Access Fund accounts for all expenditures and revenues relating to the operation of the Falls Church City TV station.

ENTERPRISE FUNDS

Sewer Fund: The Sewer Fund accounts for the revenues and expenditures that relate to the operations of the City's sewer system. There is a separate fund for the Sewer's operating activities and another for capital improvement program. The City's Planning Commission also reviews and recommends to the City Council a five-year program. The City Council adopts the program through an Ordinance. The five-year program is also reviewed and re-adopted each year.

Stormwater Fund: The Stormwater Fund is a relatively new enterprise fund that was established in FY2014. This fund accounts for the revenues and expenditures, including capital improvements program, for the conveyance of the City's stormwater.

COMPONENT UNITS

School Board: The School Board is a publicly-elected body consisting of seven members. A chairperson and a vice-chairperson is elected by the members. The School Board has jurisdiction over the administration of the City's pre-Kindergarten to High School education system, and other ancillary activities. The School Board sets its own budget and requests an annual transfer from the General Government. Excess of revenues over expenditures remain in each of the School Board funds and is available for their use in future years. The School Board does not have the ability to raise taxes or issue debt. All debts are issued by the General Government and associated debt service payments are budgeted by the General Government. The School Board established three funds to account for its operations:

- Operating Fund – The Operating Fund accounts for all expenditures and revenues that pertain to the operation of the City's pre-Kindergarten to High School education system and not otherwise included in the other funds
- Community Service Fund – The Community Service Fund accounts for all expenditures and revenues that relate to the operation of a daycare, the television access programs and other community education programs
- Food Service Fund – The Food Service Fund accounts for all expenditures and revenues relating to the provision of food and beverages to the students of the City.

FINANCIAL POLICIES

I. PLANNING AND BUDGETING – ALL FUNDS

A. Governing Legislation

The adoption and implementation of the City of Falls Church's (the City) budget shall be governed by Chapter 6 of the City Charter and Chapter 10 of the City Code. This policy shall not override any of the provisions of the Charter and the Code, but rather, shall provide supplemental guidance on the adoption and implementation of the City's budget.

B. General

The City of Falls Church will adopt an annual General Fund budget in which the budgeted revenues and expenditures are equal (a balanced budget). The budget shall clearly delineate the sources of funding for each year's expenditures.

Any one-time revenues or use of unassigned fund balance will be used for one-time, non-recurring expenditures such as capital assets, pay-as-you-go projects in the Capital Improvement Program (CIP), equipment, special studies, debt reduction, and capital reserve contributions. Restricted or committed fund balances may only be used for the purpose so stated.

Each year's budget may include a General Fund Contingent appropriation ("Council Reserve") to cover unforeseen expenditures, new projects initiated after a fiscal year has begun, or revenue shortfalls. Unexpended amounts in this reserve at fiscal year-end may be re-appropriated by Council for use in the subsequent fiscal year. Funding may be allocated from this contingent appropriation only by resolution of City Council.

The City will adopt annual Utility Funds budgets in which the budgeted revenues from fees and charges, investment earnings, and operating grants will be sufficient to meet operating expenses and debt service. Availability fees, including availability fees accumulated from previous years, will only be used to offset the costs of providing additional capacity, including debt service on any debt incurred to finance such projects. Any one-time revenues or use of unrestricted net assets will be used for one-time, non-recurring expenses such as capital, equipment, special studies, debt reduction, and reserve contributions. Restricted net assets may only be used for the purpose so stated.

The City will prepare and update annually a five-year Capital Improvement Program (CIP) to be approved by City Council. At the same time, the City Council will adopt an annual budget for the Capital Fund including a resolution to bond projects requiring that source of funding. The CIP will be developed with an analysis of the City's infrastructure and other capital needs, and the financial impact of the debt service required to meet the recommended financing plan.

Except for trust funds, the City will adopt an annual budget for all other funds including the School Board and the Economic Development Authority.

The City Council will adopt all budgets by Ordinance.

C. Budget Amendments

Amendments to any budget that require an increase in revenue and/or expenditure requires an Ordinance to be passed by the City Council.

Transfers of funding between departments, as defined by the City's organization structure, requires a resolution by the City Council. Any transfers to and from the Storm Water Fund and Sewer Fund constitute an increase in each of the Funds' budgets and therefore requires an Ordinance to be passed by the City Council.

Transfers within departments require an approval by the City Manager and by the Chief Financial Officer.

Transfers between capital projects require a resolution by the City Council. Downward adjustments to project budgets require approval only by the City Manager and the Director of Finance.

D. Funding of Post-Retirement Benefits

The City will use an actuarially-accepted method of funding its pension system to maintain a fully-funded position. The City's contribution to employee retirement costs will be adjusted annually as necessary to fully fund its actuarially determined employer contributions.

The City will use an actuarially-accepted method of funding its other post-employment benefits to maintain a fully-funded position. The extent of the City's *other* post-employment benefits and its contribution to them will be adjusted annually as necessary to fully fund its actuarially determined employer contribution.

E. Transfers from Utility Funds

Transfers from the Utility Funds to the General Fund may be done for reimbursement of administrative expenses based on a reasonable method of calculation and payment in lieu of taxes.

II. DEBT MANAGEMENT

A. General Fund

The City of Falls Church will adhere to the following policies whenever the City issues new bonds:

1. Total General Fund supported debt shall not exceed 5% of the net assessed valuation of taxable real estate property in the City.
2. The goal would be to maintain annual debt service expenditures for all General Fund supported debt below twelve percent (12%) of total General Fund operating expenditures, including school board transfer and debt service and in no event

shall it exceed fifteen percent (15%). If at any time the 12% target is exceeded, the City shall comply with the fund balance requirements stated in Section III.A.3.

3. The term of any debt issue shall not exceed the useful life of the capital project/facility or equipment for which the borrowing is intended.
4. The city shall comply with all U.S. Internal Revenue Service arbitrage rebate requirements for bonded indebtedness.
5. The City shall comply with all requirements of Title 15.2 Code of Virginia and all other legal requirements regarding the issuance of bonds and certificates of the City or its debt issuing authorities.
6. At least 25% of total debt will be repaid within five years and at least 50% of total debt within ten years. If at any time the payout ratio falls below these thresholds, the City shall comply with the fund balance requirements stated in Section III.A.3.
7. Debt shall be defined as bonds, capital leases, lines of credit, and certificates of participation or any other instruments that constitute evidence of indebtedness on the part of the City.

The Council shall put to referendum certain general obligation bonds:

1. Where the aggregate amount of the bond, for the bonded project or portion thereof exceeds ten percent of the General Fund budget for the fiscal year in which the bond(s) are anticipated to be issued.
2. The referendum requirement does not apply to bonds issued for sewer, fire, police and medical services projects.

In addition, Article VII of the Constitution of the Commonwealth of Virginia limits the City's debt capacity to not more than 10% of the assessed valuation of taxable real estate property in the City.

B. Utility Funds

The City may issue bonds to fund enterprise activities, such as storm water and sewer utilities, or for capital projects which will generate a revenue stream.

1. The bonds will be issued only if revenue sources are identified that are sufficient to fund the debt service requirements.

2. Costs of issuance, debt service reserve funds, and capitalized interest may be included in the capital project costs and thus are fully eligible for reimbursement from bond proceeds.

3. Bonds may be issued either as revenue bonds or as City general obligation bonds. In either case, the debt service coverage for the fund supporting the debt shall be at least 105%. Debt service coverage is calculated by dividing net operating income by the bonds' annual debt service.

III. FUND BALANCE AND NET ASSETS

A. General Fund

Unassigned fund balance is a key element of financial resilience for any municipal organization. An unassigned fund balance at 17% of expenditures represents two months of operating expenditures, and is held in reserve to mitigate the impacts of unanticipated revenue shortfalls, and provide a buffer for unexpected expenditure requirements. Capital reserves, similarly, allow the City to execute a multi-year capital plan with a buffer against unforeseen economic events.

The City of Falls Church adopts the following policy for its Unassigned General Fund balance:

1. The goal for unassigned fund balance shall be 17%, but not less than 12%, of the actual General Fund expenditures for the then current Fiscal Year, and these funds shall be appropriated by the City Council.
2. In the event that the unassigned fund balance is used to provide for temporary funding of unforeseen emergency needs or used to mitigate effect of unbudgeted revenue shortfall, the City shall restore the unassigned fund balance to 12% of the actual General Fund expenditures for the then current fiscal year within two fiscal years following the fiscal year within which the event occurred. To the extent additional funds are necessary to restore the unassigned General Fund Balance to 17% of the actual General Fund expenditures for the then current year, such funds shall be accumulated in no more than three approximately equal contributions each fiscal year; this shall provide for full recovery of the targeted fund balance amount within five years following the fiscal year in which the event occurred.
    a. The use of unassigned fund balance as described in item 2 shall be made by a budget amendment.
3. In the event City's annual debt service for all General Fund supported debt exceeds twelve percent (12%) of General Fund expenditures as stated in Section II.A.2 or the City's debt payout ratios fall below the thresholds described in Section II.A.6, the goal for available General Fund Balance (including all unrestricted and spendable fund balance) shall be twenty percent (20%) but not less than fifteen percent (15%) of the actual General Fund expenditures for the then current fiscal year. In addition, the same method of fund balance restoration (as outlined for unassigned fund balance in Section III.A.2) will apply to total available fund balance if it falls below fifteen percent (15%).
4. The following are other types of fund balance as defined by Governmental Accounting Standards Board (GASB) and should not be included in the calculation of the ratio discussed in item 1:
    a. Restricted fund balance represents that portion of fund balance that is restricted for a specific future use either by enabling legislation, donor, or bond covenant. This fund balance is required to be used or maintained for the specific purpose so stated.
    b. Committed fund balance represents fund balance that is committed by the City Council to be used for a specific purpose, such as funds committed to be used for capital projects in the Capital Improvement Project fund. Such commitment

may only be reversed by similar action that committed it. Such commitment should be supported by definitive plans approved by the City Council.

c. Non-spendable fund balance represents that portion of the fund balance that is not available for future spending such as prepaid items, inventory and long-term notes receivables.

d. Assigned fund balance represents amounts that are constrained to be used for specific purpose (such as towards contracts) by either the City Council or the City Manager.

B. Capital Reinvestment Policy: General Fund

1. The City shall establish a capital reserve and it shall be a committed fund balance. The balance shall be maintained at 5% of General Fund capital assets OR $3,750,000, whichever is lower. The capital reserve shall be used to pay for replacement and rehabilitation projects in the Capital Improvement Program or for debt service for those projects. The use of this capital reserve shall be included in the annual appropriation or in budget amendments passed by the City Council through an Ordinance. The City may go below the minimum balance to fund unforeseen emergency capital needs. In the event that this happens, the City shall restore the required balance within three (3) fiscal years.

C. Utility Funds

It is the City's goal, pursuant to the utility rate studies provided by consultants, to have positive unrestricted net assets for its Utility Funds in its Statement of Net Assets that reflect economic well-being.

1. Unrestricted net assets shall be greater than 25% of total operating expenses at fiscal year-end, to provide reserves for operations and future capital improvements.

2. There will be a restriction of net assets for investment in capital assets, net of related debt, as required by Generally Accepted Accounting Principles.

3. Designation of unrestricted net assets represents plans by management. Such designations should be supported by definitive plans approved either by the City Council or the City Manager.

   The City shall establish a capital reserve for the Storm Water Fund. The balance shall be maintained at 2% of fixed assets. The capital reserve shall be used to pay for projects in the Capital Improvement Program or for debt service for those projects. The use of these funds shall be included in the annual appropriation or in budget amendments passed by the City Council through an Ordinance. The City may go below the minimum balance to fund unforeseen emergency capital needs. In the event that this happens, the City shall restore the required balance within three (3) fiscal years.

4. The City shall establish a capital reserve for the Sewer Fund. The balance shall be maintained at 2% of capital assets OR $400,000, whichever is lower. The City shall meet this goal by FY2022 through appropriation of $50,000 per annum commencing in FY2014. The capital reserve shall be used to pay for projects in the Capital Improvement Program or for debt service for those projects. The use of these funds shall be included in the annual appropriation or in budget amendments passed by the City Council through an Ordinance. The City may go below the minimum balance to fund unforeseen emergency capital needs. In the event that this happens, the City shall restore the required balance within three (3) fiscal years.

All definitions of "fund balance", "net assets", "revenues", "operating revenues", "expenditures" and "expenses" shall comply with Government Accounting Standards Board definitions.

IV. FISCAL POLICIES – ADOPTION

1. The City's fiscal policies shall be adopted by resolution of the City Council.

2. The fiscal policies shall remain in effect until such time as they are amended or repealed by subsequent Council action, and will be presented to City Council every two years within ninety days of a new Council taking office.

Adopted by City Council February 26, 2018
Resolution 2018-16

Budget Overview

FY2019 Adopted Budget

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ORDINANCE 1983

ORDINANCE FIXING AND DETERMINING THE BUDGET OF EXPENDITURES AND REVENUES AND APPROPRIATING FUNDS FOR THE FISCAL YEAR 2019: GENERAL FUND; SCHOOL OPERATING FUND; SCHOOL COMMUNITY SERVICE FUND; SCHOOL FOOD SERVICE FUND; CABLE ACCESS FUND; SEWER FUND; AND STORMWATER FUND

THE CITY OF FALLS CHURCH HEREBY ORDAINS that the annual budget of the City of Falls Church, Virginia, for the General Fund, School Operating Fund, School Community Service Fund, School Food Service Fund, Cable Access Fund, Sewer Fund and Stormwater Fund for the Fiscal Year 2019, is hereby fixed, determined and appropriated as hereinafter set forth:

a. $92,547,237 for the General Fund revenues; and

   $92,547,237 for the General Fund expenditures.

b. $51,039,858 for the School Operating Fund revenues; and

   $51,039,858 for the School Operating Fund expenditures.

c. $2,419,126 for the School Community Service Fund revenues; and

   $2,419,126 for the School Community Service Fund expenditures.

d. $1,103,600 for the School Food Service Fund revenues; and

   $1,103,600 for the School Food Service Fund expenditures.

e. $237,604 for the Cable Access Fund revenues; and

   $237,604 for the Cable Access Fund expenditures,

f. $4,510,000 for the Sewer Fund revenues; and

   $4,510,000 for the Sewer Fund expenditures.

g. $1,630,000 for the Stormwater Fund revenues; and

   $1,630,000 for the Stormwater Fund expenditures.

ORD. 1983
Page 2 of 5

FY2019 APPROPRIATION OF FUNDS			
	FY2018 Adopted	FY2019 Proposed	FY2019 Adopted
General Fund - Expenditures by Department			
Legislative	1,104,630	1,114,577	1,114,577
Executive	3,061,302	3,084,449	3,084,449
Finance	1,501,656	1,528,307	1,528,307
Commissioner of the Revenue	787,914	804,790	804,790
Treasurer	862,280	910,443	910,443
Registrar	303,319	289,252	289,252
Sheriff	1,466,671	1,469,969	1,464,669
Clerk of Court	41,543	42,347	42,347
Public Safety	9,438,948	9,561,615	9,661,352
Public Works	6,064,911	6,152,838	6,182,838
Human Services	3,768,170	3,811,086	3,811,086
Recreation and Parks	3,200,044	3,214,438	3,204,438
Library	2,090,714	2,090,714	2,090,714
Community Planning & Economic Development	2,710,989	2,767,892	2,767,892
Education and Transfers to Schools	41,181,003	42,351,898	42,351,898
Non-departmental	9,782,118	14,769,685	13,238,185
Total General Fund	**87,366,212**	**93,964,300**	**92,547,237**
General Fund Revenue			
Property Taxes	58,970,900	63,672,200	62,429,200
Property Taxes - Non Assessed	380,000	397,000	397,000
General Sales & Use Taxes	4,649,000	4,742,000	4,742,000
Selective Sales & Use Taxes	6,183,750	6,533,000	6,533,000
Gross Receipts Business Taxes	4,263,000	4,439,000	4,439,000
Other Taxes	1,024,000	1,051,000	1,051,000
Licenses & Permits	1,492,346	1,410,626	1,410,626
Federal Grants	354,671	308,037	308,037
State Operating Grants	991,675	911,226	943,926
State Shared Revenue	3,147,877	3,134,027	3,134,027
Charges for Services	3,505,896	3,806,484	3,806,484
Fines & Forfeitures	652,100	625,000	625,000
Investment Revenues	50,000	50,000	50,000
Rental Income	240,000	232,500	232,500
Contributions Private Sources	13,430	20,400	20,400
Interfund Operating Transfers	1,114,567	1,350,000	1,061,500
Use of Assigned & Restricted Fund Balance	-	240,000	321,737
Dispositions & Sales	29,000	52,800	52,800
Recovered Costs	35,000	30,000	30,000
Debt Proceeds	269,000	959,000	959,000
Total General Fund Revenues	**87,366,212**	**93,964,300**	**92,547,237**

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FY2019 APPROPRIATION OF FUNDS			
	FY2018 Adopted	FY2019 Proposed	FY2019 Adopted
School Operating Fund - Expenditures			
Uses of Funds	50,570,700	51,039,858	51,039,858
Total School Operating Fund Expenditures	**50,570,700**	**51,039,858**	**51,039,858**
School Operating Funds - Revenues			
Use of Fund Balance	574,200	450,000	450,000
Sales Tax	2,775,300	2,809,038	2,809,038
Federal Funds	553,600	556,558	556,558
State Funds	4,118,300	4,040,732	4,040,732
Other	1,508,800	971,984	971,984
City Appropriation	41,040,500	42,211,546	42,211,546
Total School Operating Fund Revenues	**50,570,700**	**51,039,858**	**51,039,858**
School Community Service Fund - Expenditures			
Uses of Funds	2,410,900	2,819,126	2,419,126
Total School Community Services Fund Expenditures	**2,410,900**	**2,819,126**	**2,419,126**
School Community Services Fund - Revenue			
Use of Fund Balance	253,000	653,000	253,000
User Fees	1,871,420	1,879,626	1,879,626
Other Income	178,980	179,000	179,000
City Appropriation	107,500	107,500	107,500
Total Community Services Fund Revenues	**2,410,900**	**2,819,126**	**2,419,126**
School Food Service Fund Expenditures			
Uses of Funds	1,108,600	1,103,600	1,103,600
Total School Food Service Fund Expenditures	**1,108,600**	**1,103,600**	**1,103,600**
School Food Service Fund Revenues			
Use of Fund Balance	100,000	100,000	100,000
Federal and State Grants	120,500	120,500	120,500
Cafeteria Sales	851,100	851,100	851,100
Miscellaneous Income	2,000	2,000	2,000
School Board Transfer	35,000	30,000	30,000
Total School Food Service Fund Revenues	**1,108,600**	**1,103,600**	**1,103,600**

FY2019 APPROPRIATION OF FUNDS			
	FY2018 Adopted	FY2019 Proposed	FY2019 Adopted
Cable Access Fund Expenditures			
TV Station Programming	223,386	237,604	237,604
Total Cable Access Fund Expenditures	**223,386**	**237,604**	**237,604**
Cable Access Fund Revenues			
Transfer from City	223,386	237,604	237,604
Total Cable Access Fund Revenue	**223,386**	**237,604**	**237,604**
Sewer Fund Expenditures			
Sewer Division	4,110,000	4,510,000	4,510,000
Total Sewer Fund Expenditures	**4,110,000**	**4,510,000**	**4,510,000**
Sewer Fund Revenues			
Charges for Services	4,000,000	4,380,000	4,380,000
Investment Income	10,000	30,000	30,000
Availability Fees	100,000	100,000	100,000
Total Sewer Revenue	**4,110,000**	**4,510,000**	**4,510,000**
Stormwater Fund Expenditures			
Stormwater Division	1,691,000	1,630,000	1,630,000
Total Stormwater Fund Expenditures	**1,691,000**	**1,630,000**	**1,630,000**
Stormwater Fund Revenues			
Charges for Services	1,635,000	1,620,000	1,620,000
Investment Income	8,000	10,000	10,000
Use of Fund Balance	48,000	-	-
Total Stormwater Revenue	1,691,000	**1,630,000**	**1,630,000**

1st Reading: 3-26-18
2nd Reading: 4-23-18
Adoption: 4-23-18_____
(TO18-02)

IN WITNESS WHEREOF, the foregoing was adopted by the City Council of the City of Falls Church, Virginia on April 23, 2018 as Ordinance 1983.

Celeste Heath

Celeste Heath
City Clerk

ORDINANCE 1984

ORDINANCE FIXING AND DETERMINING THE FY2019-FY2024 CAPITAL IMPROVEMENTS PROGRAM AND APPROPRIATING EXPENDITURE AND REVENUE FUNDS FOR FISCAL YEAR 2019

THE CITY OF FALLS CHURCH HEREBY ORDAINS THAT: Funding for the Capital Improvements Program for FY2019, as set forth below, is hereby fixed, determined, and appropriated, and the Capital Improvements Program for FY2019 through FY2024 is hereby adopted, as follows. The adoption of the CIP by the City Council signifies the Council's identification of priorities for capital spending over a six-year period. Bond funding and execution of multiple year projects should be based on an assumed approval of the CIP for all six years.

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GENERAL GOVERNMENT AND SCHOOL BOARD

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	6YR TOTALS
PUBLIC SAFETY							
Fire Station 6 Reinvestment	$ 223,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 973,000
Public Facility Security (NEW)	$ -	$ 400,000	$ -	$ -	$ -	$ -	$ 400,000
Total Public Safety	**$ 223,000**	**$ 550,000**	**$ 150,000**	**$ 150,000**	**$ 150,000**	**$ 150,000**	**$ 1,373,000**
PUBLIC FACILITIES							
MRSPL Expansion/Renovations	$ 7,307,999	$ -	$ -	$ -	$ -	$ -	$ 7,307,999
City Facilities Reinvestment	$ 350,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,350,000
City Facilities Reinvestment	$ -	$ 140,000	$ 60,000	$ 65,000	$ 60,000	$ 25,000	$ 350,000
City Hall/Public Safety Rear Expansion	$ 90,000	$ -	$ -	$ -	$ -	$ -	$ 90,000
City Hall/Public Safety Renovation	$ 260,000	$ -	$ -	$ -	$ -	$ -	$ 260,000
Mary Ellen Henderson Middle School (NEW)	$ -	$ -	$ 300,000	$ -	$ -	$ -	$ 300,000
Thomas Jefferson Elementary (NEW)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Public Facilities	**$ 8,007,999**	**$ 340,000**	**$ 560,000**	**$ 265,000**	**$ 260,000**	**$ 225,000**	**$ 9,657,999**
RECREATION & PARKS/FIELDS							
Fellows Property Parkland (NEW)	$ -	$ -	$ -	$ 500,000	$ -	$ -	$ 500,000
Synthetic Turf Replacement	$ -	$ -	$ -	$ -	$ 450,000	$ -	$ 450,000
Park Master Plan Implementation	$ -	$ 600,000	$ 300,000	$ -	$ -	$ 300,000	$ 1,200,000
Acquisition of Open Space	$ -	$ 1,000,000	$ -	$ -	$ -	$ -	$ 1,000,000
Total Recreation & Parks/Fields	**$ -**	**$ 1,600,000**	**$ 300,000**	**$ 500,000**	**$ 450,000**	**$ 300,000**	**$ 3,150,000**
TOTAL GENERAL FUND	**$ 8,230,999**	**$ 3,490,000**	**$ 1,010,000**	**$ 915,000**	**$ 860,000**	**$ 675,000**	**$ 14,180,999**
Funding Sources							
Grant/Other Funded	-	-	-	-	-	-	-
Total *Debt* Financed	***$ 7,880,999***	***$ 2,150,000***	***$ 450,000***	***$ 650,000***	***$ 600,000***	***$ 450,000***	***$ 11,180,999***
Only if grant/revenue offset	**$ -**	**$ 1,140,000**	**$ 360,000**	**$ 65,000**	**$ 60,000**	**$ 25,000**	**$ 1,650,000**
Total "Pay as you go"	**$ 350,000**	**$ 200,000**	**$ 200,000**	**$ 200,000**	**$ 200,000**	**$ 200,000**	**$ 1,350,000**
Total Sources	**$ 8,230,999**	**$ 3,490,000**	**$ 1,010,000**	**$ 915,000**	**$ 860,000**	**$ 675,000**	**$ 14,180,999**

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SPECIAL TRANSPORTATION FUND

	Funding Source	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	6 YR TOTALS
Infrastructure Program - Bridges	Federal Grant (RSTP)	$ 389,000	$ -	$ 75,000	$ -	$ -	$ 75,000	$ 539,000
Infrastructure Program - Bridges	State Grant (SGR)	$ 500,000	$ -	$ -	$ -	$ -	$ -	$ 500,000
Infrastructure Program - Pavement	State Grant (Revenue Sharing	$ -	$ 413,250	$ -	$ -	$ 650,000	$ 700,000	$ 1,763,250
Infrastructure Program - Pavement	State Grant (NVTA 30%)	$ -	$ 475,000	$ -	$ -	$ 650,000	$ 700,000	$ 1,825,000
Infrastructure Program - Pavement	Unfunded	$ -	$ 1,200,000	$ -	$ -	$ -	$ -	$ 1,200,000
Infrastructure Program - Traffic Signals	State Grant (Revenue Sharing	$ 412,500	$ 62,500	$ 350,000	$ 300,000	$ -	$ -	$ 1,125,000
Infrastructure Program - Traffic Signals (1)	State Grant (NVTA 30%)	$ 412,500	$ 62,500	$ 350,000	$ 300,000	$ -	$ -	$ 1,125,000
South Washington POA Program	State Grant (Revenue Share)	$ 412,500	$ 62,500	$ -	$ -	$ -	$ -	$ 475,000
South Washington POA Program	State Grant (NVTA 30%)	$ 412,500	$ 62,500	$ -	$ -	$ -	$ -	$ 475,000
Downtown Area POA Program	Federal Grant (Smart Scale)	$ 105,000	$ -	$ 413,000	$ 874,000	$ 608,000	$ -	$ 2,000,000
Downtown Area POA Program	State Grant (NVTA 30%)	$ -	$ -	$ 85,300	$ -	$ -	$ -	$ 85,300
Downtown Area POA Program	Local (PAYGO)	$ 240,000	$ -	$ 154,700	$ -	$ -	$ -	$ 394,700
Downtown Area POA Program	Federal Grant (Smart Scale)	$ 90,000	$ 320,000	$ 220,000	$ -	$ -	$ -	$ 630,000
Downtown Area POA Program	Federal Grant (Smart Scale)	$ -	$ -	$ -	$ 1,000,000	$ 1,700,000	$ -	$ 2,700,000
Downtown Area POA Program	Unfunded	$ -	$ 500,000	$ -	$ -	$ -	$ -	$ 500,000
Neighborhood Traffic Calming	Federal Grant (BPSP)	$ -	$ 636,000	$ -	$ -	$ 800,000	$ -	$ 1,436,000
Neighborhood Traffic Calming	Local (PAYGO)	$ 100,000						
Neighborhood Traffic Calming	State Grant (NVTA 30%)	$ 100,000	$ -	$ -	$ 100,000	$ -	$ -	$ 200,000
Multimodal Connectivity and Accessibility	Federal Grant (SmartScale)	$ 250,000	$ 300,000	$ 250,000	$ -	$ -	$ -	$ 800,000
Multimodal Connectivity and Accessibility	State Grant (NVTA 30%)	$ 40,000	$ -	$ -	$ -	$ -	$ -	$ 40,000
Multimodal Connectivity and Accessibility	Federal Grant (BPSP)	$ -	$ -	$ 90,000	$ 510,000	$ -	$ -	$ 600,000
Multimodal Connectivity and Accessibility	Federal Grant (RSTP)	$ -	$ -	$ -	$ -	$ 408,000	$ 550,000	$ 958,000
Multimodal Connectivity and Accessibility	Local (PAYGO)	$ -	$ 200,000	$ -	$ -	$ -	$ -	$ 200,000
WMATA & NVTA Annual Cost	Local (CIE)	$ 1,076,000	$ 1,066,450	$ 1,378,799	$ 1,790,909	$ 1,903,712	$ 2,017,138	$ 9,233,008
WMATA & NVTA Annual Cost	*Local (Debt)*	*$ -*	*$ -*	*$ 600,000*	*$ 600,000*	*$ 600,000*	*$ 600,000*	*$ 2,400,000*
WMATA & NVTA Annual Cost	State Grant (NVTA 30%)	$ 11,500	$ 11,845	$ 12,200	$ 12,566	$ 12,943	$ 13,331	$ 74,385
North Washington POA Program	State Grant (NVTA 70%)	$ -	$ -	$ -	$ 2,502,500	$ 6,870,000	$ 5,127,500	$ 14,500,000
West Broad Street POA Program	Federal Grant (RSTP)	$ -	$ 398,032	$ 346,469	$ 500,000	$ -	$ -	$ 1,244,501
West Broad Street POA Program	Federal Grant (Smart Scale)	$ 300,000	$ 350,000	$ 400,000	$ 545,000	$ 855,000	$ -	$ 2,450,000
West Falls Church and Joint Campus Revitalization District (NEW)	Federal Grant (BPSP)	$ -	$ -	$ 100,000	$ 650,000	$ -	$ -	$ 750,000
West Falls Church and Joint Campus Revitalization District (NEW)	State Grant (NVTA 70%)	$ -	$ -	$ 2,900,000	$ 7,185,000	$ 5,615,000	$ -	$ 15,700,000
West Falls Church and Joint Campus Revitalization District (NEW)	State Grant (I-66 CC)	$ -	$ 1,218,098	$ 2,599,883	$ 2,390,697	$ -	$ -	$ 6,208,678
TOTAL TRANSPORATION FUND		**$ 4,851,500**	**$ 7,338,675**	**$ 10,325,351**	**$ 19,260,672**	**$ 20,672,655**	**$ 9,782,969**	**$ 72,231,822**
SOURCES								
Grant Funded		**$ 3,435,500**	**$ 4,372,225**	**$ 8,191,852**	**$ 16,869,763**	**$ 18,168,943**	**$ 7,165,831**	**$ 58,204,114**
Local Debt	***Local (Debt)***	***$ -***	***$ -***	***$ 600,000***	***$ 600,000***	***$ 600,000***	***$ 600,000***	***$ 2,400,000***
Only if grant/revenue offset		**$ -**	**$ 1,700,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,700,000**
Total "Pay as you go"	**Local (PAYGO)**	**$ 1,416,000**	**$ 1,266,450**	**$ 1,533,499**	**$ 1,790,909**	**$ 1,903,712**	**$ 2,017,138**	**$ 9,927,708**
Total Sources		**$ 4,851,500**	**$ 7,338,675**	**$ 10,325,351**	**$ 19,260,672**	**$ 20,672,655**	**$ 9,782,969**	**$ 72,231,822**

(1) $242,232 of the Infrastructure Program – Traffic Signal funding in FY2019 is a transfer from the Infrastructure Program – Pavement prior year funds. This Ordinance authorizes the transfer of these funds.

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SEWER UTILITY FUND

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	6 YR TOTALS
Arlington WPCP Non-expansion Capital	$ 212,000	$ 371,000	$ 230,000	$ 62,000	$ 200,000	$ 200,000	$ 1,275,000
Alexandria Wastewater Treatment Upgrades	$ 432,000	$ 473,670	$ 765,990	$ 575,820	$ 543,600	$ 369,900	$ 3,160,980
Alexandria Wastewater Treatment Plant Capacity	$ -	$ -	$ -	$ 1,870,000	$ 1,870,000	$ 1,860,000	$ 5,600,000
Sanitary Sewer Rehabilitation	$ 550,000	$ 600,000	$ 650,000	$ 700,000	$ 750,000	$ 750,000	$ 4,000,000
West End Sewer Capacity (NEW)	$ 200,000	$ 2,000,000	$ -	$ -	$ -	$ -	$ 2,200,000
Total Sewer Utility	**$ 1,394,000**	**$ 3,444,670**	**$ 1,645,990**	**$ 3,207,820**	**$ 3,363,600**	**$ 3,179,900**	**$ 16,235,980**
SOURCES							
Total *Debt* Financed	$ 644,000	$ 844,670	$ 995,990	$ 2,507,820	$ 2,613,600	$ 2,429,900	$ 10,035,980
Total "Pay as you go" Financed	$ 750,000	$ 600,000	$ 650,000	$ 700,000	$ 750,000	$ 750,000	$ 4,200,000
Sewer Availability Fees	$ -	$ 2,000,000	$ -	$ -	$ -	$ -	$ 2,000,000
Total Sources	**$ 1,394,000**	**$ 3,444,670**	**$ 1,645,990**	**$ 3,207,820**	**$ 3,363,600**	**$ 3,179,900**	**$ 16,235,980**

STORMWATER UTILITY FUND

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	6 YR TOTALS
Arlington WPCP Non-expansion Capital	$ 212,000	$ 371,000	$ 230,000	$ 62,000	$ 200,000	$ 200,000	$ 1,275,000
Alexandria Wastewater Treatment Upgrades	$ 432,000	$ 473,670	$ 765,990	$ 575,820	$ 543,600	$ 369,900	$ 3,160,980
Alexandria Wastewater Treatment Plant Capacity	$ -	$ -	$ -	$ 1,870,000	$ 1,870,000	$ 1,860,000	$ 5,600,000
Sanitary Sewer Rehabilitation	$ 550,000	$ 600,000	$ 650,000	$ 700,000	$ 750,000	$ 750,000	$ 4,000,000
West End Sewer Capacity (NEW)	$ 200,000	$ 2,000,000	$ -	$ -	$ -	$ -	$ 2,200,000
Total Sewer Utility	**$ 1,394,000**	**$ 3,444,670**	**$ 1,645,990**	**$ 3,207,820**	**$ 3,363,600**	**$ 3,179,900**	**$ 16,235,980**
SOURCES							
Total *Debt* Financed	$ 644,000	$ 844,670	$ 995,990	$ 2,507,820	$ 2,613,600	$ 2,429,900	$ 10,035,980
Total "Pay as you go" Financed	$ 750,000	$ 600,000	$ 650,000	$ 700,000	$ 750,000	$ 750,000	$ 4,200,000
Sewer Availability Fees	$ -	$ 2,000,000	$ -	$ -	$ -	$ -	$ 2,000,000
Total Sources	**$ 1,394,000**	**$ 3,444,670**	**$ 1,645,990**	**$ 3,207,820**	**$ 3,363,600**	**$ 3,179,900**	**$ 16,235,980**

1st Reading: 03-26-18
2nd Reading: 04-23-18
Adoption:
(TO18-03)

IN WITNESS WHEREOF, the foregoing was adopted by the City Council of the City of Falls Church, Virginia on April 23, 2018 as Ordinance 1984.

Celeste Heath

Celeste Heath
City Clerk

BUDGET PROCESS & CALENDAR

The City follows an established set of procedures for setting the annual budget for all City funds. This process is designed for maximum public input while adhering to the constraints and timelines established by Section 6 of the City's charter and relevant State code.

a. The Superintendent of Schools submits a proposed budget to the School Board in January. The School Board is required to act upon this proposal prior to the City Manager presenting his overall budget proposal. Section 6.02 of the City charter states that the School Board's request must be included in the City Manager's proposed budget as adopted by the Board.

b. The Capital Improvements Program (CIP) is presented to the Planning Commission in mid-January. The Planning Commission provides a recommended CIP to the City Manager who may make adjustments prior to inclusion of the CIP in the proposed budget. However, the CIP projects requested by the School Board must be included in the proposed budget as they were presented to the Planning Commission.

c. On a date in March fixed by the City Council, the City Manager submits proposed budgets for the general operation of the City government, the Sewer Fund, the Storm Water Fund and the Five-Year Capital Improvements Program (CIP) for the fiscal year commencing July 1. The budget presentation must include proposals for tax rates necessary to support the expenditure proposals. Tax rates are adopted as a separate ordinance.

d. At least two public hearings are required to obtain citizen comments. It has been the City's practice to hold three public hearings, including one at the meeting where the budget is to be adopted. Beginning with the FY2010 budget process, the City has also scheduled "town hall" meetings for greater citizen input.

e. The operating budget and the CIP are enacted through passage of an appropriation ordinance. If, for any reason, the City Council fails to adopt the appropriation ordinance prior to July 1, the previous fiscal year's budget remains in effect on a month-to-month basis until the City Council adopts the budgets. The CIP must be adopted no later than 28 days after the adoption of the annual budget. As a general rule the operating budget and the CIP are adopted at the same time with the same ordinance.

f. The appropriation action of the City Council on the school budget relates to the total budget only; the School Board has the authority to expend at its discretion the sum appropriated for its use. The School Board has the power to authorize transfers from one item of appropriation to another during the course of the fiscal year provided the total appropriation is not exceeded.

Budgets for all funds are adopted by the City Council on an annual basis consistent with the modified-cash basis of Generally Accepted Accounting Principles as used in the City's Comprehensive Annual Financial Report (CAFR). Debt issuance and payments are appropriated using the cash basis, as is the purchase of capital items. Only payments of capital leases are "subject to appropriation".

Formal budgetary integration is employed as a management control device during the year. The appropriation ordinance places legal restrictions on expenditures at the fund level. During the course of the fiscal year, the City Council may revise the appropriation for each fund through an ordinance. The City Council may also revise the appropriations for each department through a resolution as long as the overall level of expenditure remains unchanged. The City Manager is authorized to transfer unencumbered balances within departments.

The following calendar is being followed for the FY2019 budget process:

2017

Monday, Dec 4	City Council & School Board Joint Work Session: FY2019 Budget Planning
Monday, Dec 11	City Council Regular Meeting: Adoption of Budget Guidance Resolution

2018

Tuesday, Jan 9	School Superintendent Presents FY2019 Budget Recommendations to School Board
Monday, Feb 5	FY2019-FY2024 CIP Presented to the Planning Commission
Tuesday, Feb 12	CIP Public Hearing and Work Session with Planning Commission
Tuesday, Feb 20	Planning Commission Public Hearing and Adoption of CIP Recommendations
Tuesday, February 20	School Board Adopts FY2019 Budget Request
Monday, March 12	City Manager Presents FY2019 Operating Budget & FY2019-2024 CIP
Friday, March 16	Budget Finance Committee Meeting
Sunday, March 18	Town Hall Meeting
Monday, March 19	City Council Budget Work Session
Monday, March 26	1st Reading of Budget Ordinance & Tax Rate Ordinance
Monday, April 2	City Council Budget Work Session
Sunday, April 8	Town Hall Meeting
Monday, April 9	Public Hearing, 2nd Reading of Budget Ordinance & Tax Rate Ordinance
Monday, April 16	City Council Budget Work Session: Final Mark-up
Monday, April 23	Public Hearing and Adoption of FY2019 Operating Budget & FY2019-2024 CIP
Tuesday, May 8	School Board Adopts FY2019 School Budget
July 1, 2018	Fiscal Year 2019 Commences

NOTE: Please check the following websites for the most up-to date information regarding meetings:

- **City Government: http://www.fallschurchva.gov/Budget-Calendar**
- **School Board: https://sites.google.com/fccps.org/budget/fy-19-budget.**

FUND SUMMARIES

GENERAL FUND

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Revenues				
Taxes	$ 72,528,292	$ 75,470,650	$ 79,591,200	5.46%
Licenses and Permits	1,036,162	1,492,346	1,410,626	-5.48%
Grants & Contributions	5,522,781	4,507,653	4,406,390	-2.25%
Charges for Services	3,266,976	3,505,896	3,806,484	8.57%
Fines and Forfeitures	490,773	652,100	625,000	-4.16%
Revenue from Property and Money	443,100	290,000	282,500	-2.59%
Miscellaneous	781,115	64,000	82,800	29.38%
Transfers from Special Transportation Fund	941,723	1,114,567	1,061,500	-4.76%
Other Financing Sources	612,000	269,000	1,280,737	376.11%
Total General Fund Revenues	**$ 85,622,922**	**$ 87,366,212**	**$ 92,547,237**	**5.93%**
Expenditures				
Legislative				
City Council	$ 106,698	$ 105,617	$ 104,417	-1.14%
City Clerk	224,495	234,825	240,338	2.35%
City Attorney	327,603	386,105	390,035	1.02%
Judicial Services	348,713	378,083	379,787	0.45%
Total Legislative	1,007,509	1,104,630	1,114,577	0.90%
Executive				
City Manager	557,895	567,805	544,479	-4.11%
Communications	219,281	270,973	261,787	-3.39%
Human Resources	343,518	353,307	369,099	4.47%
Risk Management	186,558	159,703	164,288	2.87%
Information Technology	1,451,127	1,595,219	1,630,989	2.24%
Economic Development*	437,004	405,957	0	-100.00%
Environmental Sustainability	109,693	114,295	113,807	-0.43%
Total Executive	3,305,075	3,467,259	3,084,449	-11.04%
Department of Finance				
Finance	968,177	1,089,546	1,089,352	-0.02%
Real Estate Assessment	402,698	412,110	438,955	6.51%
Total Department of Finance	1,370,875	1,501,656	1,528,307	1.77%
Commissioner of The Revenue	765,765	787,914	804,790	2.14%
Treasurer				
Treasurer	581,315	580,280	583,443	0.55%
Property Relief Programs	263,242	282,000	327,000	15.96%
Total Treasurer	581,315	862,280	910,443	5.59%
Registrar	271,353	303,319	289,252	-4.64%
Sheriff				
Sheriff	890,528	801,978	804,294	0.29%
Adult Corrections	691,490	664,693	660,375	-0.65%
Total Sheriff	1,582,018	1,466,671	1,464,669	-0.14%

*Economic Development was transferred to the Community Planning and Economic Development as of FY2019.

GENERAL FUND – CONTINUED

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures - Continued				
Clerk of Court	38,356	41,543	42,347	1.94%
Department of Public Safety				
Police Administration	593,175	709,729	579,296	-18.38%
Police Photo Enforcement Program	188,986	254,342	242,526	-4.65%
Police Operations	2,875,860	2,936,770	2,971,985	1.20%
Police Services	2,125,683	1,995,415	2,156,238	8.06%
Police Dispatch	870,946	720,751	764,722	6.10%
Animal Control	45,008	41,317	41,377	0.15%
Emergency Management	97,215	113,000	122,899	8.76%
Fire Marshal Services	112,956	128,495	138,568	7.84%
Fire Services	2,476,406	2,539,129	2,643,741	4.12%
Total Department of Public Safety	9,386,235	9,438,948	9,661,352	2.36%
Department of Public Works				
Administration	424,963	239,827	215,927	-9.97%
Design & Construction Engineering	119,022	99,642	106,733	7.12%
Transportation Engineering	1,181,240	894,135	1,019,582	14.03%
CIP Engineering	-	40,895	59,827	46.29%
Public Resources	-	236,907	255,234	7.74%
Solid Waste & Recycling	875,132	882,158	882,835	0.08%
Highways, Streets, & Sidewalks	1,094,667	1,282,017	1,265,248	-1.31%
Snow & Ice Removal	172,584	194,216	186,108	-4.17%
Leaf Collection	167,933	175,803	173,345	-1.40%
General Services	643,567	769,740	768,312	-0.19%
Fleet Maintenance	456,275	473,526	471,900	-0.34%
Urban Forestry	760,225	776,045	777,787	0.22%
Total Department of Public Works	5,895,607	6,064,911	6,182,838	1.94%
Department of Human Services				
Aurora House	880,043	949,958	931,205	-1.97%
Junenile & Court Services	543,527	478,577	488,881	2.15%
Juvenile & Domestic Relations Court	3,998	6,074	6,069	-0.08%
Housing and Human Services	517,598	547,866	550,571	0.49%
Public Assistance Programs	710,813	709,002	712,902	0.55%
Community Services Board	731,851	805,036	840,458	4.40%
Health Services	251,519	271,657	281,000	3.44%
Total Department of Human Services	3,639,350	3,768,170	3,811,086	1.14%
Department of Recreation and Parks				
Recreation Administration	820,306	824,617	824,945	0.04%
Parks Maintenance	285,312	326,559	318,326	-2.52%
Recreation Programs & Special Events	1,514,420	1,536,727	1,528,104	-0.56%
Athletic Programs	446,431	451,057	467,536	3.65%
Community Cultural & Arts Programs	58,056	61,084	65,527	7.27%
Total Department of Recreation and Parks	3,124,524	3,200,044	3,204,438	0.14%
Library	2,046,130	2,090,714	2,090,714	0.00%
Community Planning & Economic Development*	2,284,623	2,305,032	2,767,892	20.08%

*Economic Development was transferred from Executive Management as of FY2019.

GENERAL FUND – CONTINUED

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures - Continued				
Education				
Transfer to School Board	39,817,030	41,148,000	42,319,046	2.85%
Community College Programs and Other Education	31,482	33,003	32,852	-0.46%
Total Education	39,848,512	41,181,003	42,351,898	2.84%
Post-Retirement Benefits	191,361	92,978	(519,775)	-659.03%
Regional Transportation/Transit	769,482	959,675	1,092,356	13.83%
Debt Service	6,280,372	6,445,512	8,374,000	29.92%
Transfers				
Transfers to CIP	2,043,860	200,000	350,000	75.00%
Transfers to CIP - Special Transportation Fund	932,126	1,010,567	1,390,000	37.55%
Transfers to FCCTV Fund	184,165	223,386	237,604	-
Total Transfers	3,160,151	1,433,953	1,977,604	37.91%
Reserves				
Tax Credits	-	250,000	250,000	0.00%
Reserves for Capital	-	600,000	1,240,000	106.67%
Total Reserves	-	850,000	1,490,000	75.29%
Total General Fund Expenditures	**$ 85,605,375**	**$ 87,366,212**	**$ 92,547,237**	**5.93%**

SANITARY SEWER FUND

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Revenues				
Charges for Services	$ 4,296,752	$ 4,000,000	$ 4,380,000	9.50%
Availability Fees	1,414,080	100,000	100,000	0.00%
Revenue from Use of Property and Money	23,952	10,000	30,000	200.00%
Total Sewer Fund Revenues	**$ 5,759,071**	**$ 4,110,000**	**$ 4,510,000**	**9.73%**
Expenditures				
Sewer Management	$ 397,260	$ 504,523	$ 545,688	8.16%
Collection and Disposal	1,879,199	1,632,424	1,759,694	7.80%
Debt Service	1,052,124	1,247,250	1,278,815	2.53%
Other Post-Employment Benefits	4,000	3,000	3,000	0.00%
Transfers and Reserves	1,964,080	650,000	850,000	30.77%
Reserves	-	72,803	72,803	0.00%
Total Sewer Fund Expenditures	**$ 5,296,662**	**$ 4,110,000**	**$ 4,510,000**	**9.73%**

STORMWATER FUND

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Revenues				
Charges for Services	$ 1,592,168	$ 1,635,000	$ 1,620,000	-0.92%
Revenue from Use of Property and Money	11,540	8,000	10,000	25.00%
Use of Capital Reserves	-	48,000	-	-100.00%
Total Stormwater Fund Revenues	**$ 1,603,708**	**$ 1,691,000**	**$ 1,630,000**	**-3.61%**
Expenditures				
Stormwater Management	$ 522,843	$ 661,202	$ 593,933	-10.17%
Stormwater Operations	787,366	879,805	866,107	-1.56%
Debt Service	153,597	149,993	169,960	13.31%
Total Stormwater Fund Expenditures	**$ 1,463,807**	**$ 1,691,000**	**$ 1,630,000**	**-3.61%**

CABLE ACCESS FUND

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Revenues				
Transfer from City	$ 156,096	$ 158,386	$ 172,604	8.98%
Transfer from City - PEG Fees	28,069	65,000	65,000	0.00%
Total Cable Access TV Fund Revenue	**$ 184,165**	**$ 223,386**	**$ 237,604**	**6.36%**
Expenditures				
Cable Access TV Programming	$ 184,165	$ 223,386	$ 237,604	6.36%
Total Cable Access TV Fund Expenditures	**$ 184,165**	**$ 223,386**	**$ 237,604**	**6.36%**

SCHOOL BOARD – OPERATING FUND

	FY2017 Actual	FY2018 Adopted	FY2019 Proposed	Percent Change
Revenues				
Transfer from City	$ 39,708,000	$ 41,040,500	$ 42,211,546	2.85%
State Grants	3,795,117	4,118,300	4,040,732	-1.88%
Sales Tax	2,663,206	2,775,300	2,809,038	1.22%
Federal Grants	526,707	553,600	556,558	0.53%
Other	892,477	1,508,800	971,984	-35.58%
Use of Fund Balance	-	574,200	450,000	-21.63%
Total School Board Operating Fund Revenue	**$ 47,585,507**	**$ 50,570,700**	**$ 51,039,858**	**0.93%**
Expenditures				
Education	$ 47,321,581	$ 50,570,700	$ 51,039,858	0.93%
Total School Board Operating Fund Expenditures	**$ 47,321,581**	**$ 50,570,700**	**$ 51,039,858**	**0.93%**

SCHOOL BOARD – COMMUNITY SERVICES FUND

	FY2017 Actual	FY2018 Adopted	FY2019 Proposed	Percent Change
Revenues				
User Fees	$ 1,632,767	$ 1,871,420	$ 1,879,626	0.44%
Transfer from City	109,030	107,500	107,500	0.00%
Other	138,330	178,980	179,000	0.01%
Use of Fund Balance	-	253,000	253,000	0.00%
Total School Board Community Service Fund Revenue	**$ 1,880,127**	**$ 2,410,900**	**$ 2,419,126**	**0.34%**
Expenditures				
Community Services Expenditures	$ 1,893,124	$ 2,410,900	$ 2,419,126	0.34%
Total School Board Community Service Fund Expenditures	**$ 1,893,124**	**$ 2,410,900**	**$ 2,419,126**	**0.34%**

SCHOOL BOARD – FOOD SERVICES FUND

	FY2018 Actual	FY2019 Adopted	FY2019 Proposed	Percent Change
Revenues				
User Fees	$ 780,520	$ 851,100	$ 851,100	0.00%
State and Federal Funds	85,534	120,500	120,500	0.00%
Other Miscellaneous	1,058	2,000	2,000	0.00%
Transfer from School Operating Fund	45,000	35,000	30,000	-14.29%
Use of Fund Balance	-	100,000	100,000	0.00%
Total School Board Food Service Fund Revenue	**$ 912,112**	**$ 1,108,600**	**$ 1,103,600**	**-0.45%**
Expenditures				
Food Service	$ 866,536	$ 1,108,600	$ 1,103,600	-0.45%
Total School Board Food Service Fund Expenditures	**$ 866,536**	**$ 1,108,600**	**$ 1,103,600**	**-0.45%**

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CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – GENERAL GOVERNMENT

	FY2017 Actual	FY2018 Adopted	FY2019 Proposed	Percent Change
Revenues				
Transfer from General Fund	$ -	$ 200,000	$ 350,000	-
Transfer from General Fund - Capital Reserves	2,443,860	-	-	-
Proceeds from issuance of bonds	248,000	120,498,606	7,880,999	-93.46%
Grants	2,052,309	-	-	-
Only If grant/revenue offset	-	-	-	-
Total CIP Fund Revenues - General Fund & School Board	**$ 4,744,169**	**$ 120,698,606**	**$ 8,230,999**	**-93.18%**
Expenditures				
Transportation	$ 253,198	$ -	$ -	-
Facilities	1,899,412	118,573,606	8,007,999	-93.25%
Public Safety	-	800,000	223,000	-72.13%
Recreation & Parks	187,447	1,075,000	-	-100.00%
Information Technology	26,026	250,000	-	-
Total CIP Fund Revenues - General Fund & School Board	**$ 2,366,083**	**$ 120,698,606**	**$ 8,230,999**	**-93.18%**

CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – SPECIAL TRANSPORTATION FUND

	FY2017 Actual	FY2018 Adopted	FY2019 Proposed	Percent Change
Revenues				
Transfer from General Fund	$ 932,126	$ 964,670	$ 1,416,000	46.79%
Proceeds from Issuance of Bonds	150,000	1,196,965	-	-100.00%
Grants	1,518,384	2,987,149	3,435,500	15.01%
Total CIP Fund Revenues - Sewer Utility	**$ 2,600,510**	**$ 5,148,784**	**$ 4,851,500**	**-5.77%**
Expenditures				
Capital Improvements	$ 3,512,043	$ 5,148,784	$ 4,851,500	-5.77%
Total CIP Fund Expenditures - Sewer Utility	**$ 3,512,043**	**$ 5,148,784**	**$ 4,851,500**	**-5.77%**

CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – SEWER UTILITY

	FY2017 Actual	FY2018 Adopted	FY2019 Proposed	Percent Change
Revenues				
Proceeds from Bonds	$ -	$ 625,000	$ 644,000	3.04%
Transfer from Sewer Fund	550,000	550,000	750,000	36.36%
Sewer Availability Fees	1,414,080	2,300,000	-	
Total CIP Fund Revenues - Sewer Utility	**$ 1,964,080**	**$ 3,475,000**	**$ 1,394,000**	**-59.88%**
Expenditures				
Capital Improvements	$ 903,763	$ 3,475,000	$ 1,394,000	-59.88%
Total CIP Fund Expenditures - Sewer Utility	**$ 903,763**	**$ 3,475,000**	**$ 1,394,000**	**-59.88%**

CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – STORMWATER UTILITY

	FY2017 Actual	FY2018 Adopted	FY2019 Proposed	Percent Change
Revenues				
Proceeds from Bonds	$ -	$ -	$ -	-
Total CIP Fund Revenues - Sewer Utility	**$ -**	**$ -**	**$ -**	-
Expenditures				
Capital Improvements	$ 351,268	$ -	$ -	-
Total CIP Fund Expenditures - Sewer Utility	**$ 351,268**	**$ -**	**$ -**	-

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POSITION SUMMARIES

The following are the proposed permanent positions in full-time equivalency (FTE). Certain departments also employ temporary personnel throughout the year. Those positions are not included in the FTE below.

GENERAL FUND

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted
Legislative			
City Clerk	2.00	2.00	2.00
City Attorney	2.00	2.00	2.00
Total Legislative	4.00	4.00	4.00
Executive			
City Manager	3.00	3.00	2.90
Office of Communications	2.00	2.00	2.00
Human Resources	2.50	2.75	2.35
Risk Management	0.50	0.25	0.30
Information Technology	8.40	8.40	8.40
Environmental Sustainability	1.00	1.00	1.00
Total Executirve	17.40	17.40	16.95
Department of Finance			
Finance	8.00	8.00	8.00
Real Estate Assessment	3.00	3.00	3.00
Total Department of Finance	11.00	11.00	11.00
Commissioner of The Revenue	8.75	8.75	8.75
Treasurer	5.00	5.00	5.00
Voter Registration and Electoral Board	1.50	1.50	1.50
Sheriff	6.50	6.50	6.50
Department of Public Safety			
Police Administration	2.00	2.50	2.00
Police Photo Enforcement Program	0.75	0.50	0.50
Police Operations	20.75	21.75	21.50
Police Services	15.00	13.75	14.50
Dispatch	6.00	6.00	6.00
Emergency Management	0.50	0.50	0.50
Fire Marshall	0.50	0.50	0.50
Total Department of Public Safety	45.50	45.50	45.50
Department of Public Works			
Public Works Administration	2.32	1.50	1.40
Design & Construction Engineering	1.50	0.70	0.75
Transportation Engineering	1.60	1.40	1.65
CIP Engineering	-	0.30	0.45
Public Resources	-	2.35	2.50
Recycling and Solid Waste	1.00	1.00	1.00
Highways, Streets, and Sidewalks	10.85	10.85	10.85
General Services	1.85	2.05	2.05
Fleet Maintenance	4.00	4.00	4.00
Urban Forestry	4.00	4.00	4.00
Total Department of Public Works	27.12	28.15	28.65

GENERAL FUND – CONTINUED

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted
Department of Human Services			
Aurora House	7.73	8.73	8.73
Court Services	3.10	-	-
Housing and Human Services Administration	4.80	4.90	4.90
Total Department of Human Services	15.63	13.63	13.63
Department of Recreation and Parks			
Parks and Recreation Administration	5.80	5.80	5.80
Parks Maintenance	3.00	3.00	3.00
Recreation Programs & Special Events	6.60	6.40	6.00
Athletic Programs	1.00	1.00	1.40
Community Cultural & Arts Programs	0.20	0.20	0.20
Total Department of Recreation and Parks	16.60	16.40	16.40
Library	17.85	17.85	18.85
Community Planning & Economic Development	22.00	22.00	21.30
Total General Fund	**198.85**	**197.68**	**198.03**

SEWER FUND

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted
Sewer Management & Engineering	1.03	0.85	1.05
Collection and Disposal	3.55	3.55	3.55
Total Sewer Fund	**4.58**	**4.40**	**4.60**

STORM WATER FUND

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted
Stormwater Management & Engineering	3.27	1.75	1.45
Stormwater Operations	4.55	4.55	4.55
Total Stormwater Fund	**7.82**	**6.30**	**6.00**

CABLE ACCESS FUND

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted
TV Station Programming	2.00	2.00	2.00
Total Cable Access Fund	**2.00**	**2.00**	**2.00**

CAPITAL IMPROVEMENT PROGRAM (CIP) FUNDS

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted
General & Special Transportation CIP Funds	2.98	4.15	3.45
Stormwater CIP	0.50	-	-
Total Capital Improvement Program Funds	**3.48**	**4.15**	**3.45**

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TAX RATES

	ADOPTED RATE*	PER
Property Taxes		
Real Estate	$1.355	$100
Personal and Business Property (effective January 1, 2016)	$5.00	$100
Local Sales & Use Tax	1%	total sale
Consumer's Utility Taxes		
Water & Sewer, residential	10.00%	first $50 of bill
Water & Sewer, multi-unit	8.00%	monthly bill
Water & Sewer, commercial	8.00%	monthly bill
Electric, residential	$0.70 + $0.007535 not to exceed $5.00	kWh
Electric, commercial	$0.92 + $0.004807	kWh
Natural gas, single unit residential	$0.70 + $0.0039	CCF, max $5.00
Natural gas, multi-unit residential	$1.016 + $0.01759	CCF
Natural gas, commercial	$0.676 + $0.04098	CCF
Natural gas, industrial	$0.676 + $0.098	CCF
Cigarette Taxes	$0.85/$0.425	pack/piece
Admission & Amusement Tax - Bowling	$0.05	admission
Transient Occupancy Tax *(includes 2% Transportation Tax)*	8.00%	total bill
Restaurant Food Tax	4.00%	total bill
Gross Receipts Business Taxes *(Minimum fee of $30 on gross receipts over $10,000 up to $50,000)*		
Contracting Services	$0.16	$100
Retail Sales	$0.19	$100
Professional Services	$0.52	$100
Repair & Personal Service	$0.36	$100
Wholesale	$0.08	$100
Rental Owner - Commercial	$0.52	$100
Rental Owner - Residential	$0.38	$100
Public Utilities	$0.50	$100
Specialized Occupations	$0.36	$100
Wholesale Sales	$0.08	$100
Alcoholic Beverages	$50-$1,500	year
Other Taxes		
Short Term Rental Tax	1.00%	gross rentals
Vehicle License		
Automobiles and Motorhomes	$33	vehicle
Motorcycle	$28	vehicle
Vehicles for transportation of property in excess of 4,000 Lbs	$45	vehicle
Taxis & Limousines	$30	vehicle

**All rates are effective July 1, 2018 unless otherwise indicated. For FY2019, the Real Estate Tax is being increased by 2.5 cents.*

UNFUNDED NEEDS (General Fund)

For FY2019 Budget planning, needs have been identified for future funding, should new funding become available.

Division	Description of Need	Estimated Cost
	LEGISLATIVE	
City Council	Increase in regional dues and additional funds for training, supplies and equipment	14,000
City Clerk	Increase in contract costs for live streaming of public meetings, advertising costs, printing and supplies	4,400
City Attorney	Part-time Assistant Attorney	75,000
		93,400
	EXECUTIVE MANAGEMENT	
City Manager	Office Assistant	45,000
Office of Communications	Communications Specialist	72,000
Human Resources	Employee development and training	50,000
Human Resources	Tuition and commuter assistance	30,000
IT	Help Desk Administrator	55,500
IT	Public Safety Senior Systems Engineer/Project Manager	120,000
IT	Staff development/training	13,500
IT	Development Services & Public Works Senior System Engineer/Project Manager	120,000
IT	Equipment Refresh	99,500
IT	Audio Visual Equipment Refresh	25,000
Environmental Sustainability	Audio Visual Equipment Refresh	20,000
		650,500
	FINANCE	
Finance & Purchasing	Two Budget Analysts	200,000
Real Estate Assessor's Office	Senior Real Estate Appraiser	140,000
		340,000
	TREASURER	
Treasurer	Cashier and Compliance Officer	90,000
	SHERIFF	
Sheriff	Deputy Sheriff	70,000
Sheriff	Unmarked Transport Vehicle	50,000
		120,000

Division	Description of Need	Estimated Cost
DEPARTMENT OF PUBLIC SAFETY		
Administration	Training	20,000
Administration	In-car/body-worn camera	50,000
Photo Enforcement Program	Photo Red cameras on additional intersections	174,000
Police Operations	Four Police Officers	320,000
Police Operations	Two Police Cruisers	80,000
Police Operations	0.75 FTE Parking Enforcement Officer	40,000
Police Services	One Records Clerk	50,000
Police Services	One Police Officer - School Resource Officer	80,000
Police Dispatch	Two Dispatchers	120,000
Emergency Manager	Emergency Planner	100,000
Fire Marshal	Administrative Assistant	35,000
Fire Marshal	Part-time Inspector	25,000
		1,094,000
DEPARTMENT OF PUBLIC WORKS		
Administration	Professional services	20,000
Transportation Engineering	Pavement maintenance	100,000
CIP Engineering	Project concept development	30,000
Public Resources	Part-time assistant	32,500
Recycling & Solid Waste	Compost programs expansion	25,000
Recycling & Solid Waste	Household hazardous waste program expansion	25,000
Recycling & Solid Waste	Education and outreach	15,000
Highways, Streets & Sidewalks	Bus shelters maintenance	18,000
Highways, Streets & Sidewalks	Sidewalk maintenance	47,000
Snow & Ice Removal	Equipment replacement and contract cost increases	26,500
Leaf Collection	Two vacuum unit replacement	50,000
Fleet Maintenance	Two vehicle lift replacement	100,000
Urban Forestry	Repairs & maintenance of streetscape and landscape	30,000
		519,000

Division	Description of Need	Estimated Cost
	HUMAN SERVICES	
Housing & Human Services	Preservation of affordable housing units	1,000,000
Housing & Human Services	Expansion of affordable housing units	6,000
		1,006,000
	RECREATION AND PARKS	
Administration	Upgrade Community Center security system	7,500
Administration	Upgrade registration system	16,000
Administration	Electronic banner	30,000
Administration	Community Center maintenance	10,000
Parks Maintenance	Equipment replacement	21,000
Parks Maintenance	Development of maintenance standards	15,000
Parks Maintenance	Ball field maintenance	10,000
Parks Maintenance	Reserve for turf field replacement	100,000
Programs & Special Events	Community events	20,000
Athletic Programs	Athletic supplies	10,000
		239,500
	LIBRARY SERVICES	
Library	Storage costs during the renovation	20,000
Library	Public computer equipment replacement	16,000
		36,000
	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	
Zoning	Part-time permit counter services	30,000
Planning	Demonstration projects	50,000
		80,000
	GENERAL FUND TOTAL	**4,178,400**

FINANCIAL SUMMARY

While the budget process concentrates on activities for the upcoming year, it is necessary to understand where FY2019 fits into the larger picture of both the past and the future. Each budget should be thought of both as a culmination of prior years' activity and as a basis for building future budgets.

FINANCIAL POLICY

Key financial policies that the City has in place since 2001 (with amendments) include:

- No use of non-recurring revenues (i.e., fund balance) for operating expenses,
- Non-recurring revenues only used for non-recurring expenditures, such as capital projects or other one-time expenses.
- Debt service not to exceed 12% of general fund operating expenditures
- Debt payout ratios that call for 25% of existing debt principal to be paid back within five years and 50% of existing debt to be paid back in 10 years
- Sets policy for unassigned fund balance levels (referred as Standard Policy)
  - 17% of expenses as target
  - 12% of expenses as floor
  - (Note: This policy was amended in 2011, to increase unassigned fund balance from a prior 12% of revenues target)
- Cure period: If fund balance is used in an emergency, policy calls for the return to the fund balance floor within three years and return to the fund balance target within 2 years.

In FY2018, the City Council adopted the FY2018-2022 Capital Improvement Program that includes over $145 million for major capital projects such as the renovation of the George Mason High School, Mary Riley Styles Public Library, City Hall Public Safety and other miscellaneous projects. This would require the City to exceed two current policy limits on debt. First, it is expected that annual debt service will exceed the standard 12% of expenditures policy. Second, it is expected that payout ratios would be lower than the current 25% at 5 years and 50% at ten years policy, if the GMHS project were to be funded with 30 year debt rather than 20 year debt.

As the City is expected to incur substantial capital expenditures in the next few years, the financial policy was revised in February 2018 to strengthen the City's financial position. The Maximum Policy was introduced that includes:

- Available Fund Balance levels (referred as Maximum Policy)
  - 20% of expenses as target
  - 15% of expenses as floor
- Available Fund Balance refers to all available reserves including both Unassigned Fund Balance and Capital Reserves
- The City shall be required to comply with this proposed policy only in the years the Standard Policy debt limits are not met (e.g., debt service exceeds 12% of expenditures, and/or the pay-out ratio is not met)

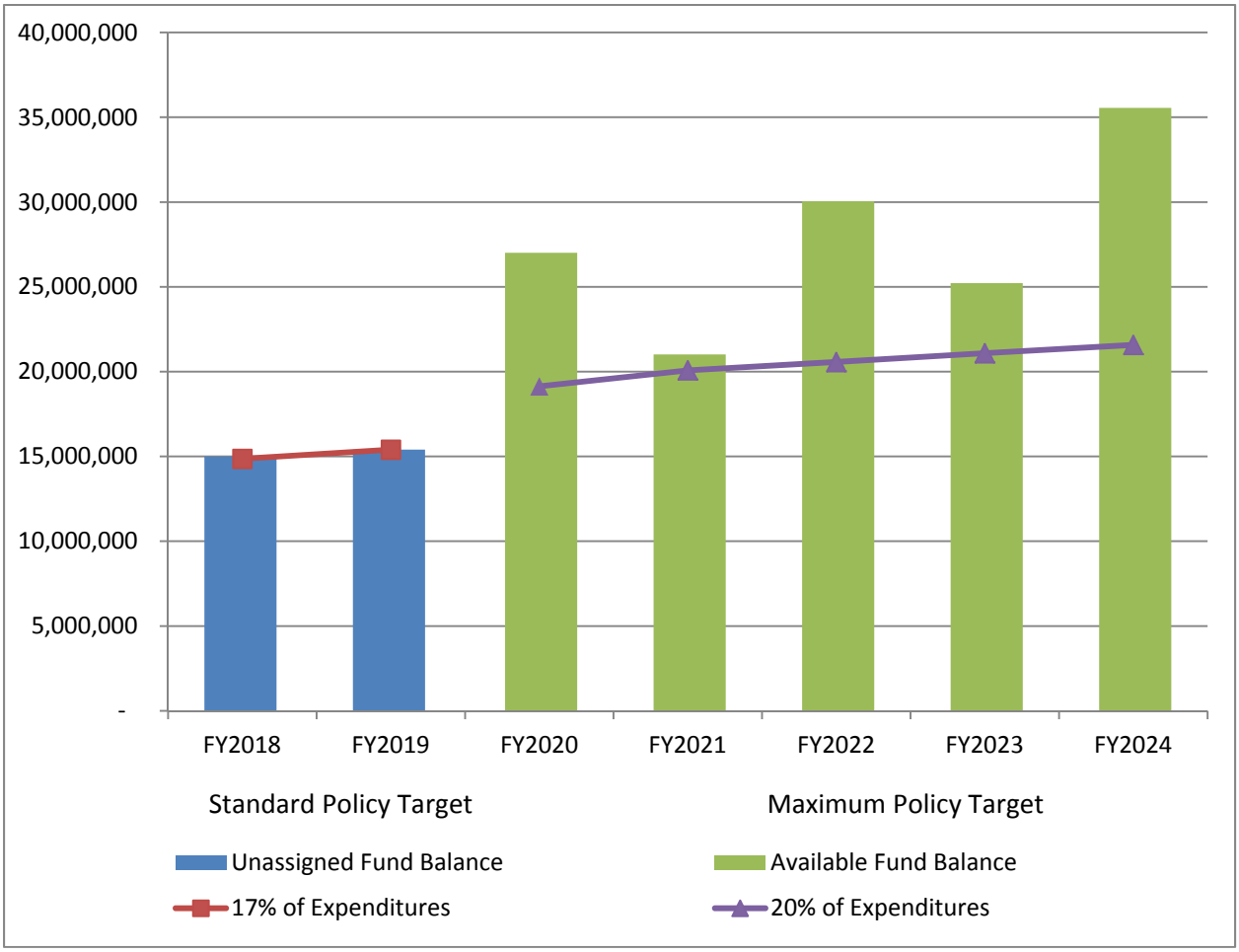
As part of the planning process for the City's Capital Improvements Program, a six-year financial projection is prepared to analyze the Program's compliance with the City's financial policies. The following table shows the projected Available Fund Balance for the next six years as per the Maximum Policy.

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Fund Balance							
Expenditures*	$ 87,419,499	$ 88,279,633	$ 93,713,165	$ 98,396,668	$ 100,776,444	$ 103,343,148	$ 105,726,062
Beginning Available Fund Balance	27,396,076	27,996,076	29,236,076	27,012,074	21,013,559	30,042,898	25,218,888
Addition to Available Fund Balance	600,000	1,240,000	(2,224,002)	(5,998,515)	(5,970,662)	(4,824,009)	10,334,814
Land Sale Proceeds	-	-	-	-	15,000,000		
Ending Fund Balance	**$ 27,996,076**	**$ 29,236,076**	**$ 27,012,074**	**$ 21,013,559**	**$ 30,042,898**	**$ 25,218,888**	**$ 35,553,702**
Fund balance as % of expenditures	**32.0%**	**33.1%**	**28.8%**	**21.4%**	**29.8%**	**24.4%**	**33.6%**
Policy Target (15% of Expenditures)	13,112,900	13,241,900	14,057,000	14,759,500	15,116,500	15,501,500	15,858,900

*For expenditures other than debt service, includes annual growth projection of 2.5%.

**3.5%-5.00% interest rate assumption is used for new debt service calculation over the next six years. GMHS project for $120M is expected to be issued with 30-year level debt service bonds. Other debt is anticipated to be issued with 20-year level principal bonds.

The following graph shows the City's Fund Balance projected through FY2024.



CAPITAL RESERVES

In FY2014 the City established a Capital Reserve to address long-term capital needs identified in the CIP. The Capital Reserve may be used to pay for projects or to pay for debt service. The estimated Capital Reserves balance as of June 30, 2018 is $9,828,999.

The adopted budget includes 3 cents on the real estate tax rate or $1,240,000 to continue to build capital reserves to help pay for anticipated debt service requirements comprised of 1.5 cents real estate tax rate approved in the FY2018 budget and $640,000 from the investment of the Water system sales proceeds.

DEBT

The City issues general obligation debt, revenue bonds, and notes to fund the acquisition of assets such as land or buildings or to fund major renovations, expansions or improvements to existing facilities.

General Obligation Bonds are issued for General Government, School Board and Transportation projects. These bonds are backed by the full faith and credit of the City. Virginia school divisions cannot issue their own debt; therefore both the liabilities and the debt service payments for debt issued for School purposes are budgeted and accounted for in the General Fund. The debt service for the Transportation Capital Projects Fund is also budgeted for in the General Fund.

Debt for storm water or sanitary sewer projects is also generally issued as general obligation bonds in order to realize favorable borrowing terms. The liabilities and debt service are budgeted and accounted for in the respective enterprise funds.

The outstanding principal balances for the City's debt as of June 30, 2018 are as follows, including the issuance in June 2018 for $22,305,000:

Function	General Obligation Bond
School	$ 41,413,096
General Government	24,359,564
Transportation	2,271,267
Subtotal - General Fund	68,043,927
Sanitary Sewer	11,911,886
Storm Water	1,812,116
Total	$ 81,767,929

The following table shows estimated total debt service in FY2019.

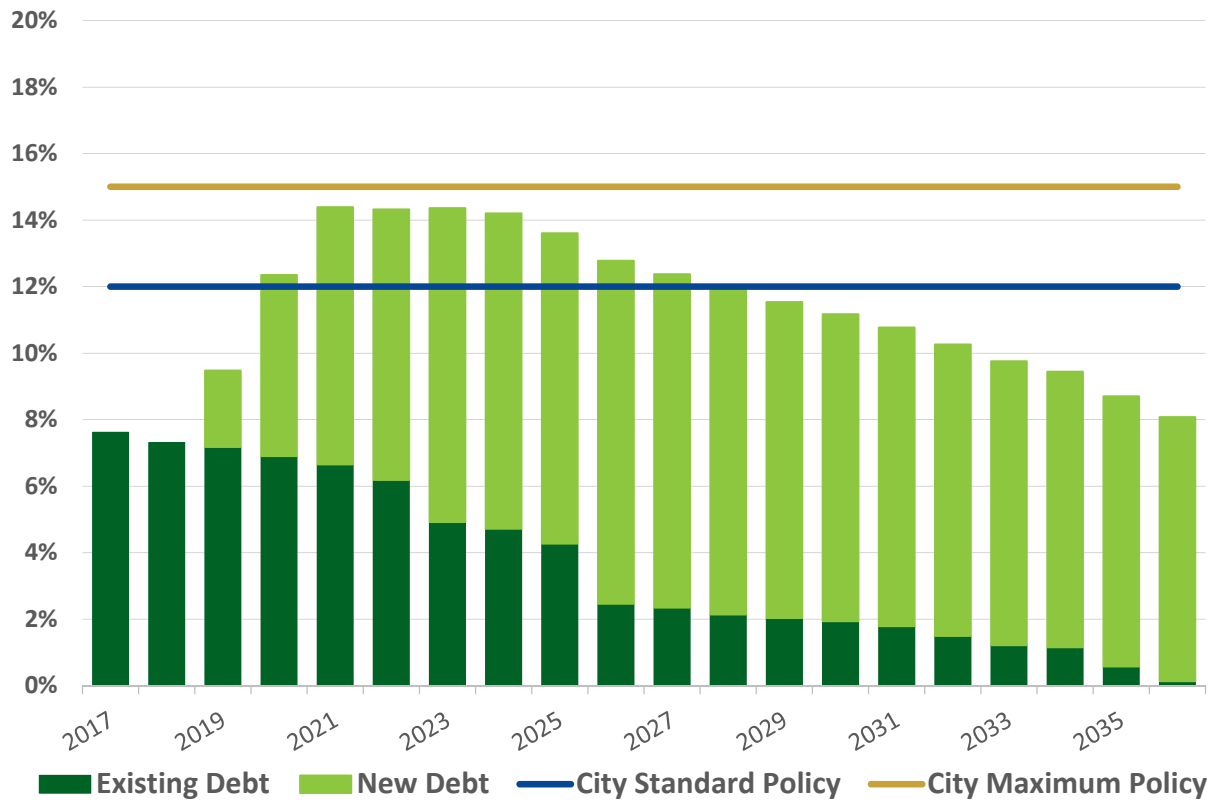
Function	Principal	Interest	Total
School	$ 3,801,283	$ 1,205,238	$ 5,006,521
General Government	2,239,642	909,778	3,149,420
Transportation Fund	143,769	74,290	218,059
Subtotal - General Fund	6,184,694	2,189,306	8,374,000
Sanitary Sewer	1,006,867	272,607	1,279,474
Stormwater	102,678	16,055	118,733
Total	$ 7,294,239	$ 2,477,968	$ 9,772,207

FUTURE DEBT ISSUANCE

The following schedule shows future planned debt issuance. This schedule includes appropriations in the Capital Improvement Program Funds in the prior years for which debt has not been issued. It is anticipated that the bonds for the GMHS Project will be issued over multiple years depending on cash flow needs.

Project	Prior CIP	FY2019 CIP & General Fund	FY2020-FY2024 CIP	Total
Fire Station Rehabilitation	$ -	$ 223,000	$ 750,000	$ 973,000
Public Facility Security	-	-	400,000	400,000
City Hall Campus & Parking	-	350,000	-	350,000
Library	-	7,307,999	-	7,307,999
George Mason High School Construction	110,800,000	-	-	110,800,000
Land Acquisition	4,000,000	-	500,000	4,500,000
Park Master Plan Implementation	-	-	1,200,000	1,200,000
Turf Replacement	-	-	450,000	450,000
Transportation	-	-	2,400,000	2,400,000
General Fund Equipment	-	159,000	-	159,000
Sub-total General Fund Projects	114,800,000	8,039,999	5,700,000	128,539,999
Sewer System Improvements	550,290	644,000	9,391,980	10,586,270
Stormwater Improvements	1,414,000	-	7,000,000	8,414,000
Total Bond-Financed Projects	$ 116,764,290	$ 8,683,999	$ 22,091,980	$147,540,269

The chart on the following page shows projected debt service through FY2036. The chart reflects debt service for projects identified in the FY2019-FY2024 CIP as well as for projects approved in prior CIP for which debt has not yet been issued.



ENTERPRISE FUND DEBTS

The City's financial policies allow for debt for projects related to the storm water or sewer enterprise funds to be issued only if sufficient revenues are anticipated to cover the debt service. Debt may be issued either as revenue bonds or general obligation bonds. Except for one sewer revenue bond, all bonds issued for the City's storm water and sewer systems have been issued as general obligation bonds in order to realize lower interest costs by pledging the City's full faith and credit.

Although debt issued for storm water and sewer projects have been issued as general obligation bonds, the liabilities are accounted for in the respective enterprise funds and the debt service expense is budgeted to be paid from the net revenues of the funds.

Due to the requirement to fund improvements at the Alexandria Renew wastewater treatment plant, Arlington County Treatment Plant, capacity expansions, and improvements needed to our storm water infrastructure, the City anticipates issuing $19 million in bonds over the next five years for these two funds.

More detail on planned debt issuance and the debt-funded projects can be found in the CIP section of this document.

Budget Overview

FY2019 Adopted Budget

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ORDINANCE 1983

ORDINANCE FIXING AND DETERMINING THE BUDGET OF EXPENDITURES AND REVENUES AND APPROPRIATING FUNDS FOR THE FISCAL YEAR 2019: GENERAL FUND; SCHOOL OPERATING FUND; SCHOOL COMMUNITY SERVICE FUND; SCHOOL FOOD SERVICE FUND; CABLE ACCESS FUND; SEWER FUND; AND STORMWATER FUND

THE CITY OF FALLS CHURCH HEREBY ORDAINS that the annual budget of the City of Falls Church, Virginia, for the General Fund, School Operating Fund, School Community Service Fund, School Food Service Fund, Cable Access Fund, Sewer Fund and Stormwater Fund for the Fiscal Year 2019, is hereby fixed, determined and appropriated as hereinafter set forth:

a. $92,547,237 for the General Fund revenues; and

   $92,547,237 for the General Fund expenditures.

b. $51,039,858 for the School Operating Fund revenues; and

   $51,039,858 for the School Operating Fund expenditures.

c. $2,419,126 for the School Community Service Fund revenues; and

   $2,419,126 for the School Community Service Fund expenditures.

d. $1,103,600 for the School Food Service Fund revenues; and

   $1,103,600 for the School Food Service Fund expenditures.

e. $237,604 for the Cable Access Fund revenues; and

   $237,604 for the Cable Access Fund expenditures,

f. $4,510,000 for the Sewer Fund revenues; and

   $4,510,000 for the Sewer Fund expenditures.

g. $1,630,000 for the Stormwater Fund revenues; and

   $1,630,000 for the Stormwater Fund expenditures.

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FY2019 APPROPRIATION OF FUNDS			
	FY2018 Adopted	FY2019 Proposed	FY2019 Adopted
General Fund - Expenditures by Department			
Legislative	1,104,630	1,114,577	1,114,577
Executive	3,061,302	3,084,449	3,084,449
Finance	1,501,656	1,528,307	1,528,307
Commissioner of the Revenue	787,914	804,790	804,790
Treasurer	862,280	910,443	910,443
Registrar	303,319	289,252	289,252
Sheriff	1,466,671	1,469,969	1,464,669
Clerk of Court	41,543	42,347	42,347
Public Safety	9,438,948	9,561,615	9,661,352
Public Works	6,064,911	6,152,838	6,182,838
Human Services	3,768,170	3,811,086	3,811,086
Recreation and Parks	3,200,044	3,214,438	3,204,438
Library	2,090,714	2,090,714	2,090,714
Community Planning & Economic Development	2,710,989	2,767,892	2,767,892
Education and Transfers to Schools	41,181,003	42,351,898	42,351,898
Non-departmental	9,782,118	14,769,685	13,238,185
Total General Fund	**87,366,212**	**93,964,300**	**92,547,237**
General Fund Revenue			
Property Taxes	58,970,900	63,672,200	62,429,200
Property Taxes - Non Assessed	380,000	397,000	397,000
General Sales & Use Taxes	4,649,000	4,742,000	4,742,000
Selective Sales & Use Taxes	6,183,750	6,533,000	6,533,000
Gross Receipts Business Taxes	4,263,000	4,439,000	4,439,000
Other Taxes	1,024,000	1,051,000	1,051,000
Licenses & Permits	1,492,346	1,410,626	1,410,626
Federal Grants	354,671	308,037	308,037
State Operating Grants	991,675	911,226	943,926
State Shared Revenue	3,147,877	3,134,027	3,134,027
Charges for Services	3,505,896	3,806,484	3,806,484
Fines & Forfeitures	652,100	625,000	625,000
Investment Revenues	50,000	50,000	50,000
Rental Income	240,000	232,500	232,500
Contributions Private Sources	13,430	20,400	20,400
Interfund Operating Transfers	1,114,567	1,350,000	1,061,500
Use of Assigned & Restricted Fund Balance	-	240,000	321,737
Dispositions & Sales	29,000	52,800	52,800
Recovered Costs	35,000	30,000	30,000
Debt Proceeds	269,000	959,000	959,000
Total General Fund Revenues	**87,366,212**	**93,964,300**	**92,547,237**

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FY2019 APPROPRIATION OF FUNDS			
	FY2018 Adopted	FY2019 Proposed	FY2019 Adopted
School Operating Fund - Expenditures			
Uses of Funds	50,570,700	51,039,858	51,039,858
Total School Operating Fund Expenditures	**50,570,700**	**51,039,858**	**51,039,858**
School Operating Funds - Revenues			
Use of Fund Balance	574,200	450,000	450,000
Sales Tax	2,775,300	2,809,038	2,809,038
Federal Funds	553,600	556,558	556,558
State Funds	4,118,300	4,040,732	4,040,732
Other	1,508,800	971,984	971,984
City Appropriation	41,040,500	42,211,546	42,211,546
Total School Operating Fund Revenues	**50,570,700**	**51,039,858**	**51,039,858**
School Community Service Fund - Expenditures			
Uses of Funds	2,410,900	2,819,126	2,419,126
Total School Community Services Fund Expenditures	**2,410,900**	**2,819,126**	**2,419,126**
School Community Services Fund - Revenue			
Use of Fund Balance	253,000	653,000	253,000
User Fees	1,871,420	1,879,626	1,879,626
Other Income	178,980	179,000	179,000
City Appropriation	107,500	107,500	107,500
Total Community Services Fund Revenues	**2,410,900**	**2,819,126**	**2,419,126**
School Food Service Fund Expenditures			
Uses of Funds	1,108,600	1,103,600	1,103,600
Total School Food Service Fund Expenditures	**1,108,600**	**1,103,600**	**1,103,600**
School Food Service Fund Revenues			
Use of Fund Balance	100,000	100,000	100,000
Federal and State Grants	120,500	120,500	120,500
Cafeteria Sales	851,100	851,100	851,100
Miscellaneous Income	2,000	2,000	2,000
School Board Transfer	35,000	30,000	30,000
Total School Food Service Fund Revenues	**1,108,600**	**1,103,600**	**1,103,600**

FY2019 APPROPRIATION OF FUNDS			
	FY2018 Adopted	FY2019 Proposed	FY2019 Adopted
Cable Access Fund Expenditures			
TV Station Programming	223,386	237,604	237,604
Total Cable Access Fund Expenditures	**223,386**	**237,604**	**237,604**
Cable Access Fund Revenues			
Transfer from City	223,386	237,604	237,604
Total Cable Access Fund Revenue	**223,386**	**237,604**	**237,604**
Sewer Fund Expenditures			
Sewer Division	4,110,000	4,510,000	4,510,000
Total Sewer Fund Expenditures	**4,110,000**	**4,510,000**	**4,510,000**
Sewer Fund Revenues			
Charges for Services	4,000,000	4,380,000	4,380,000
Investment Income	10,000	30,000	30,000
Availability Fees	100,000	100,000	100,000
Total Sewer Revenue	**4,110,000**	**4,510,000**	**4,510,000**
Stormwater Fund Expenditures			
Stormwater Division	1,691,000	1,630,000	1,630,000
Total Stormwater Fund Expenditures	**1,691,000**	**1,630,000**	**1,630,000**
Stormwater Fund Revenues			
Charges for Services	1,635,000	1,620,000	1,620,000
Investment Income	8,000	10,000	10,000
Use of Fund Balance	48,000	-	-
Total Stormwater Revenue	1,691,000	**1,630,000**	**1,630,000**

1st Reading: 3-26-18
2nd Reading: 4-23-18
Adoption: 4-23-18_____
(TO18-02)

IN WITNESS WHEREOF, the foregoing was adopted by the City Council of the City of Falls Church, Virginia on April 23, 2018 as Ordinance 1983.

Celeste Heath

Celeste Heath
City Clerk

ORDINANCE 1984

ORDINANCE FIXING AND DETERMINING THE FY2019-FY2024 CAPITAL IMPROVEMENTS PROGRAM AND APPROPRIATING EXPENDITURE AND REVENUE FUNDS FOR FISCAL YEAR 2019

THE CITY OF FALLS CHURCH HEREBY ORDAINS THAT: Funding for the Capital Improvements Program for FY2019, as set forth below, is hereby fixed, determined, and appropriated, and the Capital Improvements Program for FY2019 through FY2024 is hereby adopted, as follows. The adoption of the CIP by the City Council signifies the Council's identification of priorities for capital spending over a six-year period. Bond funding and execution of multiple year projects should be based on an assumed approval of the CIP for all six years.

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GENERAL GOVERNMENT AND SCHOOL BOARD

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	6YR TOTALS
PUBLIC SAFETY							
Fire Station 6 Reinvestment	$ 223,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 973,000
Public Facility Security (NEW)	$ -	$ 400,000	$ -	$ -	$ -	$ -	$ 400,000
Total Public Safety	**$ 223,000**	**$ 550,000**	**$ 150,000**	**$ 150,000**	**$ 150,000**	**$ 150,000**	**$ 1,373,000**
PUBLIC FACILITIES							
MRSPL Expansion/Renovations	$ 7,307,999	$ -	$ -	$ -	$ -	$ -	$ 7,307,999
City Facilities Reinvestment	$ 350,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,350,000
City Facilities Reinvestment	$ -	$ 140,000	$ 60,000	$ 65,000	$ 60,000	$ 25,000	$ 350,000
City Hall/Public Safety Rear Expansion	$ 90,000	$ -	$ -	$ -	$ -	$ -	$ 90,000
City Hall/Public Safety Renovation	$ 260,000	$ -	$ -	$ -	$ -	$ -	$ 260,000
Mary Ellen Henderson Middle School (NEW)	$ -	$ -	$ 300,000	$ -	$ -	$ -	$ 300,000
Thomas Jefferson Elementary (NEW)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Public Facilities	**$ 8,007,999**	**$ 340,000**	**$ 560,000**	**$ 265,000**	**$ 260,000**	**$ 225,000**	**$ 9,657,999**
RECREATION & PARKS/FIELDS							
Fellows Property Parkland (NEW)	$ -	$ -	$ -	$ 500,000	$ -	$ -	$ 500,000
Synthetic Turf Replacement	$ -	$ -	$ -	$ -	$ 450,000	$ -	$ 450,000
Park Master Plan Implementation	$ -	$ 600,000	$ 300,000	$ -	$ -	$ 300,000	$ 1,200,000
Acquisition of Open Space	$ -	$ 1,000,000	$ -	$ -	$ -	$ -	$ 1,000,000
Total Recreation & Parks/Fields	**$ -**	**$ 1,600,000**	**$ 300,000**	**$ 500,000**	**$ 450,000**	**$ 300,000**	**$ 3,150,000**
TOTAL GENERAL FUND	**$ 8,230,999**	**$ 3,490,000**	**$ 1,010,000**	**$ 915,000**	**$ 860,000**	**$ 675,000**	**$ 14,180,999**
Funding Sources							
Grant/Other Funded	-	-	-	-	-	-	-
Total *Debt* Financed	***$ 7,880,999***	***$ 2,150,000***	***$ 450,000***	***$ 650,000***	***$ 600,000***	***$ 450,000***	***$ 11,180,999***
Only if grant/revenue offset	**$ -**	**$ 1,140,000**	**$ 360,000**	**$ 65,000**	**$ 60,000**	**$ 25,000**	**$ 1,650,000**
Total "Pay as you go"	**$ 350,000**	**$ 200,000**	**$ 200,000**	**$ 200,000**	**$ 200,000**	**$ 200,000**	**$ 1,350,000**
Total Sources	**$ 8,230,999**	**$ 3,490,000**	**$ 1,010,000**	**$ 915,000**	**$ 860,000**	**$ 675,000**	**$ 14,180,999**

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SPECIAL TRANSPORTATION FUND

	Funding Source	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	6 YR TOTALS
Infrastructure Program - Bridges	Federal Grant (RSTP)	$ 389,000	$ -	$ 75,000	$ -	$ -	$ 75,000	$ 539,000
Infrastructure Program - Bridges	State Grant (SGR)	$ 500,000	$ -	$ -	$ -	$ -	$ -	$ 500,000
Infrastructure Program - Pavement	State Grant (Revenue Sharing	$ -	$ 413,250	$ -	$ -	$ 650,000	$ 700,000	$ 1,763,250
Infrastructure Program - Pavement	State Grant (NVTA 30%)	$ -	$ 475,000	$ -	$ -	$ 650,000	$ 700,000	$ 1,825,000
Infrastructure Program - Pavement	Unfunded	$ -	$ 1,200,000	$ -	$ -	$ -	$ -	$ 1,200,000
Infrastructure Program - Traffic Signals	State Grant (Revenue Sharing	$ 412,500	$ 62,500	$ 350,000	$ 300,000	$ -	$ -	$ 1,125,000
Infrastructure Program - Traffic Signals (1)	State Grant (NVTA 30%)	$ 412,500	$ 62,500	$ 350,000	$ 300,000	$ -	$ -	$ 1,125,000
South Washington POA Program	State Grant (Revenue Share)	$ 412,500	$ 62,500	$ -	$ -	$ -	$ -	$ 475,000
South Washington POA Program	State Grant (NVTA 30%)	$ 412,500	$ 62,500	$ -	$ -	$ -	$ -	$ 475,000
Downtown Area POA Program	Federal Grant (Smart Scale)	$ 105,000	$ -	$ 413,000	$ 874,000	$ 608,000	$ -	$ 2,000,000
Downtown Area POA Program	State Grant (NVTA 30%)	$ -	$ -	$ 85,300	$ -	$ -	$ -	$ 85,300
Downtown Area POA Program	Local (PAYGO)	$ 240,000	$ -	$ 154,700	$ -	$ -	$ -	$ 394,700
Downtown Area POA Program	Federal Grant (Smart Scale)	$ 90,000	$ 320,000	$ 220,000	$ -	$ -	$ -	$ 630,000
Downtown Area POA Program	Federal Grant (Smart Scale)	$ -	$ -	$ -	$ 1,000,000	$ 1,700,000	$ -	$ 2,700,000
Downtown Area POA Program	Unfunded	$ -	$ 500,000	$ -	$ -	$ -	$ -	$ 500,000
Neighborhood Traffic Calming	Federal Grant (BPSP)	$ -	$ 636,000	$ -	$ -	$ 800,000	$ -	$ 1,436,000
Neighborhood Traffic Calming	Local (PAYGO)	$ 100,000						
Neighborhood Traffic Calming	State Grant (NVTA 30%)	$ 100,000	$ -	$ -	$ 100,000	$ -	$ -	$ 200,000
Multimodal Connectivity and Accessibility	Federal Grant (SmartScale)	$ 250,000	$ 300,000	$ 250,000	$ -	$ -	$ -	$ 800,000
Multimodal Connectivity and Accessibility	State Grant (NVTA 30%)	$ 40,000	$ -	$ -	$ -	$ -	$ -	$ 40,000
Multimodal Connectivity and Accessibility	Federal Grant (BPSP)	$ -	$ -	$ 90,000	$ 510,000	$ -	$ -	$ 600,000
Multimodal Connectivity and Accessibility	Federal Grant (RSTP)	$ -	$ -	$ -	$ -	$ 408,000	$ 550,000	$ 958,000
Multimodal Connectivity and Accessibility	Local (PAYGO)	$ -	$ 200,000	$ -	$ -	$ -	$ -	$ 200,000
WMATA & NVTA Annual Cost	Local (CIE)	$ 1,076,000	$ 1,066,450	$ 1,378,799	$ 1,790,909	$ 1,903,712	$ 2,017,138	$ 9,233,008
WMATA & NVTA Annual Cost	*Local (Debt)*	*$ -*	*$ -*	*$ 600,000*	*$ 600,000*	*$ 600,000*	*$ 600,000*	*$ 2,400,000*
WMATA & NVTA Annual Cost	State Grant (NVTA 30%)	$ 11,500	$ 11,845	$ 12,200	$ 12,566	$ 12,943	$ 13,331	$ 74,385
North Washington POA Program	State Grant (NVTA 70%)	$ -	$ -	$ -	$ 2,502,500	$ 6,870,000	$ 5,127,500	$ 14,500,000
West Broad Street POA Program	Federal Grant (RSTP)	$ -	$ 398,032	$ 346,469	$ 500,000	$ -	$ -	$ 1,244,501
West Broad Street POA Program	Federal Grant (Smart Scale)	$ 300,000	$ 350,000	$ 400,000	$ 545,000	$ 855,000	$ -	$ 2,450,000
West Falls Church and Joint Campus Revitalization District (NEW)	Federal Grant (BPSP)	$ -	$ -	$ 100,000	$ 650,000	$ -	$ -	$ 750,000
West Falls Church and Joint Campus Revitalization District (NEW)	State Grant (NVTA 70%)	$ -	$ -	$ 2,900,000	$ 7,185,000	$ 5,615,000	$ -	$ 15,700,000
West Falls Church and Joint Campus Revitalization District (NEW)	State Grant (I-66 CC)	$ -	$ 1,218,098	$ 2,599,883	$ 2,390,697	$ -	$ -	$ 6,208,678
TOTAL TRANSPORATION FUND		**$ 4,851,500**	**$ 7,338,675**	**$ 10,325,351**	**$ 19,260,672**	**$ 20,672,655**	**$ 9,782,969**	**$ 72,231,822**
SOURCES								
Grant Funded		**$ 3,435,500**	**$ 4,372,225**	**$ 8,191,852**	**$ 16,869,763**	**$ 18,168,943**	**$ 7,165,831**	**$ 58,204,114**
Local Debt	***Local (Debt)***	***$ -***	***$ -***	***$ 600,000***	***$ 600,000***	***$ 600,000***	***$ 600,000***	***$ 2,400,000***
Only if grant/revenue offset		**$ -**	**$ 1,700,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,700,000**
Total "Pay as you go"	**Local (PAYGO)**	**$ 1,416,000**	**$ 1,266,450**	**$ 1,533,499**	**$ 1,790,909**	**$ 1,903,712**	**$ 2,017,138**	**$ 9,927,708**
Total Sources		**$ 4,851,500**	**$ 7,338,675**	**$ 10,325,351**	**$ 19,260,672**	**$ 20,672,655**	**$ 9,782,969**	**$ 72,231,822**

(1) $242,232 of the Infrastructure Program – Traffic Signal funding in FY2019 is a transfer from the Infrastructure Program – Pavement prior year funds. This Ordinance authorizes the transfer of these funds.

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SEWER UTILITY FUND

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	6 YR TOTALS
Arlington WPCP Non-expansion Capital	$ 212,000	$ 371,000	$ 230,000	$ 62,000	$ 200,000	$ 200,000	$ 1,275,000
Alexandria Wastewater Treatment Upgrades	$ 432,000	$ 473,670	$ 765,990	$ 575,820	$ 543,600	$ 369,900	$ 3,160,980
Alexandria Wastewater Treatment Plant Capacity	$ -	$ -	$ -	$ 1,870,000	$ 1,870,000	$ 1,860,000	$ 5,600,000
Sanitary Sewer Rehabilitation	$ 550,000	$ 600,000	$ 650,000	$ 700,000	$ 750,000	$ 750,000	$ 4,000,000
West End Sewer Capacity (NEW)	$ 200,000	$ 2,000,000	$ -	$ -	$ -	$ -	$ 2,200,000
Total Sewer Utility	**$ 1,394,000**	**$ 3,444,670**	**$ 1,645,990**	**$ 3,207,820**	**$ 3,363,600**	**$ 3,179,900**	**$ 16,235,980**
SOURCES							
Total *Debt* Financed	$ 644,000	$ 844,670	$ 995,990	$ 2,507,820	$ 2,613,600	$ 2,429,900	$ 10,035,980
Total "Pay as you go" Financed	$ 750,000	$ 600,000	$ 650,000	$ 700,000	$ 750,000	$ 750,000	$ 4,200,000
Sewer Availability Fees	$ -	$ 2,000,000	$ -	$ -	$ -	$ -	$ 2,000,000
Total Sources	**$ 1,394,000**	**$ 3,444,670**	**$ 1,645,990**	**$ 3,207,820**	**$ 3,363,600**	**$ 3,179,900**	**$ 16,235,980**

STORMWATER UTILITY FUND

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	6 YR TOTALS
Arlington WPCP Non-expansion Capital	$ 212,000	$ 371,000	$ 230,000	$ 62,000	$ 200,000	$ 200,000	$ 1,275,000
Alexandria Wastewater Treatment Upgrades	$ 432,000	$ 473,670	$ 765,990	$ 575,820	$ 543,600	$ 369,900	$ 3,160,980
Alexandria Wastewater Treatment Plant Capacity	$ -	$ -	$ -	$ 1,870,000	$ 1,870,000	$ 1,860,000	$ 5,600,000
Sanitary Sewer Rehabilitation	$ 550,000	$ 600,000	$ 650,000	$ 700,000	$ 750,000	$ 750,000	$ 4,000,000
West End Sewer Capacity (NEW)	$ 200,000	$ 2,000,000	$ -	$ -	$ -	$ -	$ 2,200,000
Total Sewer Utility	**$ 1,394,000**	**$ 3,444,670**	**$ 1,645,990**	**$ 3,207,820**	**$ 3,363,600**	**$ 3,179,900**	**$ 16,235,980**
SOURCES							
Total *Debt* Financed	$ 644,000	$ 844,670	$ 995,990	$ 2,507,820	$ 2,613,600	$ 2,429,900	$ 10,035,980
Total "Pay as you go" Financed	$ 750,000	$ 600,000	$ 650,000	$ 700,000	$ 750,000	$ 750,000	$ 4,200,000
Sewer Availability Fees	$ -	$ 2,000,000	$ -	$ -	$ -	$ -	$ 2,000,000
Total Sources	**$ 1,394,000**	**$ 3,444,670**	**$ 1,645,990**	**$ 3,207,820**	**$ 3,363,600**	**$ 3,179,900**	**$ 16,235,980**

1st Reading: 03-26-18
2nd Reading: 04-23-18
Adoption:
(TO18-03)

IN WITNESS WHEREOF, the foregoing was adopted by the City Council of the City of Falls Church, Virginia on April 23, 2018 as Ordinance 1984.

Celeste Heath

Celeste Heath
City Clerk

BUDGET PROCESS & CALENDAR

The City follows an established set of procedures for setting the annual budget for all City funds. This process is designed for maximum public input while adhering to the constraints and timelines established by Section 6 of the City's charter and relevant State code.

a. The Superintendent of Schools submits a proposed budget to the School Board in January. The School Board is required to act upon this proposal prior to the City Manager presenting his overall budget proposal. Section 6.02 of the City charter states that the School Board's request must be included in the City Manager's proposed budget as adopted by the Board.

b. The Capital Improvements Program (CIP) is presented to the Planning Commission in mid-January. The Planning Commission provides a recommended CIP to the City Manager who may make adjustments prior to inclusion of the CIP in the proposed budget. However, the CIP projects requested by the School Board must be included in the proposed budget as they were presented to the Planning Commission.

c. On a date in March fixed by the City Council, the City Manager submits proposed budgets for the general operation of the City government, the Sewer Fund, the Storm Water Fund and the Five-Year Capital Improvements Program (CIP) for the fiscal year commencing July 1. The budget presentation must include proposals for tax rates necessary to support the expenditure proposals. Tax rates are adopted as a separate ordinance.

d. At least two public hearings are required to obtain citizen comments. It has been the City's practice to hold three public hearings, including one at the meeting where the budget is to be adopted. Beginning with the FY2010 budget process, the City has also scheduled "town hall" meetings for greater citizen input.

e. The operating budget and the CIP are enacted through passage of an appropriation ordinance. If, for any reason, the City Council fails to adopt the appropriation ordinance prior to July 1, the previous fiscal year's budget remains in effect on a month-to-month basis until the City Council adopts the budgets. The CIP must be adopted no later than 28 days after the adoption of the annual budget. As a general rule the operating budget and the CIP are adopted at the same time with the same ordinance.

f. The appropriation action of the City Council on the school budget relates to the total budget only; the School Board has the authority to expend at its discretion the sum appropriated for its use. The School Board has the power to authorize transfers from one item of appropriation to another during the course of the fiscal year provided the total appropriation is not exceeded.

Budgets for all funds are adopted by the City Council on an annual basis consistent with the modified-cash basis of Generally Accepted Accounting Principles as used in the City's Comprehensive Annual Financial Report (CAFR). Debt issuance and payments are appropriated using the cash basis, as is the purchase of capital items. Only payments of capital leases are "subject to appropriation".

Formal budgetary integration is employed as a management control device during the year. The appropriation ordinance places legal restrictions on expenditures at the fund level. During the course of the fiscal year, the City Council may revise the appropriation for each fund through an ordinance. The City Council may also revise the appropriations for each department through a resolution as long as the overall level of expenditure remains unchanged. The City Manager is authorized to transfer unencumbered balances within departments.

The following calendar is being followed for the FY2019 budget process:

2017

Monday, Dec 4	City Council & School Board Joint Work Session: FY2019 Budget Planning
Monday, Dec 11	City Council Regular Meeting: Adoption of Budget Guidance Resolution

2018

Tuesday, Jan 9	School Superintendent Presents FY2019 Budget Recommendations to School Board
Monday, Feb 5	FY2019-FY2024 CIP Presented to the Planning Commission
Tuesday, Feb 12	CIP Public Hearing and Work Session with Planning Commission
Tuesday, Feb 20	Planning Commission Public Hearing and Adoption of CIP Recommendations
Tuesday, February 20	School Board Adopts FY2019 Budget Request
Monday, March 12	City Manager Presents FY2019 Operating Budget & FY2019-2024 CIP
Friday, March 16	Budget Finance Committee Meeting
Sunday, March 18	Town Hall Meeting
Monday, March 19	City Council Budget Work Session
Monday, March 26	1st Reading of Budget Ordinance & Tax Rate Ordinance
Monday, April 2	City Council Budget Work Session
Sunday, April 8	Town Hall Meeting
Monday, April 9	Public Hearing, 2nd Reading of Budget Ordinance & Tax Rate Ordinance
Monday, April 16	City Council Budget Work Session: Final Mark-up
Monday, April 23	Public Hearing and Adoption of FY2019 Operating Budget & FY2019-2024 CIP
Tuesday, May 8	School Board Adopts FY2019 School Budget
July 1, 2018	Fiscal Year 2019 Commences

NOTE: Please check the following websites for the most up-to date information regarding meetings:

- **City Government: http://www.fallschurchva.gov/Budget-Calendar**
- **School Board: https://sites.google.com/fccps.org/budget/fy-19-budget.**

FUND SUMMARIES

GENERAL FUND

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Revenues				
Taxes	$ 72,528,292	$ 75,470,650	$ 79,591,200	5.46%
Licenses and Permits	1,036,162	1,492,346	1,410,626	-5.48%
Grants & Contributions	5,522,781	4,507,653	4,406,390	-2.25%
Charges for Services	3,266,976	3,505,896	3,806,484	8.57%
Fines and Forfeitures	490,773	652,100	625,000	-4.16%
Revenue from Property and Money	443,100	290,000	282,500	-2.59%
Miscellaneous	781,115	64,000	82,800	29.38%
Transfers from Special Transportation Fund	941,723	1,114,567	1,061,500	-4.76%
Other Financing Sources	612,000	269,000	1,280,737	376.11%
Total General Fund Revenues	**$ 85,622,922**	**$ 87,366,212**	**$ 92,547,237**	**5.93%**
Expenditures				
Legislative				
City Council	$ 106,698	$ 105,617	$ 104,417	-1.14%
City Clerk	224,495	234,825	240,338	2.35%
City Attorney	327,603	386,105	390,035	1.02%
Judicial Services	348,713	378,083	379,787	0.45%
Total Legislative	1,007,509	1,104,630	1,114,577	0.90%
Executive				
City Manager	557,895	567,805	544,479	-4.11%
Communications	219,281	270,973	261,787	-3.39%
Human Resources	343,518	353,307	369,099	4.47%
Risk Management	186,558	159,703	164,288	2.87%
Information Technology	1,451,127	1,595,219	1,630,989	2.24%
Economic Development*	437,004	405,957	0	-100.00%
Environmental Sustainability	109,693	114,295	113,807	-0.43%
Total Executive	3,305,075	3,467,259	3,084,449	-11.04%
Department of Finance				
Finance	968,177	1,089,546	1,089,352	-0.02%
Real Estate Assessment	402,698	412,110	438,955	6.51%
Total Department of Finance	1,370,875	1,501,656	1,528,307	1.77%
Commissioner of The Revenue	765,765	787,914	804,790	2.14%
Treasurer				
Treasurer	581,315	580,280	583,443	0.55%
Property Relief Programs	263,242	282,000	327,000	15.96%
Total Treasurer	581,315	862,280	910,443	5.59%
Registrar	271,353	303,319	289,252	-4.64%
Sheriff				
Sheriff	890,528	801,978	804,294	0.29%
Adult Corrections	691,490	664,693	660,375	-0.65%
Total Sheriff	1,582,018	1,466,671	1,464,669	-0.14%

*Economic Development was transferred to the Community Planning and Economic Development as of FY2019.

GENERAL FUND – CONTINUED

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures - Continued				
Clerk of Court	38,356	41,543	42,347	1.94%
Department of Public Safety				
Police Administration	593,175	709,729	579,296	-18.38%
Police Photo Enforcement Program	188,986	254,342	242,526	-4.65%
Police Operations	2,875,860	2,936,770	2,971,985	1.20%
Police Services	2,125,683	1,995,415	2,156,238	8.06%
Police Dispatch	870,946	720,751	764,722	6.10%
Animal Control	45,008	41,317	41,377	0.15%
Emergency Management	97,215	113,000	122,899	8.76%
Fire Marshal Services	112,956	128,495	138,568	7.84%
Fire Services	2,476,406	2,539,129	2,643,741	4.12%
Total Department of Public Safety	9,386,235	9,438,948	9,661,352	2.36%
Department of Public Works				
Administration	424,963	239,827	215,927	-9.97%
Design & Construction Engineering	119,022	99,642	106,733	7.12%
Transportation Engineering	1,181,240	894,135	1,019,582	14.03%
CIP Engineering	-	40,895	59,827	46.29%
Public Resources	-	236,907	255,234	7.74%
Solid Waste & Recycling	875,132	882,158	882,835	0.08%
Highways, Streets, & Sidewalks	1,094,667	1,282,017	1,265,248	-1.31%
Snow & Ice Removal	172,584	194,216	186,108	-4.17%
Leaf Collection	167,933	175,803	173,345	-1.40%
General Services	643,567	769,740	768,312	-0.19%
Fleet Maintenance	456,275	473,526	471,900	-0.34%
Urban Forestry	760,225	776,045	777,787	0.22%
Total Department of Public Works	5,895,607	6,064,911	6,182,838	1.94%
Department of Human Services				
Aurora House	880,043	949,958	931,205	-1.97%
Junenile & Court Services	543,527	478,577	488,881	2.15%
Juvenile & Domestic Relations Court	3,998	6,074	6,069	-0.08%
Housing and Human Services	517,598	547,866	550,571	0.49%
Public Assistance Programs	710,813	709,002	712,902	0.55%
Community Services Board	731,851	805,036	840,458	4.40%
Health Services	251,519	271,657	281,000	3.44%
Total Department of Human Services	3,639,350	3,768,170	3,811,086	1.14%
Department of Recreation and Parks				
Recreation Administration	820,306	824,617	824,945	0.04%
Parks Maintenance	285,312	326,559	318,326	-2.52%
Recreation Programs & Special Events	1,514,420	1,536,727	1,528,104	-0.56%
Athletic Programs	446,431	451,057	467,536	3.65%
Community Cultural & Arts Programs	58,056	61,084	65,527	7.27%
Total Department of Recreation and Parks	3,124,524	3,200,044	3,204,438	0.14%
Library	2,046,130	2,090,714	2,090,714	0.00%
Community Planning & Economic Development*	2,284,623	2,305,032	2,767,892	20.08%

*Economic Development was transferred from Executive Management as of FY2019.

GENERAL FUND – CONTINUED

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures - Continued				
Education				
Transfer to School Board	39,817,030	41,148,000	42,319,046	2.85%
Community College Programs and Other Education	31,482	33,003	32,852	-0.46%
Total Education	39,848,512	41,181,003	42,351,898	2.84%
Post-Retirement Benefits	191,361	92,978	(519,775)	-659.03%
Regional Transportation/Transit	769,482	959,675	1,092,356	13.83%
Debt Service	6,280,372	6,445,512	8,374,000	29.92%
Transfers				
Transfers to CIP	2,043,860	200,000	350,000	75.00%
Transfers to CIP - Special Transportation Fund	932,126	1,010,567	1,390,000	37.55%
Transfers to FCCTV Fund	184,165	223,386	237,604	-
Total Transfers	3,160,151	1,433,953	1,977,604	37.91%
Reserves				
Tax Credits	-	250,000	250,000	0.00%
Reserves for Capital	-	600,000	1,240,000	106.67%
Total Reserves	-	850,000	1,490,000	75.29%
Total General Fund Expenditures	**$ 85,605,375**	**$ 87,366,212**	**$ 92,547,237**	**5.93%**

SANITARY SEWER FUND

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Revenues				
Charges for Services	$ 4,296,752	$ 4,000,000	$ 4,380,000	9.50%
Availability Fees	1,414,080	100,000	100,000	0.00%
Revenue from Use of Property and Money	23,952	10,000	30,000	200.00%
Total Sewer Fund Revenues	**$ 5,759,071**	**$ 4,110,000**	**$ 4,510,000**	**9.73%**
Expenditures				
Sewer Management	$ 397,260	$ 504,523	$ 545,688	8.16%
Collection and Disposal	1,879,199	1,632,424	1,759,694	7.80%
Debt Service	1,052,124	1,247,250	1,278,815	2.53%
Other Post-Employment Benefits	4,000	3,000	3,000	0.00%
Transfers and Reserves	1,964,080	650,000	850,000	30.77%
Reserves	-	72,803	72,803	0.00%
Total Sewer Fund Expenditures	**$ 5,296,662**	**$ 4,110,000**	**$ 4,510,000**	**9.73%**

STORMWATER FUND

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Revenues				
Charges for Services	$ 1,592,168	$ 1,635,000	$ 1,620,000	-0.92%
Revenue from Use of Property and Money	11,540	8,000	10,000	25.00%
Use of Capital Reserves	-	48,000	-	-100.00%
Total Stormwater Fund Revenues	**$ 1,603,708**	**$ 1,691,000**	**$ 1,630,000**	**-3.61%**
Expenditures				
Stormwater Management	$ 522,843	$ 661,202	$ 593,933	-10.17%
Stormwater Operations	787,366	879,805	866,107	-1.56%
Debt Service	153,597	149,993	169,960	13.31%
Total Stormwater Fund Expenditures	**$ 1,463,807**	**$ 1,691,000**	**$ 1,630,000**	**-3.61%**

CABLE ACCESS FUND

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Revenues				
Transfer from City	$ 156,096	$ 158,386	$ 172,604	8.98%
Transfer from City - PEG Fees	28,069	65,000	65,000	0.00%
Total Cable Access TV Fund Revenue	**$ 184,165**	**$ 223,386**	**$ 237,604**	**6.36%**
Expenditures				
Cable Access TV Programming	$ 184,165	$ 223,386	$ 237,604	6.36%
Total Cable Access TV Fund Expenditures	**$ 184,165**	**$ 223,386**	**$ 237,604**	**6.36%**

SCHOOL BOARD – OPERATING FUND

	FY2017 Actual	FY2018 Adopted	FY2019 Proposed	Percent Change
Revenues				
Transfer from City	$ 39,708,000	$ 41,040,500	$ 42,211,546	2.85%
State Grants	3,795,117	4,118,300	4,040,732	-1.88%
Sales Tax	2,663,206	2,775,300	2,809,038	1.22%
Federal Grants	526,707	553,600	556,558	0.53%
Other	892,477	1,508,800	971,984	-35.58%
Use of Fund Balance	-	574,200	450,000	-21.63%
Total School Board Operating Fund Revenue	**$ 47,585,507**	**$ 50,570,700**	**$ 51,039,858**	**0.93%**
Expenditures				
Education	$ 47,321,581	$ 50,570,700	$ 51,039,858	0.93%
Total School Board Operating Fund Expenditures	**$ 47,321,581**	**$ 50,570,700**	**$ 51,039,858**	**0.93%**

SCHOOL BOARD – COMMUNITY SERVICES FUND

	FY2017 Actual	FY2018 Adopted	FY2019 Proposed	Percent Change
Revenues				
User Fees	$ 1,632,767	$ 1,871,420	$ 1,879,626	0.44%
Transfer from City	109,030	107,500	107,500	0.00%
Other	138,330	178,980	179,000	0.01%
Use of Fund Balance	-	253,000	253,000	0.00%
Total School Board Community Service Fund Revenue	**$ 1,880,127**	**$ 2,410,900**	**$ 2,419,126**	**0.34%**
Expenditures				
Community Services Expenditures	$ 1,893,124	$ 2,410,900	$ 2,419,126	0.34%
Total School Board Community Service Fund Expenditures	**$ 1,893,124**	**$ 2,410,900**	**$ 2,419,126**	**0.34%**

SCHOOL BOARD – FOOD SERVICES FUND

	FY2018 Actual	FY2019 Adopted	FY2019 Proposed	Percent Change
Revenues				
User Fees	$ 780,520	$ 851,100	$ 851,100	0.00%
State and Federal Funds	85,534	120,500	120,500	0.00%
Other Miscellaneous	1,058	2,000	2,000	0.00%
Transfer from School Operating Fund	45,000	35,000	30,000	-14.29%
Use of Fund Balance	-	100,000	100,000	0.00%
Total School Board Food Service Fund Revenue	**$ 912,112**	**$ 1,108,600**	**$ 1,103,600**	**-0.45%**
Expenditures				
Food Service	$ 866,536	$ 1,108,600	$ 1,103,600	-0.45%
Total School Board Food Service Fund Expenditures	**$ 866,536**	**$ 1,108,600**	**$ 1,103,600**	**-0.45%**

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CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – GENERAL GOVERNMENT

	FY2017 Actual	FY2018 Adopted	FY2019 Proposed	Percent Change
Revenues				
Transfer from General Fund	$ -	$ 200,000	$ 350,000	-
Transfer from General Fund - Capital Reserves	2,443,860	-	-	-
Proceeds from issuance of bonds	248,000	120,498,606	7,880,999	-93.46%
Grants	2,052,309	-	-	-
Only If grant/revenue offset	-	-	-	-
Total CIP Fund Revenues - General Fund & School Board	**$ 4,744,169**	**$ 120,698,606**	**$ 8,230,999**	**-93.18%**
Expenditures				
Transportation	$ 253,198	$ -	$ -	-
Facilities	1,899,412	118,573,606	8,007,999	-93.25%
Public Safety	-	800,000	223,000	-72.13%
Recreation & Parks	187,447	1,075,000	-	-100.00%
Information Technology	26,026	250,000	-	-
Total CIP Fund Revenues - General Fund & School Board	**$ 2,366,083**	**$ 120,698,606**	**$ 8,230,999**	**-93.18%**

CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – SPECIAL TRANSPORTATION FUND

	FY2017 Actual	FY2018 Adopted	FY2019 Proposed	Percent Change
Revenues				
Transfer from General Fund	$ 932,126	$ 964,670	$ 1,416,000	46.79%
Proceeds from Issuance of Bonds	150,000	1,196,965	-	-100.00%
Grants	1,518,384	2,987,149	3,435,500	15.01%
Total CIP Fund Revenues - Sewer Utility	**$ 2,600,510**	**$ 5,148,784**	**$ 4,851,500**	**-5.77%**
Expenditures				
Capital Improvements	$ 3,512,043	$ 5,148,784	$ 4,851,500	-5.77%
Total CIP Fund Expenditures - Sewer Utility	**$ 3,512,043**	**$ 5,148,784**	**$ 4,851,500**	**-5.77%**

CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – SEWER UTILITY

	FY2017 Actual	FY2018 Adopted	FY2019 Proposed	Percent Change
Revenues				
Proceeds from Bonds	$ -	$ 625,000	$ 644,000	3.04%
Transfer from Sewer Fund	550,000	550,000	750,000	36.36%
Sewer Availability Fees	1,414,080	2,300,000	-	
Total CIP Fund Revenues - Sewer Utility	**$ 1,964,080**	**$ 3,475,000**	**$ 1,394,000**	**-59.88%**
Expenditures				
Capital Improvements	$ 903,763	$ 3,475,000	$ 1,394,000	-59.88%
Total CIP Fund Expenditures - Sewer Utility	**$ 903,763**	**$ 3,475,000**	**$ 1,394,000**	**-59.88%**

CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – STORMWATER UTILITY

	FY2017 Actual	FY2018 Adopted	FY2019 Proposed	Percent Change
Revenues				
Proceeds from Bonds	$ -	$ -	$ -	-
Total CIP Fund Revenues - Sewer Utility	**$ -**	**$ -**	**$ -**	-
Expenditures				
Capital Improvements	$ 351,268	$ -	$ -	-
Total CIP Fund Expenditures - Sewer Utility	**$ 351,268**	**$ -**	**$ -**	-

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POSITION SUMMARIES

The following are the proposed permanent positions in full-time equivalency (FTE). Certain departments also employ temporary personnel throughout the year. Those positions are not included in the FTE below.

GENERAL FUND

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted
Legislative			
City Clerk	2.00	2.00	2.00
City Attorney	2.00	2.00	2.00
Total Legislative	4.00	4.00	4.00
Executive			
City Manager	3.00	3.00	2.90
Office of Communications	2.00	2.00	2.00
Human Resources	2.50	2.75	2.35
Risk Management	0.50	0.25	0.30
Information Technology	8.40	8.40	8.40
Environmental Sustainability	1.00	1.00	1.00
Total Executirve	17.40	17.40	16.95
Department of Finance			
Finance	8.00	8.00	8.00
Real Estate Assessment	3.00	3.00	3.00
Total Department of Finance	11.00	11.00	11.00
Commissioner of The Revenue	8.75	8.75	8.75
Treasurer	5.00	5.00	5.00
Voter Registration and Electoral Board	1.50	1.50	1.50
Sheriff	6.50	6.50	6.50
Department of Public Safety			
Police Administration	2.00	2.50	2.00
Police Photo Enforcement Program	0.75	0.50	0.50
Police Operations	20.75	21.75	21.50
Police Services	15.00	13.75	14.50
Dispatch	6.00	6.00	6.00
Emergency Management	0.50	0.50	0.50
Fire Marshall	0.50	0.50	0.50
Total Department of Public Safety	45.50	45.50	45.50
Department of Public Works			
Public Works Administration	2.32	1.50	1.40
Design & Construction Engineering	1.50	0.70	0.75
Transportation Engineering	1.60	1.40	1.65
CIP Engineering	-	0.30	0.45
Public Resources	-	2.35	2.50
Recycling and Solid Waste	1.00	1.00	1.00
Highways, Streets, and Sidewalks	10.85	10.85	10.85
General Services	1.85	2.05	2.05
Fleet Maintenance	4.00	4.00	4.00
Urban Forestry	4.00	4.00	4.00
Total Department of Public Works	27.12	28.15	28.65

GENERAL FUND – CONTINUED

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted
Department of Human Services			
Aurora House	7.73	8.73	8.73
Court Services	3.10	-	-
Housing and Human Services Administration	4.80	4.90	4.90
Total Department of Human Services	15.63	13.63	13.63
Department of Recreation and Parks			
Parks and Recreation Administration	5.80	5.80	5.80
Parks Maintenance	3.00	3.00	3.00
Recreation Programs & Special Events	6.60	6.40	6.00
Athletic Programs	1.00	1.00	1.40
Community Cultural & Arts Programs	0.20	0.20	0.20
Total Department of Recreation and Parks	16.60	16.40	16.40
Library	17.85	17.85	18.85
Community Planning & Economic Development	22.00	22.00	21.30
Total General Fund	**198.85**	**197.68**	**198.03**

SEWER FUND

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted
Sewer Management & Engineering	1.03	0.85	1.05
Collection and Disposal	3.55	3.55	3.55
Total Sewer Fund	**4.58**	**4.40**	**4.60**

STORM WATER FUND

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted
Stormwater Management & Engineering	3.27	1.75	1.45
Stormwater Operations	4.55	4.55	4.55
Total Stormwater Fund	**7.82**	**6.30**	**6.00**

CABLE ACCESS FUND

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted
TV Station Programming	2.00	2.00	2.00
Total Cable Access Fund	**2.00**	**2.00**	**2.00**

CAPITAL IMPROVEMENT PROGRAM (CIP) FUNDS

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted
General & Special Transportation CIP Funds	2.98	4.15	3.45
Stormwater CIP	0.50	-	-
Total Capital Improvement Program Funds	**3.48**	**4.15**	**3.45**

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TAX RATES

	ADOPTED RATE*	PER
Property Taxes		
Real Estate	$1.355	$100
Personal and Business Property (effective January 1, 2016)	$5.00	$100
Local Sales & Use Tax	1%	total sale
Consumer's Utility Taxes		
Water & Sewer, residential	10.00%	first $50 of bill
Water & Sewer, multi-unit	8.00%	monthly bill
Water & Sewer, commercial	8.00%	monthly bill
Electric, residential	$0.70 + $0.007535 not to exceed $5.00	kWh
Electric, commercial	$0.92 + $0.004807	kWh
Natural gas, single unit residential	$0.70 + $0.0039	CCF, max $5.00
Natural gas, multi-unit residential	$1.016 + $0.01759	CCF
Natural gas, commercial	$0.676 + $0.04098	CCF
Natural gas, industrial	$0.676 + $0.098	CCF
Cigarette Taxes	$0.85/$0.425	pack/piece
Admission & Amusement Tax - Bowling	$0.05	admission
Transient Occupancy Tax *(includes 2% Transportation Tax)*	8.00%	total bill
Restaurant Food Tax	4.00%	total bill
Gross Receipts Business Taxes *(Minimum fee of $30 on gross receipts over $10,000 up to $50,000)*		
Contracting Services	$0.16	$100
Retail Sales	$0.19	$100
Professional Services	$0.52	$100
Repair & Personal Service	$0.36	$100
Wholesale	$0.08	$100
Rental Owner - Commercial	$0.52	$100
Rental Owner - Residential	$0.38	$100
Public Utilities	$0.50	$100
Specialized Occupations	$0.36	$100
Wholesale Sales	$0.08	$100
Alcoholic Beverages	$50-$1,500	year
Other Taxes		
Short Term Rental Tax	1.00%	gross rentals
Vehicle License		
Automobiles and Motorhomes	$33	vehicle
Motorcycle	$28	vehicle
Vehicles for transportation of property in excess of 4,000 Lbs	$45	vehicle
Taxis & Limousines	$30	vehicle

**All rates are effective July 1, 2018 unless otherwise indicated. For FY2019, the Real Estate Tax is being increased by 2.5 cents.*

UNFUNDED NEEDS (General Fund)

For FY2019 Budget planning, needs have been identified for future funding, should new funding become available.

Division	Description of Need	Estimated Cost
	LEGISLATIVE	
City Council	Increase in regional dues and additional funds for training, supplies and equipment	14,000
City Clerk	Increase in contract costs for live streaming of public meetings, advertising costs, printing and supplies	4,400
City Attorney	Part-time Assistant Attorney	75,000
		93,400
	EXECUTIVE MANAGEMENT	
City Manager	Office Assistant	45,000
Office of Communications	Communications Specialist	72,000
Human Resources	Employee development and training	50,000
Human Resources	Tuition and commuter assistance	30,000
IT	Help Desk Administrator	55,500
IT	Public Safety Senior Systems Engineer/Project Manager	120,000
IT	Staff development/training	13,500
IT	Development Services & Public Works Senior System Engineer/Project Manager	120,000
IT	Equipment Refresh	99,500
IT	Audio Visual Equipment Refresh	25,000
Environmental Sustainability	Audio Visual Equipment Refresh	20,000
		650,500
	FINANCE	
Finance & Purchasing	Two Budget Analysts	200,000
Real Estate Assessor's Office	Senior Real Estate Appraiser	140,000
		340,000
	TREASURER	
Treasurer	Cashier and Compliance Officer	90,000
	SHERIFF	
Sheriff	Deputy Sheriff	70,000
Sheriff	Unmarked Transport Vehicle	50,000
		120,000

Division	Description of Need	Estimated Cost
DEPARTMENT OF PUBLIC SAFETY		
Administration	Training	20,000
Administration	In-car/body-worn camera	50,000
Photo Enforcement Program	Photo Red cameras on additional intersections	174,000
Police Operations	Four Police Officers	320,000
Police Operations	Two Police Cruisers	80,000
Police Operations	0.75 FTE Parking Enforcement Officer	40,000
Police Services	One Records Clerk	50,000
Police Services	One Police Officer - School Resource Officer	80,000
Police Dispatch	Two Dispatchers	120,000
Emergency Manager	Emergency Planner	100,000
Fire Marshal	Administrative Assistant	35,000
Fire Marshal	Part-time Inspector	25,000
		1,094,000
DEPARTMENT OF PUBLIC WORKS		
Administration	Professional services	20,000
Transportation Engineering	Pavement maintenance	100,000
CIP Engineering	Project concept development	30,000
Public Resources	Part-time assistant	32,500
Recycling & Solid Waste	Compost programs expansion	25,000
Recycling & Solid Waste	Household hazardous waste program expansion	25,000
Recycling & Solid Waste	Education and outreach	15,000
Highways, Streets & Sidewalks	Bus shelters maintenance	18,000
Highways, Streets & Sidewalks	Sidewalk maintenance	47,000
Snow & Ice Removal	Equipment replacement and contract cost increases	26,500
Leaf Collection	Two vacuum unit replacement	50,000
Fleet Maintenance	Two vehicle lift replacement	100,000
Urban Forestry	Repairs & maintenance of streetscape and landscape	30,000
		519,000

Division	Description of Need	Estimated Cost
	HUMAN SERVICES	
Housing & Human Services	Preservation of affordable housing units	1,000,000
Housing & Human Services	Expansion of affordable housing units	6,000
		1,006,000
	RECREATION AND PARKS	
Administration	Upgrade Community Center security system	7,500
Administration	Upgrade registration system	16,000
Administration	Electronic banner	30,000
Administration	Community Center maintenance	10,000
Parks Maintenance	Equipment replacement	21,000
Parks Maintenance	Development of maintenance standards	15,000
Parks Maintenance	Ball field maintenance	10,000
Parks Maintenance	Reserve for turf field replacement	100,000
Programs & Special Events	Community events	20,000
Athletic Programs	Athletic supplies	10,000
		239,500
	LIBRARY SERVICES	
Library	Storage costs during the renovation	20,000
Library	Public computer equipment replacement	16,000
		36,000
	COMMUNITY PLANNING & ECONOMIC DEVELOPMENT	
Zoning	Part-time permit counter services	30,000
Planning	Demonstration projects	50,000
		80,000
	GENERAL FUND TOTAL	**4,178,400**

FINANCIAL SUMMARY

While the budget process concentrates on activities for the upcoming year, it is necessary to understand where FY2019 fits into the larger picture of both the past and the future. Each budget should be thought of both as a culmination of prior years' activity and as a basis for building future budgets.

FINANCIAL POLICY

Key financial policies that the City has in place since 2001 (with amendments) include:

- No use of non-recurring revenues (i.e., fund balance) for operating expenses,
- Non-recurring revenues only used for non-recurring expenditures, such as capital projects or other one-time expenses.
- Debt service not to exceed 12% of general fund operating expenditures
- Debt payout ratios that call for 25% of existing debt principal to be paid back within five years and 50% of existing debt to be paid back in 10 years
- Sets policy for unassigned fund balance levels (referred as Standard Policy)
  - 17% of expenses as target
  - 12% of expenses as floor
  - (Note: This policy was amended in 2011, to increase unassigned fund balance from a prior 12% of revenues target)
- Cure period: If fund balance is used in an emergency, policy calls for the return to the fund balance floor within three years and return to the fund balance target within 2 years.

In FY2018, the City Council adopted the FY2018-2022 Capital Improvement Program that includes over $145 million for major capital projects such as the renovation of the George Mason High School, Mary Riley Styles Public Library, City Hall Public Safety and other miscellaneous projects. This would require the City to exceed two current policy limits on debt. First, it is expected that annual debt service will exceed the standard 12% of expenditures policy. Second, it is expected that payout ratios would be lower than the current 25% at 5 years and 50% at ten years policy, if the GMHS project were to be funded with 30 year debt rather than 20 year debt.

As the City is expected to incur substantial capital expenditures in the next few years, the financial policy was revised in February 2018 to strengthen the City's financial position. The Maximum Policy was introduced that includes:

- Available Fund Balance levels (referred as Maximum Policy)
  - 20% of expenses as target
  - 15% of expenses as floor
- Available Fund Balance refers to all available reserves including both Unassigned Fund Balance and Capital Reserves
- The City shall be required to comply with this proposed policy only in the years the Standard Policy debt limits are not met (e.g., debt service exceeds 12% of expenditures, and/or the pay-out ratio is not met)

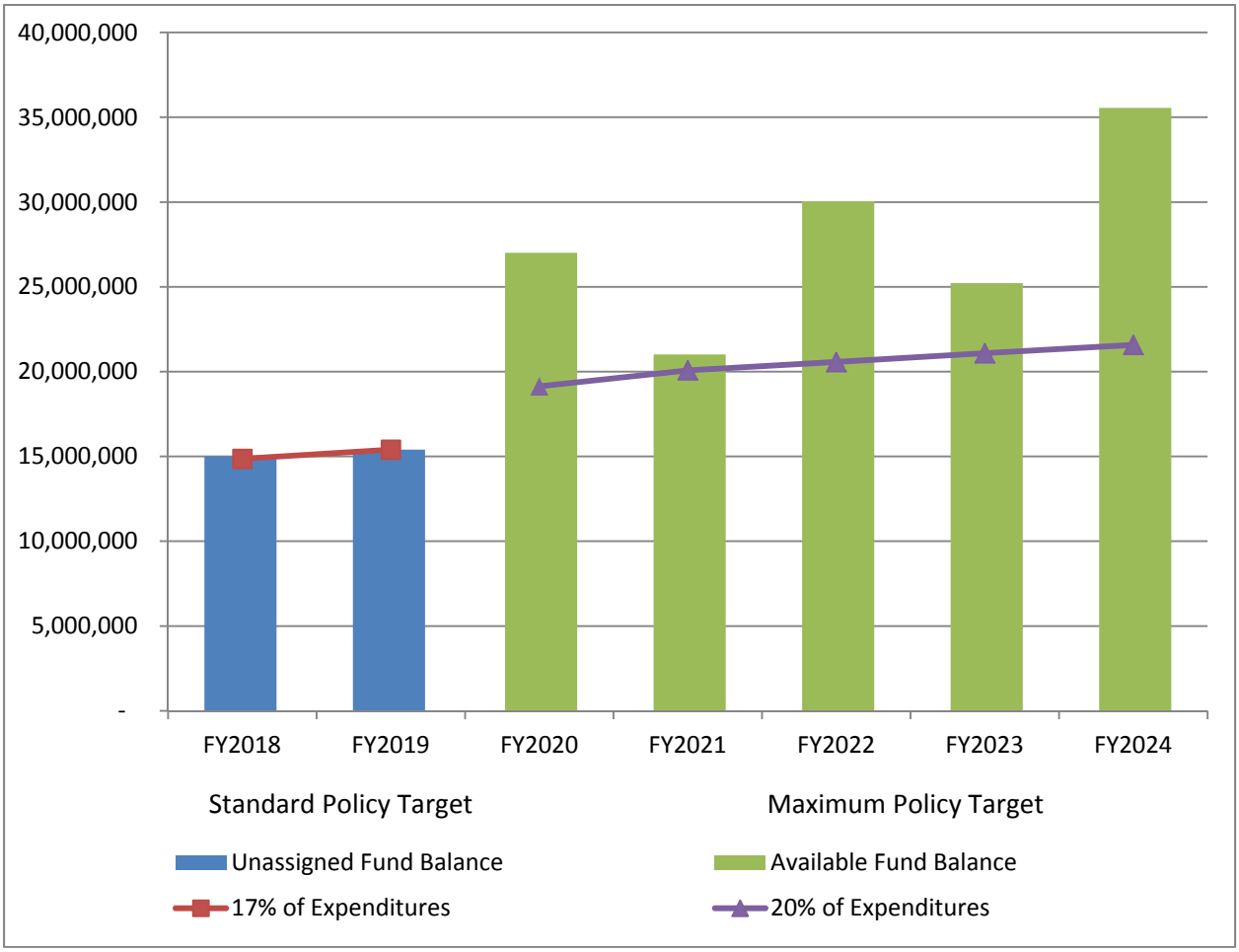
As part of the planning process for the City's Capital Improvements Program, a six-year financial projection is prepared to analyze the Program's compliance with the City's financial policies. The following table shows the projected Available Fund Balance for the next six years as per the Maximum Policy.

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Fund Balance							
Expenditures*	$ 87,419,499	$ 88,279,633	$ 93,713,165	$ 98,396,668	$ 100,776,444	$ 103,343,148	$ 105,726,062
Beginning Available Fund Balance	27,396,076	27,996,076	29,236,076	27,012,074	21,013,559	30,042,898	25,218,888
Addition to Available Fund Balance	600,000	1,240,000	(2,224,002)	(5,998,515)	(5,970,662)	(4,824,009)	10,334,814
Land Sale Proceeds	-	-	-	-	15,000,000		
Ending Fund Balance	**$ 27,996,076**	**$ 29,236,076**	**$ 27,012,074**	**$ 21,013,559**	**$ 30,042,898**	**$ 25,218,888**	**$ 35,553,702**
Fund balance as % of expenditures	**32.0%**	**33.1%**	**28.8%**	**21.4%**	**29.8%**	**24.4%**	**33.6%**
Policy Target (15% of Expenditures)	13,112,900	13,241,900	14,057,000	14,759,500	15,116,500	15,501,500	15,858,900

*For expenditures other than debt service, includes annual growth projection of 2.5%.

**3.5%-5.00% interest rate assumption is used for new debt service calculation over the next six years. GMHS project for $120M is expected to be issued with 30-year level debt service bonds. Other debt is anticipated to be issued with 20-year level principal bonds.

The following graph shows the City's Fund Balance projected through FY2024.



CAPITAL RESERVES

In FY2014 the City established a Capital Reserve to address long-term capital needs identified in the CIP. The Capital Reserve may be used to pay for projects or to pay for debt service. The estimated Capital Reserves balance as of June 30, 2018 is $9,828,999.

The adopted budget includes 3 cents on the real estate tax rate or $1,240,000 to continue to build capital reserves to help pay for anticipated debt service requirements comprised of 1.5 cents real estate tax rate approved in the FY2018 budget and $640,000 from the investment of the Water system sales proceeds.

DEBT

The City issues general obligation debt, revenue bonds, and notes to fund the acquisition of assets such as land or buildings or to fund major renovations, expansions or improvements to existing facilities.

General Obligation Bonds are issued for General Government, School Board and Transportation projects. These bonds are backed by the full faith and credit of the City. Virginia school divisions cannot issue their own debt; therefore both the liabilities and the debt service payments for debt issued for School purposes are budgeted and accounted for in the General Fund. The debt service for the Transportation Capital Projects Fund is also budgeted for in the General Fund.

Debt for storm water or sanitary sewer projects is also generally issued as general obligation bonds in order to realize favorable borrowing terms. The liabilities and debt service are budgeted and accounted for in the respective enterprise funds.

The outstanding principal balances for the City's debt as of June 30, 2018 are as follows, including the issuance in June 2018 for $22,305,000:

Function	General Obligation Bond
School	$ 41,413,096
General Government	24,359,564
Transportation	2,271,267
Subtotal - General Fund	68,043,927
Sanitary Sewer	11,911,886
Storm Water	1,812,116
Total	$ 81,767,929

The following table shows estimated total debt service in FY2019.

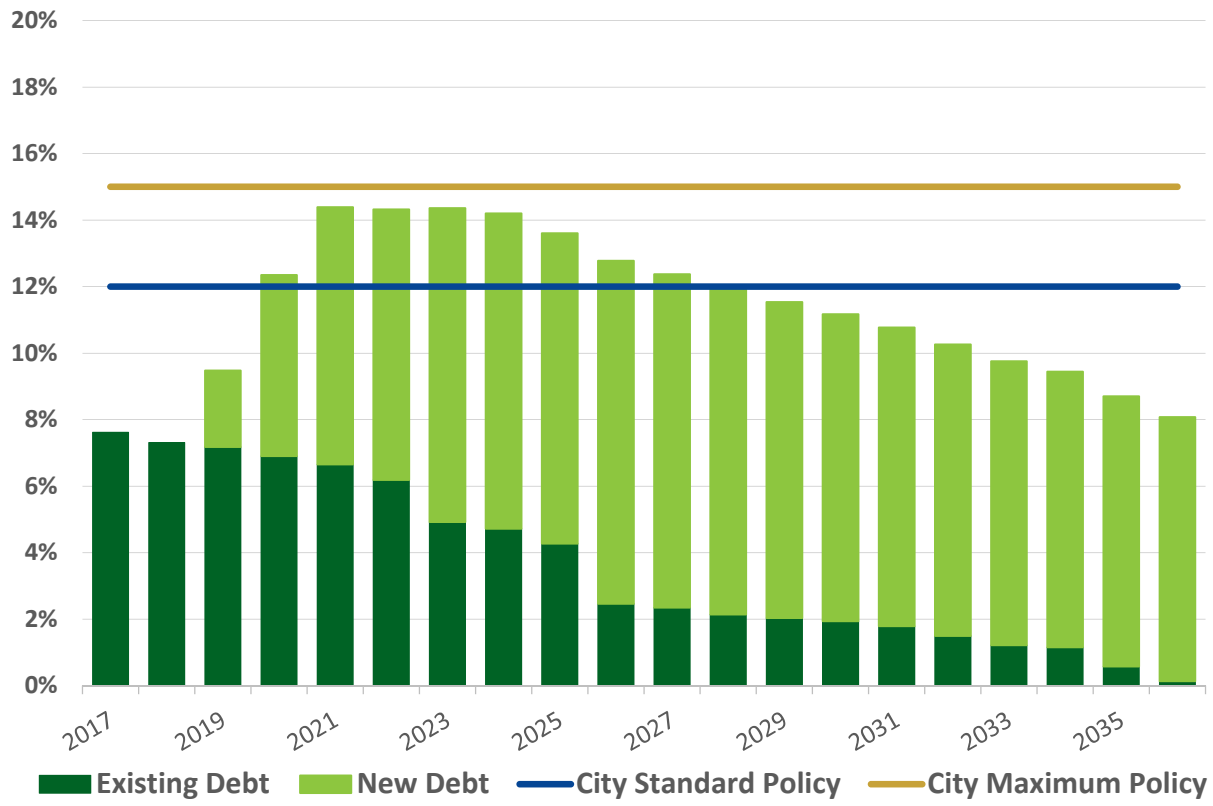
Function	Principal	Interest	Total
School	$ 3,801,283	$ 1,205,238	$ 5,006,521
General Government	2,239,642	909,778	3,149,420
Transportation Fund	143,769	74,290	218,059
Subtotal - General Fund	6,184,694	2,189,306	8,374,000
Sanitary Sewer	1,006,867	272,607	1,279,474
Stormwater	102,678	16,055	118,733
Total	$ 7,294,239	$ 2,477,968	$ 9,772,207

FUTURE DEBT ISSUANCE

The following schedule shows future planned debt issuance. This schedule includes appropriations in the Capital Improvement Program Funds in the prior years for which debt has not been issued. It is anticipated that the bonds for the GMHS Project will be issued over multiple years depending on cash flow needs.

Project	Prior CIP	FY2019 CIP & General Fund	FY2020-FY2024 CIP	Total
Fire Station Rehabilitation	$ -	$ 223,000	$ 750,000	$ 973,000
Public Facility Security	-	-	400,000	400,000
City Hall Campus & Parking	-	350,000	-	350,000
Library	-	7,307,999	-	7,307,999
George Mason High School Construction	110,800,000	-	-	110,800,000
Land Acquisition	4,000,000	-	500,000	4,500,000
Park Master Plan Implementation	-	-	1,200,000	1,200,000
Turf Replacement	-	-	450,000	450,000
Transportation	-	-	2,400,000	2,400,000
General Fund Equipment	-	159,000	-	159,000
Sub-total General Fund Projects	114,800,000	8,039,999	5,700,000	128,539,999
Sewer System Improvements	550,290	644,000	9,391,980	10,586,270
Stormwater Improvements	1,414,000	-	7,000,000	8,414,000
Total Bond-Financed Projects	$ 116,764,290	$ 8,683,999	$ 22,091,980	$147,540,269

The chart on the following page shows projected debt service through FY2036. The chart reflects debt service for projects identified in the FY2019-FY2024 CIP as well as for projects approved in prior CIP for which debt has not yet been issued.



ENTERPRISE FUND DEBTS

The City's financial policies allow for debt for projects related to the storm water or sewer enterprise funds to be issued only if sufficient revenues are anticipated to cover the debt service. Debt may be issued either as revenue bonds or general obligation bonds. Except for one sewer revenue bond, all bonds issued for the City's storm water and sewer systems have been issued as general obligation bonds in order to realize lower interest costs by pledging the City's full faith and credit.

Although debt issued for storm water and sewer projects have been issued as general obligation bonds, the liabilities are accounted for in the respective enterprise funds and the debt service expense is budgeted to be paid from the net revenues of the funds.

Due to the requirement to fund improvements at the Alexandria Renew wastewater treatment plant, Arlington County Treatment Plant, capacity expansions, and improvements needed to our storm water infrastructure, the City anticipates issuing $19 million in bonds over the next five years for these two funds.

More detail on planned debt issuance and the debt-funded projects can be found in the CIP section of this document.

General Fund

FY2019 Adopted Budget

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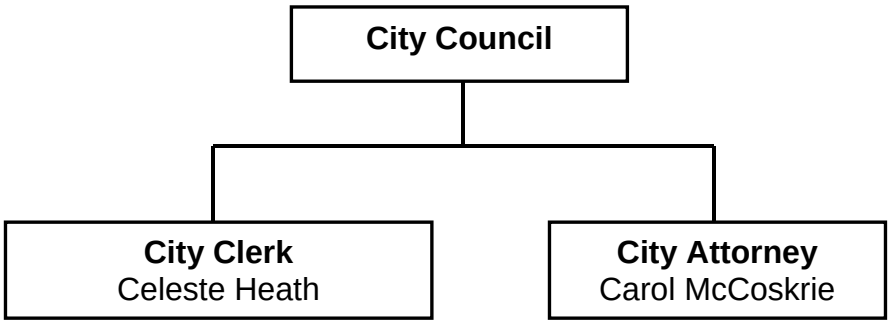
GENERAL FUND REVENUES

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Real Estate Taxes	$ 50,643,160	$ 53,257,000	$ 56,151,000	5.43%
Personal Property Taxes	5,590,259	5,713,900	6,278,200	9.88%
Non-Assessed Property Taxes	379,903	380,000	397,000	4.47%
Local Sales and Use Taxes	4,603,600	4,649,000	4,742,000	2.00%
Utility Tax	2,149,523	2,170,000	2,215,000	2.07%
Cigarette Tax	368,969	330,000	359,000	8.79%
Meals Tax	3,162,094	3,094,750	3,279,000	5.95%
Other Sales and Use Taxes	539,613	589,000	680,000	15.45%
Gross Receipts Business Taxes	4,104,102	4,263,000	4,439,000	4.13%
Other Taxes	987,069	1,024,000	1,051,000	2.64%
Total Taxes	**72,528,292**	**75,470,650**	**79,591,200**	**5.46%**
Building and Inspection Fees	764,752	1,297,746	1,211,726	-6.63%
Other Licenses, Fees & Permits	271,410	194,600	198,900	2.21%
Total Licenses, Fees & Permits	**1,036,162**	**1,492,346**	**1,410,626**	**-5.48%**
Grant Revenue - Federal	658,091	354,671	308,037	-13.15%
Other State CategoricalAid	1,318,928	632,675	590,126	-6.73%
State Non-Categorical	3,148,438	3,147,877	3,134,027	-0.44%
State Categorical	350,172	359,000	353,800	-1.45%
Other Contributions	36,784	13,430	20,400	51.90%
Total Grants & Contributions	**5,522,781**	**4,507,653**	**4,406,390**	**-2.25%**
Charges for Services - GenGovt	18,273	20,500	21,200	3.41%
Charges for Services - Judicial	45,508	50,792	46,892	-7.68%
Charges for Services - Public Safety	604,747	770,004	1,092,892	41.93%
Charges for Services - Sanitation	48,739	57,000	52,200	-8.42%
Charges for Services - HHS	6,090	6,000	6,400	6.67%
Charges for Services - Culture and Recreation	1,983,881	2,010,000	2,017,000	0.35%
Admin & Motor Pool Fees - Sewer Fund	146,074	161,600	158,300	-2.04%
Admin & Motor Pool Fees - Stormwater Fund	158,841	171,000	161,700	-5.44%
Other Charges	253,804	255,000	246,700	-3.25%
Total Charges for Services	**3,266,976**	**3,505,896**	**3,806,484**	8.57%

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Court Fines & Forfeitures	218,291	261,000	233,400	-10.57%
Red Light Violations	89,865	200,000	200,000	0.00%
Parking Fines	133,469	140,000	140,000	0.00%
Library Fines	44,998	41,000	43,200	5.37%
Other	4,150	10,100	8,400	-16.83%
Total Fines and Forfeitures	**490,773**	**652,100**	**625,000**	**-4.16%**
Investment Revenues	219,283	50,000	50,000	0.00%
Rental Income	223,817	240,000	232,500	-3.13%
Total Revenue from Use of Property and Money	**443,100**	**290,000**	**282,500**	**-2.59%**
Dispositions and Sales	665,251	19,000	43,900	131.05%
Recovered Costs	101,258	35,000	30,000	-14.29%
Other	14,606	10,000	8,900	-11.00%
Total Miscellaneous	**781,115**	**64,000**	**82,800**	**29.38%**
Transfer from Special Transportation Fund	941,723	1,114,567	1,061,500	-4.76%
Total Interfund Transfers	**941,723**	**1,114,567**	**1,061,500**	**-4.76%**
Proceeds from sale of bonds	612,000	269,000	959,000	256.51%
Use of Restricted Fund Balance	-	-	81,737	-
Use of Assigned Fund Balance	-	-	240,000	-
Total Other Financing Sources	**612,000**	**269,000**	**1,280,737**	**376.11%**
TOTAL REVENUES - GENERAL FUND	**$ 85,622,922**	**$ 87,366,212**	**$ 92,547,237**	**5.93%**

General Fund Expenditures

LEGISLATIVE



MAYOR AND CITY COUNCIL

Mayor P. David Tarter
Vice Mayor Marybeth Connelly
Council Member Phil Duncan
Council Member Letty Hardi
Council Member Ross Litkenhous
Council Member David F. Snyder
Council Member Dan Sze

CITY COUNCIL

SUMMARY OF SERVICES PROVIDED

The City of Falls Church is governed by a seven-member City Council. The City Council establishes City policies; reviews and approves the City's annual operating and capital budgets; adopts ordinances; appropriates funds; approves rezoning and special exceptions to the zoning ordinance; appoints members to boards and commissions; and carries out other responsibilities set forth in the City Charter and State Code. The City Council meets in regular session the second and fourth Monday of the month, and in work session on first and third Mondays.

In addition to attending regular Council meetings, work sessions, and board and commission meetings in connection with City business, Council Members meet with constituent groups and in public forums about various City issues and respond to phone calls and mail from citizens. Council Members also work one-on-one with other jurisdictions for the betterment of the City. The Mayor and Council Members attend multiple civic and community events.

Council members serve as liaisons to City boards and commissions, as well as to various regional organizations such as the Metropolitan Washington Council of Governments; the Northern Virginia Regional Commission; and Transportation Planning Board. Each member also serves on City Council committees. Council members travel to Richmond to lobby for legislation during Virginia General Assembly sessions and participate in the Virginia Municipal League (VML), including attendance at both the VML Conference and Legislative Day.

TRENDS AND ISSUES

- Conference attendance and mileage expenditures are expected to continue to increase annually.
- Regional and State organization dues are expected to continue to increase annually.
- Technology to allow more sustainable practices for agenda management will be in demand.

FY2019 DELIVERABLES

- Continue to work together to reach the City's Vision:

  In the year 2040, the City of Falls Church is a welcoming and inclusive community – a special place in the heart of Northern Virginia. Involved citizens are key to the City's long-term success as a leader in education, environmental sustainability, multi-modal transportation, and vibrant economic development.

  By investing in neighborhoods, community services and facilities, schools, and parks the City preserves small-town character and history while honoring a deep commitment to progress and a growing community. The continual rejuvenation of robust commercial areas supports the City's high quality of life for all citizens.

PRIORITIES FOR FUTURE FUNDING

1. Regional Dues Increase - $1,500: Regional dues continue to increase.

2. Education & Travel – Increase $2,500: Council will continue to travel to accomplish City business and obtain education.

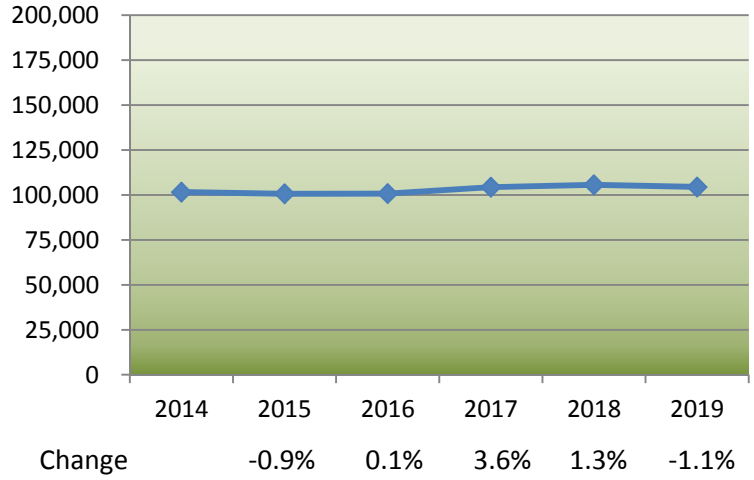
3. Materials and Supplies – Increase $1,000: Costs have increased for food items and Council will be meeting more with volunteer boards and will want to provide nourishment at those meetings.

4. Tablet upgrades: $9,000: Upgrades for five tablets to be able to utilize Granicus paperless features. Three more tablets would be added in the next Fiscal Year.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 62,700	$ 65,000	$ 65,000	0.00%
Benefits	4,797	4,973	4,973	0.00%
Materials, Supplies, and Other	39,201	35,644	34,444	-3.37%
Net Expenditures Supported by General Revenues	**$ 106,698**	**$ 105,617**	**$ 104,417**	**-1.14%**

BUDGET TREND: FY2014 – FY2019



CITY CLERK

SUMMARY OF SERVICES PROVIDED

The City Clerk is appointed by the City Council and serves as administrator for the City Council and maintains records of official city documents. The City Clerk is a liaison between the City Council, staff, and citizens. The City Clerk's office works closely with the City Manager's office to execute the will of the City Council and with the City Attorney's office to advise City Council and staff on open meeting, freedom of information, records retention, conflicts of interest and other state and local regulations.

The City Clerk's office is staffed by the City Clerk and Deputy City Clerk and is tasked with:
attending and recording City Council meetings, preparing Council meeting public notices, agendas, packages, and minutes, submitting legal notices for publication, preparing correspondence, proclamations, and certificates of appreciation, distributing an electronic calendar of Council events, managing the City Council and City Clerk budget, preparing, finalizing, and distributing legislation passed by Council, updating the City Code, coordinating semi-annual filing of conflict of interest statements, administering the oath of office to Council members, board and commission members, and police officers.

The City Clerk also serves as the City's Records Manager and FOIA Coordinator, initiating FOIA and records management training, and conducting research for staff of historical documents/records. The City Clerk's office keeps abreast of technological and management advances to streamline City Council process and facilitate communication with the public.

TRENDS AND ISSUES

- Materials and supply budgets continue to suffer as contract costs and regional dues increase with no increase in total budget.
- FOIA request rates continue to rise with a 37% increase in requests in 2017. Continued demands put pressure on staff time.
- Development of a robust records retention program has also increased demand for records guidance from staff, increasing the work load for records retention to a previously unseen level.
- Citizens will continue to demand technologies that increase their access to City Council activities which will be accompanied by increased cost.

FY2019 DELIVERABLES

- Provide timely updates of all City Council actions and endeavors by:
  - Facilitating and attending 22 regular City Council meetings; organizing for 22 or more work sessions; preparing agenda packages for all meetings and works sessions; and preparing, posting to the web, and archiving the official minutes of each meeting.
  - Preparing the Legislative Update summarizing Council actions following each of the 22 regular City Council meetings and sending to the public via email and posting on the City web site.
  - Preparing all Council meeting videos for the web and providing support for preparing Planning Commission videos.
  - Drafting, editing, tracking, and making available to City Council, City staff, board and commission members, and citizens, staff reports and related documents for approximately 75 new pieces of legislation each year.
  - Notifying the community of City Council activities by preparing and posting notices of public meetings.
  - Coordinating with the Office of Communications and FCCTV for video coverage of City Council meetings.
- Respond to approximately 89 Freedom of Information Act requests annually with 100% on-time compliance with FOIA law.
- Facilitate communication between boards and commissions and the City Council by providing regular training and updates to staff liaisons and scheduling boards and commissions to meet with City Council.
- Manage City Council appointments to boards and commissions.
- Provide regular group training and one-on-one training and advice to City staff to ensure compliance with FOIA and records regulations.
- Work with facilities staff to organize records for ideal storage solutions that will save the City money. Review departmental records destruction forms and maintain liaison with State Library of Virginia. Meet approximately 12 times per year with facilities staff to arrange City Hall and off-site storage and make sure records retention laws are followed.

PRIORITIES FOR FUTURE FUNDING

1. Live Streaming Contract Increased by $2,200 in order to provide more public access to meetings.
2. Advertising (public hearing), printing and binding (City Code), and supplies were cut by : $2,200 to meet budget guidelines

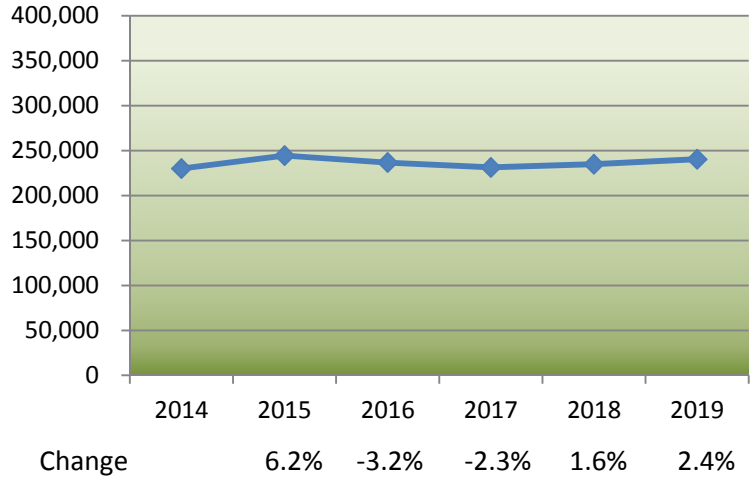
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 City Clerk
- 1.00 Deputy City Clerk

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 148,399	$ 152,816	$ 161,783	5.87%
Benefits	46,126	47,885	43,231	-9.72%
Professional and Contractual	26,567	25,959	28,159	8.47%
Materials, Supplies, and Other	3,402	8,165	7,165	-12.25%
Net Expenditures Supported by General Revenues	**$ 224,495**	**$ 234,825**	**$ 240,338**	**2.35%**

BUDGET TREND: FY2014 – FY2019



CITY ATTORNEY

SUMMARY OF SERVICES PROVIDED

The City Attorney provides legal counsel and advice to the City Council, School Board, City Departments, and Boards and Commissions. The City Attorney also represents the City in litigation before courts and administrative agencies. In addition, the City Attorney provides legal advice and services relating to property development, zoning and building code enforcement, subdivision, redevelopment, housing, public utilities, administrative and general matters, including the preparation of ordinances, resolutions, contracts, franchise, amendments to existing agreements, advises departments of changes in applicable law, monitors the work of specialized outside counsel and prepares legal opinions.

Among the issues on which the City Attorney advises the City Council and others are the Conflict of Interest and Freedom of Information Acts, zoning, employment disputes, property acquisition and disposition, and economic development issues.

TRENDS AND ISSUES

- Additional legal services required for additional and more complex redevelopment;
- Departmental oversight of Arlington County Judicial Services contract moved to City Attorney's office.

FY2019 DELIVERABLES

- Provide effective legal counsel to the City in order to minimize and defend litigation against the City.

Matters Handled by City Attorney	CY2017	FY2019 est.
Written Legal Opinions provided in CY2017:	13	16
Ordinances/Resolutions reviewed for Council meetings:	67	72
Other assignments:	124	125
Claims and Litigation	7	8
Total	211	228

- Review outside contracts for legal services to try to achieve cost savings while preserving effectiveness of legal services.

- Ensuring FOIA compliance within all departments for governmental transparency.

PRIORITIES FOR FUTURE FUNDING

1. Part-time Assistant Attorney (20 hrs. a week) - $75,000.00. The City Attorney needs a part-time Assistant Attorney to assist with case review and general legal services.

ADOPTED POSITIONS BY FTE – 2.00 TOTAL

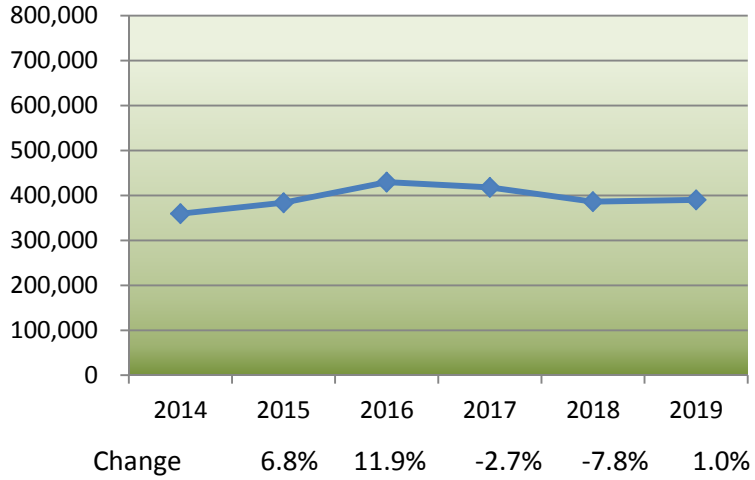
- 1.00 City Attorney
- 1.00 Paralegal

City Attorney

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 214,378	$ 250,525	$ 261,349	4.32%
Benefits	54,872	65,272	60,082	-7.95%
Professional and Contractual	42,806	56,933	51,650	-9.28%
Materials, Supplies, and Other	15,547	13,375	16,954	26.76%
Net Expenditures Supported by General Revenues	**$ 327,603**	**$ 386,105**	**$ 390,035**	**1.02%**

BUDGET TREND: FY2014 – FY2019



Notes:

- Decreases from 2016-2018 are due to increasing costs of judicial services contract. Each year to keep the overall budget "flat", the City Attorney's fund for outside attorney and other ongoing expenditures to meet the City's day-to-day legal needs are being reduced.

JUDICIAL SERVICES WITH ARLINGTON COUNTY

TRENDS AND ISSUES

- Increasing population requires increasing judicial services.

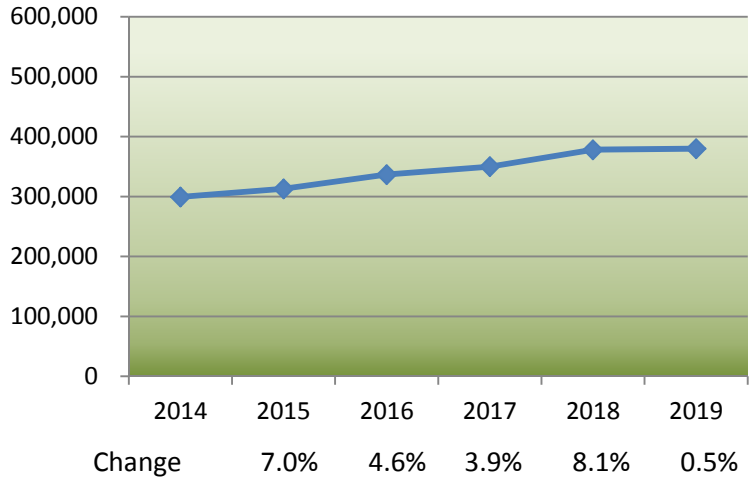
FY2019 DELIVERABLES

- Judges, Courtrooms, Circuit Court Clerk services, and Commonwealth's Attorney services provided for cases involving Falls Church residents, and litigants.

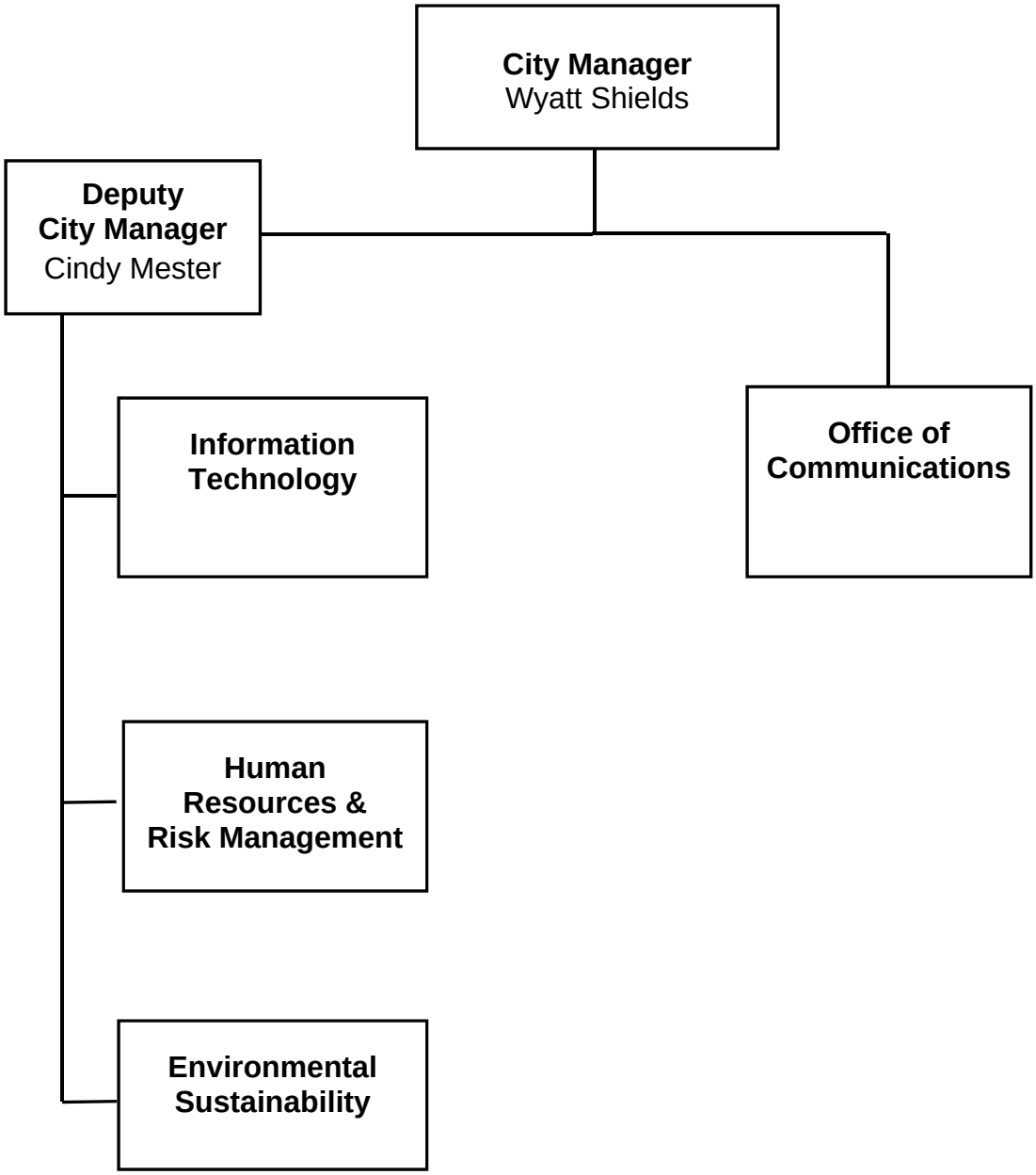
ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 348,713	$ 378,083	$ 379,787	0.45%
Net Expenditures				
Supported by General Revenues	**$ 348,713**	**$ 378,083**	**$ 379,787**	**0.45%**

BUDGET TREND: FY2014 – FY2019



EXECUTIVE MANAGEMENT



CITY MANAGER

SUMMARY OF SERVICES PROVIDED

The City Manager's Office is responsible for providing timely policy recommendations to the City Council; seeing that the vision and policies of the City Council are implemented effectively; working collaboratively with all City Departments to ensure delivery of high quality services at a good value to taxpayers, residents and businesses of the City; and fostering economic growth and fiscal sustainability.

TRENDS AND ISSUES

- Execution of major capital projects is a high priority for the City Manager.

SIGNIFICANT CHANGES IN FY2019

- The Human Resources Budget will provide an additional part time position, which is a partial restoration of the reduction of the HR Director Position in FY2018. This will allow for the Deputy City Manager to take on additional Legislative Services and limited special projects.

FY2019 DELIVERABLES:

- Provide background information and data to support City Council's policy decision making
- Implement the strategic goals and objectives, ordinances, and policies set by the City Council
- Develop and implement the City's annual operating budget and capital improvements program
- Actively engage the community in the public decision making process
- Provide timely and responsive customer service to all citizens, external agencies and internal departments to ensure convenient access to City services and officials.
- Ensure effective collaboration between Schools and General Government and overall effective and on time execution on West Falls Church Economic Development Project.

PRIORITIES FOR FUTURE FUNDING

1. Receptionist/Office Assistant ($45,000) to provide phone coverage, assist citizens and visitors to the City Manager's Office and perform various office duties.

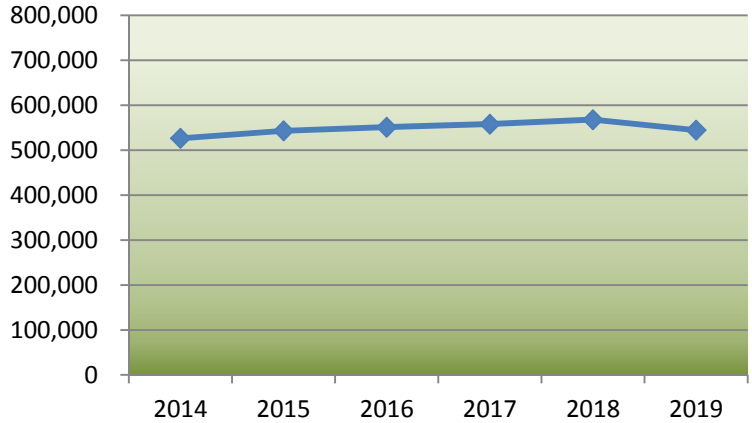
ADOPTED POSITIONS BY FTE – 2.85 TOTAL

- 1.00 City Manager
- 1.00 Executive Assistant
- 0.85 Deputy City Manager

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 414,665	$ 422,777	$ 416,955	-1.38%
Benefits	120,932	126,389	108,885	-13.85%
Professional and Contractual	256	-	-	0.00%
Materials, Supplies, and Other	22,042	18,639	18,639	0.00%
Net Expenditures Supported by General Revenues	**$ 557,895**	**$ 567,805**	**$ 544,479**	**-4.11%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		3.2%	1.5%	1.2%	1.8%	-4.1%

Notes:

- The Office of the City Manager budget is principally personnel related.
- FY2019 reduction is due to Human Resources reorganization.

OFFICE OF COMMUNICATIONS

SUMMARY OF SERVICES PROVIDED

The Office of Communications (OCOM) creates and manages all external and internal communications about City government programs and services to the public and employees through a variety of communication tools. OCOM serves as spokesperson for City departments and programs, distributing 150 news releases; creating over 675 posts on Facebook for 3,200 followers; posting 850 tweets on Twitter for 3,700 followers; sharing 100 Instagram photos for 1,000 followers; distributing weekly "Focus on Falls Church eNewsletters" to 1,200 subscribers; and distributing monthly employee newsletters. OCOM manages the City's public website, Falls Church Alerts, Citizen Information Line, Employee Information Line, Emergency Radio 1680 AM, and creates a number of print marketing and information pieces. OCOM manages the FCCTV PEG station a valuable media outlet for community engagement.

Working with Police, Emergency Manager, NVRC, and MWCOG, OCOM is on-call 24/7 for emergency communications with the public and employees for severe weather, such as snowstorms and hurricanes, and police incidents, from large-scale incidents to dog bite cases.

OCOM counsels and assists all departments on promoting the City brand, event marketing, publications, and media relations.

TRENDS AND ISSUES

- The City relies almost exclusively on digital communication to keep the public informed. This focus on digital communications stems in part from an FY2012 Budget decision to reduce costs associated with print communications, including the elimination of the position of Graphics Designer. This change lowered costs and has many advantages, but it is a disadvantage for members of the public who do not have access to online media.
- Increased requests from staff and City Council for community engagement, more promotion and marketing, and using additional tools such as video and surveys
- Increasing use of social media. Followers increased by 18% over the three platforms.
- Community expectations of information being delivered 24 hours a day, 7 days a week, especially in times of crisis. Long-duration police, fire, and emergency events are a challenge to staff with two employees.
- Organic reach on social media is becoming an increasing challenge as platforms are increasingly requiring paid promotion to reach an audience. In the next fiscal year, we will need to increase the advertising budget.

FY2019 DELIVERABLES

- Continue to build social media presence on Facebook, Twitter, Instagram, and any new social networks deemed appropriate for City government.
- Find effective ways to communicate with the senior citizen community.
- Grow the emergency alert system subscriber list by 10% (200 additional subscribers).

PRIORITIES FOR FUTURE FUNDING

1. Communications Specialist, $72,000. This full time position will help OCOM better serve residents and businesses. Since budget cuts in 2011, OCOM was reduced from three to two staff. Since then, OCOM has gained a qualified presence on social media platforms and answers to the 24/7 news cycle. A third team member would help OCOM increase community awareness of police and CIP projects, and use additional tools like NextDoor and event/program promotion on local family blogs.

2. Social and Print Media, $10,000. Due to increasing needs for multiple modes of outreach and social media platforms requiring paid promotions a portion of the funding reductions from FY 2012 level needs to be restored.

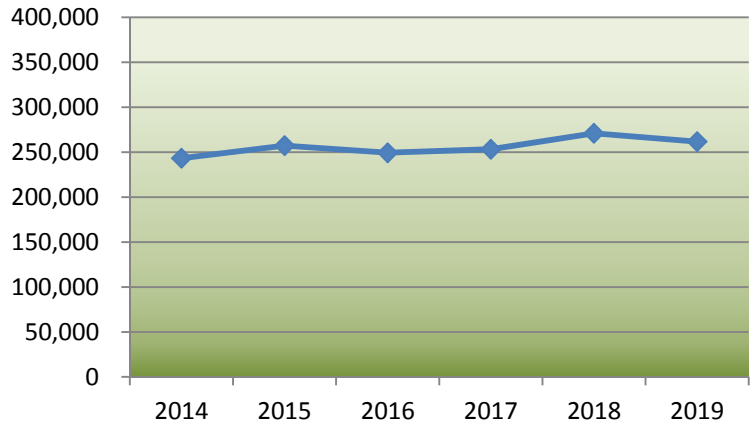
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 Communications Director
- 1.00 Senior Communications Specialist

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 147,754	$ 181,870	$ 188,341	3.56%
Benefits	48,471	65,075	51,485	-20.88%
Professional and Contractual	17,967	19,498	17,431	-10.60%
Materials, Supplies, and Other	5,088	4,530	4,530	0.00%
Capital Outlay	-	-	-	0.00%
Net Expenditures Supported by General Revenues	**$ 219,281**	**$ 270,973**	**$ 261,787**	**-3.39%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		5.8%	-3.1%	1.5%	7.0%	-3.4%

Notes:

- The Office of Communications budget is principally personnel related.
- FY2019 reduction is due to decrease in personnel benefit cost.

HUMAN RESOURCES

SUMMARY OF SERVICES PROVIDED

Human Resources provides a full range of services to City employees and retirees. These services include the general administration of personnel matters, administering a uniform pay and classification plan for employees, development and revision of administrative personnel regulations, organizational training and development, addressing employee grievances, and administering the Employee Assistance Program (EAP).

Human Resources recruits for all City departments, and fills approximately 50 vacancies annually, on average. As part of the recruitment process, reviews job descriptions with the supervisor, develops recruitment announcements and advertisements, screens resumes received from applicants for the department, serves on interview panels, advises on hiring decisions, and provides guidance and oversight to supervisors on negotiating salary for selected hires.

Human Resources administers employee classifications and compensation ranges. Market studies are conducted and positions are benchmarked to ensure compensation fairness and parity based on internal and external comparisons.

Human Resources administers all City Benefits Programs and the Director serves as the Administrator of the City's Basic and Police Pension Plans.

Human Resources serves as the City Risk Manager, handling all insurance policies and claims.

Human Resources provides training and career development for all levels of employees for the purpose of regulation compliance, operational effectiveness, team building, leadership, management and supervisory skills, employee development, customer service, communications skills, and the like.

Human Resources administers the Employee of the Year Program to recognize those employees doing the most exemplary work (with the citizen Employee Review Board making the actual selection). Also administers the annual Service Award Program to recognize employees who have reached key milestones in their career with the City for their loyal service.

TRENDS AND ISSUES

- Due to mobility of the workforce and private sector job opportunities must increase focus on employee development, training, recruitment and retention. Positions requiring technical and leadership skills (i.e. transportation engineers and IT system engineers) are harder to fill with qualified candidates resulting in longer recruitment periods and reduced service delivery.
- In response to employee survey input undertaking the development of a comprehensive training and organizational development strategic plan. Effort is led by an employee committee and will address regulatory, organizational effectiveness and career development areas.
- Updating all administrative personnel regulations to ensure federal, state and local code compliance and maximize operational effectiveness.
- Enhancing employee benefits and wellness programs to be competitive with market.

SIGNIFICANT CHANGES IN FY2019

- The FY2019 budget provides funding for a 20-hour Human Resources Specialist to assist the team in delivering direct employee services and project assistance. The Human Resources Director position was held vacant in FY2018 and the Deputy City Manager was appointed to this key function. The current Human Resources Manager will undertake majority of employee relations and policy interpretation functions currently assigned to the Director. The Human Resources Generalist will undertake additional insurance claims and benefit contracting functions currently assigned to the Director. Fifteen percent of the Deputy City Manager time will be allocated to serve as HR Director, Risk Manager and Pension Plan Administrator.
- The proposed budget includes a $20 City match per pay period for the 457 Savings Plan which returns the City's match to the 2011 and prior funding levels. This is budgeted across departments versus in Human Resources budget. This is an increase of $15 match per pay period implemented in FY18 in response to the Employee Benefit Taskforce and encourages financial sustainability for retirement phase of an employee's life.

FY2019 DELIVERABLES

- Ensure the City's Pay & Benefit Plans are comparable and competitive with surrounding jurisdictions.
- Administer the City's Benefit Programs to be cost effective and competitive.
- Provide training and development, per adopted training strategic plan, for all employees to help employees exceed City goals in customer service, supervision, performance evaluation, and Project Management.
- Conduct New Employee Orientation two times a year.
- Provide timely and effective recruitment services to all City departments and to fill positions within 90 days of receiving the requisition.
- Monitor the City's Performance Evaluation System for approximately 180 employee evaluations to ensure they are conducted on time and consistently.

PRIORITIES FOR FUTURE FUNDING

1. Employee development and training $50,000. To comply with budget guidance recommend increasing the training budget by only $10,000 to provide resources to implement initial phase of training an organizational development strategic plan. This is a $10,000 increase above the existing $25,000 that has not increased in over 3-years. The 2016 Association for Talent Development State of the Industry benchmarked average of $1,252 training dollars per employee. Based on 199 FTE this is valued at $249,000 per year; departmental budgets cover approximately $180,000 in departmental specific training and conferences. Training increases productivity and reduces turn-over. National HR Association reports an average per employee turn-over cost of $4,100.
2. Tuition reimbursement $5,000. Improves current employee skill sets for City job functions, facilitates career development and assists in employee retention. The current budget provides $15,000 in Tuition Assistance funding. Employees are eligible for a maximum $600 contribution for tuition costs for an approved course that is aligned with his or her professional development plan. Currently, the tuition assistance program is fully used in 6 months.
3. Restore Commuter Incentive Benefit ($25,000). Reduces demand on parking as well as assists in achieving Council's greenhouse gas emission reduction goals. Important tool in the adopted Transportation Demand Program (TDM) incorporated into the City Hall renovation and expansion project approved site plan.

Human Resources

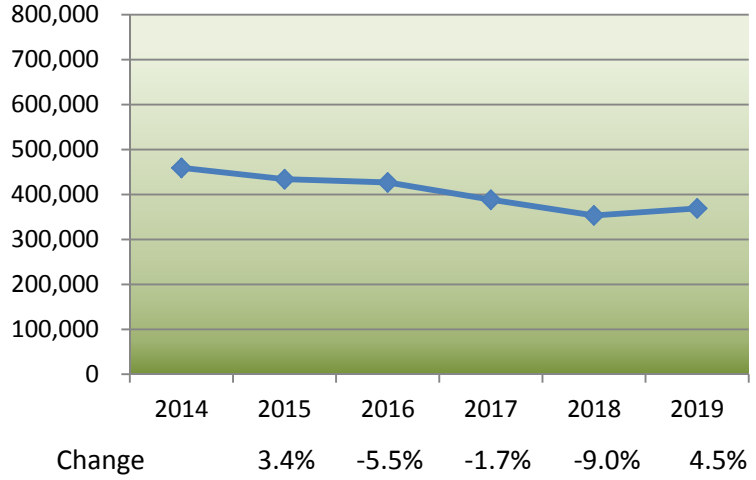
ADOPTED POSITIONS BY FTE – 2.35 TOTAL

- 0.10 Deputy City Manager
- 0.75 Human Resources Generalist
- 1.0 Human Resources Deputy Director
- 0.5 Human Resources Specialist

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 202,798	$ 205,859	$ 206,730	0.42%
Benefits	67,703	68,404	83,319	21.80%
Professional and Contractual	36,699	33,700	33,700	0.00%
Materials, Supplies, and Other	35,310	44,344	44,350	0.01%
Capital Outlay	1,009	1,000	1,000	0.00%
Net Expenditures Supported by General Revenues	**$ 343,518**	**$ 353,307**	**$ 369,099**	**4.47%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2017: Decrease for was due to cost salary change for former Director and overall pension decrease.
- FY2018: Decrease reflects the decision to keep the HR Director position vacant for several months.
- FY2019 modest increase is the result of new part-time HR Specialist and reassignment of Director duties and off-set by reduced health and retirement costs.

RISK MANAGEMENT

SUMMARY OF SERVICES PROVIDED

Human Resources staffs the City's Risk Management Program that includes purchasing and managing insurance coverage for City personnel, vehicles, and facilities. This Division administers the City Safety Program and Random Drug Testing program as required by Federal law. This Division provides Occupational Safety and Health Act (OSHA) training for all new and current employees, which includes Blood Borne Pathogen, Confined Space Entry, Hazardous Chemicals, and Department of Transportation Drug and Alcohol Program. This Division administers the City's Workers' Compensation Program to ensure prompt reporting of on-the-job accidents, and ensuring that employees who have been injured on the job receive prompt medical attention and return to work on regular or restricted duty as soon as they receive medical clearance. This Division handles all property and casualty claims through the Virginia Municipal League Liability Pool.

SIGNIFICANT CHANGES IN FY2019

- The Human Resources Director position was held vacant in FY2018 and the Deputy City Manager was assigned the duties of Director. The FY2019 budget provides funding for a 20-hour Human Resources Specialist to assist the team in delivering direct employee services and project assistance. The current Human Resources Manager will undertake employee relations and policy interpretation functions currently assigned to the Director. The Human Resources Generalist will undertake additional insurance claim responsibilities and benefit contracting functions currently assigned to the Director. 5 percent of the Deputy City Manager will be allocated to serve as Risk Manager.

FY2019 DELIVERABLES

- Take fuller advantage of tools and resources offered by VML Insurance Program
- Ensure the City protects its assets and financial exposure through the purchase of insurance and requiring certificates of insurance for all contractors
- Ensure City is in compliance with all OSHA standards and employees receive proper training
- Review all employee injuries and vehicular accidents and help prevent future ones
- Apply for grants that will reduce our Workers Compensation costs and provide needed resources for safety improvements

ADOPTED POSITIONS BY FTE – .30 TOTAL

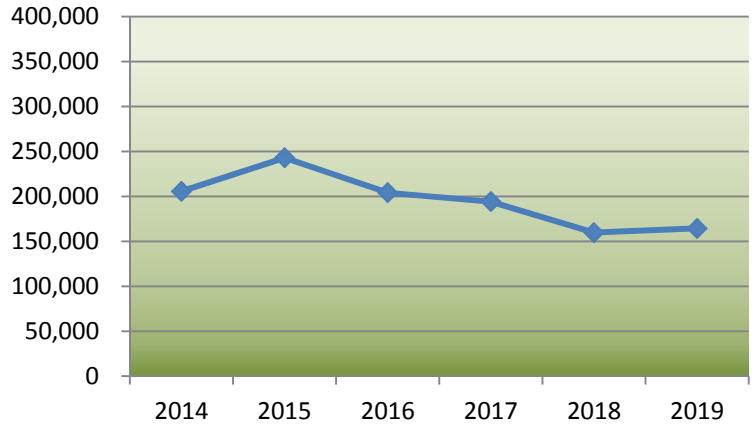
- 0.05 Deputy City Manager
- 0.25 Human Resources Generalist

Risk Management

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 32,150	$ 15,472	$ 25,739	66.36%
Benefits	15,671	8,050	13,295	65.16%
Professional and Contractual	9,060	4,000	5,500	37.50%
Materials, Supplies, and Other	129,677	132,181	119,754	-9.40%
Net Expenditures Supported by General Revenues	**$ 186,558**	**$ 159,703**	**$ 164,288**	**2.87%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		18.1%	-16.0%	-3.5%	-17.7%	2.9%

Notes:

- The increase in FY2015 is due to the City's Public Officials Insurance being charged solely to the General Fund after the sale of the water system.
- Reduction in FY2016 is due to decrease in insurance premiums.
- FY2019 slight increase reflects change in retirement and health benefits as well as reorganization of the Director position.

INFORMATION TECHNOLOGY

SUMMARY OF SERVICES PROVIDED

Information Technology Services & Support (ITS) supports City Government staff and maximize their efficiency in serving the public. ITS ensures that all information-based services are acquired and maintained in the most cost-effective manner and consistent with organizational priorities. ITS ensures data availability, security, integrity, and confidentiality. IT is integral to all services delivered by the City and there is an ever increasing reliance on technology by City staff and citizens.

ITS is responsible for all core infrastructure, systems, servers, networks, workstations, telecommunication services (phone, cell, radios), and audio-visual equipment for all segments of the City's government including Public Safety and Library, excluding Schools. Core services include: Public Safety computer aided dispatch (CAD), records management system, mobile dispatch terminal with cruiser field reporting systems, financial / electronic resource planning (ERP) system, telecommunications systems, on-line services, fleet management systems, security hardware & software, asset inventory, desktop hardware & software, radio communications, and many other key systems and services.

City IT staffing consists of 9 FTEs. The CTO develops IT policies and processes in conjunction with City leadership, develops the citywide IT strategic plan, serves as the information security officer, and manages key projects. The ITS team is responsible for system maintenance, installing new applications and hardware, full customer support, project implementation, and ensuring the City's IT environment is secure and fully operational 24x7x365 days a year.

TRENDS AND ISSUES

- System equipment replacement and enhancement funding reduced due to budget guidelines to FY2015 funding level. Need to restore to a refresh cycle of one quarter to one third refresh per year.
- The City's continued technology growth on equipment and services has increased the basic required Microsoft software licensing costs an additional 16% over the last 3 year agreement.
- Continued increased software and hardware maintenance costs by most vendors is the growing trend and have been well in excess of the expected 5% increases, while budget remains flat.
- Increased costs due to the common industry business model of IT vendors sub-dividing their products, with planned obsolescence and product support retirement to force re-purchasing.
- Citizen and staff demand for more streamlined services and technology based solutions continues to expand required support and maintenance costs. ITS has significantly increased the number of active projects to address and support these initiatives.
- Significant increased risks for cyber-attacks, such as ransomware.

SIGNIFICANT CHANGES IN FY2019

- Complete build-out of system redundancy, completing the disaster recovery (DR) and continuity of operations (COOP) capabilities for essential systems and services.
    - Expanded core system redundancy at DR site
    - Expanded redundant connectivity for City infrastructure and sites
- Expanding remote access capabilities to securely and more effectively connect to services and information off-site in the field.
- An increase of $45,000 in funding for temporary staffing, internet services and equipment to implement large capital projects requiring new infrastructure as well as temporary staff location setup and support during construction.

FY2019 DELIVERABLES

- Provide complete low voltage structured cabling, security system and AV design and installation in renovated City Hall Public Space and Safety Improvements as well as temporary office space during construction.
- Provide 5460 hours/year of workstation / help desk related support directly to staff for daily needs.
- Provide 355 hours/year of project management and implementation of departmental initiatives to support identified expanding organization service needs and enhancements.
- Provide 8250 hours/year of core infrastructure & system maintenance and support, general upgrades, security patches, along with system enhancement project implementations.
- Provide 6000 hours/year of after hour on-call support for critical systems and outages.
- Refine the processes and procedures for the organization to implement new technology based initiatives in a documented and prioritized project management system.
- Continue to implement mobility expansions to fully support tablets and enhanced remote access.
- Complete implementation of the disaster recovery / continuity of operations (DR/COOP) infrastructure of core systems to City operations.

PRIORITIES FOR FUTURE FUNDING

Industry standards recommend City IT staffing at 12 to 14 FTEs, that does not include telecommunications, radio, or administrative (adding another 2) to provide the full service technology support that is required. The City currently operates with 9 FTEs. Despite the City's small size, the same overall operational requirements are required here as for larger localities as all the same services are provided, without the benefit of economies of scale.

The organization continues to expand its reliance on high-level IT services, project management support, and implementation of new systems and enhancements to better serve the needs of its citizens and staff functionality. This is in addition to needing increased support of existing systems. Additional resources to meet the technology requirements for City services are described below.

1. Help Desk Administrator $55,500 (salary & benefits). Current demand for basic level day-to-day technical support (help desk) outstrips current ITS resources.
2. Public Safety Senior System Engineer / Project Manager $120,000 (salary & benefits). Comparable sized police departments in the region have dedicated IT resources, or their own IT departments. The City operates efficiently with a unified ITS team model, but based on workload a Senior Systems Engineer support is needed to focus on ongoing public safety needs and emerging new requirements.
3. Staff Development / Training $13,500. Additional funding for IT staff training on new systems and technologies to limit downtime and ensure effective operations. The current budget provides for basic online self-paced study material for ITS staff.
4. Development Services & Public Works Senior System Engineer / Project Manager $120,000 (salary & benefits). ITS is responsible for providing regular ongoing support to these divisions; however the adoption of new technology, such as on-line plan review and permit filing and mobile field devices, has outstripped ITS support capability.
5. Equipment Refresh $99,500. Due to budget constraints, funding has been cut for equipment replacement and system enhancement. The minimum additional required for proper staggered refresh phases are: $25,000 for network infrastructure on a ~10 year cycle, $25,000 servers on a ~7 year cycle, and ~$49,500 more for base systems on be on a 4 – 5 year cycle.

6. Audio Visual Equipment Refresh $25,000. The City's video teleconferencing (VTC) system used for the local Council of Governments (COG) and audio visual presentation equipment and Council Chambers have served beyond their expected lifespan

ADOPTED POSITIONS BY FTE – 8.40 TOTAL

- 1.00 Chief Technology Officer/ Security Officer
- 1.00 Senior Team Leader/IT Manager
- 1.00 Network Engineer
- 1.00 Communications Specialist (IT)

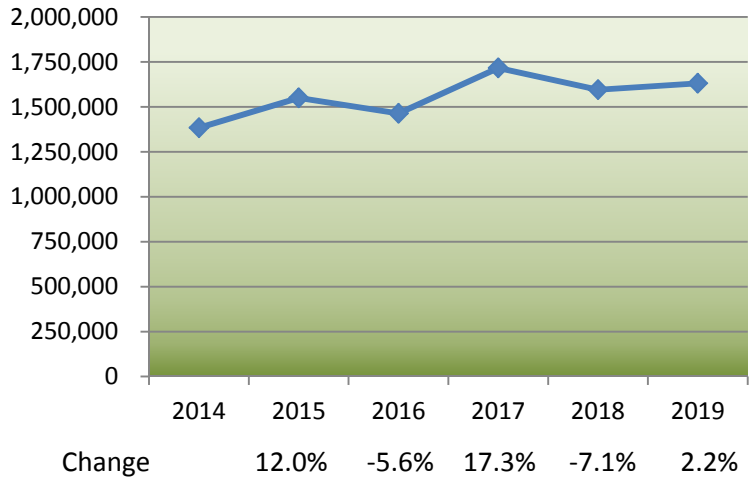
*Temporary employees are also employed to assist with projects.

- 1.00 Systems Specialist/Helpdesk Analyst
- 0.40 Senior Systems Engineer (.60 included under Library IT cost center)
- 3.00 Systems Engineer

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 693,451	$ 726,784	$ 852,251	17.26%
Benefits	210,084	223,685	220,031	-1.63%
Professional and Contractual	369,673	485,000	431,200	-11.09%
Materials, Supplies, and Other	41,415	75,275	87,125	15.74%
Capital Outlay	136,254	84,475	40,382	-52.20%
Net Expenditures Supported by General Revenues	**$ 1,450,877**	**$ 1,595,219**	**$ 1,630,989**	**2.24%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2016 decrease reflects the offset in moving to in-house staffing model, with a reduction in refresh finding to meet FY14 budget limit.
- FY2017 increase reflects one time increase of capital outlay for enterprise wide Wi-Fi and mobility improvements.
- FY2019 increase is for internet speed operational needs and modest equipment replacements.

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ENVIRONMENTAL SUSTAINABILITY

SUMMARY OF SERVICES PROVIDED

The goal of the Environmental Programs Coordinator is to accelerate the City's transition to an environmentally sustainable future by measuring and lowering the City's reliance on fossil fuels and serving as a resource to strengthen governmental and community based environmental programs.

The Environmental Sustainability Coordinator supports the City government as a whole and works closely with the Departments of Public Works, Recreation and Parks, Community Planning and Economic Development Services (CPEDS) and Finance.

Environmental harmony in the City of Falls Church has long been a key part of the City's Comprehensive Plan Goals and Objectives, and the Council Vision Statement. The Coordinator serves as liaison to the Environmental Sustainability Council (ESC) and its three subcommittees, as well as regional and non-profit organizations. In addition to its customary advisory role, the ESC has begun an ambitious program of outreach to City decision-makers and community stakeholders focused on green building and development practices and policies. Staff resources are essential to help these citizen efforts produce long lasting results.

Among the responsibilities of the Coordinator is compiling and reporting data on the City's greenhouse gas emissions and energy consumption. In FY2018, the City Council adopted ambitious goals to reduce greenhouse gas emissions by 20 percent below 2005 levels by 2020, and 80 percent below 2005 levels by 2050. The Coordinator will continue to work on developing plans to achieve those goals, carry them through the approval process, and measure progress toward the goals of those plans. The Coordinator leads the City's effort to gain regional, state and federal funds and collaboration to achieve meaningful progress toward these goals.

The recent update of the Vision Chapter of the City's Comprehensive Plan clarified the fundamental precepts of environmental harmony in the City of Falls Church. However, the "Natural Resources and the Environment" chapter has not been updated since 2005. Incorporation of current information and goal setting in the comprehensive plan is key to successfully driving environmental action, especially when policy change is proposed. The Coordinator will work with DES, DPW and Recreation and Parks as resources are available to update the plan.

TRENDS AND ISSUES

- The change in US administration in January 2017 heralded changes in national environmental policy, including the withdrawal of the United States from the Paris Climate Agreement. However, the Mayor and City Council joined nearly 400 mayors across the nation in committing to the goals enshrined in the Paris Agreement. As part of the Climate Mayors group, they stated its intention to intensify efforts to meet our current climate goals, push for new action and work together to create a 21st century clean energy economy. Investments in renewable energy and energy efficiency, creating more demand for electric cars and trucks and increasing our efforts to cut greenhouse gas emissions support the creation of a clean energy economy, and show that we stand for environmental justice.
- The City continues to leverage regional effort from organizations such as MWCOG and the Northern Virginia Regional Commission, and neighboring counties. For example, actively participating in NVRC discussions with Dominion Energy about LED street lighting conversion, and will once again participate in a Solarize campaign. MWCOG continues to support our efforts to incorporate geothermal heat pumps at the new high school.

- The construction of the new high school and adjacent development will affect a large land area of the City. As with smaller development projects, and the renovation of City Hall and the Library, it is important to maximize the environmental benefits obtained. The ESC will continue to advocate for independently certified green building and neighborhood standards.

SIGNIFICANT CHANGES IN FY2019

- Increased focus on green building and development policies and practices.

FY2019 DELIVERABLES

- Greenhouse gas inventory for community and City
- Action Plan for Greenhouse Gas Emission Reduction
- New grant funding for renewable energy, energy efficiency and environmental projects
- Continuation of EPA Green Power Partnership and Green Power Community programs
- Continuation of wildlife habitat certification
- Continuation of Solarize program
- Update the Natural Resources and the Environment chapter of the Comprehensive Plan
- Raise awareness of and participation in Environmental programs through effective communication.
- Build community volunteer resources for Operation Earthwatch to increase student participation as well as celebrate the 25th program year.

PRIORITIES FOR FUTURE FUNDING

1. Smart phone $850. This position works closely with members of the public who expect the ability to contact staff outside standard business hours and when out of the office at meetings, conferences or working in the field.
2. Energy Specialist $20,000. Part-time help or an intern to assist with energy data entry and analysis. Volunteers are currently sporadically doing this work when they are available.

ADOPTED POSITIONS BY FTE – 1.00 TOTAL

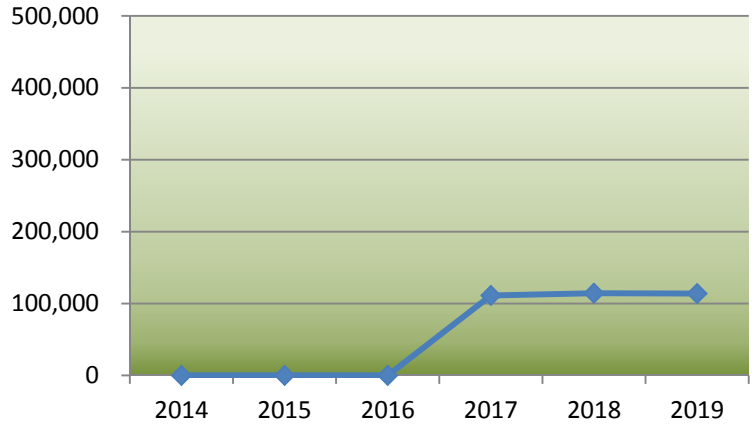
- 1.00 Environmental Program Coordinator

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 79,409	$ 82,536	$ 85,012	3.00%
Benefits	21,524	22,733	19,769	-13.04%
Professional and Contractual	-	1,100	100	-90.91%
Materials, Supplies, and Other	8,760	7,926	8,926	12.62%
Total Expenditures	109,693	114,295	113,807	-0.43%
Revenues				
Grants & Contributions	1,800	1,930	1,800	-6.74%
Net Expenditures Supported by General Revenues	**$ 107,893**	**$ 112,365**	**$ 112,007**	**-0.32%**

Environmental Sustainability

BUDGET TREND: FY2014 – FY2019

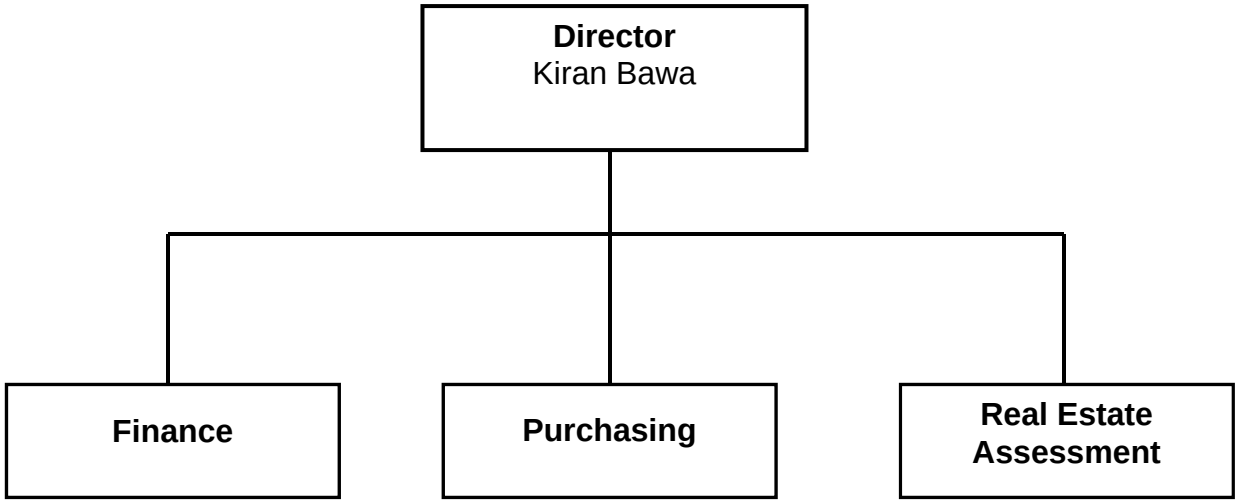


	2014	2015	2016	2017	2018	2019
Change		-	-	-	2.8%	-0.4%

Notes:

- This program and the position was created as an amendment to the FY2016 budget.
- FY2019 budget generally remains flat, nominal reduction is due to retirement and health benefit reductions.

FINANCE


Director
Kiran Bawa
Finance
Purchasing
Real Estate Assessment

FINANCE & PURCHASING

SUMMARY OF SERVICES PROVIDED

The Finance Division serves the residents of the City of Falls Church, its vendors, intergovernmental partners, employees, and all the departments and divisions of the City government. It is responsible for the City's financial reporting and accounting, payment of obligations to vendors and employees, and purchasing of goods and services that require competitive pricing. The Division's functions include reconciliation of all bank and investment accounts, preparation of financial reports for submission to the City Council, the public, the Commonwealth of Virginia, rating agencies, and others, and supporting the City Manager in the development of the City's annual budget. The Chief Financial Officer assists the City Manager and City Council in making strategic decisions concerning the fiscal health of the City, and also facilitates the borrowing of funds that may be needed to fund the City's Capital Improvements Program. The Division pays all invoices, and pays about 300 employees on a bi-weekly basis. The Division also ensures compliance with taxing authorities for the remittance of payroll and sales taxes. The Purchasing Agent assists in the competitive procurement of purchases each year for both the General Government and School Division.

TRENDS AND ISSUES

In light of the adopted robust capital improvement program as the City's revenue flattens out, it will require more due diligence in monitoring revenue to mitigate potential impacts. The reduction in revenue growth will impact cash flow and timing of debt issuance. The constraints on department spending will require fiscal agility in responding to unanticipated spending that may arise during the course of the fiscal year.

FY2019 DELIVERABLES

- Process 13,000 invoices within (10) business days of receipt
- Timely payment of (46) debt service payments
- Reconcile and process payroll tax, sales tax payments and benefit payments (500) timely
- Process over 500 journal entries
- Perform over 400 bank and investment reconciliations annually
- Prepare quarterly financial reports and analysis for General Fund
- Provide response to department inquiries within 24 hours
- Prepare annual filings for VDOT and US Department of Commerce
- Perform 70 procurements and renewals annually for all city government
- Perform contract revisions and cancellations
- Review and convert over 1,000 requisitions to purchase orders
- Review contracts for commodities and services
- Prepare and assist with the annual budget development and presentation
- Work with financial advisors for issuance of debt for major capital projects
- Work with auditors to prepare annual comprehensive financial report, annual state reports, and presentation to council

PRIORITIES FOR FUTURE FUNDING

1. Two (2) Budget Analysts $200,000. Provide assistance to departments with budget analysis and implementation, as well as provide data analysis for revenue projections.

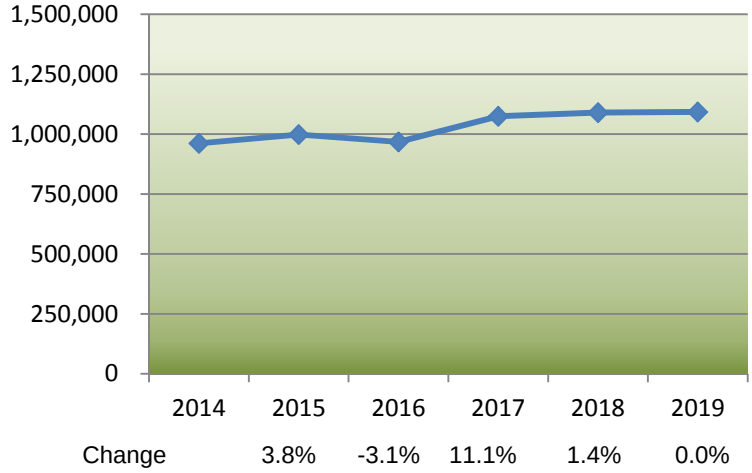
ADOPTED POSITIONS BY FTE – 8.0 TOTAL

- 1.00 Director/Chief Financial Officer
- 1.00 Deputy Finance Director
- 1.00 Purchasing Agent
- 1.00 Senior Accountant
- 1.00 Staff Accountant
- 1.00 Payroll Specialist
- 1.00 Accounting Associate
- 1.00 Senior Administrative Assistant

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 664,490	$ 753,403	$ 787,828	4.57%
Benefits	197,521	241,243	206,624	-14.35%
Professional and Contractual	77,039	73,500	75,100	2.18%
Materials, Supplies, and Other	24,393	21,400	19,800	-7.48%
Net Expenditures Supported by General Revenues	**$ 968,177**	**$ 1,089,546**	**$ 1,089,352**	**-0.02%**

BUDGET TREND: FY2014–FY2019



Notes:

- Increase in FY2017 is due to the addition of a senior administrative assistant position.

REAL ESTATE ASSESSOR'S OFFICE

SUMMARY OF SERVICES PROVIDED

The primary responsibility of the Real Estate Assessor's Office is the assessment of every parcel located in the City on an annual basis, at market value as required by Virginia Code. The goal is to assess and maintain real property information in the City of Falls Church in a fair and equitable manner to ensure that each taxpayer bears only their fair share of the real property tax burden as determined by the City Council of Falls Church.

This office collects and maintains a history of all land parcels in the City with computerized current information specific to each parcel which includes: ownership, deed and plat references, ownership history, and specific house characteristic information. This information is widely used by realtors, attorneys, title search personnel, prospective homebuyers, sellers, private appraisers (both local and out-of-city/state), and surveyors. Assessment information is available to all users through a web portal maintained by the Assessor's Office. Other services provided by the Assessor's Office include: notification of assessments, responses to inquiries concerning assessments and assessment procedures, hearing administrative appeals, and preparing the Board of Equalization for pubic appeals. This office produces the annual land book.

Annually, this division reviews approximately 300 real estate listings and sales, adjusts the values of approximately 5,000 parcels as indicated by the market data, inspects 160+ parcels that have been issued a building permit, and 150+ parcels as the result of a sale or an appeal. The division also maintains and periodically updates the real estate database containing approximately 5,000 parcels, provides online real estate information, and serves as staff to the Board of Equalization, which meets approximately 10 times each year.

TRENDS AND ISSUES

- New construction growth continues to trend upward
- Increased complexity in mixed use projects

FY2019 DELIVERABLES

- Median ratio between .9 and 1.1
- Coefficient of Dispersion between 5 and 15
- Price Related Differential between .98 and 1.03

PRIORITIES FOR FUTURE FUNDING

1. Senior Real Estate Appraiser $140,000. New and anticipated development activity requires the addition of a real estate appraiser to ensure accurate appraisal of such activities.

ADOPTED POSITIONS BY FTE – 3.00 TOTAL

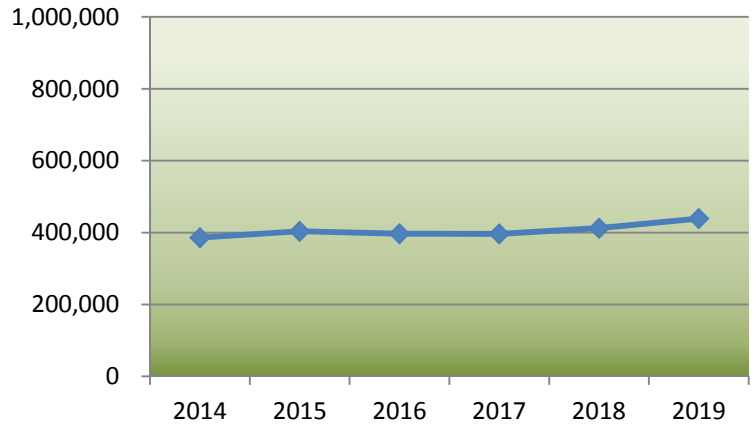
- 1.00 Real Estate Assessor
- 1.00 Real Estate Specialist
- 1.00 Senior Real Estate Appraiser

Real Estate Assessor

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 287,076	$ 294,000	$ 298,911	1.67%
Benefits	67,358	69,998	91,932	31.34%
Professional and Contractual	28,323	32,751	30,586	-6.61%
Materials, Supplies, and Other	19,941	15,361	17,526	14.09%
Net Expenditures Supported by General Revenues	**$ 402,698**	**$ 412,110**	**$ 438,955**	**6.51%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		3.7%	4.6%	-0.1%	4.0%	6.5%

Notes:

- Increase in FY2019 primarily due to changes in health insurance elections of employees.

COMMISSIONER OF THE REVENUE

Thomas Clinton
Commissioner of Revenue

SUMMARY OF SERVICES PROVIDED

Tom Clinton is a directly elected State Constitutional Officer and representative of the citizens of the City of Falls Church. He has had the honor and privilege of serving as Commissioner since January of 2002. Tom was first elected in November of 2001, and has been re-elected to four-year terms in 2006, 2010, 2014 and 2018. Tom was born in Falls Church, attended FCCPS schools grades K-12, is very active in, and dedicated to, Falls Church City and lives here with his wife Karen, and their two children.

The Office is responsible for the assessment of taxes on businesses and residents that are levied by the state of Virginia and the City of Falls Church. These non-real estate based revenue assessments represent a total of about 20 percent of all gross revenues received by the City, ensuring that everyone that lives, works, or visits here, pays their fair share of taxes. Revenue collection is essential to paying for critical public services and infrastructure that benefits our residents, business owners and visitors.

The Commissioner works closely with the Treasurer's Office, the Economic Development Office, the Economic Development Authority, the Falls Church Chamber of Commerce and the local business community providing, among other services, critical tax information involving past, present and future economic development decisions, and daily demonstrating a customer friendly, pro-business attitude.

More people and businesses will be moving into the City in the very near future, adding to the existing heavy office workload. For most City residents and businesses, the Commissioner's Office is their primary contact with City Hall because of their vehicle registrations, DMV2Go transactions at City Hall, DMV Connect transactions at the American Legion, state tax returns, Notarizations, commercial or home-based business licenses, tangible personal property transactions and general City information. The Commissioner's Office receives the most mail, email and walk-in traffic, the highest number of phone calls and the most Notary requests in City Hall. The Commissioner's Office is the most directly affected office when the City's population increases, and when the population regularly turns over.

Our goal is simple: to make the assessment and payment of taxes easy to understand, and as convenient to pay as possible, while still providing the same pleasant, high-quality, small-town, personal service that our businesses and residents have come to expect from the Commissioner's Office. Seven out of the nine COR Office employees live in Falls Church City, the highest percentage in City Hall. Not only are we dedicated, we live here too, and we're careful stewards of your tax dollars!

TRENDS AND ISSUES

- Two new mixed use buildings opened in 2016, at the West Broad Residences (Harris Teeter) and at the Lincoln at Tinner Hill, together adding 512 residential units that are now fully occupied, at least 800 or more cars, numerous businesses located on the ground floor and above in the residential units, and the filing of hundreds of additional state income tax returns.

- Mason Row was approved in January of 2016 with 322 new residential units, and it may be revised to include age restricted housing vs. a hotel, creating more demand on the office. The project will start with many contractor business licenses issued from the Commissioner's Office. When completed, 700 or more cars are projected to be garaged in the project, more resident income tax returns will be filed, and numerous commercial and residential businesses will open, including a large dine-in style movie theatre, retail stores, and restaurants. The new admissions tax assessed on each movie ticket sold will be audited by the Commissioner's Office.
- The Insight Development Project at Broad and Washington Street is scheduled for a vote in April, possibly adding hundreds of apartments, numerous businesses and hundreds of additional cars that will need to be registered and assessed by the Office, plus more tax returns.
- Our New Resident Outreach Program has been very successful in orientating new residents to Falls Church and getting them to register their vehicles, pay their car taxes and get a City decal on their vehicles within the 60 day limit, to avoid getting a $50 ticket.
- Personal property assessments should further increase with the City's recent acquisition of a license plate tag reader.
- The DMV2Go Mobile Unit currently visits City Hall on the 2nd Friday of every month from 9 am until 4 pm. This full-service mobile unit will parked in front of City Hall from 9 am until 4 pm.
- In 2016, Commissioner Clinton added the DMV Connect Service, which visits on Mondays, Wednesdays and Thursdays during the 2nd week of the month at the American Legion Building located next to the bike trail at 400 N Oak Street from 9 am until 4 pm. The DMV Connect Service is similar to the DMV2Go Service; it operates out of suitcases instead of the mobile unit.
- In calendar year 2017, the Commissioner's Office tracked about 1400 construction permits issued from the Department of Development Services (DDS) and these represented about $25M in overall construction activity. This is done to ensure that all business licenses and waivers were correctly obtained; the appropriate taxes were assessed, property improvement information was sent to the City Assessor, and the Workers' Compensation forms were collected and submitted to the state, protecting those employees working for contractors here.

FY2019 DELIVERABLES

- The office issues about 1,800 business licenses, and processes about 1,800 tangible personal property tax assessments based on the business equipment owned, or leased, by companies.
- The office processes many other business related taxes including: utility, right-of-way, phone line charges, hotel occupancy, short-term rental, bank franchise taxes, and the labor-intensive Meals Tax, which is a significant revenue source, due to the City's many vibrant restaurants.
- The office annually processes about 2,400 state income tax refunds, 500 estimated tax payments and 500 tax due payments for City taxpayers on behalf of the Virginia Department of Taxation. State income tax returns are first desk-audited; errors are detected and corrected, and then entered into our database resulting in faster tax refunds for City residents.
- The office assists citizens in resolving their complex tax problems with the Virginia Department of Taxation by helping them to review their tax return and talking directly to Taxation employees.
- The office annually issues approximately 13,500 personal property tax assessments, which become personal property (also called vehicle or car) tax bills in September of each year.
- In June, the office mails out 11,000 Vehicle Verification Forms to all current registered vehicle owners. We annually process hundreds of address changes related to those vehicles.
- The office generates all of the vehicle decal bills, decal transfers and quickly issues almost all of the temporary vehicle decals, reducing the number of parking tickets received by City residents.
- The office performs about 2,000 annual personal property assessment adjustments, including vehicle dispositions, and other assessment valuation changes, both saving taxpayers money.
- The office removes and applies hundreds of City decals by request on taxpayer's windshields every year to help residents be in compliance with the City code. No appointment is necessary.

PRIORITIES FOR FUTURE/EXISTING FUNDING

1. Monitor staff workload and training budget as the City's population continues to grow, putting additional strain on an already very busy office.
2. Getting NCIC access that will allow us to track out-of-state license plates through the VA State Police helping to enforce the new $100 out-of-state license fee, when there are no qualifying exemptions to not be registered with the VA DMV and paying car taxes here.
3. Purchasing an additional server to allow better license plate reading efficiency.
4. Improving the on-line vehicle registration process and getting the registration link directly on the City's homepage, thus making vehicle registration easier, increase revenue and reduce tickets.

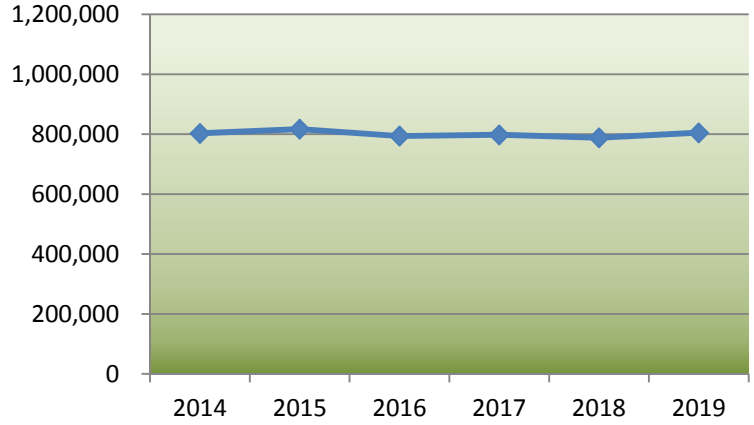
ADOPTED POSITIONS BY FTE – 8.75 TOTAL

- 1.00 Commissioner of the Revenue
- 1.00 Chief Deputy Commissioner
- 1.00 Business License Revenue Auditor
- 5.75 Revenue Assistants

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 589,015	$ 607,119	$ 624,048	2.79%
Benefits	149,102	149,217	148,733	-0.32%
Professional and Contractual	9,698	9,900	10,600	7.07%
Materials, Supplies, and Other	17,949	21,678	21,409	-1.24%
Total Expenditures	765,765	787,914	804,790	2.14%
Revenues				
State Grants	91,994	93,000	92,500	-0.54%
Charges for Services	-	-	-	0.00%
Total Revenues	91,994	93,000	92,500	-0.54%
Net Expenditures Supported by General Revenues	**$ 673,770**	**$ 694,914**	**$ 712,290**	**2.50%**

BUDGET TREND: FY2014-2019



	2014	2015	2016	2017	2018	2019
Change		1.8%	-2.8%	0.5%	-1.3%	2.1%

Notes:

- In December of FY2018, the year to date financial report showed a 10.58% increase in Personal Property Taxes assessed.
- The report also showed a 3.5% increase in the City's Meals Tax revenue, which is administered exclusively by the Commissioner's Office.
- The Commissioner's Outreach program to residents living in apartments and condos continues to be very successful in getting vehicles registered and taxes paid sooner.
- The full-service **DMV2Go Mobile Unit** will be at **City Hall** the **2nd Friday** of every month.
- The **DMV Connect Service** will be at the **American Legion Building** at 400 N Oak St the **2nd Monday, Wednesday and Thursday** of the month. Call **(703) 248-5450** or email **commissioner@fallschurchva.gov** for more DMV details. The hours for both are from 9-4.

OFFICE OF THE TREASURER

Jody Acosta
Treasurer

SUMMARY OF SERVICES PROVIDED

The Office of the Treasurer is established by the Constitution of the Commonwealth of Virginia, and the Treasurer, Jody Acosta, is an elected Constitutional Officer, whose elected status ensures that City funds will be safeguarded by an official who is accountable directly to the City's citizens. Treasurer Acosta was elected in 2014, after serving the office as Chief Deputy Treasurer for 8 years prior to her election as Treasurer.

The primary functions of the Treasurer's Office fall into five major categories:

- Billing and collection of taxes
- Billing and collection of storm water fees
- Receipting and processing all City revenue
- Investments and safeguarding of City funds
- Disbursement of funds

TRENDS AND ISSUES

- The Treasurer's Office set an all-time high for tax Collection rates in the year ended June 30, 2017 (FY2017). The combined collection rate for Real Estate and Personal Property taxes *during the year of the Levy* was 98.77% - the highest rate in the City's history. The combined collection rate for all previous years is 99.81%, one of the best in Virginia.
- The Treasurer's office is a founding member of the City's "parking study group" – a coalition with the FC Police Dept., Dept. of Public Works, and Commissioner of the Revenue and FC Sheriff's office. We use the Treasurer's Office License Plate Reader (LPR) and accompanying technology in outings with the Sheriff's office to locate unregistered vehicles within the City and bring them into compliance with State and City Code by getting the cars registered and onto the City's tax rolls. This inter-departmental alliance between City Hall offices is a contributing factor, along with growth from new development, of a budget surplus in Personal Property taxes of almost $500,000 in the current budget year.
- For the 2nd year in a row, new development within the City (combined with the parking study group cited above), has resulted in an increase in personal property tax billing for over 700 new vehicles added to the tax rolls over the past 2 years. Additional development planned for the next 2 years (the Insights project a Broad and Washington Streets and Founder's Row) is projected to bring appx. 800 more cars to our locality according to the Commissioner of Revenue's office – again increasing billing and collection of Personal Property taxes, all borne by the Treasurer's office staff of 5 individuals.
- The Treasurer's office continues to administer the City's first Residential Zone Parking Program for the Winter Hill community. We have processed over 11,000 Visitor passes and over 700 parking permits for the residents of Winter Hill to date. This is an ongoing program. In 2017, the Treasurer's office issued 145 permits to new residents.
- The Treasurer renegotiated the banking contract with the City's bank in 2017 resulting in a savings of approximately $34,000 in fees.

SIGNIFICANT CHANGES IN FY2019

- Implementation of a Citizen's Self Service module available through our current software is scheduled for 2018. This will allow citizen's to access their tax accounts in real time, receive bills via email, make in-house online payments, and view real estate assessment information. The implementation will place a heavy workload on the Treasurer's office for testing and trouble-shooting, but once its fully operational, will be a valuable service for our citizens.
- The Treasurer plans to issue a banking RFP in FY2019. After in-depth analysis, we believe we can save the City an additional $45,000 in banking fees by renegotiating the banking services through the RFP process. Again, this will be a labor-intensive project, but once completed, will serve our citizens well.

FY2019 DELIVERABLES

1. Bill and collect payments on more than 9,000 real estate bills during the year. Redesign the real estate bills to a more user-friendly format.
2. Administer an additional billing and payment program for 198 mortgage companies.
3. Bill and collect personal property taxes on more than 12,000 vehicles and 1,800 businesses.
4. Process all other cash receipts for the City including Recreation fees and FCCPS revenue.
5. Invest City (non-pension and non-OPEB) funds with the goal of minimizing risk and ensuring the availability of cash to meet the City's expenditures, while generating revenue from the use of funds that otherwise might remain idle.
6. Bill and issue approximately 300+ dog licenses each year. Maintain database for Animal Control.
7. Issue approximately 200 bank liens, 2600 delinquent tax notices, 300 DMV Registrations stops, 250 State tax refund seizures as part of the collection process each year.
8. Process over 200 Estimated State Income Tax payments and State Tax Payments for City residents.

PRIORITIES FOR FUTURE FUNDING

1. <u>2 FTEs: 1 cashier, 1 additional compliance personnel. $85,000 - $90.000.</u> To meet the increasing service demands of a growing population. Over the past 2 years, the City has added over 750 cars and over 1,000 new residents which impacts our small office a great deal. We tracked our workload for 2 months, and we received and responded to over 1300 emails during the 2 month tracking period. We fielded over 1,000 phone calls during a 1 month tracking period. We are in dire need of more staff. The Commissioner of Revenue has a staff of 9 people - almost double the staff of the 5 people in the Treasurer's office and they don't handle any real estate assessments - just BPOL and Personal Property. The Treasurer's office bills and collects for over 4,700 real estate tax accounts as well as 13,000 personal property and business tangible tax accounts and does stormwater billing/collection too. We do quite a bit of back-office work in partnership with the Finance office - handling all the City's banking and investments, and real estate appeals resulting in Supplemental tax bills and Abatements; we also administer the City's online billing and payment program, the City's Tax Relief program for the Elderly & Disabled, and run the Winter Hill zone parking program. We are projecting 2 additional staff members in FY2020 at $40,000 - $45,000 per position. 1 position would be a cashier for counter work & phones. 1 position would be a hybrid compliance/collector position - working with our tag reader to find un-registered vehicles in the City and get them onto the tax rolls – thereby bringing them into "compliance" with State and City code. As our office has proven, if we have the tools (technology) and resources (staff), we can help increase revenues by capturing the taxes owed to the City.

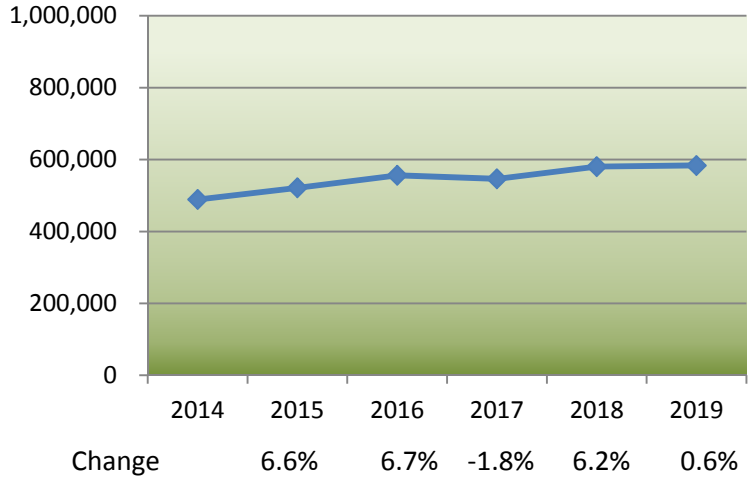
ADOPTED POSITIONS BY FTE – 5.00 TOTAL

- 1.00 Treasurer (Elected)
- 1.00 Chief Deputy Treasurer
- 1.00 Deputy Treasurer
- 1.00 Treasurer Specialist – Compliance
- 1.00 Treasurer Assistant

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 376,340	$ 366,088	$ 381,297	4.15%
Benefits	129,133	135,358	123,312	-8.90%
Professional and Contractual	30,790	40,817	41,097	0.69%
Materials, Supplies, and Other	29,033	38,017	37,737	-0.74%
Total Expenditures	581,315	580,280	583,443	0.55%
Revenues				
State Grants	75,156	76,000	76,000	0.00%
Charges for Services	4,220	5,000	8,100	62.00%
Total Revenues	79,376	81,000	84,100	3.83%
Net Expenditures Supported by General Revenues	**$ 501,939**	**$ 499,280**	**$ 499,343**	**0.01%**

BUDGET TREND: FY2014-FY2019



PROPERTY TAX RELIEF PROGRAM

SUMMARY OF SERVICES PROVIDED

The City sponsors Real Estate Tax, Personal Property Tax, and Automobile Decal Fee Relief programs for residents who are age 65 years or older or who are permanently disabled. This program is administered by the Treasurer. The goal of these programs, which target residents who have incomes less than 50 percent of the area median, is to help participants remain in their homes and/or maximize their available income. In 2011, the State of Virginia passed an Amendment to its Constitution establishing the Veteran Tax Relief program, which mandates that any veteran who is 100% disabled, and whose disability is 100% service related, is to receive 100% real estate tax relief from the locality.

In FY 2017, the Treasurer's Office received and processed 81 completed Applications, and granted Tax Relief and/or Deferral to 78 individuals. The cost for Elderly & Disabled Tax Relief was $180,000 and the cost for the Veteran's Relief Program was $31,000 for a total of $211,000.

The Treasurer's office also administers the Tax Deferral program for 13 senior citizens who deferred a total of $52,000 in real estate taxes in FY 2017. Additionally, there were a total of 25 citizens receiving personal property tax relief for a total of $1,342 in relief.

In 2014, the Treasurer's Office, along with the City Manager, and Housing & Human Services, proposed to restructure the Senior Tax Relief Program. After conducting a survey of the tax relief programs in surrounding jurisdictions, including their income limits and relief amounts, we proposed that the City of Falls Church modify the qualifying income limits and increase relief amounts. City Council unanimously approved the modifications. The former relief cap of $2,000 had been in effect since 2002. The current cap is $4,000. City Council is looking at enhancing the relief program even further by offering 100% relief to those seniors in the lowest income category of $22,850 or below. If approved, this will add $45,000 to tax relief expenditures in FY2019.

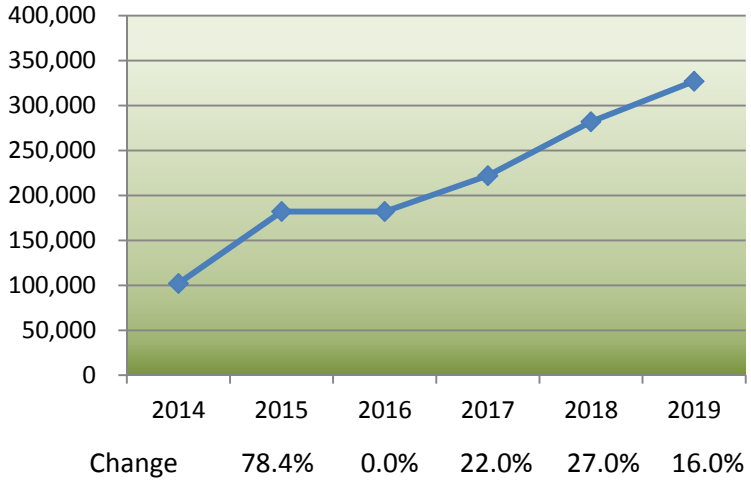
TRENDS AND ISSUES

- Tax Relief for surviving spouses of servicemen and women "Killed In Action", passed the Virginia legislature as a Constitutional amendment in November 2014 and took effect on January 1, 2015, providing 100% real estate tax relief for the surviving spouse. The fiscal impact for 2018 was $0, as the one case we had in the City apparently moved out of the City.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Property Tax Relief	$ 263,242	$ 282,000	$ 327,000	15.96%
Net Expenditures Supported by General Revenues	**$ 263,242**	**$ 282,000**	**$ 327,000**	**15.96%**

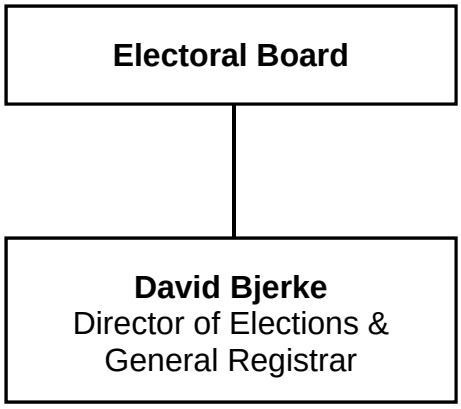
BUDGET TREND: FY2014-FY2019



Notes:

- The Tax Relief program was updated in 2015. The restructuring of the program resulted in 8 new participants who were able to receive real estate tax relief.
- We are looking at further enhancements to the relief program in FY2019 by offering 100% relief to those seniors in the lowest income category of $22,850 or below. If approved, this will add $45,000 to tax relief expenditures for June 2019.

VOTER REGISTRATION & ELECTORAL BOARD



SUMMARY OF SERVICES PROVIDED

The Office of Voter Registration and the Electoral Board work together to conduct elections in the City in accordance with the Constitution and Code of the Commonwealth of Virginia. Duties include maintaining an accurate list of registered voters, processing and validating candidate filings, establishing polling places staffed by trained election officials appointed and trained by the Office of Voter Registration and Elections, offering convenient and reliable absentee voting, holding elections, and certifying election results.

TRENDS AND ISSUES

- Two elections:
  - General Election on November 6th, 2018 (Midterms)
  - Primary Elections on June 11th, 2019.
- Three-member Electoral Board is appointed by the Circuit Court, based on recommendations made by the local political party chairs. Two members of the Board represent the political party of the current governor, while the third member represents the party that had the second highest number of votes statewide in the last gubernatorial election. The Electoral Board members serve staggered three-year terms. Electoral Board remuneration is a stipend paid by the City and reimbursed by the Commonwealth.
- The Director of Elections & General Registrar is appointed by the Electoral Board for a four-year term. Registrar receives a full-time salary, which is paid by the City and partially reimbursed by the Commonwealth. All benefits are City benefits.
- Deputy Registrar is half-time and receives benefits.
- Four part-time Assistant Registrars.

SIGNIFICANT CHANGES IN FY2019

- Federal Election (Midterms): One year after the highest turnout Gubernatorial Election in City history, we are expecting record turnout for the midterm federal elections. While it shouldn't rival the turnout of a Presidential election, we are expecting record turnout for a midterm election similar to what we saw in the last general election (gubernatorial).

FY2019 DELIVERABLES

- Over the past several years, this office has implemented several reforms that have generated efficiencies both in workload and savings for the city but also increased service to the residents/citizens. These reforms include:
  - Moving City Council and School Board elections from May to November
  - Reducing the number of polling places from five to three and redrawing the borders of the Wards
  - Successful "Bailout" from the previously required preclearance provisions of the Voting Rights Act
- Successful implementation of a Photo ID law
- Successful implementation of electronic poll books (EPBs)
- Successful implementation of a new voting system
- FY2019 sees a budget decrease after implementation of a new voting system even with turnout expected to be higher than historical averages.

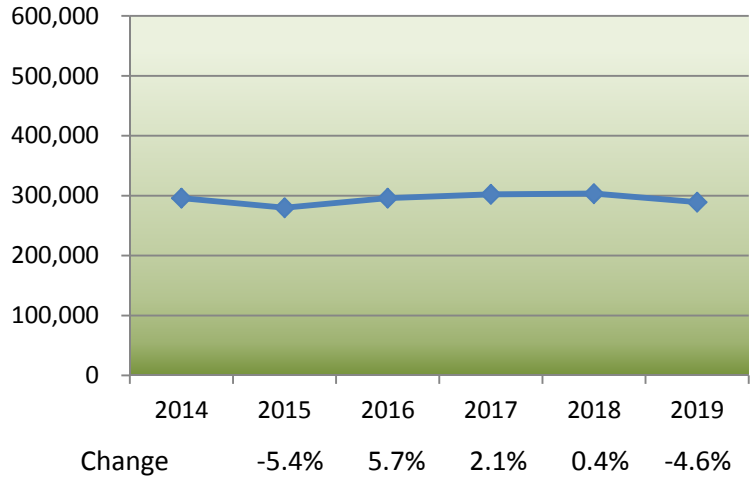
ADOPTED POSITIONS BY FTE – 1.50 TOTAL

- 1.00 Registrar
- 0.50 Assistant Registrar

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 177,636	$ 178,988	$ 183,438	2.49%
Benefits	58,540	63,184	62,814	-0.59%
Professional and Contractual	12,182	30,147	10,850	-64.01%
Materials, Supplies, and Other	22,995	31,000	32,150	3.71%
Total Expenditures	271,353	303,319	289,252	-4.64%
Revenues				
State Grants	41,810	45,000	41,800	-7.11%
Fines	-	100	100	0.00%
Total Revenues	41,810	45,100	41,900	-7.10%
Net Expenditures Supported by General Revenues	**$ 229,542**	**$ 258,219**	**$ 247,352**	**-4.21%**

BUDGET TREND: FY2014–FY2019



Notes:

- Budget changes based on the number and size of elections in each Fiscal Year (e.g. Presidential in FY17 is the largest).
- The decrease in the FY2019 budget is a result of the implementation of a new voting system.

SHERIFF'S OFFICE

S. Stephen Bittle
Sheriff

SUMMARY OF SERVICES PROVIDED

The Falls Church City Sheriff's Office is a constitutional office responsible, in accordance with the Code of Virginia, for courtroom security and operation (General District and Juvenile and Domestic Relations Courts), prisoner transportation, civil and criminal service of process, evictions and Sheriff's sales, upholding the laws of the Commonwealth and protecting civil rights within the jurisdiction of the City of Falls Church. The local responsibility of the reflected budget of the Sheriff's Office is reduced by a supplement provided by the Commonwealth of Virginia.

The Sheriff's Office maintains facility and court security for 49 General District Court and 27 Juvenile and Domestic Relations court days as well as additional scheduled court days subject to the discretion of the judiciary. In addition, this Office transports approximately 300 prisoners to and from correctional facilities for the Courts. In 2017, the Sheriff's Office monitored numerous individuals who were ordered by the courts to provide community service in lieu of traditional sentencing. The Office processes approximately 2000 court papers and executes approximately 30 writs of possession (evictions) annually.

The Sheriff's Office, upon request, assists the Falls Church Police Department with traffic enforcement and control, walking patrols, crowd and traffic control at major events and participates in regional law enforcement traffic and safety programs. The Sheriff's Office annually issues approximately 750 traffic citations and approximately 50 parking tickets. The Sheriff's Office receives grants from the state and regional governmental entities to conduct traffic enforcement and educational programs.

The Sheriff's Office utilizes a reserve/auxiliary deputy program that consists of 13 volunteer deputies who work on court days and assist with special events. This reserve deputy program accounts for a savings in excess of $70,000.00 in salaries alone. The current staffing of compensated deputies for the Office are insufficient to adequately administer General District Court and Juvenile & Domestic Court days without the assistance of the auxiliary/unpaid deputies.

The Sheriff's Office provides a community outreach effort resulting in the fingerprinting of approximately 1,000 persons annually, including City residents, children and non-residents. The Sheriff's Office also provides safety education and guidance to parents, guardians, caregivers, and/or anyone transporting children and checks for proper installation of approximately 175 child safety seats in vehicles annually.

COMMUNITY SERVICE PROGRAM:

The Sheriff's Office operates the Falls Church Community Service Program, a diversion program providing an alternative sentencing option for the Courts for persons sentenced by the court. These individuals were diverted from jail and assigned to the Program, resulting in community service involving volunteering at local churches, community centers and other non-profit facilities. These activities and the monitoring of these individuals to insure compliance with the Court's order are the responsibility of the Sheriff's staff including coordination of services with probation officers.

The Sheriff's Office also hosts the following programs for the residents of the City of Falls Church:

- Operation Safe Halloween
- Santa Ride
- Anti-Terrorism Task Force
- Ident-A-Child
- Cell Phone Collection Program
- Gun Safety Program and Gun Lock Distribution
- Career and Safety Presentations to Schools and Community Groups

TRENDS AND ISSUES

- Rising cost of housing inmates at Arlington and Alexandria Detention Centers
- Increase in Court Papers
- Increase in Evictions/Process

FY2019 DELIVERABLES

- Provide court and judicial security for at least 76 court days
- Provide 330 prisoner transports
- Serve/Process/Execute in excess of 3000 court documents
- Issue 1,150 traffic citations and parking tickets
- Provide outreach and education to 1,000 persons and community groups
- Provide education and training on transporting children
- Provide checks on 200 child safety seat installations
- Provide City departments with pick-ups for cash & checks for delivery to the Treasurer's Office

PRIORITIES FOR FUTURE FUNDING

1. Deputy Sheriff ($70,000): The Sheriff's Office requests an additional full time Deputy to assist in transport of prisoners to and from correctional facilities to court. This will allow the Sheriff's Office to reduce prisoner housing costs by utilizing other correctional facilities with lower rates.
2. Unmarked Transport Vehicle ($50,000): Vehicle required to transport sensitive, high profile and/or dangerous inmates.

ADOPTED POSITIONS BY FTE – 6.50 TOTAL

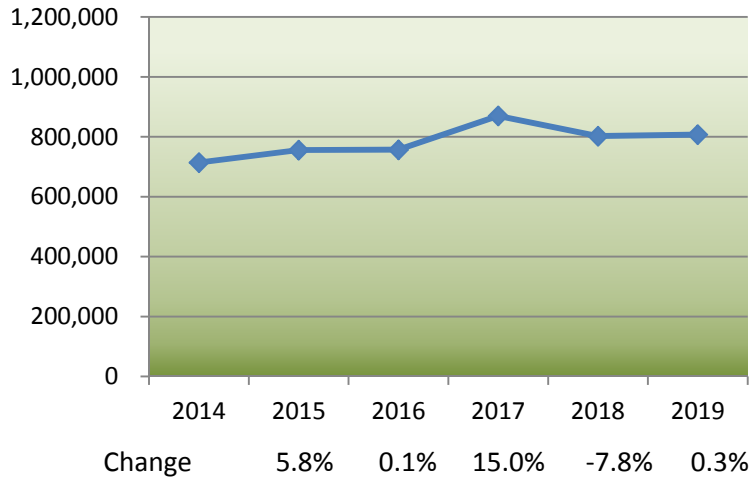
- 1.00 Sheriff (Elected)
- 3.50 Deputy Sheriffs
- 1.00 Chief Deputy Sheriff
- 1.00 Administrative Assistant

The Sheriff's Office also has one part-time (no benefits) Deputy Sheriff and the aforementioned reserve/unpaid deputies will also continue to provide assistance.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 595,111	$ 571,612	$ 579,362	1.36%
Benefits	153,401	152,164	144,478	-5.05%
Professional and Contractual	13,921	16,647	15,650	-5.99%
Materials, Supplies, and Other	80,734	61,555	64,804	5.28%
Capital Outlay	47,360	-	-	0.00%
Total Expenditures	890,528	801,978	804,294	0.29%
Revenues				
Federal Grants	11,488	-	-	0.00%
State Grants	141,212	145,000	142,000	-2.07%
Charges for Services	43,419	48,792	45,392	-6.97%
Fines	46,784	53,333	49,662	-6.88%
Total Revenues	242,904	247,125	237,054	-4.08%
Net Expenditures Supported by General Revenues	**$ 647,624**	**$ 554,853**	**$ 567,240**	**2.23%**

BUDGET TREND: FY2014 – FY2019



ADULT CORRECTION SERVICES

The City contracts with Arlington County and Alexandria City for jail services. The Adult Detention Center (ADC) houses prisoners for the City and provides outreach services with Offender Aid and Restoration Services (OAR), a private, nonprofit organization offering community-managed programs aimed at restoring offenders in Arlington, Falls Church and Alexandria. Through alternative sentencing options, OAR assists in reducing the overcrowding of the local adult and juvenile detention facilities. Community Services Program (CSP) staff members interview, place and often directly supervise referrals from all Court levels, as well as adult and juvenile probation offices. Each year, approximately 1,100 individuals provide at least 34,000 hours of community service, sometimes continuing to volunteer or receive employment with their work sites. Jail based programs include life skills, 12 step groups, mentoring, tutoring and employment classes. After release, the Employment and Transition Services (ETS) staff work with clients on transitional and employment issues, as well as make referrals for substance abuse, mental and physical health and other needed treatment.

SIGNIFICANT CHANGES IN FY2019

- Move more inmates to Alexandria
- Facilitate the transfer of state Department of Correction inmates to state facilities.
- Encourage the Arlington County judicial authorities to permit the incarceration of prisoners in alternate facilities pending the final dispositions of their cases.

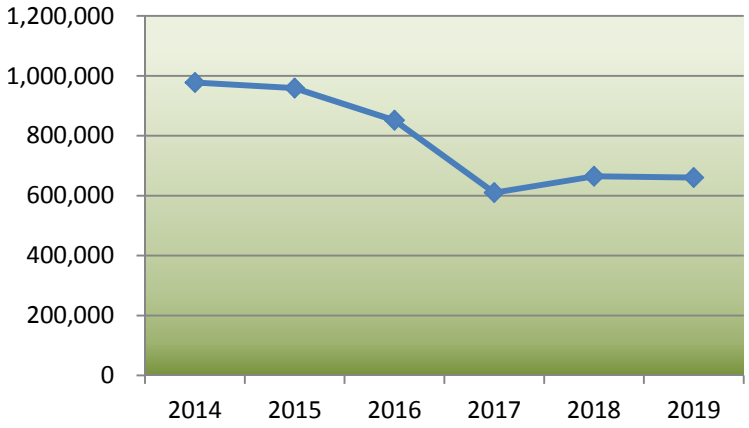
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contract with Arlington County for ADC
- Contract with Alexandria City for ADC

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 691,490	$ 664,693	$ 660,375	-0.65%
Net Expenditures				
Supported by General Revenues	**$ 691,490**	**$ 664,693**	**$ 660,375**	**-0.65%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		-1.9%	-11.2%	-22.5%	8.9%	-0.6%

Notes:

- Cost decreases and increases in this cost center are driven by the number of individuals held in the Adult Detention Center.
- The Sheriff has an MOU with Alexandria Sheriff to house inmates who are sentenced to 30 days or more and state prisoners at a reduced rate in an effort to cut cost.

CLERK OF THE GENERAL DISTRICT COURT

SUMMARY OF SERVICES PROVIDED

The Commonwealth of Virginia provides district courts for the City of Falls Church. It is a state agency, which is part of the Seventeenth Judicial District. The Juvenile and Domestic Relations section has exclusive jurisdiction over offenses where complainant and defendant are related or are household members, and delinquency cases, including foster care and abuse cases. The General District Court has jurisdiction over all misdemeanor cases (City and State Codes), traffic cases, and non-compliance matters with agencies such as the Alcohol Safety Action Program (ASAP). The Civil Division of the General District Court hears civil cases of limited jurisdiction ($25,000 or less) and includes a Small Claims Division for self-represented litigants ($5,000 or less). Mediation services are available for those cases, which occur within the corporate limits of the City of Falls Church.

The District Court Clerk's Office is the administrative arm of the court. The Clerk is the chief administrative officer and is accountable to the presiding Chief Judges of the General District and Juvenile and Domestic Relations courts for all office functions. The Clerk is responsible for the organization, managing the flow of cases through the court and, ensuring that the policies of the court are followed. Further, the Clerk is responsible for the accounting of all funds handled by the court and the proper distribution thereof. Court personnel are all state employees.

While District Court employees serve the City of Falls Church and their citizens, they are employees of the state and are paid by the state at a level that is set by the legislature. Realizing that the salary set by the state may be lower than what is required to recruit and retain staff, the legislature enacted Virginia Code §16.1-69.45 and §16.1-69.46 in 2008 to allow localities to supplement the salary of district court employees. Beginning in FY2014, this office began to receive a salary supplement equal to 15% of what the employees currently receive from the state.

TRENDS AND ISSUES

- Citizens depend on the courts and personnel to assist with issues that may arise and with that citizen traffic to our office is on the rise
- Crime rate is overall on the decrease; however, to maintain staff at a competitive level the salary supplement is necessary
- New officers both in the Police Department and the Sheriff's Office may increase the overall numbers in cases for FY 2018
- Increase in the amount of contested parking citations per month, which bring revenue to the City of Falls Church
- Increase in the amount of citizens requesting protective orders through the City of Falls Church
- Preliminary numbers for 2017:
    - Traffic: 3,291 cases
    - Criminal: 622 cases
    - Civil: 330
    - Juvenile: 201
    - Domestic Relations: 138

FY2019 DELIVERABLES

- City council to maintain our office expense budget to current levels as requested for the following reasons:
  - Collection of fines ($1.00 - $2500.00) and costs ($61.00 - $86.00) on all guilty or a facts sufficient finding for guilt on traffic citations and criminal charges
  - Collection of filing fees to the Treasurer of Falls Church, which include Sheriff's fee, Courthouse Maintenance Fee, Fines and Forfeitures, Courthouse Security Fund, Jail Admission Fee and Local Interest on a bi-weekly basis (estimates between $8,000 - $20,000+ depending on what is collected)
  - Collection of delinquent accounts through the Arlington County Treasurer which in turn get re-distributed back to the Treasurer of Falls Church
  - Operator's Licenses for Juveniles in the City of Falls Church are sent to Arlington County to set up Driver's License presentations
  - Allow for mediation to occur between two parties in dispute in Clerk's Office as no other space is available
  - Prepare DMV paperwork for re-instatement of driving privileges for those who have been revoked/suspended on condition all fines and costs have been collected
  - Prepare paperwork for those that are placed in community service through the Falls Church Sheriff or OAR in Arlington
  - Prepare Restricted Licenses for defendants charged with various offenses (both for JDR & GDC)
  - Court will be conducted in Arlington pending the completion of renovations in Falls Church Courthouse.

ADOPTED POSITIONS BY FTE – 0.00 TOTAL

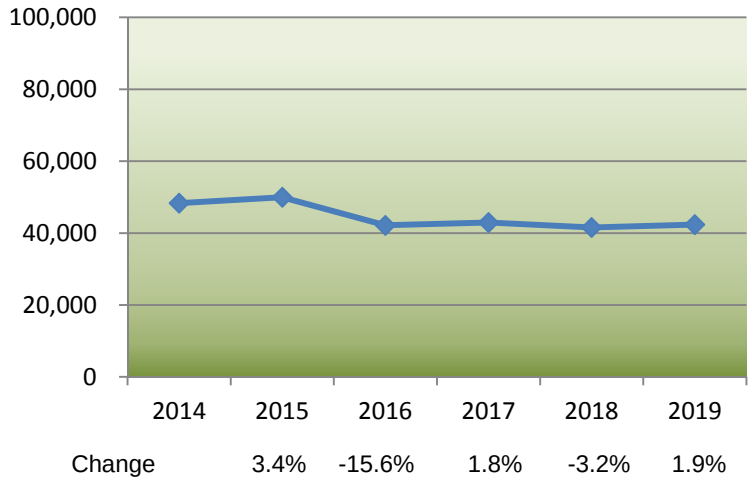
The courts have the following employees which are paid by The Supreme Court of Virginia. The City provides a supplement of 15% of salaries to the Clerk of the Court and Deputy Clerks.

- 3.00 General District Court Judges (rotating each month every Wednesday)
- 2.00 Juvenile & Domestic Relations Judges (rotating each month 2nd & 4th Tuesdays)
- 1.00 Clerk of the Court
- 1.00 Deputy Clerk
- 1.00 Account/Deputy Clerk
- 0.50 Part-time Typist/Deputy Clerk

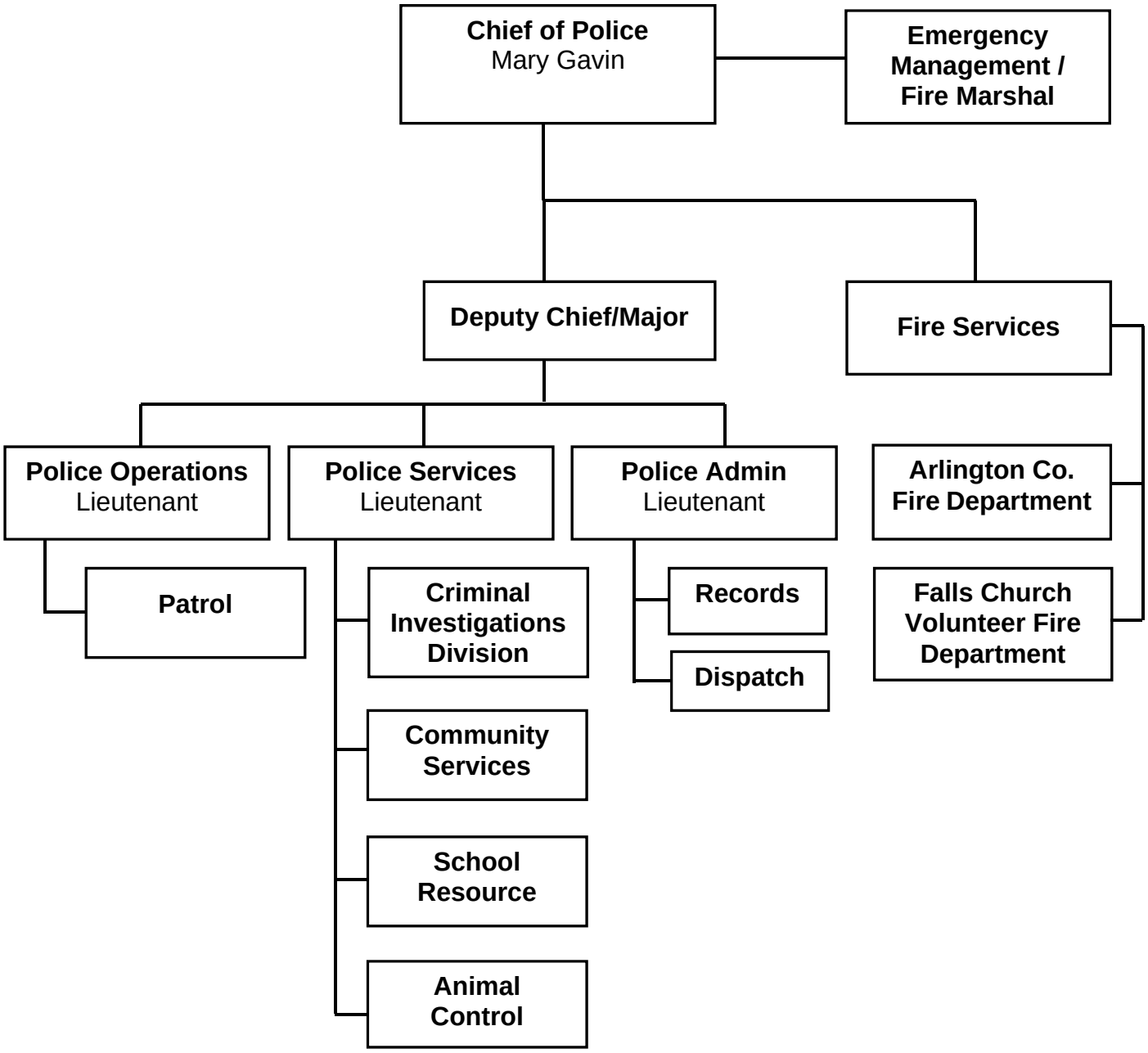
ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 24,564	$ 24,230	$ 24,957	3.00%
Benefits	1,898	1,854	1,931	4.15%
Professional and Contractual	5,827	7,396	7,396	0.00%
Materials, Supplies, and Other	6,066	8,063	8,063	0.00%
Net Expenditures Supported by General Revenues	**$ 38,356**	**$ 41,543**	**$ 42,347**	**1.94%**

BUDGET TREND: FY2014 – FY2019



DEPARTMENT OF PUBLIC SAFETY



POLICE DEPARTMENT ADMINISTRATION

SUMMARY OF SERVICES PROVIDED

The Chief of Police reports directly to the City Manager and is responsible for managing the Police Department, serving as liaison to the Arlington County and Falls Church Volunteer Fire Departments, and as Assistant Coordinator of Emergency Management. All correspondence, purchasing, budget, grants and other administrative duties are performed by the office.

Annually, the Chief manages public safety activity for the City and prepares, submits and monitors the City's public safety budget. Serving as Director of Public Safety, the Chief maintains liaison with other Public Safety Services including the Falls Church Sheriff's Office, the Arlington County Corrections Department, the Arlington County Fire Department, and the Falls Church Volunteer Fire Department, and maintains liaison with other regional, local and federal law enforcement agencies including attending Council of Governments, Homeland Security, and Police Academy meetings.

TRENDS AND ISSUES

- Continue to stay abreast of the ever-changing threats and risks posed in the criminal and natural disasters setting.
- Maintain order and safety in a rapidly growing diverse and dense community; managing the demand for additional administrative services for increased parking and plan review.
- Ever-changing technology needs i.e. portable/mobile radio systems, increasing inter-jurisdictional contracts, advances in 911-text, social media, and body-worn camera demands.

FY2019 DELIVERABLES

- External Deliverables:
  - Provide high quality seamless public safety service to the community through prevention, intervention and enforcement activities as specified within the Divisional narratives.
  - Work in partnership with neighboring community of public safety entities as well as those in the criminal justice system.
- Internal Deliverables:
  - Cultivate a safe and healthy work environment that respects and enhances employee's quality of life through proper staffing and training. Conduct one wellness seminar for staff within FY2019.
  - Value the leadership and human qualities in all employees.
- Budget and Policy
  - Be responsible stewards of monies budgeted.
  - Keep pace with the quarterly reports on Accreditation files, practices and assessments for a successful Re- Accreditation July 2020.

PRIORITIES FOR FUTURE FUNDING

1. Staff Training ($20,000): Reconstitute the training budget to keep up with trends and needs in professional development for all employees. In FY2010 the training budget was at $20,000 and was subsequently cut to $13,000 hence $7,000 needs to be added back to line item.
2. In-car/ Body-worn camera technology ($50,000): In-car/body-worn camera technology is in high demand from communities all over the Unites States. This amount is a rough estimate of startup/replacement cost of new technology if the demand is warranted.

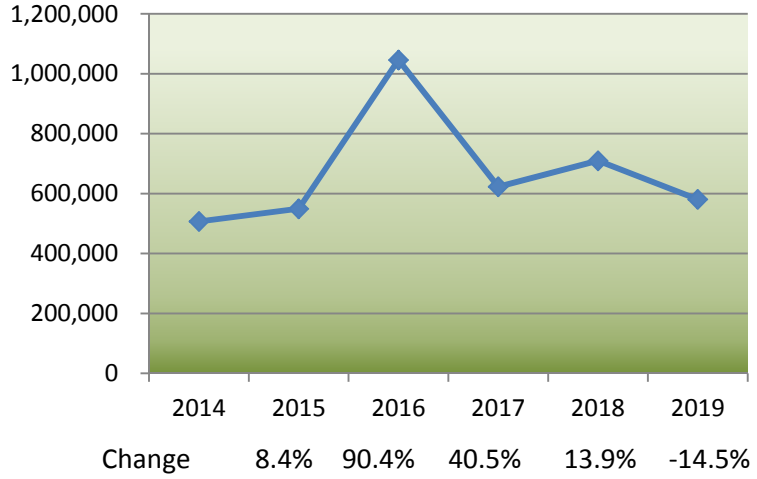
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 Chief of Police
- 1.00 Senior Administrative Assistant

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 282,930	$ 283,209	$ 233,371	-17.60%
Benefits	117,306	119,012	88,417	-25.71%
Professional and Contractual	7,042	7,866	7,866	0.00%
Materials, Supplies, and Other	150,102	299,642	249,642	-16.69%
Capital Outlay	35,795	-	-	0.00%
Total Expenditures	593,175	709,729	579,296	-18.38%
Revenues				
Licenses, Fees, and Permits	7,504	8,600	8,100	-5.81%
Federal Grants	110,795	150,000	100,000	-33.33%
Other Grants and Contributions	71	-	200	-
Total Revenues	118,370	158,600	108,300	-31.72%
Net Expenditures Supported by General Revenues	**$ 474,805**	**$ 551,129**	**$ 470,996**	**-14.54%**

BUDGET TREND: FY2014 – FY2019



Notes:

- The increase in FY2016 is due to the replacement of radios.
- The increase in FY18 is due to transfer of .5 FTE Lieutenant to the Chief's budget from the Police Services budget.
- The reduction in this cost center is from the (.5 FTE portion) of the Lieutenant salary which was transferred from Office of the Chief to Photo Enforcement and Police Services to better reflect true cost center expenditures.

PHOTO ENFORCEMENT PROGRAM

SUMMARY OF SERVICES PROVIDED

The Police Department monitors and enforces Red Light violations at two intersections in the City utilizing photo enforcement technology. Expanding the use of this technology at other intersections in the City would have a positive effect on driving behavior and traffic safety. This technology has other valuable applications as well. During FY2014, the Falls Church City Public School system implemented a Public Safety program aimed at enforcing the laws regarding motorists passing school buses while loading. While this is a school program, the enforcement and the majority of the administration of the program is the responsibility of the Police Department. During the 2015-2016 school year, the School Bus Stop Arm program was suspended following an opinion by Virginia's Attorney General, but was restored in October 2016 once appropriate legislative remedies were enacted. On November 30, 2016, both the School Bus Stop Arm and Red Light programs were suspended following a ruling by the Falls Church General District Court regarding enforcement under the current code. Both programs were reinstated in June 2017.

TRENDS AND ISSUES

- With regional growth, a continuing increase in traffic and congestion is expected for the foreseeable future.
- With the City's goal of increased walkability there is a potential for an increase in personal injury accidents.
- Since the program's inception the total number of violations has been trending downward each year as has the number of accidents at the monitored intersections.
- There were no accidents at either of the participating intersections in 2017.

SIGNIFICANT CHANGES IN FY2019

- No significant changes are anticipated in this program unless expansion of the program is approved and /or the new RFP process in May 2018 bring change.

FY2019 DELIVERABLES

- Continue to monitor existing photo enforcement intersections
  - 4,750 Notices of Violations issued in 2014
  - 4,446 Notices of Violations issued in 2015
  - 4,139 Notice of Violations issued in 2016
  - 2,715 Summons' issued in 2017 (June – December 2017)
- Continue to administer the School's Stop Arm Enforcement Program
  - 808 Notices of Violations issued in 2014
  - 546 Notices of Violations issued in 2015 (Through October 2, 2015)
  - 34 Notices of Violations issued in 2016 (October 31 – November 30, 2016)
  - 163 Summons' issued in 2017 (September-December 2017)

PRIORITIES FOR FUTURE FUNDING

1. Expand photo enforcement to additional intersections ($174,000 annually): based on three new approaches at $14,500 per month. The cost to fund the expansion would likely only require the outlay of lease costs for approximately two months. With revenues starting to come in during the third month, these costs would likely be recouped over the next eight months. Incremental expansion will not require additional personnel.

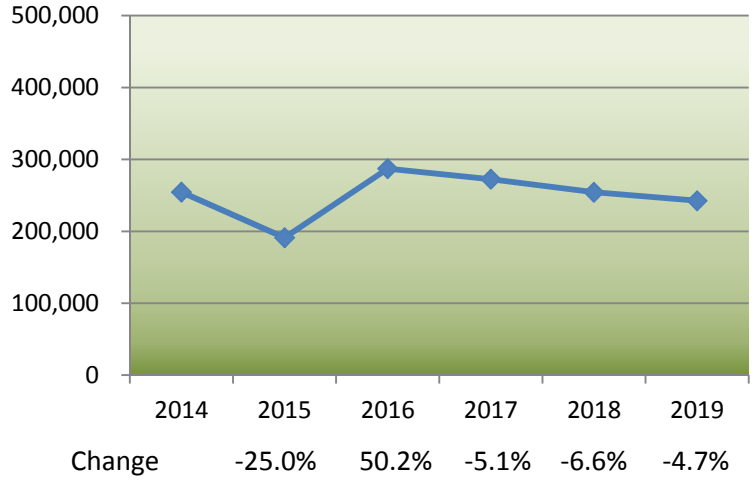
ADOPTED POSITIONS BY FTE – 0.50 TOTAL

- 0.25 Lieutenant
- 0.25 Uniform Patrol Officers

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 77,753	$ 57,607	$ 46,405	-19.45%
Benefits	31,759	23,572	20,121	-14.64%
Materials, Supplies, and Other	79,474	173,163	176,000	1.64%
Total Expenditures	188,986	254,342	242,526	-4.65%
Revenues				
Charges for Services	-	-	-	0.00%
Fines	89,865	200,000	200,000	0.00%
Total Revenues	89,865	200,000	200,000	0.00%
Net Expenditures Supported by General Revenues	**$ 99,121**	**$ 54,342**	**$ 42,526**	**-21.74%**

BUDGET TREND: FY2014 – FY2019



Notes:

- The 3% increase for FY19 anticipates a cost increase as this contract expires and goes back out for bid.
- The program continues to have a positive effect on the overall averages for accidents at the participating intersections.
- The School Bus Stop Arm Program will have no negative budget impact as the financial administration of the program is the responsibility of the Falls Church City Public Schools. All costs associated with the Police Department's management and enforcement efforts are reimbursed by the schools.
- The moderate decrease in 2018 and 2019 reflects changes in personnel allocation for this program.

POLICE DEPARTMENT – OPERATIONS

SUMMARY OF SERVICES PROVIDED

The Operations Division is comprised of Uniformed Patrol, Traffic Unit, and Parking Enforcement. It is the most visible Division of the Police Department, as they are responsible for providing and supervising the officers that patrol the City 24 hours a day, 7 days a week providing basic police services. The patrol officers provide proactive patrol and respond to complaints from citizens, investigate motor vehicle accidents and perform traffic enforcement duties. The Parking Enforcement Officer is also an integral part of the Operations Division. The Operations Division also manages special events in the City.

TRENDS AND ISSUES

- Increase in overtime because of caseload, mandatory training and court
- Increase in planning and overtime for new City special events such as MLK, Mardi Gras
- Increase in vehicle maintenance with aging fleet
- Overall decrease in State 599 aid to local Governments
- Decrease in Federal (UASI), State aid support of LinX, LPR, and Gang Taskforce
- Steady inter-jurisdictional contract increases for 911-Maintenance
- Increase of calls for service due to the steady growth of population and development density
- Increase demand for City wide parking strategies and enforcement in both residential and business districts
- Increase regional planning related to national and international terrorist threats

SIGNIFICANT CHANGES IN FY2019

- The Operations Division is working out of a temporary location during the construction at City Hall
- A second K-9 Unit has been added to further enhance resources within the community

FY2019 DELIVERABLES

- 24 hour/7 days a week operational, patrol of City
- Respond to calls for service. Estimate 31,096 within a calendar year
- Conduct over 2,200 written investigations resulting from calls for service.
- Conduct patrol and traffic effort resulting in approximately 2,883 tickets for traffic violations
- Execute approximately 729 arrests resulting from proactive patrols and calls for service
- Respond and investigate traffic accidents, approximately 199 accidents per year
- Respond and work to reduce over 596 residential and business alarms
- Provide security, public assistance and crowd control during four (4) City public events and five (6) citizen/community sponsored events*
- Participate in four (4) Regional Safety Campaigns directed at reducing aggressive driving, speeding and school zone violations and provides mandatory in-service training for Department personnel, as well as, specialized training for Department personnel as needed or requested.

PRIORITIES FOR FUTURE FUNDING

1. <u>4 FTE Police Officers ($320,000)</u>: The minimum staffing level for Patrol Officers on the street has been at 3 for over 30 years. In that span of time the City has grown from a population of 9,800 to what is now approaching 14,000. Adding four officers would allow for the minimum staffing level to increase to 4.

2. 2 Additional Police Cruisers ($80,000): With the addition of a K-9 unit one of the new existing fleet vehicle will have to be a dedicated K-9 vehicle. Adding a second vehicle would maintain the current officer/vehicle ratio so as not to operate vehicles 24 hours a day.
3. .75 FTE Parking Enforcement Officer ($40,000): The significant increase of residential and business opportunities throughout the City have created a concentrated need for parking spaces and strategies. The Parking Enforcement Officer acts as a proactive, investigative and enforcement asset for public safety.

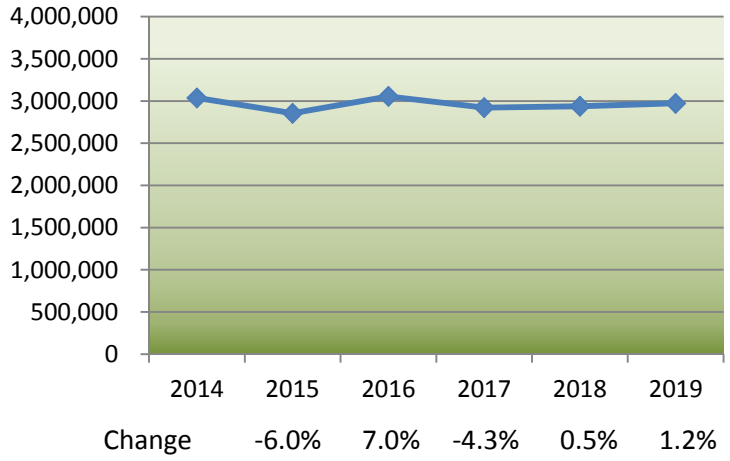
ADOPTED POSITIONS BY FTE – 21.50 TOTAL

- 1.00 Lieutenant
- 11.75 Uniform Patrol Officers
- 0.75 Parking Enforcement Officer
- 4.00 Sergeants
- 4.00 Corporals

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 1,491,057	$ 1,531,468	$ 1,605,141	4.81%
Benefits	976,035	943,628	912,926	-3.25%
Professional and Contractual	47,759	70,000	70,000	0.00%
Materials, Supplies, and Other	231,075	232,674	224,918	-3.33%
Capital Outlay	129,933	159,000	159,000	0.00%
Total Expenditures	2,875,860	2,936,770	2,971,985	1.20%
Revenues				
Charges for Services	1,531	2,000	2,000	0.00%
Federal Grants	26,977	7,200	7,200	0.00%
State Grants	335,308	322,336	332,712	3.22%
Fines	304,976	347,667	323,738	-6.88%
Total Revenues	668,792	679,203	665,650	-2.00%
Net Expenditures Supported by General Revenues	**$ 2,207,068**	**$ 2,257,567**	**$ 2,306,335**	**2.16%**

BUDGET TREND: FY2014 – FY2019



Notes:
- The modest increase for FY2019 is due to transfers of personnel between the Operations Division and Services Division.

POLICE SERVICES

SUMMARY OF SERVICES PROVIDED

Police Services covers two divisions; Services and Administrative Services. The Services Division is comprised of Criminal Investigations, School Resources, and Community Services to include Crossing Guards. Administrative Services oversees the Records and Communications Units and manages the department's information and technology systems. Police Services is responsible for many of the department's functions and programs, such as Photo Enforcement and Accreditation and oversees all training for both sworn and civilian employees, maintains 23 police vehicles and trailers, and manages the evidence/property function of the department which handles approximately 1,000 pieces of property annually.

The Criminal Investigations Unit conducts investigations on all major crimes ranging from homicides and robberies to thefts and financial crimes. The detectives not only investigate criminal matters, but they are also responsible for processing crime scenes. The Criminal Investigations Unit is assigned and investigates between 250 and 300 cases annually. The School Resource Officer (SRO) is assigned full time to the George Mason High School and Mary Ellen Henderson Middle School and provides community resources, crime prevention, and educational services to the students, parents, and school staff. The Community Services position has been vacated and responsibilities reassigned. Patrol officers assigned to Operations are now responsible for much of the Community Policing functions. The Lieutenant assigned as the Commander of Services also acts as the liaison and coordinator for the Crossing Guards and assists with the Photo Enforcement program.

Administrative Services oversees the Records and Communications Units and manages the department's information and technology systems. The Records Unit is responsible for managing and organizing traffic, criminal incident, and arrest documentation within the Records Management System, and provides clients with police reports, record checks for employment, and accident reports. The Records Unit processes and/or retrieves approximately 10,000 written reports, tickets and other similar information annually. Administrative Services is also responsible for managing the department's CAD (computer aided dispatch), records management and technology systems, supervising communications personnel, managing the Photo Enforcement System and Accreditation Program, Recruitment/ Hiring and succession planning, and managing all of the department's FOIA requests.

TRENDS AND ISSUES

- As the City and the region continue to grow, growth is shaping up vertically as opposed to horizontally.
- Advances in social media, commercial communications and technology continue to outpace available patrol and investigative technology.

FY2019 DELIVERABLES

- Criminal Investigations Unit to maintain a case closure rate above 70% (72% for 2017).
- Communications Unit will answer approximately 50,000 telephone calls and dispatch over 24,000 calls for service.
    - Maintain a criminal warrant file containing approximately 400 warrants
    - Conduct computer records checks for 8,000 vehicles and 8,500 drivers
- The Records Unit will conduct data entry and manage:
    - Over 200 Criminal Warrants
    - Over 4,000 Traffic Citations
    - Over 3,500 Parking Tickets

- Maintain certifications for all department personnel through mandatory in-service retraining as established by Virginia Department of Criminal Justice Services.

PRIORITIES FOR FUTURE FUNDING

1. Increase Records Staff by 1 FTE – Administrative Assistant $50,000. Due to a staff reduction in 2010 and 2011, there is currently only one Records Clerk. As a result, in calendar year 2017, the Records window had to remain closed over 20% of the total business hours it should have been open to the public.
2. 1 FTE Police Officers ($80,000): The staffing level for School Resource Officer in the City Schools has been at 1 for over 30 years. In that span of time the City School population has significantly increased and the nature of threats posed to all school communities has expanded. The public safety expectations of preparedness, responsiveness and prevention are the paramount priority in the school community. The SRO plays a significant role in keeping the school community safe.

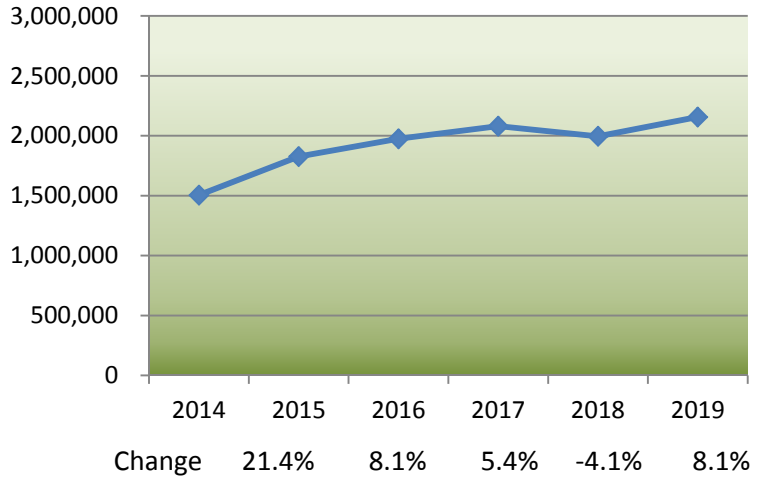
ADOPTED POSITIONS BY FTE – 14.50 TOTAL

- 1.00 Deputy Chief/Major
- 1.75 Lieutenants
- 2.00 Investigators
- 1.00 School Resource Officer
- 1.00 Administrative Assistant
- 2.00 Sergeant – Investigations
- 2.00 Corporal – Investigations
- 2.75 Crossing Guards
- 1.00 Senior Administrative Assistant

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 1,202,921	$ 1,166,278	$ 1,292,147	10.79%
Benefits	509,927	480,731	491,726	2.29%
Professional and Contractual	227,511	212,346	236,305	11.28%
Materials, Supplies, and Other	139,750	136,060	136,060	0.00%
Capital Outlay	45,574	-	-	0.00%
Total Expenditures	2,125,683	1,995,415	2,156,238	8.06%
Revenues				
Charges for Services	1,172	1,200	1,300	8.33%
Net Expenditures Supported by General Revenues	**$ 2,124,511**	**$ 1,994,215**	**$ 2,154,938**	**8.06%**

BUDGET TREND: FY2014 – FY2019



Notes:

- The increase in professional and contractual expenses is due to reconciliation between estimated and actual costs of ECC and Telecommunications services with Arlington County.
- The decrease in salaries, wages and benefits for FY2018 is due to a realignment of supervisory responsibilities and reassignment of personnel.
- The increase in contractual services and reassignment of personnel results in an overall increase of 12.14% for FY2019.

POLICE DEPARTMENT - DISPATCH

SUMMARY OF SERVICES PROVIDED

The Falls Church Police Dispatcher Center is the E-911 call transfer point for the City, it answers the Police Department's emergency and non-emergency phones 24/7/365, dispatches complaints requiring police officer response, and they are the after-hours contact point for the City. The dispatchers also provide after-hours security for City Hall and all other City buildings, including schools, by monitoring the City fire/burglary alarm system. The dispatchers monitor the Emergency Public Safety Radio System for the Capitol Region, Weather Radio, Amber Alert System and other emergency notification systems.

The Dispatch Center answers over 50,000 emergency and non-emergency telephone calls and dispatches more than 25,000 calls for service, annually. In addition, the dispatch center maintains the criminal warrant file system that handles approximately 200 warrants and conducts computer records checks for approximately 8,000 motor vehicles and 8,500 drivers annually for both the Police Department, as well as the Falls Church Sheriff's Office.

TRENDS AND ISSUES

- As the region grows, so do the number of calls answered in the Dispatch Center.
- A rapidly growing number of Police Dispatch Centers receive calls for service via email, text 911, and other social media sources.
- As local primary PSAPs transition fully to the Next Generation 911 system, the Falls Church Dispatch Center will need to enhance its own equipment and software to support the transfer and recording of emergency communications received via these alternate sources.

SIGNIFICANT CHANGES IN FY2019

- The computer equipment utilized by Dispatchers will need to be upgraded and optimized, in order to meet increased performance standards in advance of the NG911 transition.
- The backup dispatch center at the Fire Station had to be significantly updated and enhanced in order to maintain continuing operations during construction at City Hall.
- The primary dispatch center at City Hall will have to be significantly updated and enhanced with newer electronics and equipment compatible with the City's and Verizon's new fiber network.

FY2019 DELIVERABLES

- Continue to provide high quality seamless public safety service for the community and with all partnering agencies.

PRIORITIES FOR FUTURE FUNDING

1. Increase Dispatch Staffing by 2 FTE – Dispatchers $120,000. With expanding responsibilities and workloads, staffing is becoming critical. Currently, six Dispatchers staff four squads. Future staffing must allow for two Dispatchers per squad.

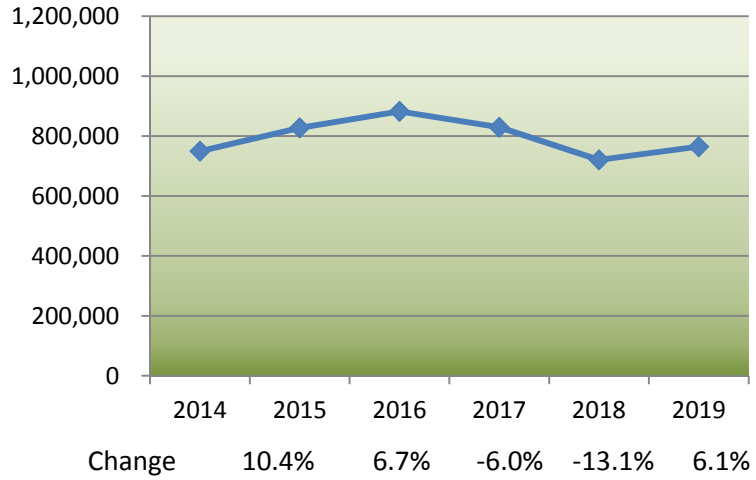
ADOPTED POSITIONS BY FTE – 6.00 TOTAL

- 6.00 Emergency Communications Technicians

ADOPTED BUDGET

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 344,511	$ 304,742	$ 319,803	4.94%
Benefits	95,378	103,618	104,312	0.67%
Professional and Contractual	431,057	312,391	340,607	9.03%
Net Expenditures Supported by General Revenues	**$ 870,946**	**$ 720,751**	**$ 764,722**	**6.10%**

BUDGET TREND: FY2014 – FY2019



Notes:

- The largest increase for FY19 is due to contractual services for dispatch phone maintenance as Verizon's service contracts expired during FY18.
- The increase in Salaries reflects the status of a fully staffed unit for an entire year.

ANIMAL CONTROL

SUMMARY OF SERVICES PROVIDED

The Designated Animal Control Officer oversees all cases involving domestic and wild animals in the City. The City receives calls on a daily basis concerning animals running at large, animal cruelty, animal bites, nuisance wildlife, and rabies concerns. The Animal Control Officer receives approximately 30 phone calls/emails per day, answers about 240 calls for service each year and secures approximately 35 animals per year. Additionally, the Animal Control Officer maintains the Animal Control Division and vehicle, maintains all necessary/mandated logs, contacts, written reports and handles administrative matters concerning the division.

TRENDS AND ISSUES

- With increased construction, there are increased wildlife complaints
- Complaints of barking dogs and animals at large increase as populations increase

SIGNIFICANT CHANGES IN FY2019

- No significant changes are anticipated for FY2018

FY2019 DELIVERABLES

- Continue to provide high quality seamless public safety service for the community and with all partnering agencies

PRIORITIES FOR FUTURE FUNDING

1. Our Animal Warden has been able to maintain shelter and veterinarian costs over the last few years, however, the costs for shelter and veterinarian services has increased significantly over the last five years for other jurisdictions in the region. For example, Manassas Park, which is similar in size and handles approximately the same number of animal and wildlife calls as Falls Church, had contract shelter care costs approaching the $70,000 mark for 2017.

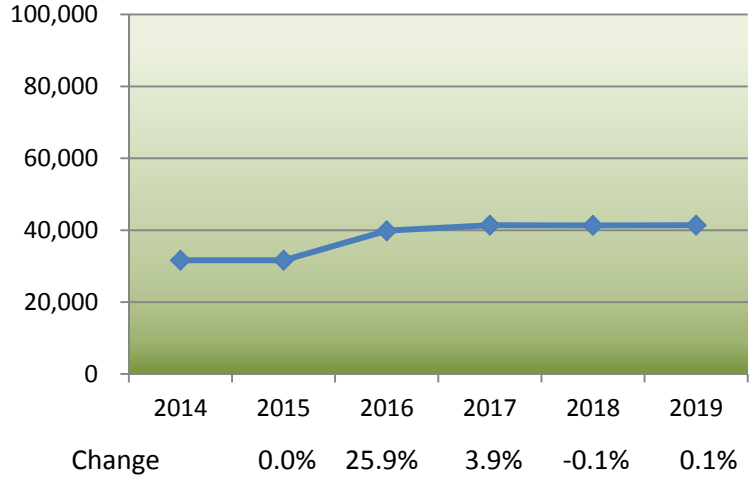
ADOPTED POSITIONS BY FTE – 0 TOTAL

- The position of 0.40 Animal Control Officer is a part-time temporary position.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 37,938	$ 36,536	$ 36,536	0.00%
Benefits	3,332	3,256	3,316	1.84%
Professional and Contractual	3,738	1,500	1,500	0.00%
Materials, Supplies, and Other	-	25	25	0.00%
Net Expenditures Supported by General Revenues	**$ 45,008**	**$ 41,317**	**$ 41,377**	**0.15%**

BUDGET TREND: FY2014 – FY2019



Notes:

- The proposed budget for FY19 continues to remain flat consistent with the previous four years.

EMERGENCY MANAGEMENT

SUMMARY OF SERVICES PROVIDED

The Office of Emergency Management (OEM) operates under the direction of the Chief of Police. The City Fire Marshal serves as the OEM Coordinator. OEM provides the leadership, coordination and operational planning that enables the City's response to, and recovery from, the impact of natural and man-made hazards. OEM's responsibilities are local and regional in nature, and are components of the Department of Homeland Security. OEM ensures the City meets and maintains the goals of the National Incident Management System (NIMS). This is accomplished by promoting emergency planning, public education and emergency exercises/drills throughout the City.

Programs administered by OEM include management of the Emergency Operations Center (EOC), review and updates of the following: Emergency Operations Plan (EOP), Continuity of Operations Plan (COOP), Regional Hazardous Mitigation Plan, NIMSCAST Compliance Reporting and the Local Capability Assessment for Readiness (LCAR) report. Communication programs under OEM includes WebEOC, Alert Falls Church, Satellite Phones, Video Tele-Conferencing (VTC) and the administration of the Government Emergency Telecommunications Service (GETS) cards. The Coordinator of OEM administers a Local Emergency Management Performance Grant (LEMPG) as well as being involved in all decisions with the Director of Emergency Management on Declarations of Disaster and application of Federal Reimbursements.

The Coordinator of Emergency Management serves as liaison for the Virginia Department of Emergency Management and the Washington Metropolitan Council of Governments Emergency Managers. In 2017, The Coordinator was awarded the PEM Designation (Professional Emergency Manager) by the Virginia Department of Emergency Management and the Virginia Association of Emergency Management. This is the highest designation in the Emergency Management field in the Commonwealth of Virginia.

TRENDS AND ISSUES

- Nationally and regionally, there is a growing demand for Emergency Management to be the focus for planning, preparing and coordination for law enforcement's response to coordinated attacks and threats to the community.
- Locally there are greater requests to OEM from the community including Faith-Based, NGO's, Daycare facilities and businesses to assist in training and advice on preparing for Active Violence Events.
- Community resilience is reviewed during the plan review process for new construction projects.
- As the growth of the City continues there is an ever increasing demand to meet the needs of the entire community, including those with special needs. Due to limited resources this continues to only be a collateral issue that needs greater attention as the population of the City increases.
- Approved the 2016 City of Falls Church Emergency Operations Plan (EOP) to meet compliance with Federal and State requirements.
- Received Local Emergency Performance Grant from the Virginia Department of Emergency Management managed by the Emergency Manager/Fire Marshal. The 2016 Grant funded the new 100% electric Utility Task Vehicle that benefits response needs during Special Events.
- Update of the Hazard Mitigation Plan as part of a regional effort to include 20 jurisdictions (to be ratified by City Council in early 2017).
- Co-Design and conducted an Active Shooter Complex Coordinated Attack, Table-Top Exercise with Alexandria and Arlington.

Served as Liaison with Fairfax Health Department of Zika Virus concerns impacting the City of Falls Church.

- Assist in development of Incident Action Plans for Falls Church City Schools sponsorship of the Peruvian Elections.
- Co-Authored White Paper in support of VDEM/COG Regional Planners.
- Conducted the annual "Praise and Preparedness" meeting that focuses on the needs and services that can be provided between Government and our Faith-Based Community. This included additional training sponsored for the Virginia Fusion Center focusing on safety and security of Houses of Worship.
- Completed Local Capability Assessment for Readiness (LCAR) report to the Commonwealth of Virginia, as required.
- Served on Assessment Center Interview Panels as a Subject Matter Expert in Emergency Management for Stafford County and the Commonwealth of Virginia.

SIGNIFICANT CHANGES IN FY2019

- Over the last six years issues have been raised resulting from after actions of actual incidents or exercises in which corrective actions have been identified. These include planning and training. It appears the assistance from the Virginia Department of Emergency Management has scaled back on resources for these needs. As these demands continue to increase, the notion of a 1/2 FTE to fulfill all requirements of Emergency Management is an unacceptable standard of practice. Consideration needs to take place to meet compliance needs.
- Manage the Everbridge emergency notification system for Alert Falls Church. This includes data entry of contact information into the system. This is an example of having excellent systems provided by the Region, however without the administrative staff to enter the data, the City losses the best capabilities the system provides.
- Postponed NIMS Audit in 2016 due to lack of staff time. This is a concern as employees must meet NIMS training city-wide to meet Federal and State compliance. Due to the employee turn-over rate training needs are ongoing in order to meet compliance.
- Increased demand to coordinate the planning and preparation for a regional response to all threats with an emphasis terrorism and coordinated acts of violence. Emergency Management has been identified as the source to regionalize this approach.

FY2019 DELIVERABLES

- Completion of the following Emergency Support Plans: Regional Hazardous Mitigation Plan, Sheltering and Damage Assessment Plans.
- Continue to foster relationship with FCCPS and their need to establish Emergency Plans.
- Continue to the Praise and Preparedness Program with our Faith Based Organizations.
- Focus on STOP THE BLEED campaign designed to provide immediate trauma aid to government buildings, schools, houses of worship and assemblies located in the City.

PRIORITIES FOR FUTURE FUNDING

1. Emergency Planner ($100,000) – hire a full time planner for meet the demands of a full time City, currently being administer by a ½ FTE Coordinator.

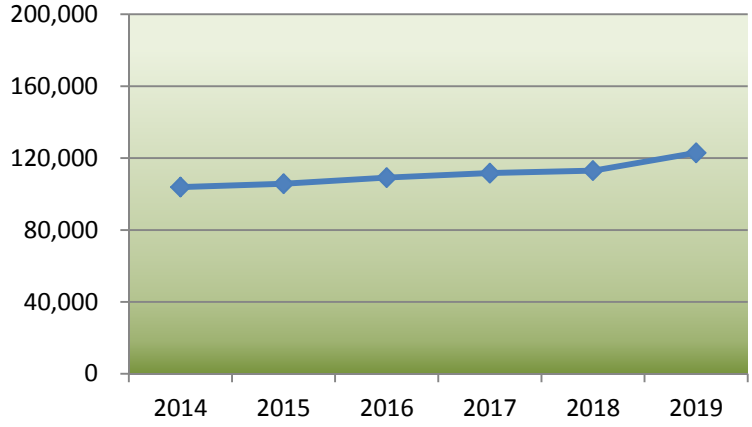
ADOPTED POSITIONS BY FTE – 0.50 TOTAL

- 0.50 Emergency Management Coordinator

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 60,011	$ 60,891	$ 62,684	2.94%
Benefits	22,662	21,766	29,872	37.24%
Materials, Supplies, and Other	3,141	14,716	14,716	0.00%
Capital Outlay	11,402	15,627	15,627	0.00%
Net Expenditures Supported by General Revenues	**$ 97,215**	**$ 113,000**	**$ 122,899**	**8.76%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		1.8%	3.3%	2.3%	1.2%	8.8%

Notes:

- The modest increase in EM services is in salary as Captain Polera completed the COG IRE Program which increases his salary

FIRE MARSHAL

SUMMARY OF SERVICES PROVIDED

The Fire Marshal is designated as the Fire Official for the City and is a Division under the Police Department. The Fire Marshal also serves as the Coordinator of Emergency Management (EM). The mission is life safety and property preservation through the enforcement of the Virginia Statewide Fire Prevention Code. Inspects and issues permits required by the Fire Code based upon occupancy type and the use of hazardous materials and operations. Inspections are required on an annual basis as well as investigated based upon complaint. The Fire Marshal is tasked with the administration of these duties including the financial accounting and the collecting of revenues associated with the Inspection Program.

The Fire Marshal is also charged with investigations involving fire and explosions as well as environmental crimes. There were seven fires reported with an estimated fire loss (CY2016) of over $325,000. These incidents resulted in four minor injuries. In addition, the Fire Marshal is one of the many facets included in the plan review process for all new construction projects and special events in the city.

In addition to those primary duties, the Fire Marshal is a Sworn Law Enforcement Officer and part of the Command Staff. As such, the position supports all emergency events that occur within the City. Collateral duties for the Fire Marshal include attending various meetings with regional groups including the Council of Governments Fire Prevention Group. The Fire Marshal holds certifications through the Virginia Department of Fire Programs, the Virginia Department of Housing and Community Development as well as national trade organizations.

Fire Inspection Program	INSPECTIONS	PERMITS	VIOLATIONS	REVENUE
CY2016	296	280	929	$62,467
CY2015	290	280	1036	$62,290
CY2014	222	174	517	$41,905
CY2013	211	150	541	$38,743
CY2012	200	143	826	$36,383
CY2011	177	120	368	$22,290

TRENDS AND ISSUES

- The addition of the Part-Time Fire Inspector has proven to be a success by accomplishing 100 percent of the inspectable businesses that meet the criteria for annual inspections and permits under the Virginia Statewide Fire Prevention Code.
- Growth will continue to have a high demand on the Fire Inspection Program for existing structures. As new mixed use structures replace single use occupancies the density increases resulting in the need for increase annual inspections and permits required by the Fire Code.
- The addition of new construction projects includes a plan review process under the Statewide Fire Prevention Code. As these projects increase, so does the demand for plan reviews.

SIGNIFICANT CHANGES IN FY2019

- 2016 showed the stabilization of inspectable businesses that meet the criteria for annual inspections and permits under the Virginia Statewide Fire Prevention Code. This was only possible by the hiring of the part-time Fire Inspector.
- There is an increasing need for support staff to support the workload for administration of the Fire Marshal's Office. This includes the day to day clerical needs for the issuance of Fire

Permits, the fire inspection program including tracking delinquent permit and inspection fees, the organization of plan reviews and investigative administrative needs.

FY2019 DELIVERABLES

- The Part-Time Fire Inspector will continue to conduct inspections of 100% of the City's inspectable properties

PRIORITIES FOR FUTURE FUNDING

1. Administrative Assistant ($35,000): Needs included performing clerical duties such as creating permits, filing notices of violation, logging inspections, following-up with billing and collecting revenue. The position would free up clerical duties performed by the Fire Marshal-Emergency Manager to focus on more strategic goals under these Divisions.
2. Permanent Part-Time Fire Inspector ($25,000): Move the part-time temporary position to a permanent position since permanent revenues from this position will be supported.

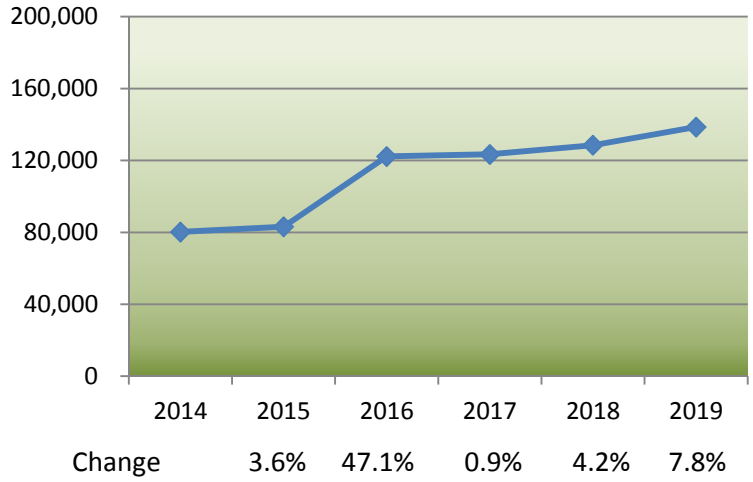
ADOPTED POSITIONS BY FTE – 0.50 TOTAL

- 0.50 Fire Marshal

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 80,294	$ 93,229	$ 95,022	1.92%
Benefits	24,972	25,583	33,863	32.37%
Materials, Supplies, and Other	7,413	9,683	9,683	0.00%
Total Expenditures	112,956	128,495	138,568	7.84%
Revenues				
Charges for Services	62,698	60,000	60,100	0.17%
Net Expenditures Supported by General Revenues	**$ 50,259**	**$ 68,495**	**$ 78,468**	**14.56%**

BUDGET TREND: FY2014 – FY2019



FIRE AND RESCUE SERVICES

SUMMARY OF SERVICES PROVIDED

The Office of the Chief of Police, by contract, coordinates with the Arlington County Fire Department and Volunteer Fire Department to provide 24/7/365 fire, EMS and HAZMAT services at the Falls Church Fire Station #6. Arlington County has 33 fire fighters and emergency medical services personnel, assigned to the Falls Church Fire Station.

Annually, the Arlington Fire/EMS responds to approximately 5,400 calls and approximately 25 HAZMAT calls.

The budget shown below also includes $35,150 grant to the Falls Church Volunteer Fire Department which helps to defray their fire and EMS equipment costs, training, materials, and emergency vehicle insurance; as well as payment towards the Virginia Line-of-Duty-Act fund for the volunteers. In 2016 the Volunteer Fire Department EMTs responded to 309 basic life support trauma and medical calls, freeing up ACFD's advanced life support units to focus on more critical incidents. Volunteers also recorded 370 hours of supplemental staffing on engine, ladder truck, and medic, assisting ACFD staff on fire and EMS calls. Light & Air 106 is on call for fire and police support 24/7/365. Falls Church VFD members contributed a grand total of 17,555 hours of service in 2016, across staffing, training, administration, and providing fire and life safety education to the public.

FY2019 DELIVERABLES

Volunteer Fire Department

- Respond to fire and EMS emergencies via volunteer owned-and-staffed Ambulance, Utility, and Light & Air units
    - Ambulance: Provide basic life support (BLS) EMS response via regularly-scheduled ambulance duty shifts
    - Light & Air: Provide scene lighting and air replenishment on major fire and police incidents (e.g. multi-alarm fires, fire marshal investigations, police investigations)
    - Utility: Provide surge capability for unplanned environmental emergencies (e.g. winter storms, heavy wind/rain storms)
    - Provide dedicated fire and EMS standby at City special events, including but not limited to New Years, Memorial Day, Independence Day, Fall Festival, Elections
- Supplement ACFD staffing on engine, ladder truck, and medic units
- Provide fire and life safety education to the public via:
    - Community outreach to schools, especially during Fire Prevention Week
    - Increased community awareness of fire and EMS operations at Open House
    - Safety presentations which are a core component of every birthday party hosted at the fire station
    - Fire station tours and safety presentations, upon request, tailored to the audience - e.g. Boy and Girl Scouts, au pair groups, and faith communities
- Provide and/or procure high-quality training for volunteers to improve their skills and knowledge, and provide for their own safety while responding to emergencies

PRIORITIES FOR FUTURE FUNDING

Volunteer Fire Department

1. Fire and EMS apparatus insurance
2. Personal protective equipment (PPE)
3. Training programs, e.g EMT-Basic and Firefighter Level I/II (national standard)
4. Equipment and supplies (e.g. communications, fuel, repairs)

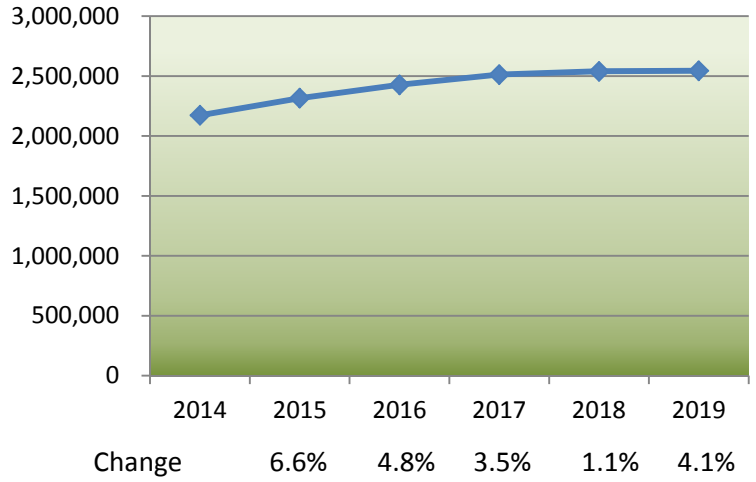
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contract with Arlington County provides for 33 fire fighters.
- 50-55 Volunteers

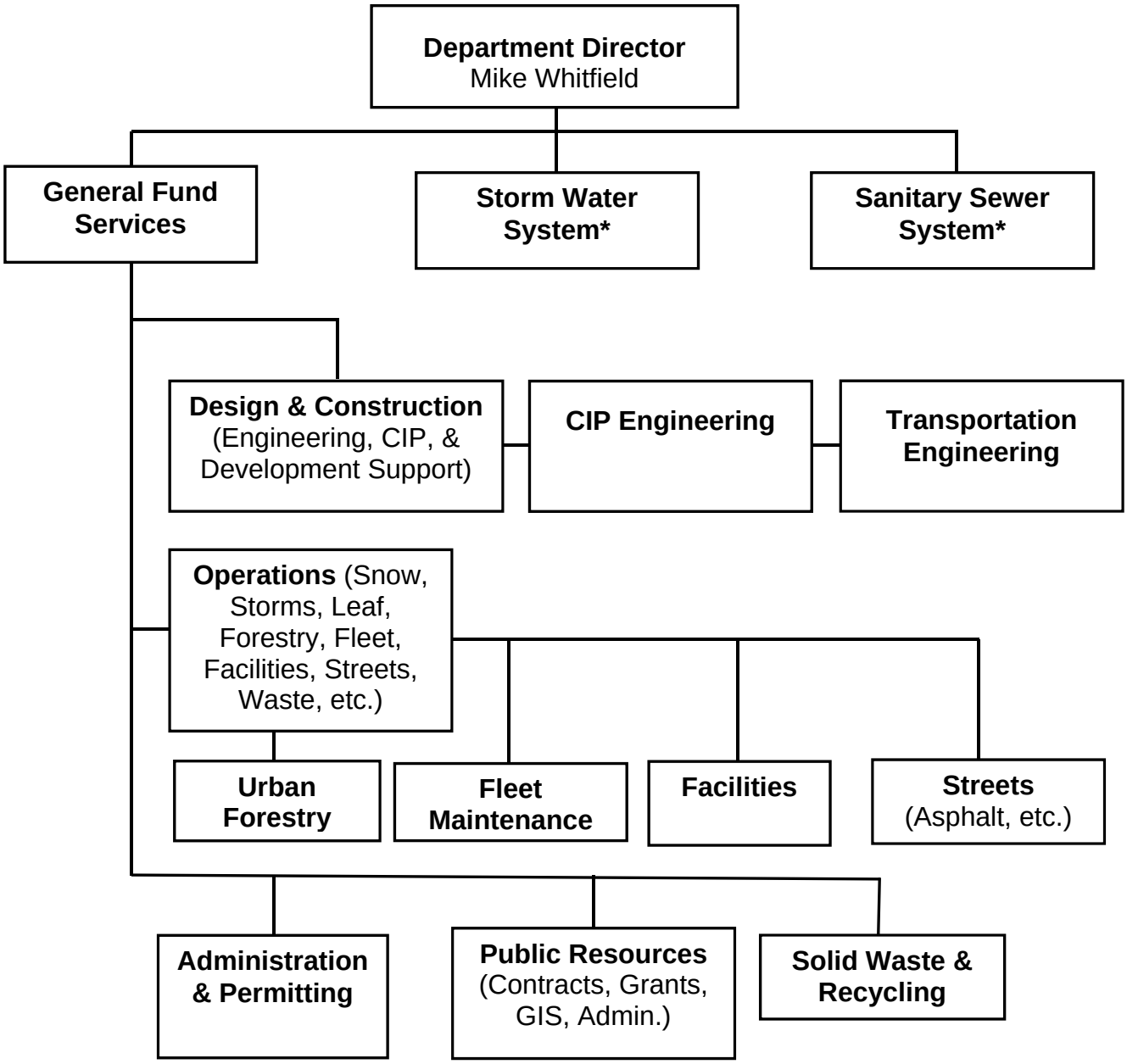
ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Benefits	$ 5,815	$ 5,816	$ 8,646	48.66%
Professional and Contractual	2,156,551	2,266,841	2,380,027	4.99%
Materials, Supplies, and Other	37,880	35,150	23,746	-32.44%
Capital Outlay	276,160	231,322	231,322	0.00%
Total Expenditures	2,476,406	2,539,129	2,643,741	4.12%
Revenues				
State Grants	57,465	40,000	40,000	0.00%
Charges for Services	166,470	146,000	150,000	2.74%
Total Revenues	223,935	186,000	190,000	2.15%
Net Expenditures Supported by General Revenues	**$ 2,252,471**	**$ 2,353,129**	**$ 2,453,741**	**4.28%**

BUDGET TREND: FY2014 – FY2019



DEPARTMENT OF PUBLIC WORKS



*The Department of Public Works also manages the Sanitary Sewer Fund and the Stormwater Fund, which are enterprise funds that have their own separate budgets, as well as many projects in the Capital Improvements Program. The Sanitary Sewer Fund budget can be found on page 223. The Stormwater Fund budget can be found on page 235. The CIP Funds budgets begin on page 263.

PUBLIC WORKS ADMINISTRATION

SUMMARY OF SERVICES PROVIDED

The Public Works Administration cost center provides administrative oversight and resources for supporting inspection of private construction in the ROW, Permitting, Erosion & Control compliance and general DPW needs.

TRENDS AND ISSUES

- ROW Permits increased from 287 in FY2017 to 332 in FY2018 and an estimated 384 in FY2019
- Allocation of staff to CIP accounts has increased administrative burden

SIGNIFICANT CHANGES IN FY2019

- Reallocation in engineering support was necessary to accommodate CIP and operational needs
- New ROW permitting system to clarify responsibilities and increase accountability of permittees

FY2019 DELIVERABLES

- Blanket ROW permit processing for ongoing utility maintenance has been streamlined
- Development of protocols for utility companies to become accountable for ROW disturbance
- Operational programs not under other cost centers are managed administratively
- Code compliance and proposed changes are evaluated and changes to be presented to Council

PRIORITIES FOR FUTURE FUNDING

1. Professional Services $20,000. Due to limited funding for pre-scoping of projects, additional funds are required to contract with Consultants to assist in scoping of projects. As other unforeseen special projects are identified during the year, DPW is called upon to respond to creation of new sidewalk and utility easements. These type of services aren't included in operational funding, as they are not known. The type of services required to cover these cost are paid from this account.

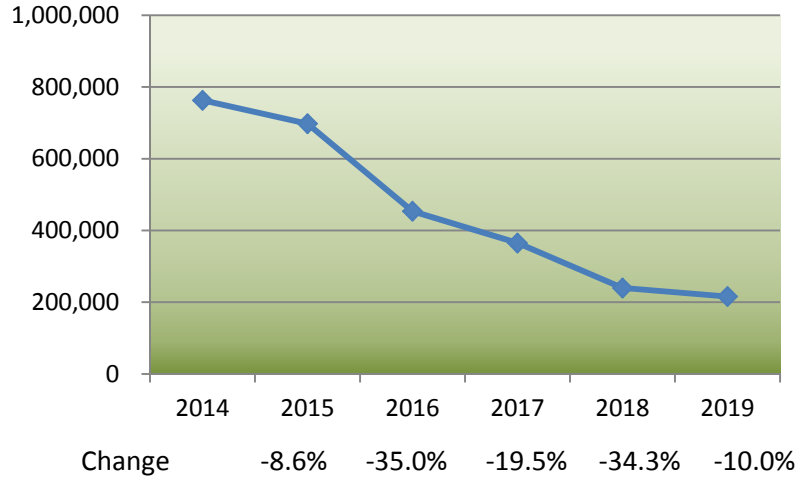
ADOPTED POSITIONS BY FTE – 1.50 TOTAL

- 0.60 Director of Public Works
- 0.80 Permitting Manager

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 292,540	$ 153,124	$ 143,035	-6.59%
Benefits	67,412	57,046	43,235	-24.21%
Professional and Contractual	8,878	550	550	0.00%
Materials, Supplies, and Other	32,316	29,107	29,107	0.00%
Capital Outlay	23,818	-	-	0.00%
Total Expenditures	424,963	239,827	215,927	-9.97%
Revenues				
Licenses, Fees, and Permits	242,085	174,000	176,800	1.61%
Charges for Services	5,139	4,000	5,700	42.50%
Fines	3,500	5,000	3,700	-26.00%
Total Revenues	250,724	183,000	186,200	1.75%
Net Expenditures Supported by General Revenues	**$ 174,239**	**$ 56,827**	**$ 29,727**	**-47.69%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2015 reflects a reallocation of staff and administrative costs to other Cost Centers such as the Utility funds, and CIP funding.
- FY2016 reflects reallocation of resources to other Cost Centers (4108 and 4109) to better reflect organizational structure.
- FY2017 reflects the transfer of one FTE position to Finance Department
- FY2018 reflects changes in the Department's organizational structure to better respond to current challenges in program areas and projects.

DESIGN & CONSTRUCTION ENGINEERING

SUMMARY OF SERVICES PROVIDED

The Design & Construction Engineering section provides general engineering support for the Department of Public Works.

Typical services:

- Coordinate and oversee master planning for infrastructure needs; such as traffic signals, paving, bridges, retaining walls, stormwater, and sanitary sewer
- Coordinate engineering related projects, needs and priorities within Public Works and other departments in the City
- Develop and oversee implementation of engineering design standards for public and private development
- Assist with engineering related projects throughout the organization on an as needed basis

TRENDS AND ISSUES

- Staff within Public Works was realigned on January 1, 2017 to address workload needs associated with the City's capital improvement program. This division was created at that time to help coordinate those needs while balancing the ongoing responsibilities within the department.

FY2019 DELIVERABLES

- Paving, Transportation/Signals, Storm and Sanitary Sewer programs
- Administer and provide oversight for programs
- Provide guidance to developers, engineers and contractors on City policies

SIGNIFICANT CHANGES IN FY2019

- Staff turnover will increase the operational efforts to align resources accordingly
- Establish goals and implementation for programs to be accomplished within a 5 year programed window

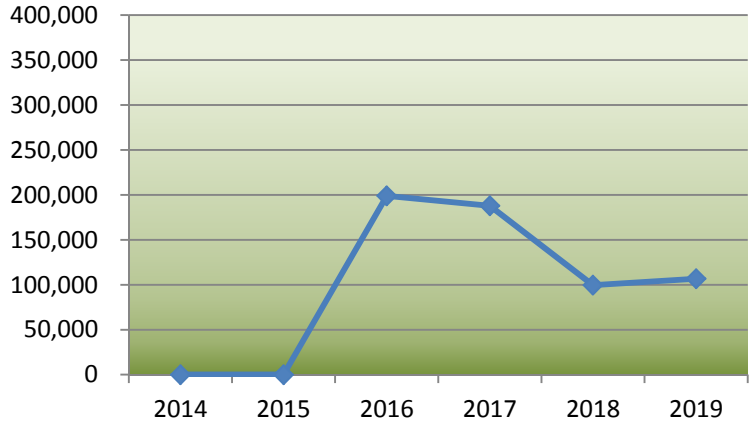
ADOPTED POSITIONS BY FTE – 0.75 TOTAL

- 0.25 Engineering Manager
- 0.05 Project Manager
- 0.30 Principal Engineer
- 0.05 Senior Engineer
- 0.05 Senior Engineer
- 0.05 Principal Engineer

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 77,556	$71,275	$80,353	12.74%
Benefits	33,224	22,442	20,180	-10.08%
Professional and Contractual	463	-	-	0.00%
Materials, Supplies, and Other	7,779	5,925	6,200	4.64%
Capital Outlay	-	-	-	0.00%
Reserves	-	-	-	0.00%
Total Expenditures	119,022	99,642	106,733	7.12%
Revenues				
Charges for Services	-	-	-	0.00%
Net Expenditures Supported by General Revenues	**$ 119,022**	**$99,642**	**$106,733**	**7.12%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		-	-	-5.5%	-47.0%	7.1%

Notes:

- FY 2016 this cost center was created for the Construction Management Group.
- FY2018 this cost center was renamed for the Design & Construction Engineering Group. The Construction Management group was eliminated.
- FY2018 reflects reallocation of resources from and to other program areas.

TRANSPORTATION ENGINEERING

SUMMARY OF SERVICES PROVIDED

The City of Falls Church maintains, operates, and manages all of the roadways in the City. The Transportation Engineering Cost Center provides for the engineering, management, and administration of the City's transportation network. Key systems or components managed and administered by this cost center include:

- 28 Traffic signals and other components (flashing beacons, etc.)
- Over 200 city owned streetlights and 1,020 Dominion Virginia Power streetlights
- Over 1,900 regulatory and warning signs
- Pavement markings
- 26 bridges

In addition to managing the infrastructure systems above, the Transportation team is responsible for:

- Reviewing development plans, road closure requests and transportation impact studies
- Assisting the CIP team in the development and delivery of transportation projects
- Supporting the Citizens Advisory Committee on Transportation (CACT)
- Implementation of Planning programs and Master Plans
- Responding to citizen inquiries

TRENDS AND ISSUES

- Grant-funded projects and commercial development is increasing the infrastructure the City has to maintain.
- Regional trends and traffic safety concerns continue to inspire increased requests for pedestrian and cyclist facilities (e.g., crosswalks, sidewalks, curb ramps and bike lanes).

SIGNIFICANT CHANGES IN FY2019

- The lack of a Transportation Engineer has impacted the program areas and resources have been distributed to other staff
- Projects are managed from cradle to grave, which necessitates the use of consultants to assist in the construction management phases

FY2019 DELIVERABLES

- Preventive maintenance for all traffic signals
- Rewiring of 1 signalized intersection
- Bick pavers and utility undergrounding at 412 W. Broad St.
- Approximately 1/2 mile of milling and paving along residential streets
- 1-2 marked crosswalks with new curb ramps

PRIORITIES FOR FUTURE FUNDING

1. Paving $100,000. Necessary annual funding to establish a 20-year replacement cycle. The cost for pavement reconstruction could come from grants.

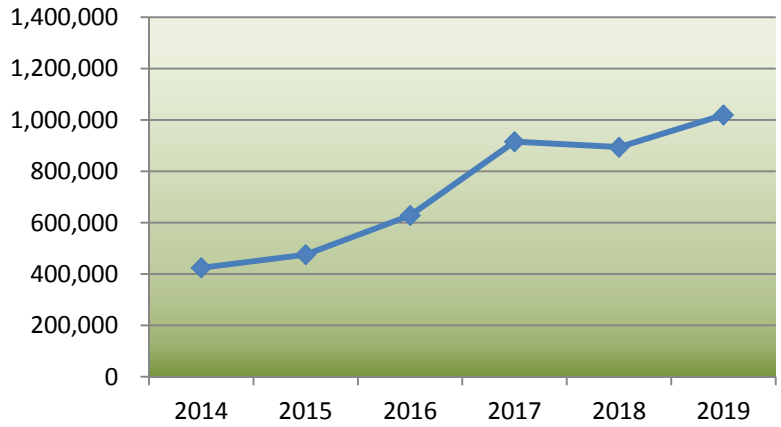
ADOPTED POSITIONS BY FTE – 1.65 TOTAL

- 0.70 Senior Engineer
- 0.75 Senior Engineer
- 0.20 Project Manager

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 211,084	$ 141,070	$ 166,668	18.15%
Benefits	70,464	49,222	48,831	-0.79%
Professional and Contractual	265,466	443,653	473,653	6.76%
Materials, Supplies, and Other	176,338	185,190	185,430	0.13%
Capital Outlay	457,889	75,000	145,000	93.33%
Reserves	-	-	-	0.00%
Total Expenditures	1,181,240	894,135	1,019,582	14.03%
Revenues				
State Grants	733,004	439,083	613,784	39.79%
Total Revenues	733,004	439,083	613,784	39.79%
Net Expenditures Supported by General Revenues	**$ 448,236**	**$ 455,052**	**$ 405,798**	**-10.82%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		12.0%	32.1%	45.7%	-2.3%	14.0%

Notes:

- FY2015 increases include reallocation of the Civil Engineer Inspector to this program, plus increased funding to manage and maintain the Traffic Signal system.
- FY2016 increases the staffing allocated to the Cost Center.
- FY2016 budget provides funding to replace (2) traffic signal cabinets and provide software for staff.
- FY2017 increase is due to the transfer of paving costs to this cost center from Highways, Streets, & Sidewalks.
- FY 2018 decrease due to reallocation of one staff to CIP Engineering
- FY2019 increase is due to the funding of traffic signal maintenance and re-wiring, and sidewalk replacement.

CIP ENGINEERING

SUMMARY OF SERVICES PROVIDED

The Capital Improvements Program Engineering section manages projects – both design and construction phases – under the City's Capital Improvements Program (CIP). The section also assists in the development of the City's CIP.

Typical Services of CIP Engineering Section for CIP projects:

- Pre-Construction Services Phase (Project management, plan review, right of way acquisition, public engagement, project scope development assistance, specifications development assistance, bid and contract preparation assistance, grant administration assistance)
- Construction Management Phase (Inspections, documentation, public engagement, payment processing, field resolution, contract enforcement)
- Post-Construction Phase (Commissioning, grant and permit close-out assistance, documentation)
- CIP Programming (Program development, cost estimation, project scheduling, project scope assistance)

In addition to managing the programs above, the CIP team is responsible for:

- Managing projects for other City Departments, i.e. Parks & Recreation

TRENDS AND ISSUES

- Manage projects with over $25M in projected construction costs in FY2019 including City Hall, Library, S. Maple Ave., W & OD Park, Bike Share, Oak Street Bridge, Big Chimneys, Downtown Plaza, Neighborhood Traffic Calming, Safe Routes to School, S. Washington St. and (4) Signal projects.
- Anticipated increase of federally funded projects will add to overall administrative burden. Grant applications have become more detailed oriented including need for detailed cost estimates and data collection to justify grant awards

SIGNIFICANT CHANGES IN FY2019

- The CIP Engineering Manager was moved to this new cost center.
- (2) Temporary/Part time Project Managers were hiring to maintain program schedules.

FY2019 DELIVERABLES

- Master planning for CIP program. Focus on delivery of projects on a yearly basis
- Construction of City Hall, Bike Share, Big Chimneys, Downtown Plaza, Neighborhood Traffic Calming, S. Washington St. and (3) Signal projects.

PRIORITIES FOR FUTURE FUNDING

1. Project Concept Development $30,000. Funding needed to improve grant application and project scope and budget development process. Professional services may help to set project goals and expectations and make grant funding requests more accurate. Additionally, grant applications are increasingly asking for applicants to provide more detailed cost estimates and project scopes.

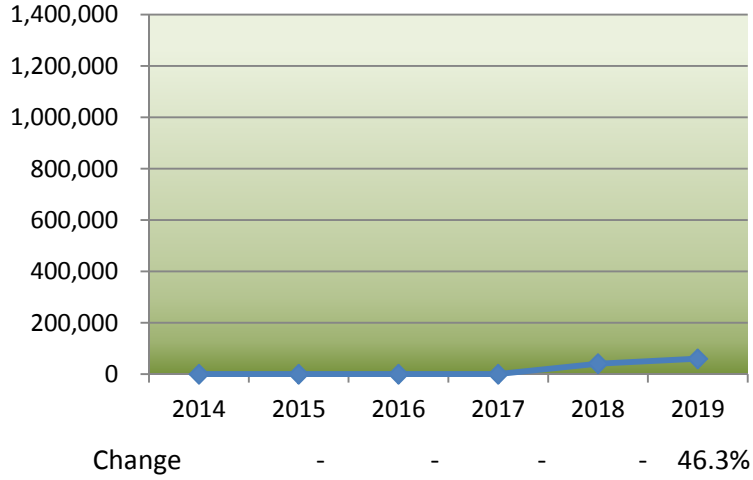
ADOPTED POSITIONS BY FTE – 0.45 TOTAL

- 0.20 Principal Engineer
- 0.25 Project Manager

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ -	$ 25,100	$ 40,264	60.41%
Benefits	-	7,905	12,153	53.74%
Professional and Contractual	-	-	-	0.00%
Materials, Supplies, and Other	-	7,890	7,410	-6.08%
Net Expenditures Supported by General Revenues	**$ -**	**$ 40,895**	**$ 59,827**	**46.29%**

BUDGET TREND: FY2014 – FY2019



Notes:

- This is a new cost center in FY2018
- FY2019 will be the highest volume of work for the CIP group and the City

PUBLIC RESOURCES

SUMMARY OF SERVICES PROVIDED

The Public Resources Group is a new cost center within DPW, established in FY18. The Group synchronizes essential functions and resources for both Operating and Capital Improvement Program (CIP) activities and provides services for contracts, administration, grants and GIS to Public Works staff, other departments and outside agencies. Group functions assure compliance with regulations and standard policies and procedures.

Key components managed and administered by this cost center include:

- Ongoing Procurement and Contracting for goods and services (both professional and nonprofessional) for DPW. Includes wide variety of contractual services such as engineering, architectural, solid waste collection, recycling, landscaping, HVAC maintenance, paving, stormwater pipe lining and custodial services (currently about 95 contracts)
- Full continuum of Grants Administration: applications, coordination with other Departments, reporting, Council resolutions, VDOT liaison, compliance, financial reimbursements to the City
- Management of federally-funded construction procurement, including required state/federal review coordination
- Documentation management for CIP construction projects, including federally-funded capital construction
- Geospatial analysis, development and maintenance (Geographic Information Systems/GIS for City departmental GIS needs)
- Support of stormwater and sewer utilities
- DPW Administration support, including development SMRT notices and scheduling

TRENDS AND ISSUES

- Filing of grant reimbursement requests totaled $1.35 million in FY17 and $1.27 million for the first eight months of FY18
- 58% of current and near-future grant projects are now federally-funded, resulting in significant increase of requirements and administrative burden
- Staff time now tracked on 37 separate CIP projects
- GIS serves as an important tool for City staff and the public, to identify physical features and locations within the City. GIS is also used for tracking and identifying maintenance-related programs.

SIGNIFICANT CHANGES IN FY2019

- Increase in use of the Public Resources Group by all City departments has led to an overburden.

FY2019 DELIVERABLES

- Geospatial/GIS support related to stormwater utility, tax parcels, and Next Gen 9-1-1
- Effective and timely management of ongoing DPW contracts and new procurement efforts
- Federal and CIP construction, Parks projects development and Bike Share procurement
- Grant applications as planned and presented to Council
- Continuation of close coordination with Development Services for grants, CIP planning and project development

PRIORITIES FOR FUTURE FUNDING

1. Temporary Assistance for Contracts $32,500. With the significant increase in DPW CIP projects and tasks issued under engineering and A/E contracts, a greater portion of the Public Resource Manager's time has been required for processing invoices and pay applications. Temporary/part-time assistance is needed to enable the Public Resource Manager to focus primarily on DPW procurement, including complex CIP project procurement with federal funds.

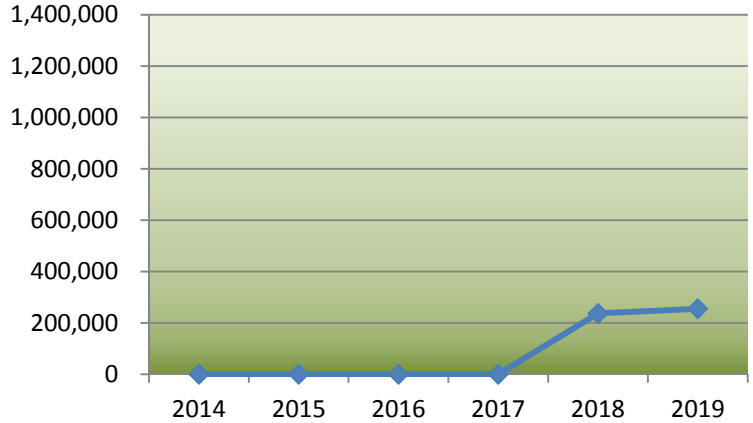
ADOPTED POSITIONS BY FTE – 2.50 TOTAL

- 0.50 Public Resources Manager
- 0.85 CIP Grants Administrator
- 0.90 Senior Administrative Assistant
- 0.25 GIS Manager

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ -	$ 173,225	$ 195,621	12.93%
Benefits	-	40,347	38,438	-4.73%
Professional and Contractual	-	200	200	0.00%
Materials, Supplies, and Other	-	23,135	20,975	-9.34%
Net Expenditures Supported by General Revenues	**$ -**	**$ 236,907**	**$ 255,234**	**7.74%**

BUDGET TREND: FY2014 – FY2019



Change	-	-	-	-	7.7%

Notes:

- Established as a new cost center in FY2018
- FY2019 has an increase of use from other Departments for GIS, Contract Administration and Grant Funding assistance

SOLID WASTE & RECYCLING

SUMMARY OF SERVICES PROVIDED

Solid waste and recycling collection are provided for single family and townhome residents in the City. Commercial and multi-family residents are required to contract directly with providers. Core services include:

- Curbside trash and recycling collection
- Curbside bulk, yard waste and bundled brush collection
- Recycling Center operation and management
- Solid waste code compliance
- Streetscape trash/recycling can installations, operation, and maintenance
- Hazardous waste management
- Regulatory compliance

The Solid Waste and Environmental Programs Coordinator performs extensive public outreach – including publication of program documents, education and outreach materials and organizes / staffs special events including:

- Recycling Extravaganza & household Hazardous Waste Collection
- Spring & Fall Community Clean-Up
- Spring Leaf Mulch Distribution
- Composting Workshops and Farmers Market Outreach
- School and community outreach including FCCPS recycling presentations, field trips to the waste transfer station, and tours/presentations to community groups

TRENDS AND ISSUES

- The City's recycling rate has consistently ranked in the top tier of Virginia jurisdictions, fluctuating between 60-70%. The latest data (from CY 2016) had the City ranked number three in the state with a 63% recycling rate.
- Food waste continues to represent one of the largest fractions of solid waste in Falls Church and in 2015 the EPA elevated its priority by announcing the nation's first food waste reduction goals. The City's recent implementation of food waste composting programs (first of their kind in VA) will help increase the recycling rate and act as a catalyst for regional action. Food waste diversion will remain a high priority and pathway to accomplish the goals outlined in the City's Solid Waste Management Plan.
- Contract costs have continued to increase. In FY2018, solid waste collection fees increased 1.7% and disposal fees increased 3.7% for a second year in a row. Recycling Center hauling costs remained 66% higher than FY15. These key contract costs represent 85% of the program's budget.
- Recycling revenues have declined since FY2012 ($101,000) as a result of market changes, contract costs, and fluctuating tonnages. Revenues have rebounded since FY2016's low point of $12,000. FY2017 recycling revenue was $44,000 and FY2018 is projected to be about $38,000. Looking ahead, commodity values will likely remain suppressed due to contamination standards imposed by China (a major importer of U.S. recyclables). The City's contamination rate is lower than industry averages, thus creating advantages in future processing/sale contracts. Even with a complicated market outlook, there is no question about the fiscal and environmental benefits of the City's recycling accomplishments.

- Short term trends pressuring communities to decrease contamination may affect recyclables accepted at the processing facility. A renewed focus on contamination will require fresh education and outreach initiatives. Plans for a new high school will have impacts on the City's leaf collection program. Leaves collected curbside each fall are stored and ground on the George Mason High School campus. Pending the outcome of the school planning process, alternative options for leaf collection, storage and distribution will need to be developed.

SIGNIFICANT CHANGES IN FY2019

- Contract costs are expected to increase. Disposal costs are expected to increase 3-5% and collection costs are expected to increase 1-3% (annual impact of $10,000-20,000). A flat budget puts pressure on all service offerings.
- The City's curbside trash, recycling and yard waste collection contract expires in FY2019. A competitive procurement process will be conducted to secure a new contract.

The Solid Waste Program piloted a food waste collection station at the farmers market in FY2016, a 24/7 community drop-off program in FY2017 and a voluntary curbside food waste collection program, the first of its kind in Virginia, in FY2018. Trends indicate increasing participation. From August 2017-December 2017, 34 tons of food waste was composted rather than the incinerated. The FY2019 budget sustains the City's innovative and popular compost programs through changes to recycling programming and business process improvements.

FY2019 DELIVERABLES

- See services above.

FY2019 PRIORITIES FOR FUTURE FUNDING

1. Compost programs $25,000. Expand participation in compost programs by reducing participation costs. The curbside collection program's cost-share design enabled participation at a low cost to the resident and the City. This design was critical in launching Virginia's first curbside collection program. Future funding would grow participation by reducing or eliminating the resident's share of the cost.
2. Additional Household Hazardous Waste (HHW) event and improved access to recycling for difficult materials ($25,000): The City used to provide two HHW events annually. City residents may dispose of HHW at the Fairfax County Solid Waste Transfer Station, but the local HHW event improves convenience, possibly preventing HHW from entering the general waste stream or local environment. Funding would also improve access to recycling for difficult materials such as paint, mattresses, carpet, medication, etc. Using successful programs like DC's Paint Care takeback program as a roadmap, this funding aims to partner with the business community to improve access to recycling.
3. Education and outreach $15,000. Short term trends pressuring communities to decrease contamination may affect recyclables accepted at the processing facility. A renewed focus on contamination will require fresh education and outreach initiatives. Funding would include citywide mailers, magnets and other outreach material.

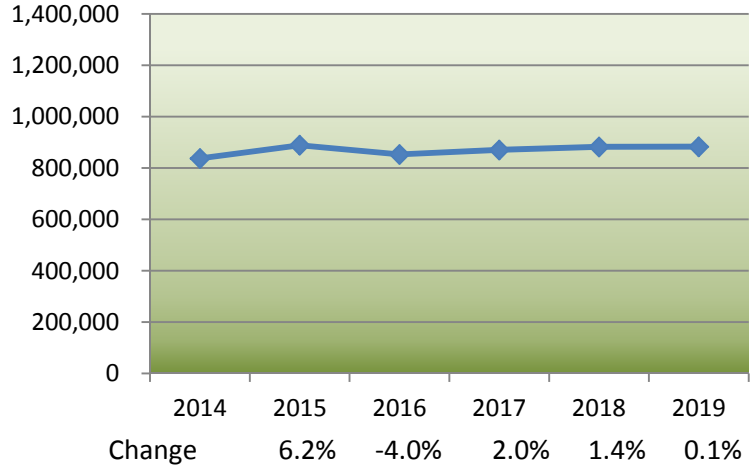
ADOPTED POSITIONS BY FTE – 1.00 TOTAL

- 1.00 Solid Waste Programs Coordinator

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 95,115	$ 90,068	$ 92,612	2.82%
Benefits	22,847	22,968	20,101	-12.48%
Professional and Contractual	737,716	749,494	749,494	0.00%
Materials, Supplies, and Other	11,203	14,628	14,628	0.00%
Capital Outlay	8,251	5,000	6,000	20.00%
Total Expenditures	875,132	882,158	882,835	0.08%
Revenues				
State Grants	6,192	5,000	6,000	20.00%
Charges for Services	93,081	72,000	80,400	11.67%
Total Revenues	99,273	77,000	86,400	12.21%
Net Expenditures Supported by General Revenues	**$ 775,859**	**$ 805,158**	**$ 796,435**	**-1.08%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2015 reflects increasing hauling, handling, and disposal costs; and decreasing revenues from Recycling.
- FY2016 reflects less drastic reduction in recycling revenues and increases in contract costs than had been anticipated for FY2015.
- FY2017-18 solid waste collection costs increased both years by 1-2% and disposal costs increased 3.7%.
- FY2019 Disposal and collection costs are expected to increase which could impact services or programming.

HIGHWAYS, STREETS & SIDEWALKS

SUMMARY OF SERVICES PROVIDED

All public roadways within the City (including Rte. 29 and Rte. 7) are operated and maintained by the Department of Public Works. The City is reimbursed by VDOT for a portion of the operating and maintenance costs under the State's Urban Highway program. Routine maintenance and operations performed by the City include:

- Pavement repair (potholes)
- Sidewalk and curb/gutter repair
- Pavement rehabilitation and reconstruction
- Pavement markings
- Sign installation and refurbishment
- Collecting and/or clearing debris caused by severe weather
- Emergency response in Right-of-Way
- Maintaining bus shelters, benches, bike racks and trash cans

The Department of Public Works manages the construction and maintenance of all City streets, including street paving and repairs, curb and gutter replacement, and sidewalk repair and construction. Approximately 300 linear feet of curb and gutter are replaced annually, along with approximately 550 square yards of sidewalk. City crews use approximately 500 tons of asphalt annually to repair City streets. The City receives funding from the Virginia Department of Transportation to offset a portion of these costs. Crews under this cost center provide many other services, some of which are allocated to other cost centers, such as leaf collection and snow removal.

TRENDS AND ISSUES

- As the appurtenances on the streets increase, it will be necessary to budget for maintenance and refurbishment on a yearly basis.
- Maintenance of new bus shelters, signs and pavement markings
- Increase sign, ADA ramps and pavement markings

SIGNIFICANT CHANGES IN FY2019

- Operations involvement has increased with more CIP and signal maintenance
- A hotel tax generating approximately $60,000 has been added to the budget for business district improvements, which are budgeted in this cost center.
- Special events have increased and Operations are required to staff and provide safety aspects

FY2019 DELIVERABLES

- Replacement of approximately 300 feet of curb, gutter, and sidewalk (0.1% of city's inventory)
- Training and certification for crews to maintain signal equipment
- Refresh 1/3 of city's crosswalks and stop bars
- Proceeds from Hotel Taxes will be used for the enhancement of the downtown area, including hanging tree planter maintenance and holiday tree lighting.

PRIORITIES FOR FUTURE FUNDING

1. Bus Shelters Maintenance $18,000. Funding for repairs and maintenance to all City owned Bus shelters.
2. Sidewalk Maintenance $47,000. Repair and maintenance of sidewalks and curb and gutter, in particular for the tripping hazards.

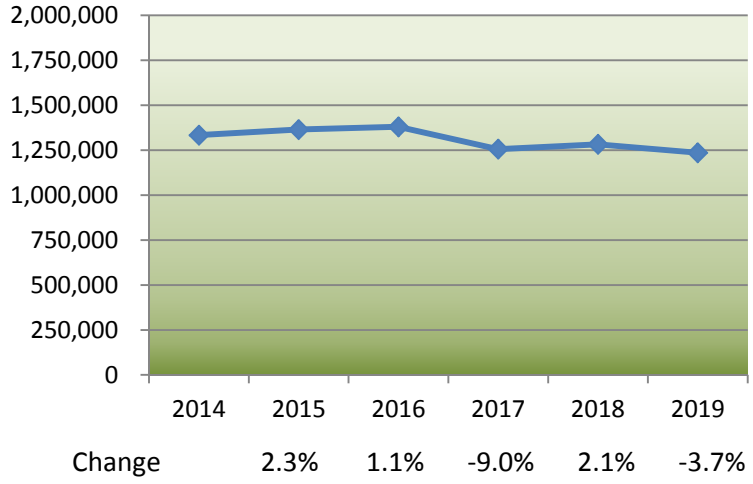
ADOPTED POSITIONS BY FTE – 10.85 TOTAL

- 0.25 Superintendent of Public Works
- 0.20 Asst. Superintendent
- 0.40 Sr. Administrative Assistant
- 2.00 Senior Maintenance
- 2.00 Crew Leader
- 5.00 Maintenance Worker
- 1.00 Senior Equipment Operator
- Salary from this cost center is allocated to Snow 4105, and Leaf Collection 4205

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 491,555	$ 515,400	$ 547,239	6.18%
Benefits	188,316	199,912	178,844	-10.54%
Professional and Contractual	42,174	196,340	226,340	15.28%
Materials, Supplies, and Other	268,892	310,365	312,825	0.79%
Capital Outlay	103,730	60,000	-	-100.00%
Total Expenditures	1,094,667	1,282,017	1,265,248	-1.31%
Revenues				
Charges for Services	452	2,500	2,100	-16.00%
State Grants	461,657	684,486	539,551	-21.17%
Total Revenues	461,657	684,486	539,551	-21.17%
Net Expenditures Supported by General Revenues	**$ 633,010**	**$ 597,531**	**$ 725,697**	**21.45%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2015 includes money to replace the City's Front End Loader which was transferred to Fairfax Water as part of the sale.
- FY2016 includes money to replace two dump trucks
- FY2017 reduction due to transfer of paving funds to Transportation Engineering Cost Center

SNOW & ICE REMOVAL

SUMMARY OF SERVICES PROVIDED

The Department of Public Works, using City crews and private contractors, provides for the timely removal of snow/ice from City streets and public parking lots to ensure safe travel for citizens and emergency equipment. Approximately 120 tons of salt are laid down during a typical event to inhibit the formation of ice on our streets. DPW tries to apply the minimum amount of salt necessary to establish safe conditions with each event in order to minimize the salt's effects upon the City's trees and streams. Crews plow and/or treat 72 lane miles with each complete pass through the City.

TRENDS AND ISSUES

- The frequency of minor storms increased for FY 2018

FY2019 DELIVERABLES

- Budget provides resources to respond to 6-8 typical (2"-6") storm mobilizations

PRIORITIES FOR FUTURE FUNDING

1. $ 25,000 for the replacement of 2 sanders.
2. $ 1,500 for increased costs of weather forecasting service.

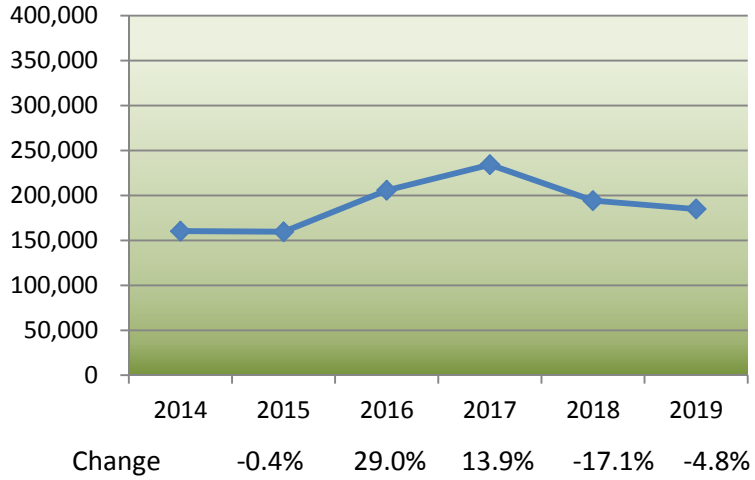
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Employees are assigned from the Highways, Streets and Sidewalks crews as needed.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 61,229	$ 65,952	$ 67,052	1.67%
Benefits	13,630	16,764	14,556	-13.17%
Professional and Contractual	6,854	11,500	11,500	0.00%
Materials, Supplies, and Other	34,070	100,000	93,000	-7.00%
Capital Outlay	56,800	-	-	0.00%
Total Expenditures	172,584	194,216	186,108	-4.17%
Revenues				
State Grants	114,321	185,216	177,108	-4.38%
Net Expenditures Supported by General Revenues	**$ 58,263**	**$ 9,000**	**$ 9,000**	**0.00%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2016 reflects increased snow mobilizations observed in FY14 and FY15.
- FY2016 includes replacement of (1) salt spreader.
- FY2017 includes the purchase of a spreader rack.
- FY2018 Decrease for equipment purchased in FY2017

LEAF COLLECTION

SUMMARY OF SERVICES PROVIDED

The Department of Public Works provides collection, transport and disposal of all leaves raked to the curb by residents during the designated leaf collection season, from mid-October to mid-December. After collection, leaves are ground into mulch and made available to residents. Approximately 5,000 cubic yards of leaves are collected annually. Specific activities include:

- Residential Leaf Collection
- Leaf Grinding
- Leaf Mulch Distribution

TRENDS AND ISSUES

- Anticipated loss of grinding site adjacent to GMHS in the coming years will result in increased costs and/or reduction of services

SIGNIFICANT CHANGES IN FY2019

- Additional events and services during the Fall months has pushed the leaf collection into the Winter months

FY2019 DELIVERABLES

- (3) passes for collection of residential leaves
- (2) mulch loading events at recycling center

PRIORITIES FOR FUTURE FUNDING

1. Two vacuum units $50,000. Two of our vacuum units are more than 20 years old and need to be replaced.

ADOPTED POSITIONS BY FTE – 0.00 TOTAL

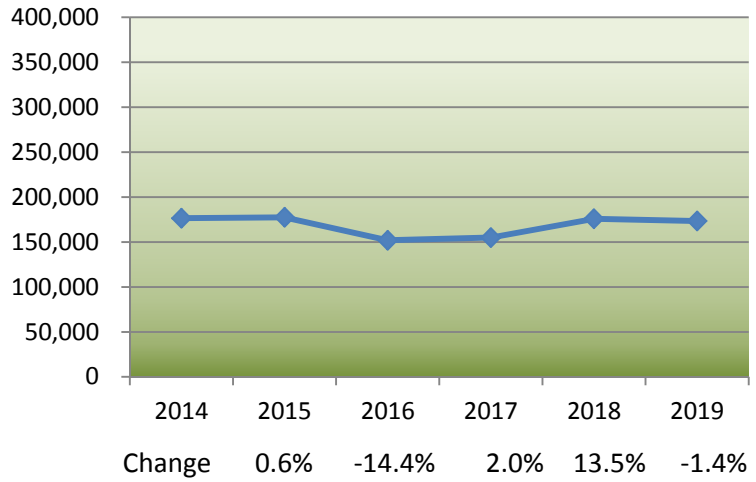
- Employees are assigned from Highway, Streets and Sidewalks crews. Temporary labor is also used.

Leaf Collection

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 111,013	$ 95,200	$ 97,500	2.42%
Benefits	31,124	30,603	25,845	-15.55%
Professional and Contractual	10,342	30,000	30,000	0.00%
Materials, Supplies, and Other	15,454	20,000	20,000	0.00%
Total Expenditures	167,933	175,803	173,345	-1.40%
Revenues				
State Grants	154,406	154,603	134,145	-13.23%
Net Expenditures Supported by General Revenues	**$ 13,527**	**$ 21,200**	**$ 39,200**	**84.91%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2016 reflects elimination of contracted services
- FY2018 increase for salaries to adequately perform task for leaf collection.

GENERAL SERVICES

SUMMARY OF SERVICES PROVIDED

The City owns and maintains 11 major facilities and 11 ancillary facilities:

- City Hall
- Community Center
- Library
- Cherry Hill Farmhouse and Barn
- Gage House
- Aurora House
- Property Yard Admin and Fleet Maintenance Shop (7100 Gordon Road)
- Property Yard Warehouse (Fairfax Water Lease Space – 217 Gordon Road)
- Property Yard B (7111 Gordon Road)
- Homeless Shelter
- Fire Station #6 (owned by Falls Church, routine maintenance by Arlington County)
- 400 N. Washington (Temporary Space)

General Services supports the operation, maintenance, and repair of these facilities. The major functions include:

- Utilities (electric, natural gas, water/sewer, etc.)
- Janitorial Services
- Preventive Maintenance and Building Systems Management
  - (HVAC, boilers, elevators, plumbing, electrical, generators, structural, cosmetic, fire, envelope, roof, security)
- Emergency Repairs
- Capital Project Implementation

TRENDS AND ISSUES

- Critical strategic decisions must be made regarding maintenance and/or replacement of existing building components at City Hall and the Library – facilities which are expected to be substantially renovated in FY2018-2019

SIGNIFICANT CHANGES IN FY2019

- Increases in maintenance costs at the Community Center, Library and City Hall due to operation of aging equipment
- Added maintenance of the Cherry Hill Barn and ancillary structure

FY2019 DELIVERABLES

- Continued operation and maintenance of the city's inventory of facilities

PRIORITIES FOR FUTURE FUNDING

1. HVAC Repairs $10,000. Contract costs for HVAC maintenance and repairs are expected to increase.
2. Cleaning Service $20,000. Contract costs for facility cleaning services are expected to increase.

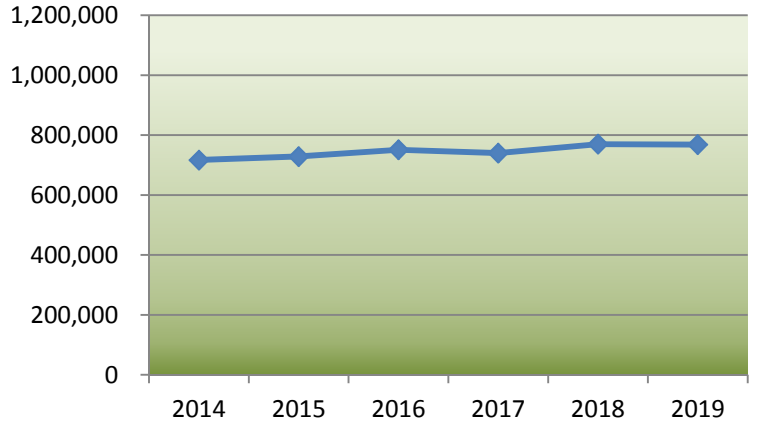
ADOPTED POSITIONS BY FTE – 2.05 TOTAL

- 0.25 Public Works Superintendent
- 0.40 Asst. Public Works Superintendent
- 1.00 Maintenance Technician
- 0.40 Sr. Administrative Assistant

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 154,003	$ 167,393	$ 172,114	2.82%
Benefits	54,296	59,097	52,948	-10.40%
Professional and Contractual	282,507	377,000	377,000	0.00%
Materials, Supplies, and Other	152,762	166,250	166,250	0.00%
Net Expenditures Supported by General Revenues	**$ 643,567**	**$ 769,740**	**$ 768,312**	**-0.19%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		1.7%	3.1%	-1.5%	4.0%	-0.2%

Notes:

- FY2018 No significant change in expenditures.

FLEET MAINTENANCE

SUMMARY OF SERVICES PROVIDED

The Department of Public Works provides routine annual maintenance and repair of City owned motor vehicles and equipment. City personnel repair and maintain 88 vehicles and pieces of equipment for the City fleet and 46 vehicles and pieces of equipment for the Schools.

City, school, fire, and rescue vehicles consume approximately 112,000 gallons of fuel (E10 gasoline and B20 bio-diesel) annually.

TRENDS AND ISSUES

- Aging equipment and vehicles
- Addition of new vehicles to City and Schools

SIGNIFICANT CHANGES IN FY2019

- Frequency of maintenance on aging equipment has increased the time of repairs

FY2019 DELIVERABLES

- Preventive and corrective maintenance for 124 vehicles and equipment pieces (generators, vacuum units, backhoes, trailers, plows, sanders, etc.)
- Gasoline and diesel fuel dispensary management
- Fleet management to include safety inspections, recall processing, and parts management

PRIORITIES FOR FUTURE FUNDING

1. (2) Vehicle Lifts $100,000. Replacement of two vehicle lifts due to current aging condition and ongoing maintenance required.

ADOPTED POSITIONS BY FTE – 4.00 TOTAL

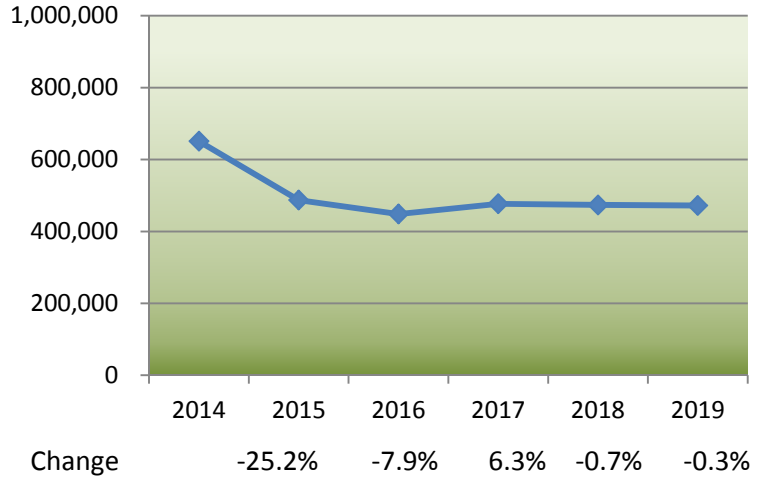
- 1.00 Vehicle Maintenance Supervisor
- 1.00 Senior Auto Mechanic
- 1.00 Auto Parts Specialist
- 1.00 Auto Mechanic

Fleet Maintenance

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 253,263	$ 269,953	$ 276,827	2.55%
Benefits	98,695	103,723	95,223	-8.19%
Professional and Contractual	123,450	104,850	104,850	0.00%
Materials, Supplies, and Other	(19,133)	(5,000)	(5,000)	0.00%
Total Expenditures	456,275	473,526	471,900	-0.34%
Revenues				
Charges for Services	275,051	287,600	276,700	-3.79%
Net Expenditures Supported by General Revenues	**$ 181,224**	**$ 185,926**	**$ 195,200**	**4.99%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2015 reflects reductions to materials and fuel cost as a result of the sale of the water system.

URBAN FORESTRY

SUMMARY OF SERVICES PROVIDED

Urban Forestry is responsible for the City's substantial inventory of vegetation. The City is proud to be the longest recognized Tree City USA in the State of Virginia, having been awarded the designation every year since 1979. Specific responsibilities include:

- Maintenance
  - Planting, pruning, care, and removal of approximately 7,000 trees along City streets thousands more in Parks and other City properties
  - Mowing, mulching, and landscape maintenance of 18 City parks and gardens and six City facilities
  - Commercial Streetscape installations along West Broad, South Maple, and North & South Washington Streets, and 22 landscaped areas along other City streets
  - Ten Rain Garden/Bioretention facilities (partially funded by Stormwater Fund)
  - 19 irrigation systems
- Administrative support and management of the following programs:
  - Tree City USA
  - Neighborhood Tree Program
  - Habitat Restoration Program (removal of invasive and restoration of native plants)
- Enforcement and management of Chapter 44 (Vegetation) and Chapter 48 (Zoning) of the City Code
- Review and inspection of development activity (residential, commercial, and public)
- Administration and liaison for the Tree Commission
- Public outreach and support for the City's Arbor Day celebration

TRENDS AND ISSUES

- Nearly one acre of new streetscape, rain gardens, and City maintained greenspace has been installed in the last decade
- Continued commercial development, city park enhancements (West End Park and Howard Herman Stream Valley Park), and new Rain Garden/Bioretention facilities have introduced new maintenance responsibilities
- Some larger Site Plan installations have indicated a willingness or desire to privately maintain streetscape enhancements associated with the development
- The City has developed a tree management database, which allows for proactive management of our urban forestry infrastructure

SIGNIFICANT CHANGES IN FY2019

- New development has provided some relief for continued maintenance of City staff
- Additional request for landscaping throughout the City

FY2019 DELIVERABLES

- At least monthly servicing of the commercial streetscape installations (landscape maintenance, litter removal, etc.)

PRIORITIES FOR FUTURE FUNDING

1. Repairs & Maintenance of streetscape $10,000. Increase of services for maintaining the existing streetscape and newly planted streetscape irrigation systems throughout the City.
2. Repairs & Maintenance of landscape $15,000. Increase in contracts for tree removal and pruning, mowing services, and landscape maintenance.
3. Water & Sewer Service $5,000. Increase of cost for water and sewer services.

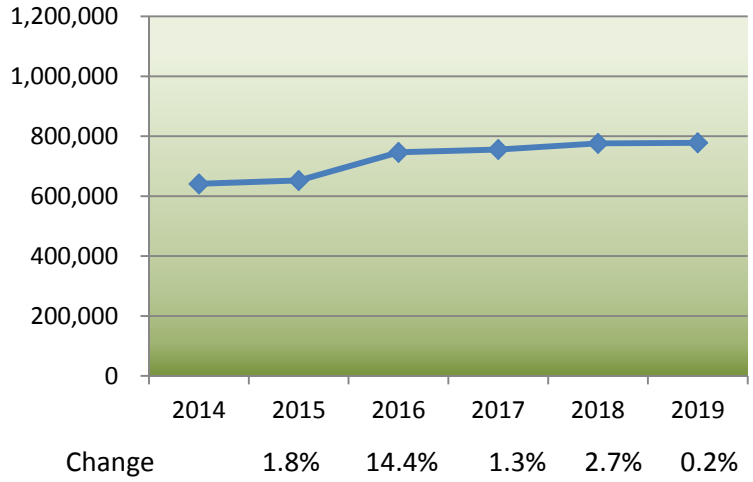
ADOPTED POSITIONS BY FTE – 4.00 TOTAL

- 1.00 City Arborist
- 1.00 Green Space Manager
- 1.00 Green Space Worker
- 1.00 Maintenance Worker

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 262,834	$ 259,860	$ 267,431	2.91%
Benefits	92,288	92,185	85,036	-7.76%
Professional and Contractual	291,239	315,000	315,000	0.00%
Materials, Supplies, and Other	113,864	109,000	110,320	1.21%
Total Expenditures	760,225	776,045	777,787	0.22%
Revenues				
Charges for Services	567	1,500	1,100	-26.67%
Fines	650	5,000	4,600	-8.00%
Net Expenditures Supported by General Revenues	**$ 759,575**	**$ 771,045**	**$ 773,187**	**0.28%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2016 reflects anticipated increases in maintenance contracts coupled with a recommended increase in Level of Service for the commercial corridors.
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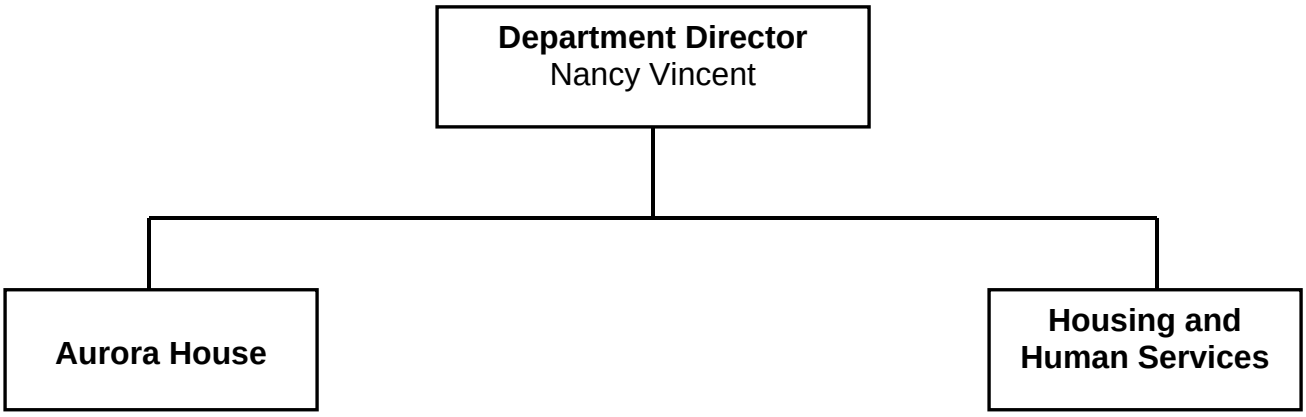
DEPARTMENT OF HUMAN SERVICES



The Department of Human Services includes Aurora House and Housing and Human Services. In addition to the direct services provided by these units, the Human Services Department connects citizens to services provided under agreements with neighboring jurisdictions. These include the Area Agency on Aging, Arlington County Judicial and Correctional Services, Fairfax-Falls Church Community Services Board, Fairfax County Department of Family Services, and Fairfax County Health Department.

AURORA HOUSE

SUMMARY OF SERVICES PROVIDED

Aurora House provides residential treatment to adolescent females who are under the formal supervision of the Juvenile and Domestic Relations District Court or who are referred through the Comprehensive Services Act programs for children with serious emotional or behavioral issues. The Group Home has capacity for 12 and serves the Cities of Falls Church and Alexandria as well as Arlington and Fairfax Counties. The City of Falls Church administers the program and receives revenue for its operation from participating jurisdictions based on their proportionate use.

Teenage girls are placed in Aurora House by order of the Juvenile Court or a Written Placement Agreement. The program directly assists girls and their families by providing therapeutic services that address serious emotional, educational, and behavioral problems in a nurturing, structured, and supervised living environment. Since Aurora House is a local program, girls remain in their community and continue to attend their home schools. This allows Aurora House to provide intensive services to parents including family therapy/counseling and parenting education.

Aurora House offers placements of up to a year but also offers short term placements for at risk youth and families in crisis who may need immediate, temporary out of home interventions as an alternative to foster care or possible introduction to the Juvenile Court System or incarceration.

In February 2018, Aurora House received approval from the Department of Juvenile Justice to expand its services with a new Transitional Living Program (TLP). The TLP will provide a unique opportunity for female youth ages 16-18 to develop much-needed independent living skills while in a nurturing environment that offers stability, consistency, and safety.

Aurora House services include individual, group, and family counseling, family therapy, educational enrichment, and recreational activities. The Family Therapist/Mental Health Clinician facilitates family therapy sessions and parenting skill sessions. Other therapeutic services include case management, developing individual treatment plans, writing progress reports, facilitating case consultations, and attending Court hearings. Also, members of the community volunteer at the facility providing tutorial services to residents weekly. The Olom-Porzel Scholarship Fund is managed by the Citizen's Advisory Committee, awarding college scholarships to former Aurora House residents.

TRENDS AND ISSUES

- Needs of clients continue to change with an increase in cases with mental health needs and issues and a decrease in delinquency cases
- Aurora house continues to provide transitional/step down and reintegration services for children leaving treatment centers

SIGNIFICANT CHANGES IN FY2019

Aurora House received approval from the Department of Juvenile Justice to expand its services with a new Transitional Living Program (TLP). The TLP will provide a unique opportunity for female youth ages 16-18 to develop much-needed independent living skills while in a nurturing environment that offers stability, consistency, and safety.

Aurora House

FY2019 DELIVERABLES

- Maintain or exceed a parental participation rate of 85%
- Maintain or exceed an annual utilization of 75%
- Maintain or exceed a 90% successful discharge rate
- Maintain or reduce recidivism rate by 5% 8+.1+.63+.5

ADOPTED POSITIONS BY FTE – 8.73 TOTAL

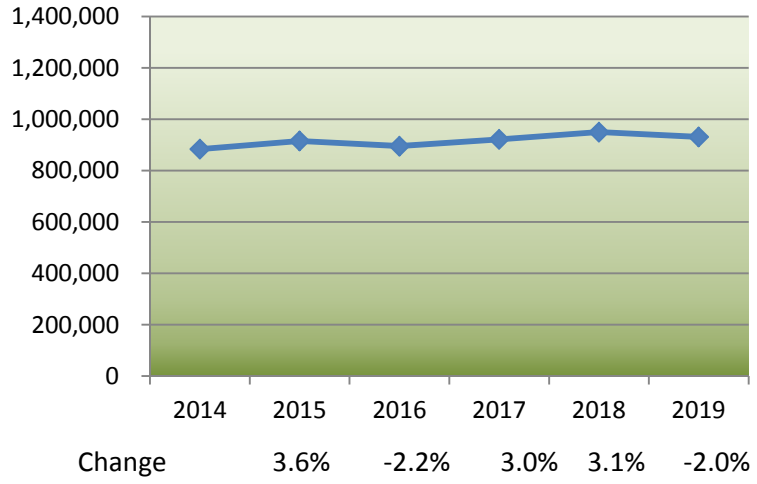
- 0.10 Director of Human Services
- 1.00 Group Home Manager
- 1.00 Residential Supervisor
- 5.00 Group Home Counselors
- 0.63 Food Services Coordinator
- 1.00 Senior Administrative Assistant

*Part-time employees are also employed as relief counselors in addition to the employees listed above.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 593,633	$ 635,936	$ 659,146	3.65%
Benefits	153,362	172,665	148,289	-14.12%
Professional and Contractual	14,140	39,870	21,670	-45.65%
Materials, Supplies, and Other	93,468	95,300	97,100	1.89%
Capital Outlay	25,440	6,187	5,000	-19.19%
Total Expenditures	880,043	949,958	931,205	-1.97%
Revenues				
Federal Grants	2,441	2,100	2,300	9.52%
State Grants	120,679	120,679	-	-100.00%
Charges for Services	433,994	615,804	922,800	49.85%
Other Grants and Contributions	1,800	5,000	1,200	-76.00%
Total Revenues	558,914	743,583	926,300	24.57%
Net Expenditures Supported by General Revenues	**$ 321,130**	**$ 206,375**	**$ 4,905**	**-97.62%**

BUDGET TREND: FY2014 – FY2019



Notes:

- Costs for Aurora House are paid by participating jurisdictions based on utilization and per diem rates.
- Typically, about 10% of Aurora House funding comes from the City.

JUVENILE & COURT SERVICES

SUMMARY OF SERVICES PROVIDED

The City participates in the operation of several regional juvenile court programs and the Northern Virginia Juvenile Detention Center. These services are purchased from Arlington County, Alexandria City, and private vendors. For these programs, the City pays only for its actual use of the service based on a per diem rate or an agreed upon formula. By cooperating with other jurisdictions to provide these services, the City is able to greatly expand the alternatives available for youth at significantly lower costs.

Additionally, the City contracts with Arlington County for the full array of services provided by the Court Services Unit (CSU). These services include intake, probation, and treatment services for juveniles and adults who come before the Falls Church Juvenile and Domestic Relations District Court (JDR). The JDR Court has jurisdiction in cases involving juveniles as well as when offenses are committed against family members. Cases typically include child custody, child abuse and neglect, truancy, running away from home, juvenile delinquency, and domestic violence.

The CSU provides three general types of services: Court Intake and Diversion, Adult Probation, and Juvenile Probation. The Court intake and diversion service assists victims, police officers, parents, school officials, and child welfare professionals in filing complaints or petitions seeking court action. Adult Probation supervises adult offenders before the court for domestic violence or offenses against juveniles and monitors their compliance with court-ordered sanctions, counseling, and adult protective orders. Juvenile Probation serves the City's most troubled youth.

TRENDS AND ISSUES

- There continues to be a need for detention services within the City of Falls Church.

	FY2016	FY2017	FY2018
Falls Church Juvenile Detention Bed Days:	93	105	54

The increases for FY2016 and FY2017 can be attributed to juveniles absconding from court ordered placements.

FY2019 DELIVERABLES

- 100% of juveniles who require mental health services receive them within a timely fashion.
- 85% of juveniles who require substance abuse services will complete them successfully.
- Utilizing other case management directives, the number of juvenile detention bed days in FY2019 is expected to remain under 100.
- Coordinate placement of one boy in the Argus House Boys' Group Home, two girls in Aurora House Girls' Group Home, approximately four youths in the Detention-Diversion Program, and refer 20 clients to perform community service through Offender Aid and Restitution (OAR).
- Through the Fairfax-Falls Church Comprehensive Services Act (CSA), arrange for approximately seven to ten youths to receive Home-Based counseling and psychological and psychiatric assessments, and one youth to enter residential treatment.
- Work with the schools to identify at risk youth in danger of involvement with the juvenile justice system
- Follow best practices on effectively managing juveniles with substance abuse and mental health issues
- At least 80 percent of all juvenile cases will successfully complete probation, and recidivism rates, within one year, among juveniles will be no greater than 10 percent

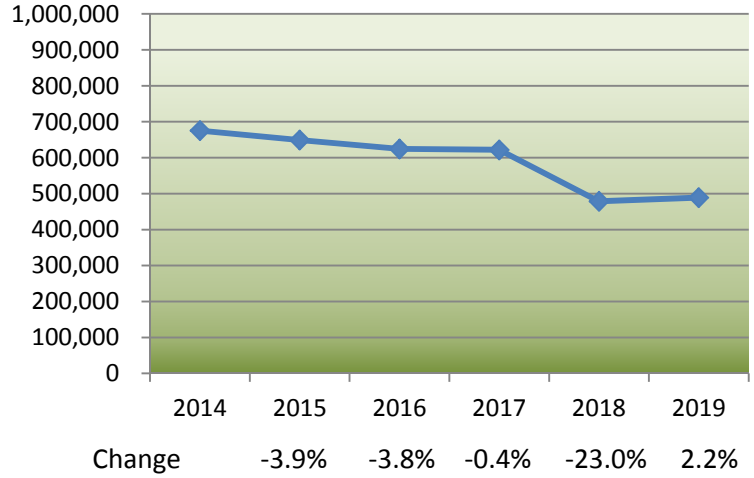
- At least 75 percent of all adult cases will successfully complete probation, and the recidivism rate, within one year, among adults will be no greater than 20 percent
- Work with the Falls Church City Public Schools to identify those juveniles involved with substance abuse and provide services prior to any court involvement.

ADOPTED POSITIONS BY FTE – 0.00 TOTAL (Services are contracted with Arlington County.)

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 24,188	$ -	$ -	0.00%
Benefits	11,034	-	-	0.00%
Professional and Contractual	505,783	478,577	488,881	2.15%
Materials, Supplies, and Other	2,523	-	-	0.00%
Total Expenditures	543,527	478,577	488,881	2.15%
Revenues				
State Grants	12,893	-	-	0.00%
Total Revenues	12,893	-	-	0.00%
Net Expenditures Supported by General Revenues	**$ 530,634**	**$ 478,577**	**$ 488,881**	**2.15%**

BUDGET TREND: FY2014 – FY2019



Notes:

- In FY2017 the City began contracting with Arlington County for the full array of services of the Court Services Unit. These services are no longer provided in-house. The reduction in cost stemming from this move is shown in FY18.

JUDICIAL SERVICES: JDR – ARLINGTON

SUMMARY OF SERVICES PROVIDED

The 17th Judicial District combines Falls Church and Arlington County. City support for the Judicial Services provided through this cost center includes those of the Juvenile and Domestic Relations District Court (JDR). The City receives numerous services from various offices of the court system operated by Arlington County because the City jointly uses these services and pays a proportional share of the County's costs. For FY2019, Falls Church is estimated to be 5.61 percent of the combined population of Arlington County and the City of Falls Church.

SIGNIFICANT CHANGES IN FY2019

- Court will be held in Arlington while City Hall is being renovated.

FY2019 DELIVERABLES

- The court in Falls Church will conduct approximately 250 hearings and anticipates 125 new cases.

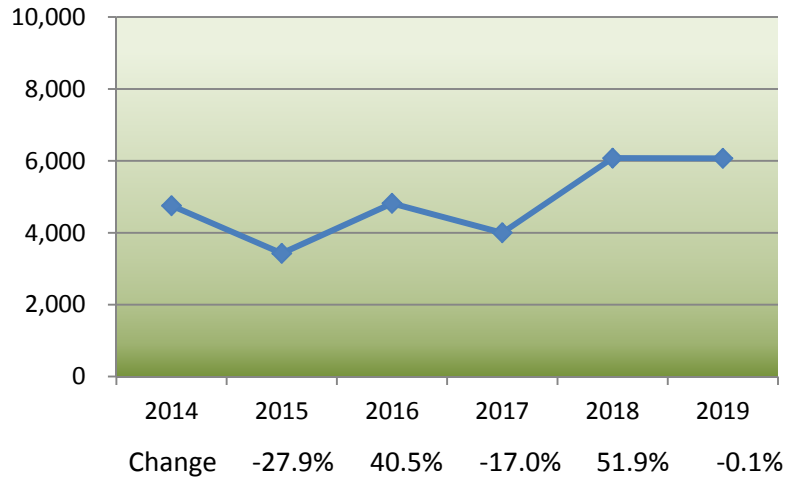
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contractual services provided through agreement with Arlington County.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 3,998	$ 6,074	$ 6,069	-0.08%
Net Expenditures				
Supported by General Revenues	**$ 3,998**	**$ 6,074**	**$ 6,069**	**-0.08%**

BUDGET TREND: FY2014 – FY2019



Notes:

- The City pays Arlington a proportionate share of costs for Judicial Services. For FY2019, this will be 5.61%.

HOUSING AND HUMAN SERVICES ADMINISTRATION

SUMMARY OF SERVICES PROVIDED

Housing and Human Services enhances lives in the City of Falls Church by offering a range of services, particularly for the City's most vulnerable residents. Services include providing low and moderate income housing, housing counseling, landlord/tenant information, emergency financial assistance, subsidized transportation, rent relief, advocacy, and case management. Referrals are given for food, dental care, shelter, and assisted living, among other things. Three grant programs support the work of nonprofits serving City residents. Additionally, staff provides general information and referral services. Particular focus is directed at seniors, at-risk families and individuals, residents with limited English proficiency, victims of domestic violence, individuals with disabilities, homeless individuals, and households with low and moderate incomes.

TRENDS AND ISSUES

- Provision of information and referral decreased .6% from last year
- Number of housing counseling requests decreased 12% last year
- Landlord/tenant interventions remained consistent from last year while assistance with evictions decreased from previous year.
- Number of Affordable Dwelling Rental Units remained consistent at 54 while the number of ADU homeowners decreased from 25 to 23.
- Rental –The median rents in the City have seen a 96% increase from $965 to $1,888since 2000. The percentage of City renters paying greater than 30% of monthly income towards rent have increased from 31% to 43% since 2000.
- Homeownership – From 2008 to 2018, the median cost of detached single family homes has increased by 29% In addition the attached homeownership units have increased by 18% and condos by 11%.
- Number of referrals for food was consistent with last year.

SIGNIFICANT CHANGES IN FY2019

- Increasing housing costs are significantly reducing affordability in the City

FY2019 DELIVERABLES

- Make at least 200 contacts to provide advocacy and intervention services
- Provide 200 responses to information and referral requests
- Provide housing information in response to 200 requests
- Provide landlord/tenant counseling to 40 residents
- Provide eviction prevention information to 10 residents
- Administer 77 Affordable Dwelling Units (rental and homeownership)
- Use a variety of tools to maintain the current stock of affordable market rate housing
- Make 35 referrals for food
- Make 30 referrals for dental services
- Monitor contract services with Fairfax Department of Family Services, Fairfax-Falls Church Community Services Board, and Fairfax County Health Department
- Work with a nonprofit to develop a group home for 5 adults with disabilities

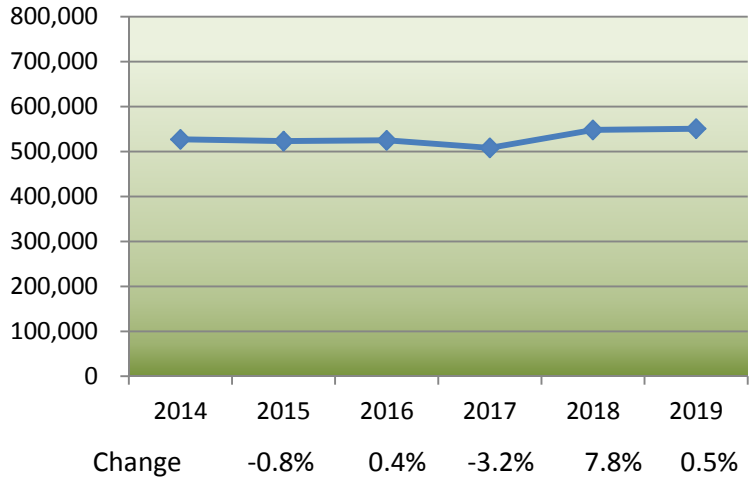
ADOPTED POSITIONS BY FTE – 4.90 TOTAL

- 0.90 Director of Human Services/HHS Manager
- 1.00 Human Services Specialist
- 1.00 Housing Program Analyst
- 1.00 Housing Specialist I
- 1.00 Management Specialist

ADOPTED BUDGET

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 388,192	$ 406,498	$ 420,394	3.42%
Benefits	108,942	119,162	107,971	-9.39%
Professional and Contractual	2,834	4,396	4,396	0.00%
Materials, Supplies, and Other	17,631	17,810	17,810	0.00%
Total Expenditures	517,598	547,866	550,571	0.49%
Revenues				
Other Grants and Contributions	300,000	-	10,000	-
Total Revenues	300,000	-	10,000	-
Net Expenditures Supported by General Revenues	**$ 217,598**	**$ 547,866**	**$ 540,571**	**-1.33%**

BUDGET TREND: FY2014 – FY2019



Notes:

- HHS budget has remained essentially flat

PUBLIC ASSISTANCE PROGRAMS

SUMMARY OF SERVICES PROVIDED

Housing and Human Services connects residents to a variety of services and programs including those to foster healthy and resilient children, youth, and families; to help the elderly and individuals with disabilities maintain self-sufficiency in the community; to assist residents with limited English proficiency; and to assist individuals who are homeless; among other things. Services are provided directly by Housing and Human Services staff, through contracts with Fairfax County, or through grant programs.

TRENDS AND ISSUES

- The number of Medicaid cases maintained per month rose 19% when compared to the previous year
- Families receiving supplemental nutrition assistance (food stamps) increased from last year 22%
- Child Protective Services and Adult Protective Services investigations increased by 55% from the previous year
- Fare Wheels transportation program remained consistent in providing taxi vouchers to income eligible elderly and disabled individuals
- The number of households requesting emergency financial assistance to meet their urgent needs remained consistent with the previous year.
- Yearly Rent Relief is provided to 6 income eligible seniors and /or disabled households to offset the burden of increasing rents. The number of recipients decreased by one household.
- Community Services Funds provided grants to nonprofit organizations to meet the basic needs of residents such as:
    - Emergency homeless shelter served 30 individuals; legal services served 13 households; reading services for 5 hearing impaired residents and 3 residents with dial in information services; emergency and supportive services and monthly rental assistance to 3 households; and emergency and supportive services to meet basic needs was provided to 39 households
- Provided federally funded Community Development Block Grant and HOME program funds to benefit low and moderate income households such as:
    - Provided 7 households with monthly rental assistance; literacy education for 15 households; repairs to senior housing apartment 80 residents
    - There have been regular decreases in CDBG funding for the past 4 years

FY2019 DELIVERABLES

- Provide an array of services to families and individuals in order to support and strengthen families, protect the vulnerable from abuse and neglect, help older adults and those with disabilities maintain their independence, help individuals and families become economically self-sufficient.
- Maintain 140 Medicaid cases monthly through Department of Family Services
- Provide Supplemental Nutrition Assistance Program (SNAP) support to 50 families per month through Department of Family Services
- Conduct Child Protective or Adult Protective Services investigations through Fairfax County
- Provide Fare Wheels taxi vouchers to 60 low income senior/disabled individuals
- Provide emergency financial assistance to 12 households

- Provide Rent Relief to 5 low income senior/disabled households
- Administer the Community Services Fund
- Administer the federal Community Development Block Grant and HOME program grants. Over 110 City residents will be served.

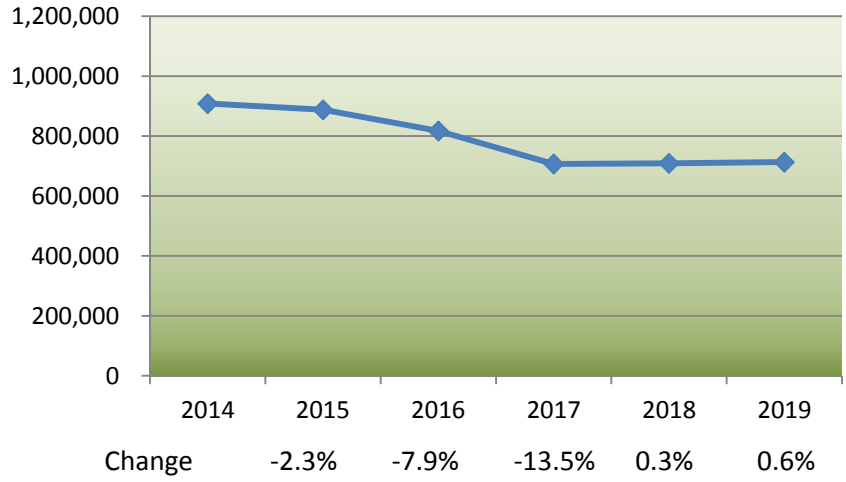
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Programs are administered by Housing and Human Services administration or contracted through agreement with Fairfax County.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 489,284	$ 501,925	$ 505,942	0.80%
Materials, Supplies, and Other	221,529	207,077	206,960	-0.06%
Total Expenditures	710,813	709,002	712,902	0.55%
Revenues				
Federal Grants	97,742	76,541	79,452	3.80%
Charges for Services	6,090	6,000	6,400	6.67%
Total Revenues	103,832	82,541	85,852	4.01%
Net Expenditures Supported by General Revenues	**$ 606,981**	**$ 626,461**	**$ 627,050**	**0.09%**

BUDGET TREND: FY2014 – FY2019



Notes:

- Costs are determined by contractual agreement with Fairfax County, based on population and actual service.

COMMUNITY SERVICES BOARD

SUMMARY OF SERVICES PROVIDED

The Fairfax-Falls Church Community Services Board (CSB) provides services for people in our community who have mental illness, substance use disorders, and/or intellectual disability. The CSB also provides early intervention services for infants and toddlers who have developmental delays. The goal of these programs is to provide specific services to enable City residents to meet treatment needs and to provide programs that will empower them to live self-determined, productive, and valued lives. Housing and Human Services has the responsibility for contract monitoring.

TRENDS AND ISSUES

- Residents receiving mental health services remained consistent from the previous year
- Residents receiving intellectual disabilities services remained consistent
- Residents receiving alcohol and drug services remained consistent
- Residents receiving services through the Infant and Toddler Connection remained consistent

FY2019 DELIVERABLES

CSB offers a comprehensive menu of preventative and responsive services with the goal of protecting individual dignity and human rights. Staff and contracted services providers include psychiatrists, psychologists, nurses, counselors, therapists, case managers, peer specialists, administrative, and support staff.

- Mental health services provided 45 residents
- Intellectual disabilities services provided to 21 residents
- Alcohol and drug services provided to 10 residents
- Infant and Toddler Connection provided to 30 infants

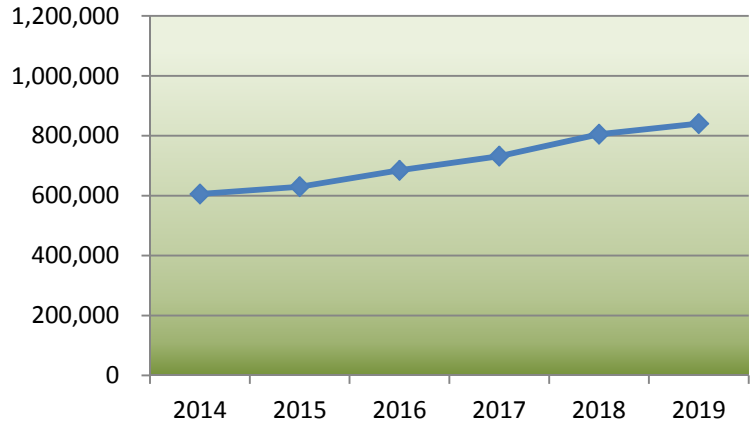
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contractual services provided through agreement with Fairfax County

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 731,851	$ 805,036	$ 840,458	4.40%
Net Expenditures				
Supported by General Revenues	**$ 731,851**	**$ 805,036**	**$ 840,458**	**4.40%**

BUDGET TREND: FY2014 – FY2019



Change	4.0%	8.7%	6.9%	10.0%	4.4%

Notes:

- Cost is determined by the CSB in accordance with the contractual agreement with the City.

HEALTH SERVICES

SUMMARY OF SERVICES PROVIDED

The City contracts with the Fairfax County Department of Health to provide a variety of public health services to City residents and businesses. A wide range of services are provided relating to child and maternal health, senior health, communicable disease control, environmental health, and bio-terrorism. The Health Department has five core functions upon which service activities are based: prevention of epidemics and the spread of disease, protecting the public against environmental hazards, promoting and encouraging healthy behaviors, assuring the quality and accessibility of health services, and responding to disasters and assisting communities in recovery.

TRENDS AND ISSUES

- 10% decrease in health clinic visits from the previous year
- Environmental health inspections remained consistent with the previous year
- One resident has been served by adult day care for the previous two years
- The number of enrollees in primary health care services has remained consistent

FY2019 DELIVERABLES

- 259 health clinic visits
- 281 environmental health inspections
- 230 days of adult day care and 414Fastran rides for 1 residents
- Primary health care services to 9 (17 visits) low-income, uninsured residents. 70 residents are currently enrolled.

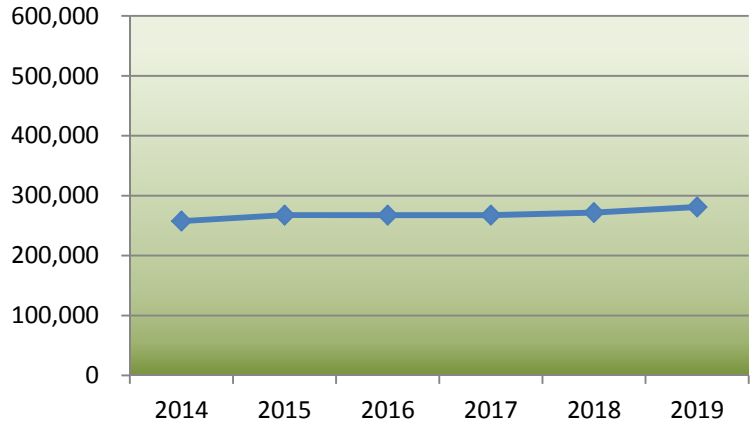
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contractual services provided through agreement with Fairfax County

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 251,519	$ 271,657	$ 281,000	3.44%
Net Expenditures Supported by General Revenues	**$ 251,519**	**$ 271,657**	**$ 281,000**	**3.44%**

BUDGET TREND: FY2014 – FY2019

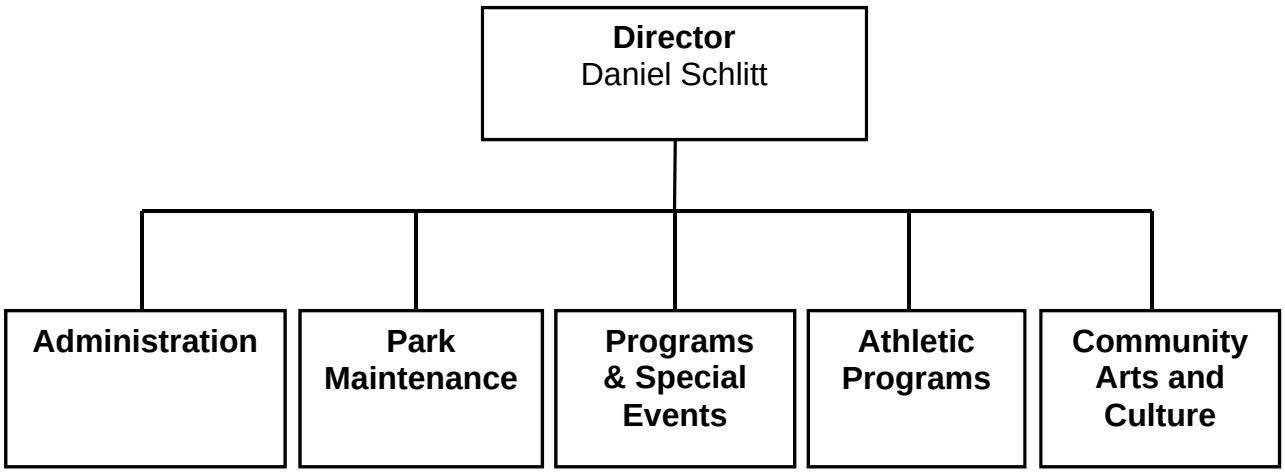


Change	3.9%	-0.1%	0.0%	1.6%	3.4%

Notes:

- Costs are based on population and actual usage for some services in accordance with a contractual agreement.

DEPARTMENT OF RECREATION & PARKS



RECREATION AND PARKS ADMINISTRATION

SUMMARY OF SERVICES PROVIDED

This Cost Center provides funding to support the administration of the Recreation & Parks Department and the supervision and management of the Falls Church Community Center, Cherry Hill Farmhouse, 18 parks, ten tennis courts, ten playgrounds, and five basketball courts.

The Falls Church Community Center houses the administrative offices of the Recreation & Parks Department. The Center, open 357 days a year, operates more than 4,300 hours annually with an estimated 200,000 visits each year. Programs for toddlers, elementary aged children, teenagers, adults of all ages, and seniors are offered. The Community Center serves as a teen center, recreation center, special event venue, senior center, preschool, entertainment center, information center, and meeting place. The Community Center continues to be a focal point of the Falls Church community and serves as a place for town hall meetings, public forums, and local, state, and federal elections. The Community Center also serves as the City's emergency shelter.

Over 11,000 registrations for classes, sport programs, field trips, camps and other recreation activities are processed annually. Staff also receives and processes approximately 350 room rental requests for the Community Center, 150 picnic shelter reservations, and 850 tennis court reservations. In addition, the Department anticipates the collection of over two million dollars a year through the assessment of user's fees for programs, activities and rentals.

TRENDS AND ISSUES

- As the City's population increases, we have more class offerings and rentals, resulting in a fully booked building and we have had to turn potential users away
- We continue to register more households every year. In 2017, the Recreation Department registered 1,673 new households.

FY2019 DELIVERABLES

- This Administration cost center will provide administrative support that will allow us to offer a fun, safe and recreational environment for 200,000 visitors per year in a building that is used for a teen center, recreation center, special event venue, senior center, preschool, entertainment center, information center, and meeting place. The Community Center also serves as the hub of the Falls Church Recreation and Parks Department providing customer service and all other administrative and programming responsibilities of the 16.4 FTE professional, maintenance and administrative staff of the Recreation and Parks Department.

PRIORITIES FOR FUTURE FUNDING

1. Upgrade Facility Security - $7,500: Single year expense to add additional cameras and upgrade hardware to support the additional cameras.
2. Upgrade Registration Software - $16,000: Single year expense to migrate to RecTrac 3.1. Vermont System's product, RecTrac, is the software we use to process all Recreation and Parks registrations, rentals and points of sale transactions. Vermont Systems is no longer making improvements to the 10.3 system we are currently using.

3. Banner Infrastructure - ~$30,000: Single year expense to design and build infrastructure to hang banners over Broad Street and Washington Street. The City is not able to close the road and hang banners as we have in the past.
4. Community Center Facility Reinvestment – $10,000 per year: As we reach 15 years post renovation, we need to reinvest in the Community Center and the amenities within such as furniture, bleachers and partitions, additional painting and other improvements not covered by Public Works. Public works handles major facility issues.

ADOPTED POSITIONS BY FTE – 5.80 TOTAL

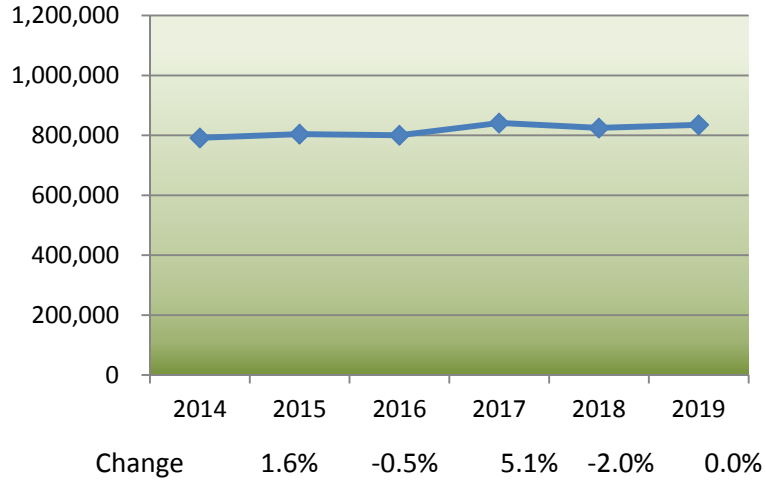
- 1.00 Director of Recreation and Parks
- 1.00 Senior Administrative Assistant
- 1.00 Administrative Assistant
- 2.80 Maintenance Workers

Temporary seasonal labor is also used as needed.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 404,574	$ 423,785	$ 439,209	3.64%
Benefits	121,355	125,172	102,034	-18.48%
Professional and Contractual	40,854	42,000	43,125	2.68%
Materials, Supplies, and Other	231,296	233,660	240,577	2.96%
Capital Outlay	22,227	-	-	0.00%
Total Expenditures	820,306	824,617	824,945	0.04%
Revenues				
Charges for Services	43,580	40,000	35,000	-12.50%
Other Grants and Contributions	5,161	-	4,400	-
Total Revenues	48,741	40,000	39,400	-1.50%
Net Expenditures Supported by General Revenues	**$ 771,564**	**$ 784,617**	**$ 785,545**	**0.12%**

BUDGET TREND: FY2014 – FY2019



Notes:

- In FY2015, $9,000 was eliminated from Professional and Contractual expenditures. With online registration and better website visibility, printing and binding costs have decreased.
- There are no significant line item changes in FY2016 or FY2017.
- In FY18 there is a $5,000 decrease in funding for materials and supplies. This will mean we may not be able to replace items such as tables, chairs, etc. as needed.
- In FY19, there are no significant line item changes.

PARKS MAINTENANCE

SUMMARY OF SERVICES PROVIDED

This Cost Center provides funding to support the maintenance of parks, park trails, athletic fields, park and playground equipment, outdoor recreational facilities, and turf in parks and around public buildings. These funds are used to enhance the appearance of the public parks and grounds, make them safe to use, and aid in the protection of the City's natural resources through an effective maintenance program.

The staff of the park maintenance crew repairs and paints signs and park equipment as needed; removes trash from parks and public grounds; maintains and prepares fields for athletic events; maintains trails through City parks; removes snow from City-owned sidewalks; and provides assistance to the urban forestry division as needed. The crew also helps with the setup and breakdown for all City special events.

Private contractors are used to augment the maintenance of the City's parks and grounds. The City uses contractors for some turf maintenance, and the maintenance of the athletic fields at Larry Graves Park, Thomas Jefferson Elementary School and Madison Park. Using private contractors saves the City the expense of purchasing large pieces of equipment.

TRENDS AND ISSUES

- Amenities such as new benches and trash receptacles as well as ten new raised flower beds have been added to our parks over the past few years.
- Our two rectangular fields at Thomas Jefferson Elementary School and Madison Park are well maintained and used constantly.
- New maintenance standards should be created and implemented which will require additional funding.
- With no pay-go funding for Master Park Implementation in the Capital Improvements Budget, a larger operating budget is needed.
- City parks have been experiencing major renovations park by park. Recently West End Park, Howard E Herman Stream Valley Park and the Cherry Hill Park playground have all been through these renovations. This is the new trend, to make improvements park by park. This will continue with major improvements to Big Chimneys Park in the near future.
- The City maintains a synthetic turf field at GMHS and will soon have a synthetic turf field at Larry Graves Park. The synthetic turf on each field will need to be replaced every 9 years.

SIGNIFICANT CHANGES IN FY2019

- With the reopening of Howard E Herman Stream Valley Park, and West End Park, we have seen a large increase in park attendance. We also expect to see increased use at the Cherry Hill playground and at Big Chimneys Park and the Downtown Plaza post renovations. This results in increased maintenance needs.

FY2019 DELIVERABLES

- The City operates 18 parks made up of natural open space areas, greenways, and parks with picnic areas, playground equipment, a variety of recreation amenities and large playing fields. This cost center has two major functions. The first function is repairing and replacing park amenities and small pieces of equipment. The second is the basic maintenance of our parks to include upkeep of turf, painting picnic tables and signage, handling erosion, path deterioration, smaller landscape maintenance issues, trash removal and overall cleanliness of the parks. Large overhauls and complete renovations of parks are handled in the CIP. Through this cost center the City's Recreation and Parks Department and maintenance staff will continue to provide quality parks to the City.

PRIORITIES FOR FUTURE FUNDING

1. Repair and Replacement of Equipment – $21,000 Annually. The replacement and repair of individual pieces of equipment and or amenities within our parks have traditionally been in the CIP but have long been debated as to whether or not they meet CIP requirements. Annual replacement of smaller playground equipment, color coating sport courts and the repair and or replacement of smaller park amenities such as picnic benches, grills, table, etc., should be funded in the operating budget. An annual commitment of an additional $25,000 is needed. Large overhauls and or full master park implementations will continue to be CIP funded.
2. Development of Maintenance Standards – $15,000 Annually. With City Council's approval of the recently updated "Parks for People" plan in the City's Comprehensive Plan, the Advisory Board of Recreation & Parks and other organizations within the City recommended that best possible scenario for implementing Master Park Plans is to develop and implement a set of maintenance standards. These standards provide a timing structure to keep maintenance needs on track and better anticipate future spending needs. The standards would address turf maintenance, adding color with flowers, annuals and other landscaping features, drainage issues in addition to many other basic maintenance needs related to park aesthetics and functionality.
3. Funding to Maintain Ball Fields – $10,000 Annually. Our contracted services expense to maintain our natural grass rectangular fields is increasing. For FY2017, savings from supplies were moved to this line item to fund our FY2017 needs, but as these costs continue to increase we will need added funding.
4. Reserve Fund for Turf Field Replacement - $100,000 Annually. A synthetic turf field has a life cycle of about 9 years. The George Mason Field was recently completed and Larry Graves will need new synthetic turf nine years after it is installed. A fund should be developed to cover the expense of laying new turf.

ADOPTED POSITIONS BY FTE – 3.00 TOTAL

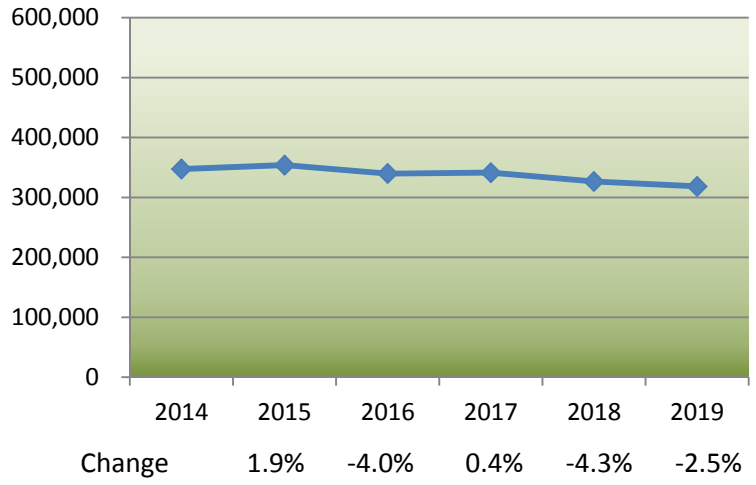
- 1.00 Senior Crew Leader
- 2.00 Maintenance Workers

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 129,869	$ 136,840	$ 142,559	4.18%
Benefits	41,036	49,778	44,817	-9.97%
Professional and Contractual	87,668	106,383	98,000	-7.88%
Materials, Supplies, and Other	26,740	33,558	32,950	-1.81%
Net Expenditures Supported by General Revenues	**$ 285,312**	**$ 326,559**	**$ 318,326**	**-2.52%**

Parks Maintenance

BUDGET TREND: FY2014 – FY2019



Notes:

- In FY2016 funding for Professional and Contractual Services, Materials, Supplies & Other is decreased by over $12,000.
- In FY2018 all funding for Parks Maintenance will remain relatively flat. The decrease is due to changes in benefits due to employee turnover.
- In FY19, increases in mandatory and contractual services, while maintaining a zero percent budget increase demanded a decrease in parks spending.

RECREATION PROGRAMS AND SPECIAL EVENTS

SUMMARY OF SERVICES PROVIDED

This Cost Center provides funding to support offering a wide variety of recreational programs and activities. Each year more than 550 Hobby classes such as technology, dance, fitness and more are organized and held at the Falls Church Community Center. Special events such as the Memorial Day Parade and Festival and Fall Festival and Taste of Falls Church are attended by over 50,000 people annually. Summer and school break camp registrations currently exceed 5,000 and bring in over $800,000 in user fees annually to the City. This includes our traditional playground program which offers a low cost eight weeks of crafts, sports, field trips and swimming. Additional programs coordinated in this Cost Center include our award winning Farmers' Market, Senior Center programming, Teen programing, our licensed preschool, and historical programs held at the Cherry Hill Farmhouse.

TRENDS AND ISSUES

- This cost center generates over 1.5 million dollars annually.
- To improve wellness, get residents in our parks and offer low cost programs, we've developed and maintained programs such as Fit at the Farmers Market and Pop-Up in Parks programs.
- With the expected improvements to the George Mason High School/Mary Ellen Henderson Campus, we will need to consider how to continue offering our summer camps and other programs and activities to maintain our customers and collection of user fees.
- Our increasing population within Falls Church and surrounding areas is now more than ever creating a need for more space to run our programs. Facility space for additional programming is limited.

FY2019 DELIVERABLES

- The Falls Church Recreation and Parks Department provides an opportunity to every single City resident to participate in some form of program, class or activity to enjoy for recreational purposes. These offerings include an extensive offering of over 550 hobby classes with over 3,000 participants, summer camp offerings that result in over 5,300 registrations annually, approximately 10,000 senior center visits, a licensed preschool program offering fall, winter/spring and summer sessions, over 20 historical programs open to the public and tours of the Cherry Hill Farmhouse to nearly 4,000 visitors, over 75 special events and weekly farmers' markets which over attract over 50,000 visitors per year. Our programs and special events cost center is the highlight of what the Recreation and Parks Department offers to its residents. User fees collected exceed expenditures on an annual basis in this cost center.

PRIORITIES FOR FUTURE FUNDING

1. <u>Support for community sponsored events - $20,000 annually:</u> The Recreation and Parks Department frequently receives requests from City residents, businesses and non-profit groups to host events within City limits. Funding to support these requests is needed.

ADOPTED POSITIONS BY FTE – 6.00 TOTAL

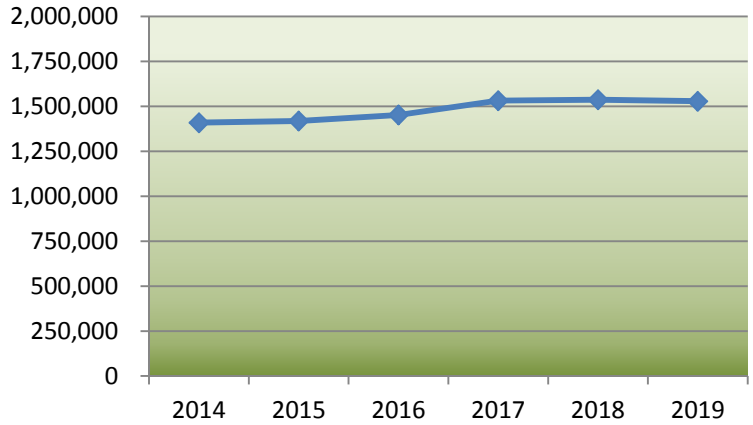
- 1.00 Deputy Director
- 2.00 Program Supervisors
- 2.20 Recreation Specialists
- 0.80 Preschool Teacher

Temporary seasonal labor is also used as needed.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 519,190	$ 523,828	$ 534,087	1.96%
Benefits	126,422	139,519	123,037	-11.81%
Professional and Contractual	709,541	703,000	696,000	-1.00%
Materials, Supplies, and Other	159,267	170,380	174,980	2.70%
Total Expenditures	1,514,420	1,536,727	1,528,104	-0.56%
Revenues				
Charges for Services	1,551,246	1,602,000	1,584,000	-1.12%
Other Grants and Contributions	201	-	700	-
Total Revenues	1,551,447	1,602,000	1,584,700	-1.08%
Net Expenditures Supported by General Revenues	**$ (37,027)**	**$ (65,273)**	**$ (56,596)**	**-13.29%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		.7%	2.4%	5.5%	0.3%	-0.6%

Notes:

- The upcoming renovation/build of George Mason High School will have a significant impact on summer camp programming and revenues.
- The change in Salaries & Wages from FY16 actuals to FY17 and FY18 includes yearly increases but the bulk of the difference is from staff turnover that resulted in underspending.
- In FY19, there are no significant line item changes.

ATHLETIC PROGRAMS

SUMMARY OF SERVICES PROVIDED

This Cost Center provides funding to support a substantial number of individual and team sports programs and activities for residents of all ages. Youth team sports include spring and fall soccer, flag football and basketball for boys and girls. Team sports for adults include coed volleyball, women's volleyball, coed softball, coed soccer, and men's basketball.

All coaches have access to sport specific coaching programs through the Recreation Department. Additionally, background checks are conducted for all coaches as one way of assuring the safety of participants.

Youth sport participation continues to increase. Winter basketball now attracts nearly 900 participants each year. The spring and fall soccer programs feature more than 600 participants for each season. Flag football has nearly 300 participants each fall. Additionally, nearly 400 of our younger players participate in non-competitive clinics in basketball and soccer. Staff is also involved in helping the Falls Church Lacrosse Program get field space and continues to provide support to the FORCE wrestling club.

Adult team sports attract more than 600 men who play basketball yearly the adult basketball leagues and over 200 men and women play softball and volleyball.

TRENDS AND ISSUES

- Indoor and outdoor practice and competition space is at a critical low
- Women's sports are growing with the addition of women's adult volleyball
- With the increase in registrations, we are less reliant on contracting local athletic associations to offer our sports programs, and bringing all teams we can into a house program
- Our youth sport programs continue to grow every year. Our most recent youth leagues included 28 teams in flag football, 69 teams in fall soccer and 89 teams in our winter basketball program.
- Contracted costs for franchise fees and referees continue to increase
- With the expected changes to the George Mason High School/Mary Ellen Henderson Campus, we will need to consider how to continue offering our athletic programs

FY2019 DELIVERABLES

- In FY2019, the Recreation and Parks department will continue to provide a safe and fun environment for youth to play sports as well as provide a variety of athletic leagues for adults in different competition levels.

PRIORITIES FOR FUTURE FUNDING

1. Athletic Supplies - $10,000: Franchise fees and referee costs continue to rise. Maintaining a zero operating increase demanded a decrease in athletic supplies for FY19. Additional funding is needed to keep up with replacing supplies such as cones, paint for ball fields, balls, scoreboards and other athletic supplies as needed.
2. Competition Facilities - $ Undetermined: History has dictated that athletic participation will increase with the increased population growth of the City. With this said, the Department of Recreation and Parks has reached a critical need for additional gymnasium and rectangular field space.

ADOPTED POSITIONS BY FTE – 1.40 TOTAL

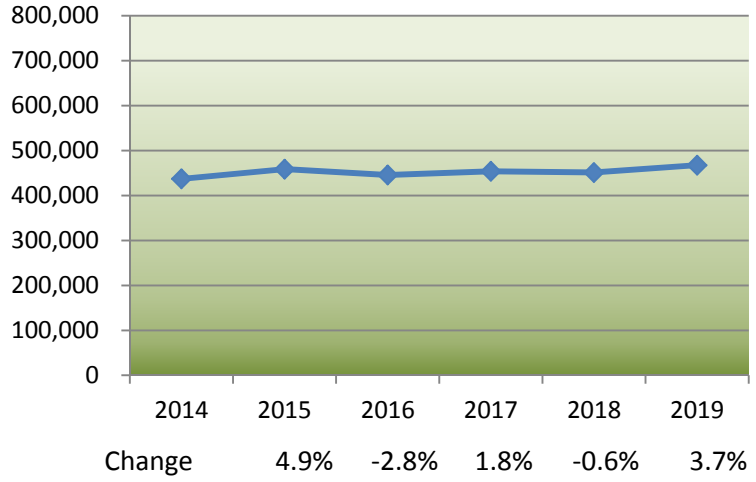
- 1.00 Program Supervisor
- 0.40 Recreation Specialist

Temporary seasonal labor is also used as needed.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 91,322	$ 95,028	$ 109,142	14.85%
Benefits	15,456	16,329	16,694	2.24%
Professional and Contractual	103,861	100,000	112,000	12.00%
Materials, Supplies, and Other	235,792	239,700	229,700	-4.17%
Total Expenditures	446,431	451,057	467,536	3.65%
Revenues				
Charges for Services	432,635	408,000	433,000	6.13%
Net Expenditures Supported by General Revenues	**$ 13,796**	**$ 43,057**	**$ 34,536**	**-19.79%**

BUDGET TREND: FY2014 – FY2019



Notes:

- In FY2015, temporary salaries and professional services have incurred slight increases to support additional human resource needs.
- In FY2016 moving youth soccer leagues out of Arlington Soccer Association and running our league in house, the contractual services line has decreased by $7,000
- FY18-Revenues are remaining relatively flat due to the lack of additional field and gymnasium space.
- In FY19, the significant change in salaries is because we have reallocated half of a Recreation Specialist, .8FTE from 7109 to 7110.
- Also in FY 19, due to rising contractual services, and maintaining a zero operating increase, funding was taken from athletic supplies.

COMMUNITY ARTS AND CULTURAL PROGRAMS

SUMMARY OF SERVICES PROVIDED

This Cost Center provides administrative support to the City's Arts & Humanities Council, houses the funding for the cultural arts grant program and provides administrative support to the grant program as well as special projects that celebrate the City's arts, theatre, culture and history. The grant program provides financial support for special projects, events, and work supporting the arts, theatre, culture and history in the City of Falls Church. This effort implements the Council Resolution 2009-36 establishing the arts district and humanities council. Specifically, this program leverages resources, manages a grants program and other designated purposes related to bringing the best in arts and humanities programming to the City of Falls Church and its citizens.

TRENDS AND ISSUES

- The Arts and Humanities Council serves as a catalyst for arts and culture in the community, increasing the quality of life and property values.
- The Arts and Humanities Council advises City Council on public policy promoting activities, programs, events and strategies that encourage arts, history and cultural education.

SIGNIFICANT CHANGES IN FY2019

- There are no financial changes expected in FY2019.
- Programmatically, staff now have a more significant role in the grant program.

FY2019 DELIVERABLES

- The annual grants program which consists of program and operational grant funding will continue to be awarded to City non-profits advancing culture and arts in the community, and will continue to be awarded competitively.
- Recreation and Parks staff will continue to act as an active member of the Council and advocate for culture and arts in the community as well as continue to serve on special projects celebrating and promoting arts, theatre, culture and history within the Little City.

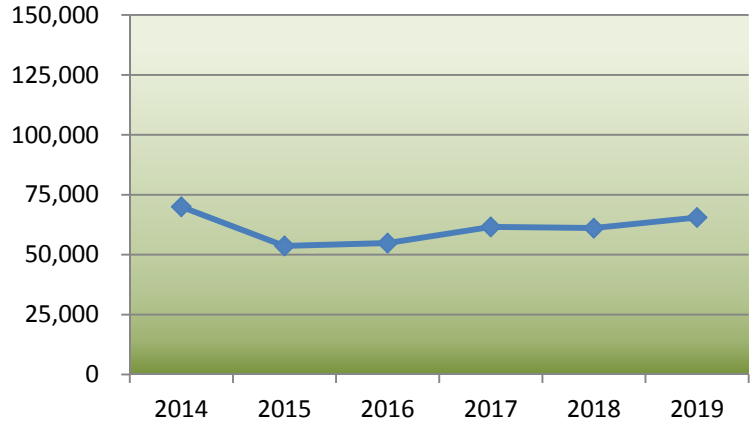
ADOPTED POSITIONS BY FTE – 0.20 TOTAL

- 0.20 Recreation Specialist

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 11,589	$ 12,141	$ 12,505	3.00%
Benefits	3,921	3,943	3,522	-10.68%
Materials, Supplies, and Other	42,547	45,000	49,500	10.00%
Total Expenditures	58,056	61,084	65,527	7.27%
Revenues				
State Grants	5,000	-	4,500	-
Total Revenues	5,000	-	4,500	-
Net Expenditures Supported by General Revenues	**$ 53,056**	**$ 61,084**	**$ 61,027**	**-0.09%**

BUDGET TREND: FY2014 – FY2019

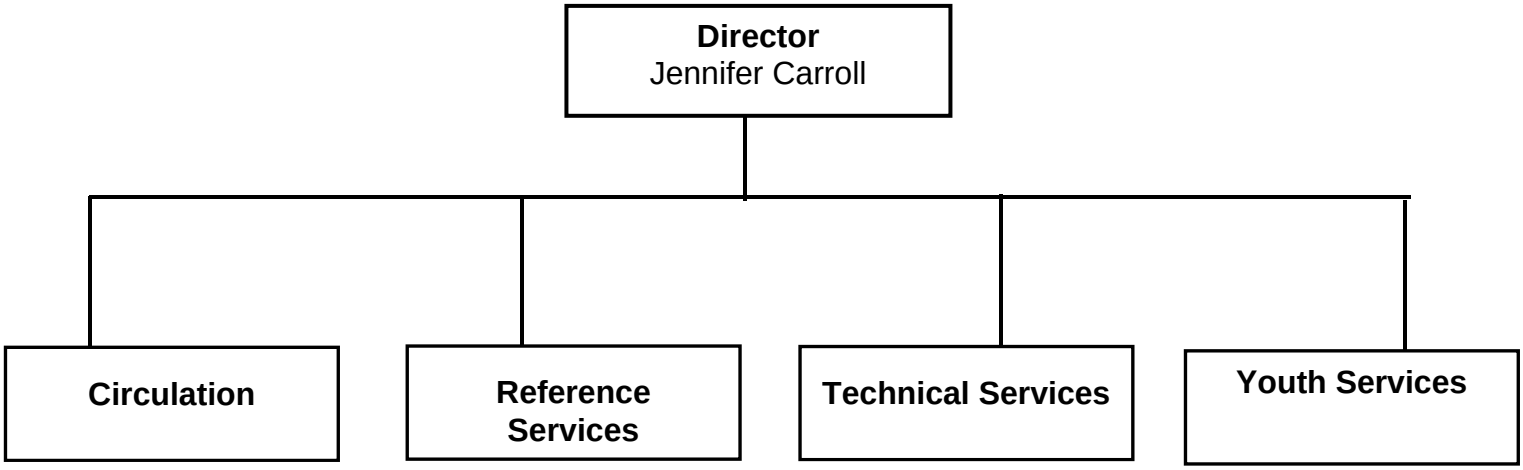


	2014	2015	2016	2017	2018	2019
Change		-23.4%	2.3%	12.3%	-0.8%	7.3%

Notes:

- The changes in FY2017 are in salaries. This continues to be funded as .2FTE.
- In FY2019, we expect to receive $4,500 in state grant funds for cultural programs.

DEPARTMENT OF LIBRARY SERVICES



SUMMARY OF SERVICES PROVIDED

This department provides library services to the citizens of Falls Church and has reciprocal borrowing agreements with libraries whose jurisdictions are members of the Council of Governments (COG). It promotes open access to library resources that enrich and help all City residents. The collection encompasses all formats: books, periodicals, CDs, DVDs, audio-books, reference databases, eBooks, eMagazines, eMusic, and eAudiobooks. Additional services include:

- 16 public Internet workstations and six online catalogs
- A building that is entirely Wi-Fi accessible
- Two book returns available 24/7
- Renew/reserve materials online, receive overdue/reserve/pre-notification email notices
- Two public copiers, one for color copies
- Reference questions answered and computer help as well as one on one trainings on eDevices
- Local History (of Falls Church) collection
- Inter-library loan services for City of Falls Church citizens
- A wide variety of programs for children, teens, and adults throughout the year
- For the tenth year won the Star Library national award—one of only three in Virginia and the **only** library in the state that has been selected all ten years the award has been given

TRENDS AND ISSUES

- 970 programs last year, 36,598 people attended
- Summer Reading Program for children, teens, and adults: over 2,500 participated last year, a new record! Over the three month summer vacation, the library circulated 155,973 items
- 27,540 registered borrowers and 10,840 are Falls Church citizens
- Circulation of over 500,000 items annually, up 44.7% in last ten years
- Over 308,000 visits annually by patrons
- “One in, one out” situation with most collections since book shelves are at capacity
- Limited space for programming, e.g. 120 children attending per story hours three times a week
- Building that is physically not holding up to the heavy use it receives—HVAC, plumbing, elevator, energy efficient lighting, plumbing, and ADA issues
- Digital format use is increasing every year, but so is the print collection, which will not “go away” for years and years to come, if ever
- Increased use of space for tutoring, use of Wi-Fi to conduct patrons’ own research, study groups
- Revenue from State Aid to Libraries is expected to decrease from the previous year (FY2017), this is a year to year calculation and based on the Legislature’s willingness to fund it

SIGNIFICANT CHANGES IN FY2019

- Completion of A/E for the library expansion and renovation; construction begins
- All major indicators of use by the public continue strongly with no significant increase in staff, hours of operation, or operating budget

FY2019 DELIVERABLES

- CMAR process complete
- A/E complete with successful design for the library project that includes citizen involvement
- Provide approximately 700-750 programs a year for all ages
- Answer approximately 60,000 reference questions per year
- Circulate over 465,000 items a year
- Maintain an 83% to 85% of the city population with active library cards
- Catalog 95% of all materials within one month of receipt
- Continue to provide eResources and increase their use by 10% over previous year

PRIORITIES FOR FUTURE FUNDING

1. Possible storage costs for parts of the collection and furniture while the library is being expanded and renovated; $20,000 in FY2019 when the expansion/renovation project is taking place.
2. Public Server refresh: $16,000 in FY2020

ADOPTED POSITIONS BY FTE –18.85 TOTAL

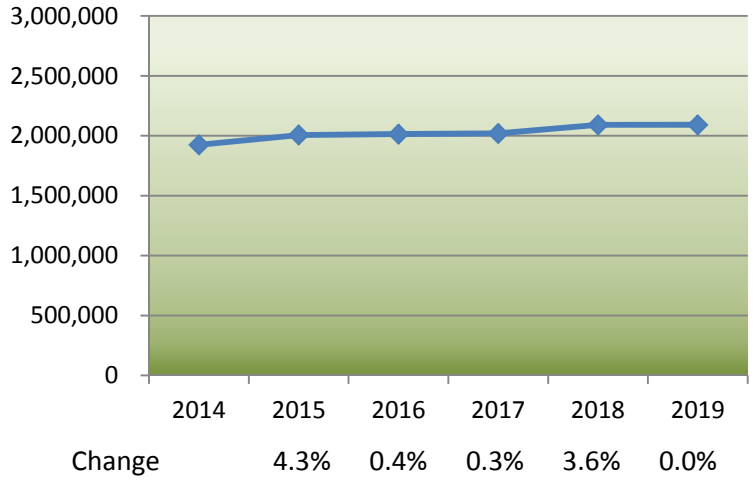
- 1.00 Library Director
- 1.00 Youth Services Supervisor
- 4.60 Librarians
- 6.05 Library Assistants
- 1.00 Circulation Supervisor
- 1.00 Technical Services Supervisor
- 1.00 Reference Services Supervisor
- 1.00 Senior Administrative Assistant
- 0.60 Automation Application Specialist
- 1.00 Custodian
- 0.60 Senior Library Page

Temporary workers are also used as Pages and three Library Assistants.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 1,168,457	$ 1,185,867	$ 1,191,668	0.49%
Benefits	348,099	350,650	356,036	1.54%
Professional and Contractual	1,108	3,410	1,050	-69.21%
Materials, Supplies, and Other	528,467	550,787	541,960	-1.60%
Total Expenditures	2,046,130	2,090,714	2,090,714	0.00%
Revenues				
State Grants	145,195	144,360	144,430	0.05%
Charges for Services	9,870	10,000	8,800	-12.00%
Fines	44,998	41,000	43,200	5.37%
Other Grants and Contributions	27,751	-	-	0.00%
Total Revenues	227,813	195,360	196,430	0.55%
Net Expenditures Supported by General Revenues	**$ 1,818,317**	**$ 1,895,354**	**$ 1,894,284**	**-0.06%**

BUDGET TREND: FY2014 – FY2019

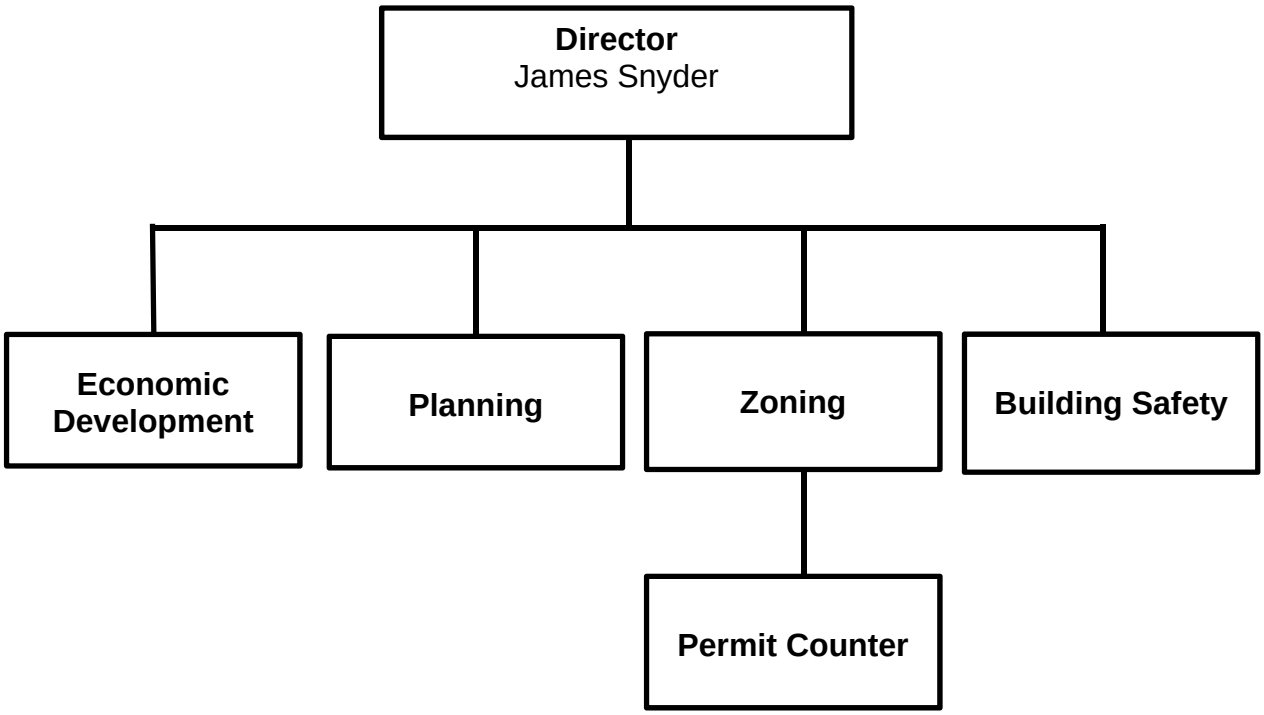


Notes:

For FY2019, the following are the major changes in the library's budget:

- Two temporary positions were moved to permanent part-time status (Library Assistant I and Library Assistant II)
- Change in the ILS system from III/Millennium to Biblionix/Apollo

COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT SERVICES



SUMMARY OF SERVICES PROVIDED

The Department of Community Planning and Economic Development Services (CPEDS) exists to improve quality of life and support the development of a safe City that balances economic, environmental, and social needs of current and future generations.

CPEDS provides services in four overarching areas: (1) Economic Development, (2) Planning – including Future, Current, and Transportation Planning (3) Zoning, and (4) Building Safety. Organizing these four work areas under one department encourages employees to break through traditional work silos that would otherwise impede new projects and investments in the City.

The Economic Development Team performs the following work:

1. Works closely with prospective investors to the City, who are interested in revitalizing or redeveloping aging properties in the City's Planning Opportunity Areas (POAs) and Revitalization Districts
2. Business attraction and facilitation
3. Business retention and facilitation
4. Chamber of Commerce and business liaison
5. Works closely with commercial brokers, property owners, prospective businesses and other City staff, to encourage low vacancy rates in the City's commercial spaces
6. Monitors and reports on economic and business activity
7. Fiscal impact analysis of proposed development projects
8. Staff support for the Economic Development Authority (EDA)

The Planning Team performs the following work:

1. Community Engagement including staff support for the Planning Commission, Historic Architecture Review Board (HARB), Historical Commission, and Citizens Advisory Committee on Transportation (CACT), as well as regular interaction with the City Council.
2. Plan Development including updates to the City's Comprehensive Plan, development of Small Area Plans and Master Plans, and coordination on special reports and studies.
3. Resource Identification and Acquisition including working with individuals and groups interested in redevelopment opportunities; applications for public project grants, especially transportation and parks grants; and supporting preparation of the City's Capital Improvement Program (CIP).
4. Plan Implementation including review of redevelopment applications, plan and zoning ordinance map and text amendments; and management of public projects including neighborhood traffic calming, residential permit parking, bus shelters, bike-share, and park projects.
5. Regional Coordination: The team coordinates with regional partners including the Northern Virginia Transportation Authority (NVTA), the Northern Virginia Transportation Commission (NVTC), the Washington Metropolitan Area Transit Authority (WMATA), the Council of Governments (COG), Fairfax County, and Arlington County on a range of issues and projects.

The Zoning team provides the following services:

1. Zoning review of all planning and development projects, including special exceptions, rezonings, site plans, subdivisions, and grading plan.
2. Zoning review of building plans, building permits.
3. Zoning review of sign applications, variances, special use permits.

4. Zoning enforcement and compliance, including monitoring compliance with conditions of approval (e.g. voluntary concessions, site plan conditions, and variance conditions).
5. Zoning Administrator review and analysis of properties, authoring zoning opinion and compliance letters, and assisting in the development of zoning text amendments.
6. Staff support for the Board of Zoning Appeals (BZA) and the Architecture Advisory Board (AAB).

The Counter Services team provides the following services

1. Intake, application and payment processing.
2. Review and issuance of all building and trades permits (e.g. plumbing, electrical, gas) and certificates of occupancy.
3. Review and scheduling of annual pool inspections.
4. Permit intake and issuance to support the Department of Public Works and the Fire Marshal
5. In calendar year 2015 there were **4,088** in-person visitors to the counter, and **5,153** phone calls. Note that in-person visits and phone call are trending down as email and electronic communication use increases.

The Building Safety team performs the following services

1. Enforces the Virginia Uniform Statewide Building Code for commercial and residential structures
2. Enforces the Virginia Property Maintenance Code
3. Reviews all building, electrical, mechanical, plumbing, fuel/gas, energy, accessibility, and fire protection plans for compliance with the Virginia State codes.
4. Conducts field inspections of projects.
5. Staff support and training for the "Board of Building Code and Fire Prevention Code Appeals".
6. Coordinates with the Fire Marshal, Health Department, and others to conduct full code inspections
7. Participates as part of the emergency management response team.
8. Stay up-to-date with code changes, new and emerging materials and methods of construction and construction products.

TRENDS AND ISSUES

1. Permits: Permits issued over the last five-years show an upward trend and a continued high level of activity
    - 2013 – 2,277
    - 2014 – 2,725
    - 2015 – 2,689
    - 2016 – 2,538
    - 2017 – 2,446
2. Certificates of Occupancy: Certificates of Occupancy issues over the last five-years show an upward trend
    - 2013 – 211
    - 2014 – 202
    - 2015 – 242
    - 2016 – 276
    - 2017 – 231

3. Permit Fees: Permit fees collected have increased. This increase reflects an increase is fee amounts to better cover staff time. It also reflects an increase in the number and complexity of redevelopment projects.
    - 2013 - $809,307
    - 2014 - $1,842,055
    - 2015 - $1,304,529
    - 2016 - $671,063
    - 2017 – $625,509
4. Single Family Home Activity: Single family home construction continues. The bulk of the activity is tear-downs (note the low number of net new homes in comparison to the number of permits).
    - 2013 – 17 permits, net 7
    - 2014 – 37 permits, net 6
    - 2015 – 33 permits, net 7
    - 2016 – 20 permits, net 6
    - 2017 – 22 permits, net 1

5. Electronic Plan Review: To keep up with increasing activity, greatly speed up plan review, and reduce the need for paper copies; City staff has increased use of electronic plan review, increased availability of online fillable forms, and electronic scheduling.

6. Private Development Activity: Development continues throughout the City (see table below).

7. Public Planning and Implementation: Staff continues to complete long range planning, zoning, and building safety efforts (see tables below).

Project Name	Size	Year
Recently Completed Projects		
Easter Seals Child Care Center	serves 162 children	opened 2013
Good Fortune Grocery	40,000 sq ft commercial	opened 2014
Dominion Jewelers	3,200 sq ft commercial	opened 2014
Hilton Garden Inn	110 rooms	opened 2014
Northgate	105 units 36,735 sq ft commercial	opened 2014
PMA Doctor's Office	11,332 sq ft commercial	opened 2015
Jessie Thackrey School		opened 2015
301 West Broad Street	288 units 64,522 sq ft commercial	opened 2016
Lincoln at Tinner Hill	224 units 45,000 sq ft commercial	opened 2017 Target Grand opening scheduled for March 2018

Kensington Assisted Living Building	120 beds 3,000 sq ft commercial and art space	opened 2017
Southgate Village Shopping Center. 100 E Fairfax St. "Tulip Building"	26,860 sq ft commercial	opened 2017
Projects Under Construction		
205 Park Ave	7,183 sq ft commercial	expected completion 2018
Cottage Housing	10 households	Expected 2018
Projects Approved		
Inns of Virginia	76 hotel rooms	approved 2016
Mason Row	322 units 122-145 hotel rooms 20,000-33,000 sq ft movie theater 67,839 sq ft commercial	approved 2016
Project Applications		
Broad & Washington	304 units 101,300 sq ft commercial	submitted 2016

Project	Completed
Comprehensive Planning	
Mobility for all Modes	2014
Parks for People	2015
Virginia Tech Student Report on Environmental Sustainability	2016
Vision 2040	2017
Small Area Planning	
S Washington Street Small Area Plan	2013
Downtown Small Area Plan	2014
Schools Area ULI-TAP	2015
Gordon Road Mini-TAP	2015
W Broad Street Small Area Plan	2016
Master Planning	
Bus Stop and Bus Shelter Master Plan	2013
TDM Report	2013
Neighborhood Traffic Calming Program Update	2015
Bicycle Master Plan	2015
Park Avenue Great Street Concept	2015
Four Mile Run Restoration and Redevelopment Action Plan	2016
W&OD Master Plan: The City's Greenest Street	2016
Streetscape Standards Update	2017

Urban Design recommendations for West Falls Church project	2017
Transportation Study for West Falls Church project	2017
Project Implementation	
Neighborhood Traffic Calming, Parker Ave & Kent St	2016
Neighborhood Traffic Calming, Pennsylvania Ave	2016
Residential Parking District, Winter Hill	2016
West Broad St street furniture and green bike racks	2016
Bus Shelters	2016-2018
Neighborhood Traffic Calming, N Maple Ave	2017
Capital Bike-share	Expected 2018
W&OD Park and Trail Crossings	Expected 2020

Zoning Updates	
Split Lot Zoning Ordinance Amendment	2014
Increased setback to 20' on Washington and Broad Streets	2014
Updated Commercial Parking Requirements	2016
Change to allow Planning Commission adjustment of required parking for any site plan with a TDM	2016
Added bicycle parking and conversion of space from vehicle to bike parking	2016
Reduced off-site parking agreement term from 30 to 10 years	2016
Amended definition of a "sign", 2nd story signs allowed	2016
Building Safety	
Insurance Services Office audit resulting in improved commercial rating and sustained residential rating	2014
Board of Building Code and Fire Prevention Code Appeals	2015
Began using tablets for field inspection and recording results	2015
Prioritized coordinated code review for commercial projects	2016
Prepared manual/guide to aid commercial applicants in getting through review and permitting process quickly	2016
Started electronic plan review (in addition to paper plan review)	2016

FY2019 DELIVERABLES AND FUTURE PROJECTS

The below list of suggested deliverables for the upcoming fiscal year is based on priorities identified through conversations with community stakeholders. The Council work plan, Planning Commission work plan, Economic Development Authority work plan, and others will inform actual work items undertaken.

Additional tasks identified in the Future Projects list can be addressed in future fiscal years or sooner if additional resources are provided.

FY 2019 Deliverable	Future Projects
Development Activity	
1. West Falls Church project, developer selection and entitlement 2. Founders Row, special exception amendment, site plan approval, and ground breaking 3. Broad & Washington, special exception and site plan	

Plan Development	
1. Combined Small Area Plan for West Falls Church, West End, and Gordon Road Triangle (commercial areas west of W&OD Park and Trail) 2. East End ULI TAP (COG-ULI grant) 3. Demographics Chapter Update 4. Community Profile	1. Land Use and Economic Development Chapter Update 2. Natural Resources, Environmental Sustainability Chapter Update 3. Pedestrian Friendly Principles and Design Standards 4. Consistent with Parks for People, Identify Greenways on Future Land Use Map
Plan Implementation	
1. Bike-Share 2. W&OD Master Plan 3. Neighborhood Traffic Calming 4. Transportation Demand Management	1. Residential Neighborhood Gateways 2. Historic Walking Tours 3. Downtown Parking District
Regional Coordination*	
1. NVTA 2. NVTC 3. COG	1. WMATA (currently monitored through NVTC staff) 2. TPB *<u>*Staff resources for regional coordination are prioritized to address highest priority issues / largest impact opportunities.</u>* *<u>*Resources are not available to track all issues simultaneously.</u>*
CIP and Grants	
1. Grant Applications: a. Transportation Alternatives Program (TAP), b. Recreational Trails Program (RTP), c. SmartScale, d. NVTA 70% Funds, e. Bicycle Pedestrian Safety Program (BPSP) 2. FY 20-25 CIP a. Grant Application Schedule b. POA Project Lists	
Zoning Updates	
1. Greenway Downs Zoning Code Amendment	1. B-Use update 2. Establish Arts & Culture District 3. Residential Parking Update
Building Safety	
1. Launch the “Build Falls Church” Webpage 2. Finalize plan review and field inspection for Lincoln at Tinner Hill and 205 Park Ave 3. Plan review and field inspection for Founders Row 4. Aldi 5. City Hall	

PRIORITIES FOR FUTURE FUNDING

1. One Half Time Position Counter Services ($30,000): This part time position will help staff to handle and to assist with the mid-day rush at the Counter. During peak times mid-day when there is heavy customer volume at the Development Services Counter. This will help staff to provide timely service to homeowners, builders and small business owners who frequently need in person assistance at the counter. Funding for this position is potentially available from the fees collected for building and trades permit fees.

2. Implementation Funds for Demonstration Projects ($50,000): More communities are using demonstration projects to quickly deliver on long term plans. Demonstration projects can deliver meaningful and usable benefits in months instead of years. Demonstration projects are durable enough to last until permanent installation and allow communities to try things out before building permanent structures.

ADOPTED POSITIONS BY FTE – 21.30 TOTAL

1.00 Director, Community Planning and Economic Development Services
1.00 Senior Administrative Assistant

Planning Division (7.8)
1.00 Planning Director
1.00 Planning Specialist/Planning Commission Clerk
1.00 Deputy Planning Director
1.00 Principal Planner
0.50 Deputy Zoning Administrator/Senior Planner
1.00 Senior Planner
1.00 Senior Planner/GIS/Urban Design Specialist
1.30 Planner, Transportation*

Economic Development (2.00)
1.00 Business Manager
1.00 West Falls Church Project Manager (Consultant)

Zoning Division (4.5)
1.00 Zoning Administrator
0.50 Deputy Zoning Administrator / Senior Planner
1.00 Development Services Inspector/Zoning Technician

Counter Services Team (2.0)
1.00 Senior Development Process Specialists / Team Leader
1.00 Senior Development Process Specialists

Building Safety Division (5.0)
1.00 Building Official
1.00 Deputy Building Official /Electrical Plan Reviewer Inspector
1.00 Multi Code Plan Reviewer and Inspector
1.00 Structural Engineer/Plan Reviewer
1.00 Building Inspector

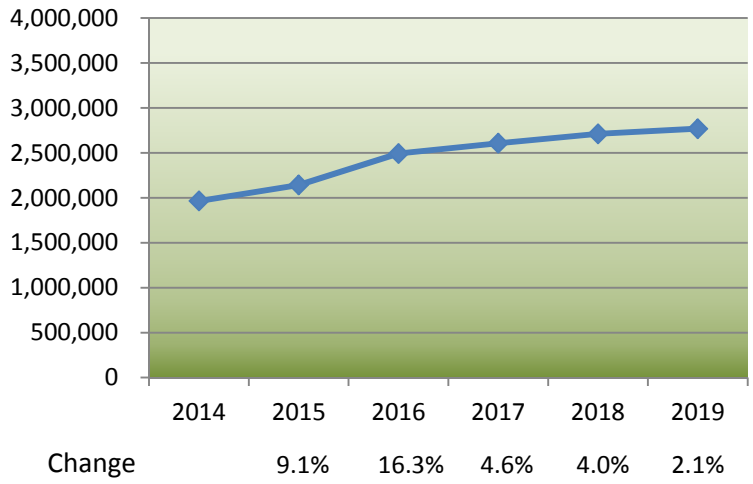
*0.70 of a Transportation Planner position is being funded with grants under the Capital Improvements Program (CIP) Funds.

**Temporary employees and consultants are also utilized by the department on an as needed basis.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 2,086,591	$ 2,023,808	$ 2,005,290	-0.92%
Benefits	547,012	569,329	487,598	-14.36%
Professional and Contractual	30,007	22,600	150,200	564.60%
Materials, Supplies, and Other	80,885	78,252	104,304	33.29%
Capital Outlay	33,896	17,000	20,500	20.59%
Total Expenditures	2,778,391	2,710,989	2,767,892	2.10%
Revenues				
Licenses, Fees, and Permits	603,868	1,130,000	1,165,726	3.16%
Use of Inspection Fee Reserves	-	-	-	0.00%
Total Revenues	603,868	1,130,000	1,165,726	3.16%
Net Expenditures Supported by General Revenues	**2,174,524**	**1,580,989**	**1,602,166**	**1.34%**

BUDGET TREND: FY2014 – FY2019



Notes:

FY 2015
- A Marketing Specialist was added.
- A Senior Administrative Assistant was added.
- A Transportation Planner was added.

FY 2016
- A Structural Building Engineer was added.

FY 2017
- A multimodal transportation planner and two planning consultants were added.

FY2019
- With the reorganization, the Director of Economic Development position was eliminated and the Marketing Specialist position was changed to a part-time position.
- A project manager for the West Falls Church project is included in the proposed budget.

NON-DEPARTMENTAL EXPENDITURES

The following categories of expenditures are considered to be non-departmental:

- Transfer to School Board
- Other Education Expenditures
- Post-Employment Benefits
- Regional Transportation/Transit
- Debt service
- Transfers to Other Funds
- Contingencies and Tax Credits

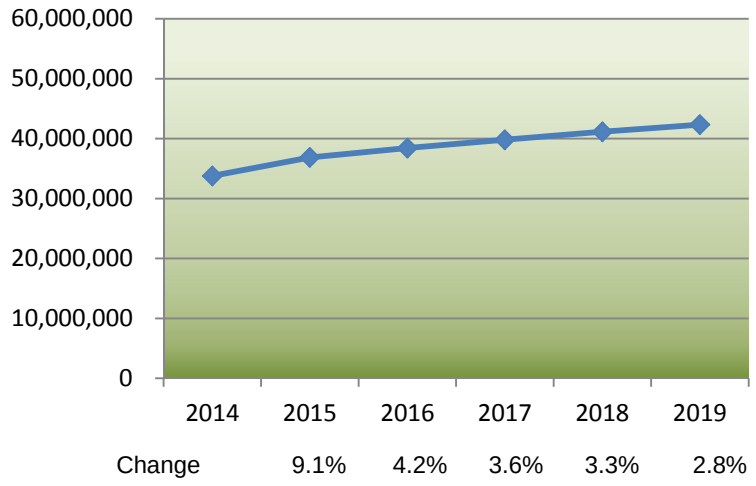
TRANSFER TO SCHOOL BOARD

The following shows the transfer of funds from the General Fund to the School Board. More information can be found regarding the School Board's budget beginning on page 241.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Transfer to School Board - Operating	$ 39,696,000	$ 41,040,500	$ 42,211,546	2.85%
Transfer to School Board - Community Services	121,030	107,500	107,500	0.00%
Net Expenditures				
Supported by General Revenues	**$ 39,817,030**	**$ 41,148,000**	**$ 42,319,046**	**2.85%**

BUDGET TREND: FY2014 – FY2019



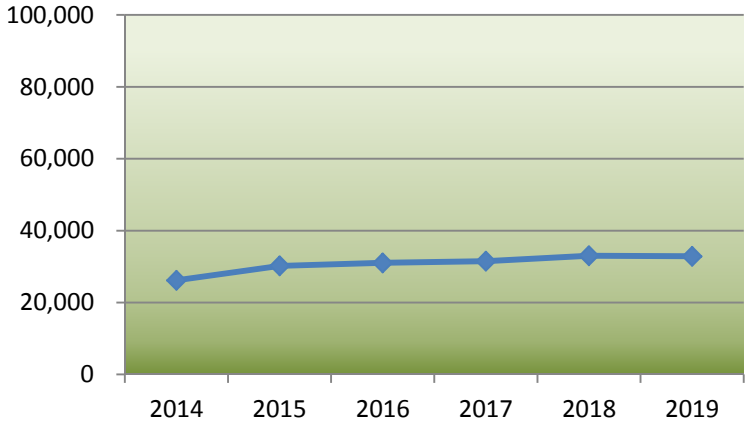
OTHER EDUCATION EXPENDITURES

The amounts adopted in the following budget constitute the City's contribution to Northern Virginia Community College (NVCC).

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Northern Virginia Community College Contribution	$ 31,482	$ 33,003	$ 32,852	-0.46%
Net Expenditures				
Supported by General Revenues	**$ 31,482**	**$ 33,003**	**$ 32,852**	**-0.46%**

BUDGET TREND: FY2014 – FY2019



Change	15.4%	2.7%	1.5%	4.8%	-0.5%

OTHER POST-EMPLOYMENT BENEFITS

In addition to pension, the City provides health insurance and life insurance benefits for employees who have both vested in the City's pension plan and retire from the City. Together, these are referred to as "Other Post-Employment Benefit" (OPEB).

For employees hired prior to April 1, 2008 the City pays 50% of the retiree's health insurance premium and 100% of the premiums for $2,000 life insurance policy with the benefit vesting after either five years of credible service or eligibility to retire, whichever comes first. For employees hired on or after April 1, 2008 the City pays 20% of the retiree's health insurance premium after ten years' credible service and the benefit increases by 2% per year up to 50% at twenty-five years of service.

The following table shows the portion of the FY2019 ARC that is allocable to current retirees. In addition, the departmental budgets include a portion of the ARC that is allocable to active employees. In total for the General Fund, the City will contribute $365 thousand in FY2019 and contributed $351 thousand in FY2018.

Included in this category, although related to pension, is a reduction to the City's Actuarially-Determined Contribution (ADC) to the Basic and Police Pension Plan. The reduction is a result of the return on investments on the Water System sales proceeds from 2014. The City also reduced its FY2018 ADC by $140,000. This reduction was included in the City's departmental budget in FY2018.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Benefits	$ 191,361	$ 92,978	$ 120,225	29.30%
Pension Return on Investment	-	-	(640,000)	-
Net Expenditures Supported by General Revenues	**$ 191,361**	**$ 92,978**	**$ (519,775)**	**-659.0%**

REGIONAL TRANSPORTATION

WMATA

The City, along with other jurisdictions in the region, contributes an annual subsidy towards the Washington Metropolitan Area Transportation Authority (WMATA)'s operating and capital costs. WMATA provides bus and rail service throughout the region. In FY2019, the City's estimated share of the WMATA costs is $4.8 million.

The City funds its share of the costs using four different sources of funds:

1. Local revenues tax revenues: $1,076,000. It should be noted that a portion of this ($1,050,000) is used as the City's Commercial and Industrial Equivalency (C&IE) match. The City is required to provide this match and transfer it to the Special Transportation Fund in order to receive its NVTA 30% allocation.
2. Northern Virginia Transportation Authority (NVTA) 30% funds: $0.
3. Fuel taxes: $1,167,000. The City imposes taxes on fuel sold within the City. By law, these taxes are deposited directly with the Northern Virginia Transportation Commission (NVTC) and NVTC makes the payments directly to WMATA on the City's behalf. These amounts are therefore not included in the City's budget.
4. State grants from the Virginia Department of Rail and Transportation (DRPT): $1,259,000. NVTC applies for grants with DRPT to be used towards the City's share of the WMATA costs. These funds are also deposited directly with NVTC and are not included in the City's budget.

The adopted budget has an increase of $132,681 (or 13.9%) for WMATA based on the recently adopted mass transit metro funding legislation (HB1539 and SB856) along with $100,000 for transportation projects.

OTHER

The City pays NVTA for its share of NVTA's administration costs, using the 30% NVTA funds.

The City also participates in regional cooperation and makes an annual contribution to the Northern Virginia Transportation District. These are funded with local funds.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Northern Virginia Transportation District	$ 4,856	$ 4,856	$ 4,856	0.00%
Northern Virginia Transportation Authority	-	11,149	11,500	3.15%
WMATA Obligations	764,626	943,670	1,076,000	14.02%
Total Expenditures	769,482	959,675	1,092,356	13.83%
Revenues				
NVTA 30% Funds	-	115,149	11,500	-90.01%
Total Revenues	-	115,149	11,500	-90.01%
Net Expenditures Supported by General Revenues	**$ 769,482**	**$ 844,526**	**$ 1,080,856**	27.98%

DEBT SERVICE

The City issues debt as necessary to fund long-lived capital assets such as school buildings, open space, and public facilities and infrastructure. The adopted use of debt financing is included as part of the City's Capital Improvements Program (CIP) and is subject to the Council's adopted debt policies which are noted on page 32.

Debt service for the General Fund includes all general obligations of the City, including those debts issued for the School Board but excludes debts issued for the utility funds. Debt service for debt issued for the use of the utility funds is included in their respective budgets and is covered by their respective user rates.

In June 2018, the City issued approximately of $22.3 million to fund the renovation/construction of the City Hall, the Mary Riley Styles Public Library (Library), and the George Mason High School (GMHS), along with miscellaneous other projects for parks, open space, and public safety. The debt service for this issuance is estimated to be approximately $2 million and is included in the FY2019 adopted budget.

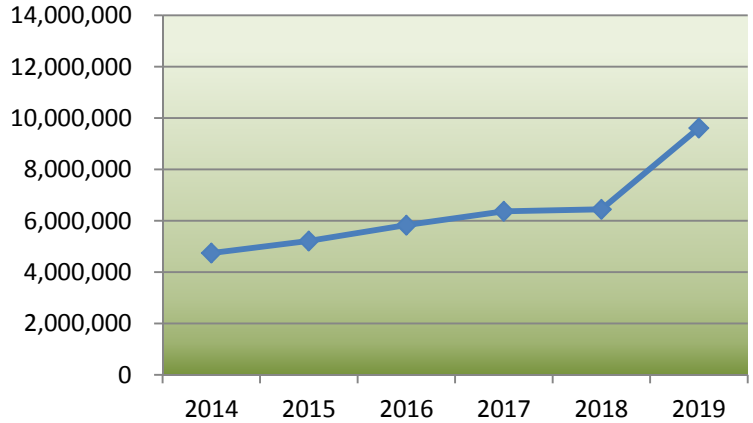
Additional debt is also expected to be issued in FY2019 for the Library and GMHS projects but the related debt service for this debt is expected to begin in FY2020. However, an estimated bond issuance cost of $800,000 is included in the FY2019 adopted budget.

Additional information on the City's debt can be found on pages 66-70.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 5,472	$ 17,000	$ 24,000	41.18%
Bond Issuance Costs	11,947	50,000	800,000	1500.00%
Principal	4,543,230	4,790,694	6,184,694	29.10%
Interest	1,719,723	1,587,818	2,189,306	37.88%
Total Expenditures	6,280,372	6,445,512	9,198,000	42.70%
Revenues				
Other Grants and Contributions	118,703	118,830	119,085	0.21%
Total Revenues	118,703	118,830	119,085	0.11%
Net Expenditures Supported by General Revenues	**$ 6,161,669**	**$ 6,326,682**	**$ 9,078,915**	**43.50%**

BUDGET TREND: FY2014-2019



Change	9.9%	11.8%	9.2%	1.2%	49.1%

Notes:

- The City issued new bonds in FY2012-FY2017, resulting in the increase of debt service for the subsequent years.
- The City expects to issue $22.3 million in new debt in FY2018.

TRANSFERS TO OTHER FUNDS

Transfers to other funds are made out of the General Fund to provide funding for projects in the Capital Improvements Program (CIP) accounted for in the General Government and School Capital Project Fund and the Special Transportation Fund. The adopted transfers are to provide for matches to federal grants and to provide funding for critical facilities and infrastructure maintenance.

In FY2019, a total of $1,977,604 is being transferred to three funds:

- General Government and School Capital Project Fund: $350,000. The projects funded are:
  - City Facilities Reinvestment: $350,000

- FCCTV Fund: $237,604. These transfers are funded with general revenues and Public, Education, and Government grants (PEG). Prior to FY2017, these transactions were included in the Executive Department's budget and were managed under the auspices of the Office of Communication.

- Special Transportation Fund: $1,390,000. This transfer comprises the City's C&I Equivalent funds. These funds will be used to pay for the following expenditures:
  - Obligation to WMATA: $1,050,000
  - Downtown Planning Opportunity Area improvements: $240,000 (using the proceeds from the sale of property on Hillwood Avenue in FY2018)
  - Neighborhood Traffic Calming: $100,000

  The WMATA expenditure is expended from the General Fund and therefore, a corresponding revenue item labeled Transfer from the Special Transportation Fund is also being recognized in the Revenues section of the General Fund budget.

  In 2013, Virginia enacted HB2313, which allowed certain local jurisdictions to raise sales, transient occupancy, and grantor's taxes in order to fund eligible local and regional transportation expenditures. These taxes are deposited with the Northern Virginia Transportation Authority (NVTA). Of the taxes raised in the City, the City is entitled to receive 30% while the remaining 70% is pooled with other jurisdiction's 70% funds to pay for regional transportation projects. However, in order to receive the local share of 30%, the City is required to raise an amount equivalent to 12.5 cents of tax on commercial and industrial properties in lieu of taxing these properties. If the City does not raise the full equivalent amount, the difference is deducted from the City's local share of 30% and is placed in the 70% pool.

  The City's C&I Equivalent in FY2019 is approximately $1,050,000.

Additional information regarding the CIP and the Special Transportation Fund can be found beginning on page 263.

Transfers to Other Funds

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Transfer to CIP	2,043,860	200,000	350,000	75.00%
Transfer to Special Transportation Fund - C&IE	932,126	1,135,567	1,390,000	22.41%
Transfer to FCCTV Fund	156,096	223,386	237,604	6.36%
Total Expenditures	3,132,082	1,558,953	1,977,604	26.85%
Revenues				
PEG	-	65,000	65,000	0.00%
Total Revenues	-	65,000	65,000	0.00%
Net Expenditures Supported by General Revenues	**3,132,082**	**1,493,953**	**1,912,604**	28.02%

CONTINGENCIES, TAX CREDITS, & RESERVES

This budget proposal includes the equivalent of 3 cents (1.5 cents approved in the FY2018 Budget and $640,000 in investment returns from the proceeds of the sale of the Water system) to be placed in capital reserves for future use. Capital Reserves will be drawn down in future years to pay for debt service on capital projects that were previously approved, including the George Mason High School reconstruction, City Hall renovation, and the Mary Riley Styles Public Library renovation.

$250,000 is being reserved to pay to BJ's pursuant to the Economic Development Agreement entered into with 6607 Wilson Retail, LLC. Since the credit implementation, the City has been paying the maximum amount of $250,000 to BJ's, although these are shown as reductions to revenue for accounting purposes.

This budget does not include contingency reserves to offset potential changes to revenues and expenditures that are not yet known at the time this budget is adopted.

ADOPTED BUDGET

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Capital Reserve	$ -	$ 600,000	$ 1,240,000	106.67%
Tax Credit - BJ's	250,000	250,000	250,000	0.00%
Net Expenditures Supported by General Revenues	**$ 250,000**	**$ 850,000**	**$ 1,490,000**	**75.29%**

Note: The above numbers do not include $282,000 in tax relief which is included instead in the treasurer's budget as they administer the program.

General Fund

FY2019 Adopted Budget

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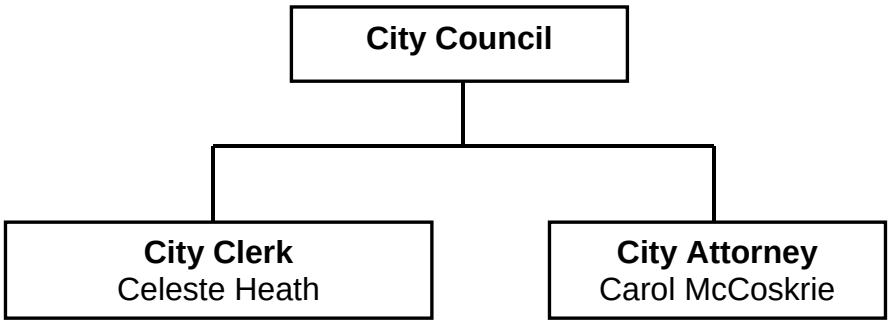
GENERAL FUND REVENUES

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Real Estate Taxes	$ 50,643,160	$ 53,257,000	$ 56,151,000	5.43%
Personal Property Taxes	5,590,259	5,713,900	6,278,200	9.88%
Non-Assessed Property Taxes	379,903	380,000	397,000	4.47%
Local Sales and Use Taxes	4,603,600	4,649,000	4,742,000	2.00%
Utility Tax	2,149,523	2,170,000	2,215,000	2.07%
Cigarette Tax	368,969	330,000	359,000	8.79%
Meals Tax	3,162,094	3,094,750	3,279,000	5.95%
Other Sales and Use Taxes	539,613	589,000	680,000	15.45%
Gross Receipts Business Taxes	4,104,102	4,263,000	4,439,000	4.13%
Other Taxes	987,069	1,024,000	1,051,000	2.64%
Total Taxes	**72,528,292**	**75,470,650**	**79,591,200**	**5.46%**
Building and Inspection Fees	764,752	1,297,746	1,211,726	-6.63%
Other Licenses, Fees & Permits	271,410	194,600	198,900	2.21%
Total Licenses, Fees & Permits	**1,036,162**	**1,492,346**	**1,410,626**	**-5.48%**
Grant Revenue - Federal	658,091	354,671	308,037	-13.15%
Other State CategoricalAid	1,318,928	632,675	590,126	-6.73%
State Non-Categorical	3,148,438	3,147,877	3,134,027	-0.44%
State Categorical	350,172	359,000	353,800	-1.45%
Other Contributions	36,784	13,430	20,400	51.90%
Total Grants & Contributions	**5,522,781**	**4,507,653**	**4,406,390**	**-2.25%**
Charges for Services - GenGovt	18,273	20,500	21,200	3.41%
Charges for Services - Judicial	45,508	50,792	46,892	-7.68%
Charges for Services - Public Safety	604,747	770,004	1,092,892	41.93%
Charges for Services - Sanitation	48,739	57,000	52,200	-8.42%
Charges for Services - HHS	6,090	6,000	6,400	6.67%
Charges for Services - Culture and Recreation	1,983,881	2,010,000	2,017,000	0.35%
Admin & Motor Pool Fees - Sewer Fund	146,074	161,600	158,300	-2.04%
Admin & Motor Pool Fees - Stormwater Fund	158,841	171,000	161,700	-5.44%
Other Charges	253,804	255,000	246,700	-3.25%
Total Charges for Services	**3,266,976**	**3,505,896**	**3,806,484**	8.57%

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Court Fines & Forfeitures	218,291	261,000	233,400	-10.57%
Red Light Violations	89,865	200,000	200,000	0.00%
Parking Fines	133,469	140,000	140,000	0.00%
Library Fines	44,998	41,000	43,200	5.37%
Other	4,150	10,100	8,400	-16.83%
Total Fines and Forfeitures	**490,773**	**652,100**	**625,000**	**-4.16%**
Investment Revenues	219,283	50,000	50,000	0.00%
Rental Income	223,817	240,000	232,500	-3.13%
Total Revenue from Use of Property and Money	**443,100**	**290,000**	**282,500**	**-2.59%**
Dispositions and Sales	665,251	19,000	43,900	131.05%
Recovered Costs	101,258	35,000	30,000	-14.29%
Other	14,606	10,000	8,900	-11.00%
Total Miscellaneous	**781,115**	**64,000**	**82,800**	**29.38%**
Transfer from Special Transportation Fund	941,723	1,114,567	1,061,500	-4.76%
Total Interfund Transfers	**941,723**	**1,114,567**	**1,061,500**	**-4.76%**
Proceeds from sale of bonds	612,000	269,000	959,000	256.51%
Use of Restricted Fund Balance	-	-	81,737	-
Use of Assigned Fund Balance	-	-	240,000	-
Total Other Financing Sources	**612,000**	**269,000**	**1,280,737**	**376.11%**
TOTAL REVENUES - GENERAL FUND	**$ 85,622,922**	**$ 87,366,212**	**$ 92,547,237**	**5.93%**

General Fund Expenditures

LEGISLATIVE



MAYOR AND CITY COUNCIL

Mayor P. David Tarter
Vice Mayor Marybeth Connelly
Council Member Phil Duncan
Council Member Letty Hardi
Council Member Ross Litkenhous
Council Member David F. Snyder
Council Member Dan Sze

CITY COUNCIL

SUMMARY OF SERVICES PROVIDED

The City of Falls Church is governed by a seven-member City Council. The City Council establishes City policies; reviews and approves the City's annual operating and capital budgets; adopts ordinances; appropriates funds; approves rezoning and special exceptions to the zoning ordinance; appoints members to boards and commissions; and carries out other responsibilities set forth in the City Charter and State Code. The City Council meets in regular session the second and fourth Monday of the month, and in work session on first and third Mondays.

In addition to attending regular Council meetings, work sessions, and board and commission meetings in connection with City business, Council Members meet with constituent groups and in public forums about various City issues and respond to phone calls and mail from citizens. Council Members also work one-on-one with other jurisdictions for the betterment of the City. The Mayor and Council Members attend multiple civic and community events.

Council members serve as liaisons to City boards and commissions, as well as to various regional organizations such as the Metropolitan Washington Council of Governments; the Northern Virginia Regional Commission; and Transportation Planning Board. Each member also serves on City Council committees. Council members travel to Richmond to lobby for legislation during Virginia General Assembly sessions and participate in the Virginia Municipal League (VML), including attendance at both the VML Conference and Legislative Day.

TRENDS AND ISSUES

- Conference attendance and mileage expenditures are expected to continue to increase annually.
- Regional and State organization dues are expected to continue to increase annually.
- Technology to allow more sustainable practices for agenda management will be in demand.

FY2019 DELIVERABLES

- Continue to work together to reach the City's Vision:

  In the year 2040, the City of Falls Church is a welcoming and inclusive community – a special place in the heart of Northern Virginia. Involved citizens are key to the City's long-term success as a leader in education, environmental sustainability, multi-modal transportation, and vibrant economic development.

  By investing in neighborhoods, community services and facilities, schools, and parks the City preserves small-town character and history while honoring a deep commitment to progress and a growing community. The continual rejuvenation of robust commercial areas supports the City's high quality of life for all citizens.

PRIORITIES FOR FUTURE FUNDING

1. Regional Dues Increase - $1,500: Regional dues continue to increase.

2. Education & Travel – Increase $2,500: Council will continue to travel to accomplish City business and obtain education.

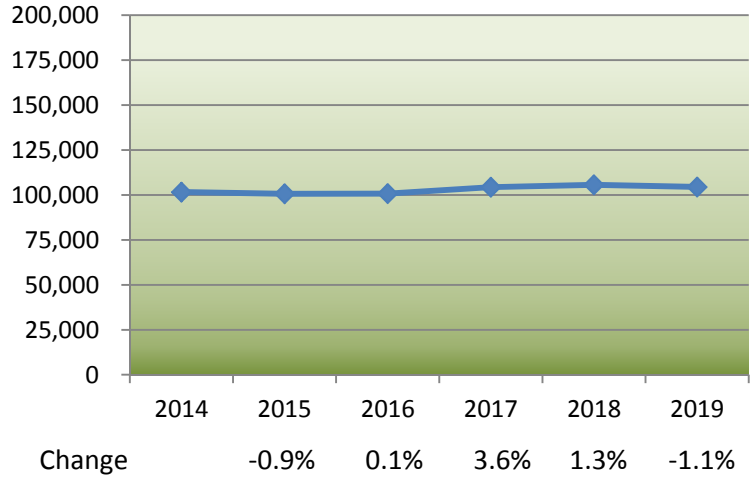
3. Materials and Supplies – Increase $1,000: Costs have increased for food items and Council will be meeting more with volunteer boards and will want to provide nourishment at those meetings.

4. Tablet upgrades: $9,000: Upgrades for five tablets to be able to utilize Granicus paperless features. Three more tablets would be added in the next Fiscal Year.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 62,700	$ 65,000	$ 65,000	0.00%
Benefits	4,797	4,973	4,973	0.00%
Materials, Supplies, and Other	39,201	35,644	34,444	-3.37%
Net Expenditures Supported by General Revenues	**$ 106,698**	**$ 105,617**	**$ 104,417**	**-1.14%**

BUDGET TREND: FY2014 – FY2019



CITY CLERK

SUMMARY OF SERVICES PROVIDED

The City Clerk is appointed by the City Council and serves as administrator for the City Council and maintains records of official city documents. The City Clerk is a liaison between the City Council, staff, and citizens. The City Clerk's office works closely with the City Manager's office to execute the will of the City Council and with the City Attorney's office to advise City Council and staff on open meeting, freedom of information, records retention, conflicts of interest and other state and local regulations.

The City Clerk's office is staffed by the City Clerk and Deputy City Clerk and is tasked with:
attending and recording City Council meetings, preparing Council meeting public notices, agendas, packages, and minutes, submitting legal notices for publication, preparing correspondence, proclamations, and certificates of appreciation, distributing an electronic calendar of Council events, managing the City Council and City Clerk budget, preparing, finalizing, and distributing legislation passed by Council, updating the City Code, coordinating semi-annual filing of conflict of interest statements, administering the oath of office to Council members, board and commission members, and police officers.

The City Clerk also serves as the City's Records Manager and FOIA Coordinator, initiating FOIA and records management training, and conducting research for staff of historical documents/records. The City Clerk's office keeps abreast of technological and management advances to streamline City Council process and facilitate communication with the public.

TRENDS AND ISSUES

- Materials and supply budgets continue to suffer as contract costs and regional dues increase with no increase in total budget.
- FOIA request rates continue to rise with a 37% increase in requests in 2017. Continued demands put pressure on staff time.
- Development of a robust records retention program has also increased demand for records guidance from staff, increasing the work load for records retention to a previously unseen level.
- Citizens will continue to demand technologies that increase their access to City Council activities which will be accompanied by increased cost.

FY2019 DELIVERABLES

- Provide timely updates of all City Council actions and endeavors by:
  - Facilitating and attending 22 regular City Council meetings; organizing for 22 or more work sessions; preparing agenda packages for all meetings and works sessions; and preparing, posting to the web, and archiving the official minutes of each meeting.
  - Preparing the Legislative Update summarizing Council actions following each of the 22 regular City Council meetings and sending to the public via email and posting on the City web site.
  - Preparing all Council meeting videos for the web and providing support for preparing Planning Commission videos.
  - Drafting, editing, tracking, and making available to City Council, City staff, board and commission members, and citizens, staff reports and related documents for approximately 75 new pieces of legislation each year.
  - Notifying the community of City Council activities by preparing and posting notices of public meetings.
  - Coordinating with the Office of Communications and FCCTV for video coverage of City Council meetings.
- Respond to approximately 89 Freedom of Information Act requests annually with 100% on-time compliance with FOIA law.
- Facilitate communication between boards and commissions and the City Council by providing regular training and updates to staff liaisons and scheduling boards and commissions to meet with City Council.
- Manage City Council appointments to boards and commissions.
- Provide regular group training and one-on-one training and advice to City staff to ensure compliance with FOIA and records regulations.
- Work with facilities staff to organize records for ideal storage solutions that will save the City money. Review departmental records destruction forms and maintain liaison with State Library of Virginia. Meet approximately 12 times per year with facilities staff to arrange City Hall and off-site storage and make sure records retention laws are followed.

PRIORITIES FOR FUTURE FUNDING

1. Live Streaming Contract Increased by $2,200 in order to provide more public access to meetings.
2. Advertising (public hearing), printing and binding (City Code), and supplies were cut by : $2,200 to meet budget guidelines

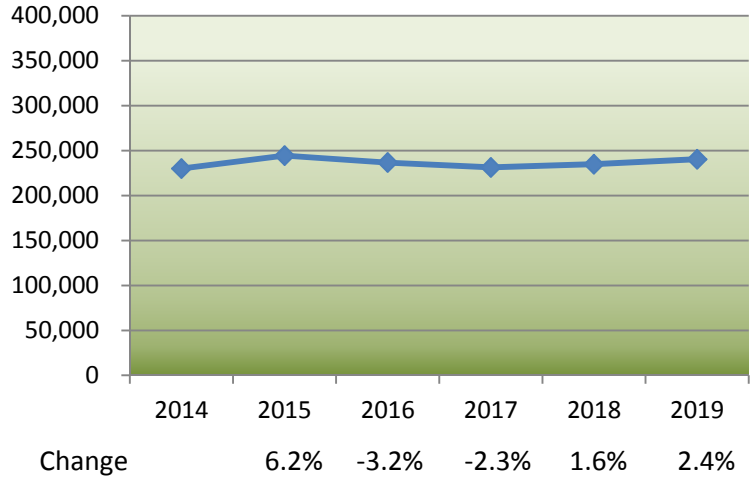
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 City Clerk
- 1.00 Deputy City Clerk

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 148,399	$ 152,816	$ 161,783	5.87%
Benefits	46,126	47,885	43,231	-9.72%
Professional and Contractual	26,567	25,959	28,159	8.47%
Materials, Supplies, and Other	3,402	8,165	7,165	-12.25%
Net Expenditures Supported by General Revenues	**$ 224,495**	**$ 234,825**	**$ 240,338**	**2.35%**

BUDGET TREND: FY2014 – FY2019



CITY ATTORNEY

SUMMARY OF SERVICES PROVIDED

The City Attorney provides legal counsel and advice to the City Council, School Board, City Departments, and Boards and Commissions. The City Attorney also represents the City in litigation before courts and administrative agencies. In addition, the City Attorney provides legal advice and services relating to property development, zoning and building code enforcement, subdivision, redevelopment, housing, public utilities, administrative and general matters, including the preparation of ordinances, resolutions, contracts, franchise, amendments to existing agreements, advises departments of changes in applicable law, monitors the work of specialized outside counsel and prepares legal opinions.

Among the issues on which the City Attorney advises the City Council and others are the Conflict of Interest and Freedom of Information Acts, zoning, employment disputes, property acquisition and disposition, and economic development issues.

TRENDS AND ISSUES

- Additional legal services required for additional and more complex redevelopment;
- Departmental oversight of Arlington County Judicial Services contract moved to City Attorney's office.

FY2019 DELIVERABLES

- Provide effective legal counsel to the City in order to minimize and defend litigation against the City.

Matters Handled by City Attorney	CY2017	FY2019 est.
Written Legal Opinions provided in CY2017:	13	16
Ordinances/Resolutions reviewed for Council meetings:	67	72
Other assignments:	124	125
Claims and Litigation	7	8
Total	211	228

- Review outside contracts for legal services to try to achieve cost savings while preserving effectiveness of legal services.

- Ensuring FOIA compliance within all departments for governmental transparency.

PRIORITIES FOR FUTURE FUNDING

1. Part-time Assistant Attorney (20 hrs. a week) - $75,000.00. The City Attorney needs a part-time Assistant Attorney to assist with case review and general legal services.

ADOPTED POSITIONS BY FTE – 2.00 TOTAL

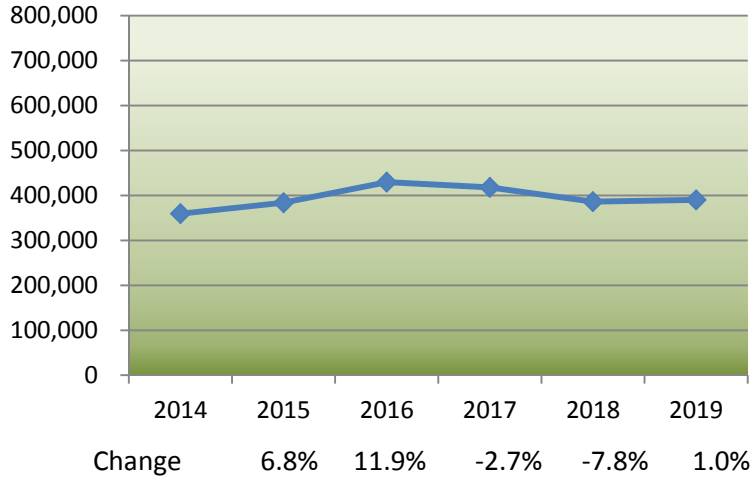
- 1.00 City Attorney
- 1.00 Paralegal

City Attorney

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 214,378	$ 250,525	$ 261,349	4.32%
Benefits	54,872	65,272	60,082	-7.95%
Professional and Contractual	42,806	56,933	51,650	-9.28%
Materials, Supplies, and Other	15,547	13,375	16,954	26.76%
Net Expenditures Supported by General Revenues	**$ 327,603**	**$ 386,105**	**$ 390,035**	**1.02%**

BUDGET TREND: FY2014 – FY2019



Notes:

- Decreases from 2016-2018 are due to increasing costs of judicial services contract. Each year to keep the overall budget "flat", the City Attorney's fund for outside attorney and other ongoing expenditures to meet the City's day-to-day legal needs are being reduced.

JUDICIAL SERVICES WITH ARLINGTON COUNTY

TRENDS AND ISSUES

- Increasing population requires increasing judicial services.

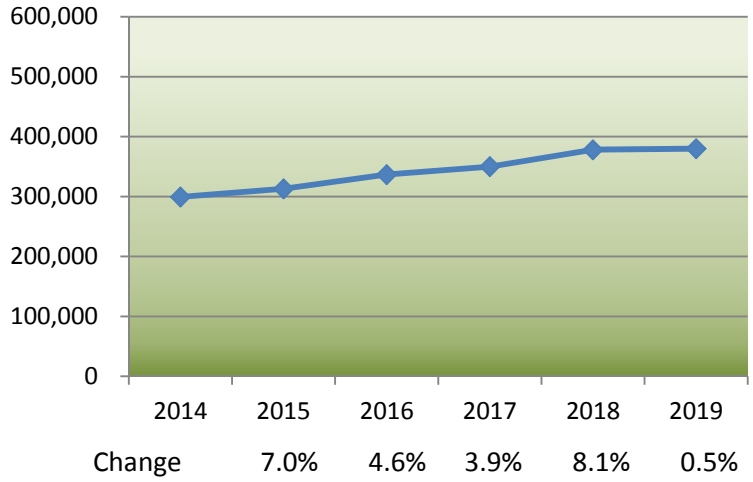
FY2019 DELIVERABLES

- Judges, Courtrooms, Circuit Court Clerk services, and Commonwealth's Attorney services provided for cases involving Falls Church residents, and litigants.

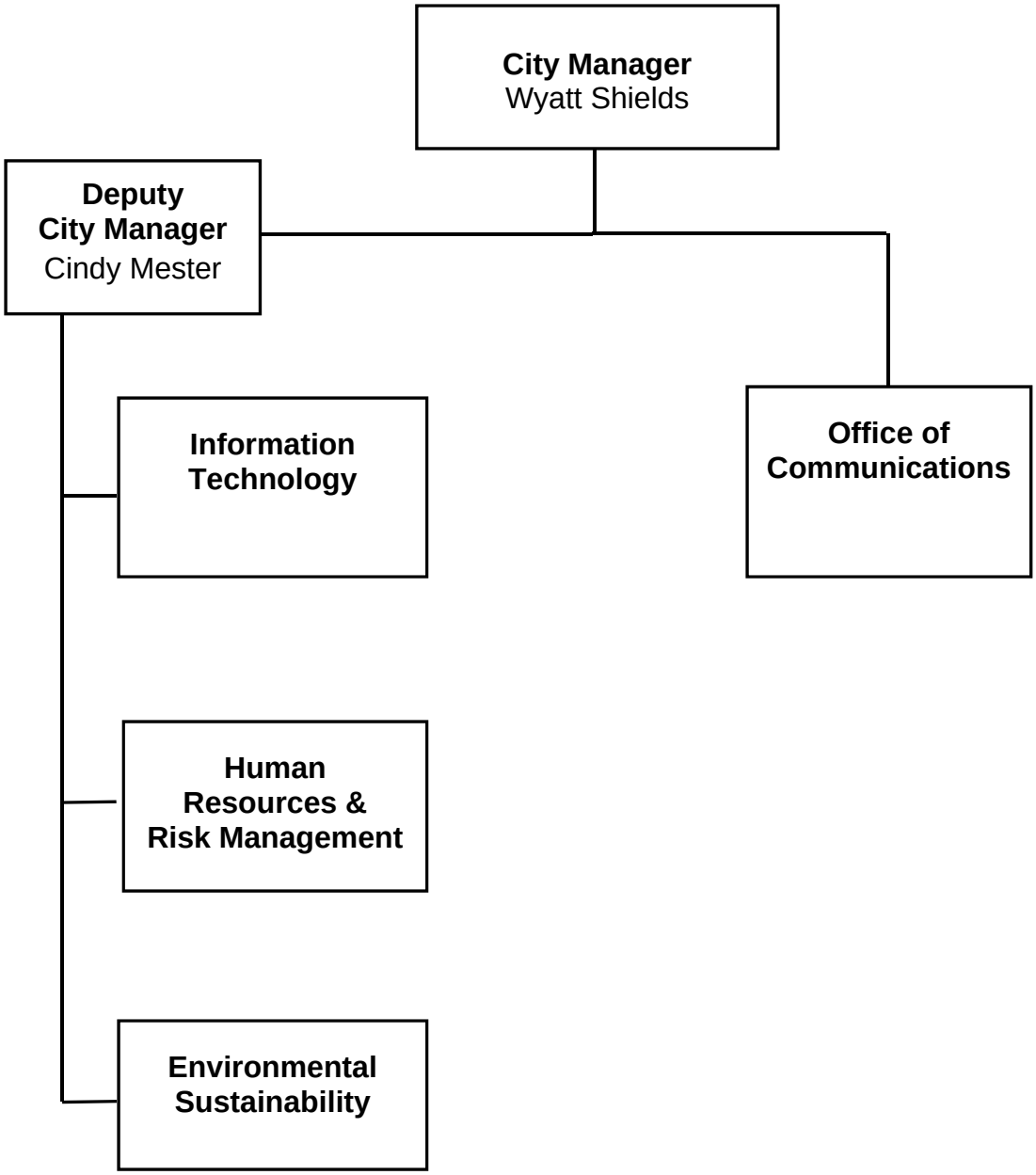
ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 348,713	$ 378,083	$ 379,787	0.45%
Net Expenditures				
Supported by General Revenues	**$ 348,713**	**$ 378,083**	**$ 379,787**	**0.45%**

BUDGET TREND: FY2014 – FY2019



EXECUTIVE MANAGEMENT



CITY MANAGER

SUMMARY OF SERVICES PROVIDED

The City Manager's Office is responsible for providing timely policy recommendations to the City Council; seeing that the vision and policies of the City Council are implemented effectively; working collaboratively with all City Departments to ensure delivery of high quality services at a good value to taxpayers, residents and businesses of the City; and fostering economic growth and fiscal sustainability.

TRENDS AND ISSUES

- Execution of major capital projects is a high priority for the City Manager.

SIGNIFICANT CHANGES IN FY2019

- The Human Resources Budget will provide an additional part time position, which is a partial restoration of the reduction of the HR Director Position in FY2018. This will allow for the Deputy City Manager to take on additional Legislative Services and limited special projects.

FY2019 DELIVERABLES:

- Provide background information and data to support City Council's policy decision making
- Implement the strategic goals and objectives, ordinances, and policies set by the City Council
- Develop and implement the City's annual operating budget and capital improvements program
- Actively engage the community in the public decision making process
- Provide timely and responsive customer service to all citizens, external agencies and internal departments to ensure convenient access to City services and officials.
- Ensure effective collaboration between Schools and General Government and overall effective and on time execution on West Falls Church Economic Development Project.

PRIORITIES FOR FUTURE FUNDING

1. Receptionist/Office Assistant ($45,000) to provide phone coverage, assist citizens and visitors to the City Manager's Office and perform various office duties.

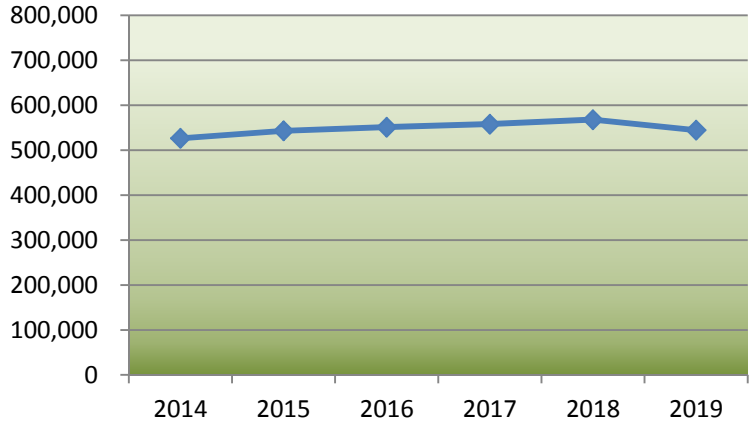
ADOPTED POSITIONS BY FTE – 2.85 TOTAL

- 1.00 City Manager
- 1.00 Executive Assistant
- 0.85 Deputy City Manager

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 414,665	$ 422,777	$ 416,955	-1.38%
Benefits	120,932	126,389	108,885	-13.85%
Professional and Contractual	256	-	-	0.00%
Materials, Supplies, and Other	22,042	18,639	18,639	0.00%
Net Expenditures Supported by General Revenues	**$ 557,895**	**$ 567,805**	**$ 544,479**	**-4.11%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		3.2%	1.5%	1.2%	1.8%	-4.1%

Notes:

- The Office of the City Manager budget is principally personnel related.
- FY2019 reduction is due to Human Resources reorganization.

OFFICE OF COMMUNICATIONS

SUMMARY OF SERVICES PROVIDED

The Office of Communications (OCOM) creates and manages all external and internal communications about City government programs and services to the public and employees through a variety of communication tools. OCOM serves as spokesperson for City departments and programs, distributing 150 news releases; creating over 675 posts on Facebook for 3,200 followers; posting 850 tweets on Twitter for 3,700 followers; sharing 100 Instagram photos for 1,000 followers; distributing weekly "Focus on Falls Church eNewsletters" to 1,200 subscribers; and distributing monthly employee newsletters. OCOM manages the City's public website, Falls Church Alerts, Citizen Information Line, Employee Information Line, Emergency Radio 1680 AM, and creates a number of print marketing and information pieces. OCOM manages the FCCTV PEG station a valuable media outlet for community engagement.

Working with Police, Emergency Manager, NVRC, and MWCOG, OCOM is on-call 24/7 for emergency communications with the public and employees for severe weather, such as snowstorms and hurricanes, and police incidents, from large-scale incidents to dog bite cases.

OCOM counsels and assists all departments on promoting the City brand, event marketing, publications, and media relations.

TRENDS AND ISSUES

- The City relies almost exclusively on digital communication to keep the public informed. This focus on digital communications stems in part from an FY2012 Budget decision to reduce costs associated with print communications, including the elimination of the position of Graphics Designer. This change lowered costs and has many advantages, but it is a disadvantage for members of the public who do not have access to online media.
- Increased requests from staff and City Council for community engagement, more promotion and marketing, and using additional tools such as video and surveys
- Increasing use of social media. Followers increased by 18% over the three platforms.
- Community expectations of information being delivered 24 hours a day, 7 days a week, especially in times of crisis. Long-duration police, fire, and emergency events are a challenge to staff with two employees.
- Organic reach on social media is becoming an increasing challenge as platforms are increasingly requiring paid promotion to reach an audience. In the next fiscal year, we will need to increase the advertising budget.

FY2019 DELIVERABLES

- Continue to build social media presence on Facebook, Twitter, Instagram, and any new social networks deemed appropriate for City government.
- Find effective ways to communicate with the senior citizen community.
- Grow the emergency alert system subscriber list by 10% (200 additional subscribers).

PRIORITIES FOR FUTURE FUNDING

1. Communications Specialist, $72,000. This full time position will help OCOM better serve residents and businesses. Since budget cuts in 2011, OCOM was reduced from three to two staff. Since then, OCOM has gained a qualified presence on social media platforms and answers to the 24/7 news cycle. A third team member would help OCOM increase community awareness of police and CIP projects, and use additional tools like NextDoor and event/program promotion on local family blogs.

2. Social and Print Media, $10,000. Due to increasing needs for multiple modes of outreach and social media platforms requiring paid promotions a portion of the funding reductions from FY 2012 level needs to be restored.

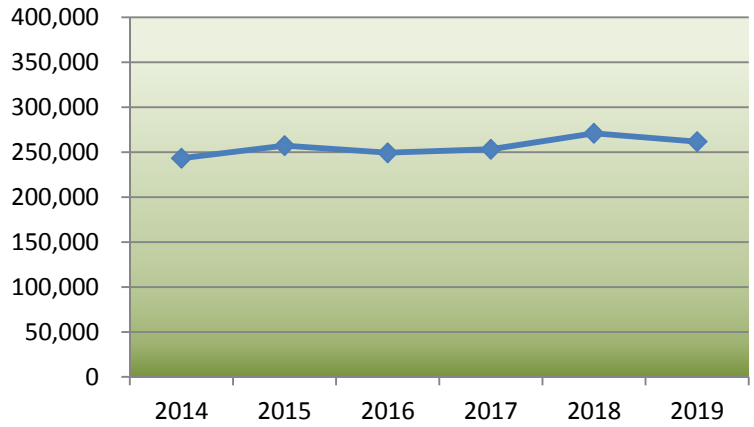
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 Communications Director
- 1.00 Senior Communications Specialist

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 147,754	$ 181,870	$ 188,341	3.56%
Benefits	48,471	65,075	51,485	-20.88%
Professional and Contractual	17,967	19,498	17,431	-10.60%
Materials, Supplies, and Other	5,088	4,530	4,530	0.00%
Capital Outlay	-	-	-	0.00%
Net Expenditures Supported by General Revenues	**$ 219,281**	**$ 270,973**	**$ 261,787**	**-3.39%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		5.8%	-3.1%	1.5%	7.0%	-3.4%

Notes:

- The Office of Communications budget is principally personnel related.
- FY2019 reduction is due to decrease in personnel benefit cost.

HUMAN RESOURCES

SUMMARY OF SERVICES PROVIDED

Human Resources provides a full range of services to City employees and retirees. These services include the general administration of personnel matters, administering a uniform pay and classification plan for employees, development and revision of administrative personnel regulations, organizational training and development, addressing employee grievances, and administering the Employee Assistance Program (EAP).

Human Resources recruits for all City departments, and fills approximately 50 vacancies annually, on average. As part of the recruitment process, reviews job descriptions with the supervisor, develops recruitment announcements and advertisements, screens resumes received from applicants for the department, serves on interview panels, advises on hiring decisions, and provides guidance and oversight to supervisors on negotiating salary for selected hires.

Human Resources administers employee classifications and compensation ranges. Market studies are conducted and positions are benchmarked to ensure compensation fairness and parity based on internal and external comparisons.

Human Resources administers all City Benefits Programs and the Director serves as the Administrator of the City's Basic and Police Pension Plans.

Human Resources serves as the City Risk Manager, handling all insurance policies and claims.

Human Resources provides training and career development for all levels of employees for the purpose of regulation compliance, operational effectiveness, team building, leadership, management and supervisory skills, employee development, customer service, communications skills, and the like.

Human Resources administers the Employee of the Year Program to recognize those employees doing the most exemplary work (with the citizen Employee Review Board making the actual selection). Also administers the annual Service Award Program to recognize employees who have reached key milestones in their career with the City for their loyal service.

TRENDS AND ISSUES

- Due to mobility of the workforce and private sector job opportunities must increase focus on employee development, training, recruitment and retention. Positions requiring technical and leadership skills (i.e. transportation engineers and IT system engineers) are harder to fill with qualified candidates resulting in longer recruitment periods and reduced service delivery.
- In response to employee survey input undertaking the development of a comprehensive training and organizational development strategic plan. Effort is led by an employee committee and will address regulatory, organizational effectiveness and career development areas.
- Updating all administrative personnel regulations to ensure federal, state and local code compliance and maximize operational effectiveness.
- Enhancing employee benefits and wellness programs to be competitive with market.

SIGNIFICANT CHANGES IN FY2019

- The FY2019 budget provides funding for a 20-hour Human Resources Specialist to assist the team in delivering direct employee services and project assistance. The Human Resources Director position was held vacant in FY2018 and the Deputy City Manager was appointed to this key function. The current Human Resources Manager will undertake majority of employee relations and policy interpretation functions currently assigned to the Director. The Human Resources Generalist will undertake additional insurance claims and benefit contracting functions currently assigned to the Director. Fifteen percent of the Deputy City Manager time will be allocated to serve as HR Director, Risk Manager and Pension Plan Administrator.
- The proposed budget includes a $20 City match per pay period for the 457 Savings Plan which returns the City's match to the 2011 and prior funding levels. This is budgeted across departments versus in Human Resources budget. This is an increase of $15 match per pay period implemented in FY18 in response to the Employee Benefit Taskforce and encourages financial sustainability for retirement phase of an employee's life.

FY2019 DELIVERABLES

- Ensure the City's Pay & Benefit Plans are comparable and competitive with surrounding jurisdictions.
- Administer the City's Benefit Programs to be cost effective and competitive.
- Provide training and development, per adopted training strategic plan, for all employees to help employees exceed City goals in customer service, supervision, performance evaluation, and Project Management.
- Conduct New Employee Orientation two times a year.
- Provide timely and effective recruitment services to all City departments and to fill positions within 90 days of receiving the requisition.
- Monitor the City's Performance Evaluation System for approximately 180 employee evaluations to ensure they are conducted on time and consistently.

PRIORITIES FOR FUTURE FUNDING

1. Employee development and training $50,000. To comply with budget guidance recommend increasing the training budget by only $10,000 to provide resources to implement initial phase of training an organizational development strategic plan. This is a $10,000 increase above the existing $25,000 that has not increased in over 3-years. The 2016 Association for Talent Development State of the Industry benchmarked average of $1,252 training dollars per employee. Based on 199 FTE this is valued at $249,000 per year; departmental budgets cover approximately $180,000 in departmental specific training and conferences. Training increases productivity and reduces turn-over. National HR Association reports an average per employee turn-over cost of $4,100.
2. Tuition reimbursement $5,000. Improves current employee skill sets for City job functions, facilitates career development and assists in employee retention. The current budget provides $15,000 in Tuition Assistance funding. Employees are eligible for a maximum $600 contribution for tuition costs for an approved course that is aligned with his or her professional development plan. Currently, the tuition assistance program is fully used in 6 months.
3. Restore Commuter Incentive Benefit ($25,000). Reduces demand on parking as well as assists in achieving Council's greenhouse gas emission reduction goals. Important tool in the adopted Transportation Demand Program (TDM) incorporated into the City Hall renovation and expansion project approved site plan.

Human Resources

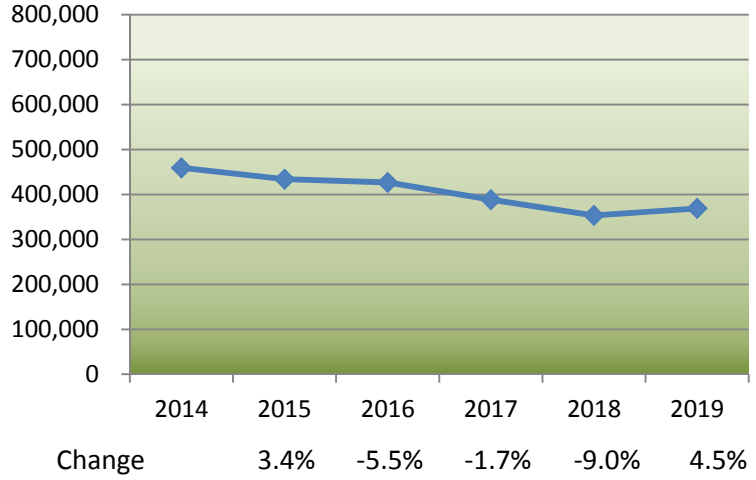
ADOPTED POSITIONS BY FTE – 2.35 TOTAL

- 0.10 Deputy City Manager
- 0.75 Human Resources Generalist
- 1.0 Human Resources Deputy Director
- 0.5 Human Resources Specialist

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 202,798	$ 205,859	$ 206,730	0.42%
Benefits	67,703	68,404	83,319	21.80%
Professional and Contractual	36,699	33,700	33,700	0.00%
Materials, Supplies, and Other	35,310	44,344	44,350	0.01%
Capital Outlay	1,009	1,000	1,000	0.00%
Net Expenditures Supported by General Revenues	**$ 343,518**	**$ 353,307**	**$ 369,099**	**4.47%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2017: Decrease for was due to cost salary change for former Director and overall pension decrease.
- FY2018: Decrease reflects the decision to keep the HR Director position vacant for several months.
- FY2019 modest increase is the result of new part-time HR Specialist and reassignment of Director duties and off-set by reduced health and retirement costs.

RISK MANAGEMENT

SUMMARY OF SERVICES PROVIDED

Human Resources staffs the City's Risk Management Program that includes purchasing and managing insurance coverage for City personnel, vehicles, and facilities. This Division administers the City Safety Program and Random Drug Testing program as required by Federal law. This Division provides Occupational Safety and Health Act (OSHA) training for all new and current employees, which includes Blood Borne Pathogen, Confined Space Entry, Hazardous Chemicals, and Department of Transportation Drug and Alcohol Program. This Division administers the City's Workers' Compensation Program to ensure prompt reporting of on-the-job accidents, and ensuring that employees who have been injured on the job receive prompt medical attention and return to work on regular or restricted duty as soon as they receive medical clearance. This Division handles all property and casualty claims through the Virginia Municipal League Liability Pool.

SIGNIFICANT CHANGES IN FY2019

- The Human Resources Director position was held vacant in FY2018 and the Deputy City Manager was assigned the duties of Director. The FY2019 budget provides funding for a 20-hour Human Resources Specialist to assist the team in delivering direct employee services and project assistance. The current Human Resources Manager will undertake employee relations and policy interpretation functions currently assigned to the Director. The Human Resources Generalist will undertake additional insurance claim responsibilities and benefit contracting functions currently assigned to the Director. 5 percent of the Deputy City Manager will be allocated to serve as Risk Manager.

FY2019 DELIVERABLES

- Take fuller advantage of tools and resources offered by VML Insurance Program
- Ensure the City protects its assets and financial exposure through the purchase of insurance and requiring certificates of insurance for all contractors
- Ensure City is in compliance with all OSHA standards and employees receive proper training
- Review all employee injuries and vehicular accidents and help prevent future ones
- Apply for grants that will reduce our Workers Compensation costs and provide needed resources for safety improvements

ADOPTED POSITIONS BY FTE – .30 TOTAL

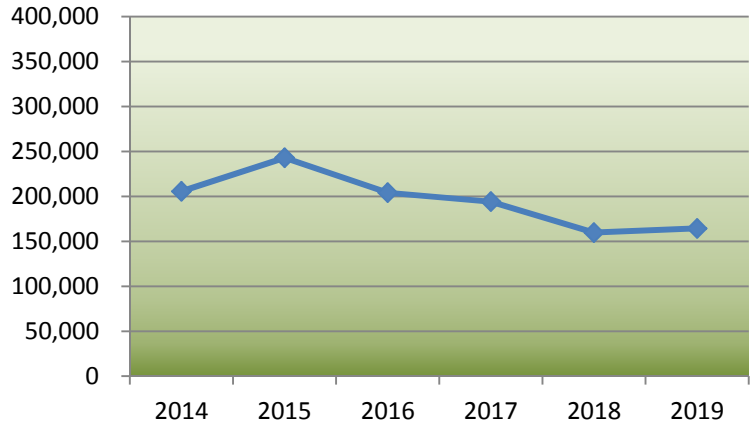
- 0.05 Deputy City Manager
- 0.25 Human Resources Generalist

Risk Management

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 32,150	$ 15,472	$ 25,739	66.36%
Benefits	15,671	8,050	13,295	65.16%
Professional and Contractual	9,060	4,000	5,500	37.50%
Materials, Supplies, and Other	129,677	132,181	119,754	-9.40%
Net Expenditures Supported by General Revenues	**$ 186,558**	**$ 159,703**	**$ 164,288**	**2.87%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		18.1%	-16.0%	-3.5%	-17.7%	2.9%

Notes:

- The increase in FY2015 is due to the City's Public Officials Insurance being charged solely to the General Fund after the sale of the water system.
- Reduction in FY2016 is due to decrease in insurance premiums.
- FY2019 slight increase reflects change in retirement and health benefits as well as reorganization of the Director position.

INFORMATION TECHNOLOGY

SUMMARY OF SERVICES PROVIDED

Information Technology Services & Support (ITS) supports City Government staff and maximize their efficiency in serving the public. ITS ensures that all information-based services are acquired and maintained in the most cost-effective manner and consistent with organizational priorities. ITS ensures data availability, security, integrity, and confidentiality. IT is integral to all services delivered by the City and there is an ever increasing reliance on technology by City staff and citizens.

ITS is responsible for all core infrastructure, systems, servers, networks, workstations, telecommunication services (phone, cell, radios), and audio-visual equipment for all segments of the City's government including Public Safety and Library, excluding Schools. Core services include: Public Safety computer aided dispatch (CAD), records management system, mobile dispatch terminal with cruiser field reporting systems, financial / electronic resource planning (ERP) system, telecommunications systems, on-line services, fleet management systems, security hardware & software, asset inventory, desktop hardware & software, radio communications, and many other key systems and services.

City IT staffing consists of 9 FTEs. The CTO develops IT policies and processes in conjunction with City leadership, develops the citywide IT strategic plan, serves as the information security officer, and manages key projects. The ITS team is responsible for system maintenance, installing new applications and hardware, full customer support, project implementation, and ensuring the City's IT environment is secure and fully operational 24x7x365 days a year.

TRENDS AND ISSUES

- System equipment replacement and enhancement funding reduced due to budget guidelines to FY2015 funding level. Need to restore to a refresh cycle of one quarter to one third refresh per year.
- The City's continued technology growth on equipment and services has increased the basic required Microsoft software licensing costs an additional 16% over the last 3 year agreement.
- Continued increased software and hardware maintenance costs by most vendors is the growing trend and have been well in excess of the expected 5% increases, while budget remains flat.
- Increased costs due to the common industry business model of IT vendors sub-dividing their products, with planned obsolescence and product support retirement to force re-purchasing.
- Citizen and staff demand for more streamlined services and technology based solutions continues to expand required support and maintenance costs. ITS has significantly increased the number of active projects to address and support these initiatives.
- Significant increased risks for cyber-attacks, such as ransomware.

SIGNIFICANT CHANGES IN FY2019

- Complete build-out of system redundancy, completing the disaster recovery (DR) and continuity of operations (COOP) capabilities for essential systems and services.
    - Expanded core system redundancy at DR site
    - Expanded redundant connectivity for City infrastructure and sites
- Expanding remote access capabilities to securely and more effectively connect to services and information off-site in the field.
- An increase of $45,000 in funding for temporary staffing, internet services and equipment to implement large capital projects requiring new infrastructure as well as temporary staff location setup and support during construction.

FY2019 DELIVERABLES

- Provide complete low voltage structured cabling, security system and AV design and installation in renovated City Hall Public Space and Safety Improvements as well as temporary office space during construction.
- Provide 5460 hours/year of workstation / help desk related support directly to staff for daily needs.
- Provide 355 hours/year of project management and implementation of departmental initiatives to support identified expanding organization service needs and enhancements.
- Provide 8250 hours/year of core infrastructure & system maintenance and support, general upgrades, security patches, along with system enhancement project implementations.
- Provide 6000 hours/year of after hour on-call support for critical systems and outages.
- Refine the processes and procedures for the organization to implement new technology based initiatives in a documented and prioritized project management system.
- Continue to implement mobility expansions to fully support tablets and enhanced remote access.
- Complete implementation of the disaster recovery / continuity of operations (DR/COOP) infrastructure of core systems to City operations.

PRIORITIES FOR FUTURE FUNDING

Industry standards recommend City IT staffing at 12 to 14 FTEs, that does not include telecommunications, radio, or administrative (adding another 2) to provide the full service technology support that is required. The City currently operates with 9 FTEs. Despite the City's small size, the same overall operational requirements are required here as for larger localities as all the same services are provided, without the benefit of economies of scale.

The organization continues to expand its reliance on high-level IT services, project management support, and implementation of new systems and enhancements to better serve the needs of its citizens and staff functionality. This is in addition to needing increased support of existing systems. Additional resources to meet the technology requirements for City services are described below.

1. Help Desk Administrator $55,500 (salary & benefits). Current demand for basic level day-to-day technical support (help desk) outstrips current ITS resources.
2. Public Safety Senior System Engineer / Project Manager $120,000 (salary & benefits). Comparable sized police departments in the region have dedicated IT resources, or their own IT departments. The City operates efficiently with a unified ITS team model, but based on workload a Senior Systems Engineer support is needed to focus on ongoing public safety needs and emerging new requirements.
3. Staff Development / Training $13,500. Additional funding for IT staff training on new systems and technologies to limit downtime and ensure effective operations. The current budget provides for basic online self-paced study material for ITS staff.
4. Development Services & Public Works Senior System Engineer / Project Manager $120,000 (salary & benefits). ITS is responsible for providing regular ongoing support to these divisions; however the adoption of new technology, such as on-line plan review and permit filing and mobile field devices, has outstripped ITS support capability.
5. Equipment Refresh $99,500. Due to budget constraints, funding has been cut for equipment replacement and system enhancement. The minimum additional required for proper staggered refresh phases are: $25,000 for network infrastructure on a ~10 year cycle, $25,000 servers on a ~7 year cycle, and ~$49,500 more for base systems on be on a 4 – 5 year cycle.

6. Audio Visual Equipment Refresh $25,000. The City's video teleconferencing (VTC) system used for the local Council of Governments (COG) and audio visual presentation equipment and Council Chambers have served beyond their expected lifespan

ADOPTED POSITIONS BY FTE – 8.40 TOTAL

- 1.00 Chief Technology Officer/ Security Officer
- 1.00 Senior Team Leader/IT Manager
- 1.00 Network Engineer
- 1.00 Communications Specialist (IT)

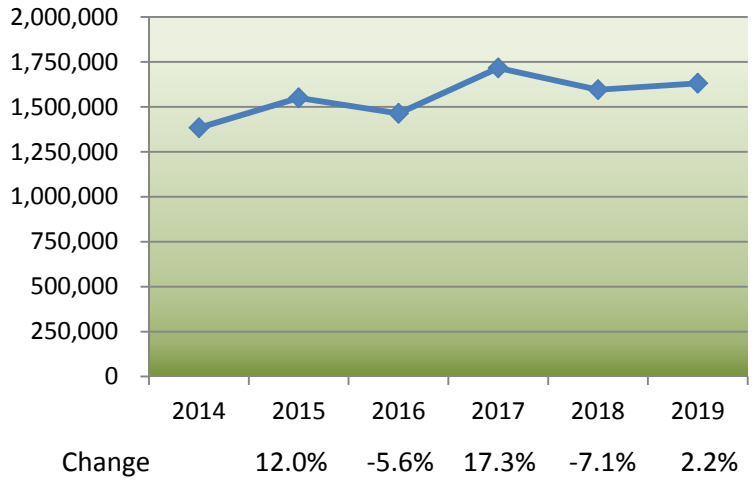
*Temporary employees are also employed to assist with projects.

- 1.00 Systems Specialist/Helpdesk Analyst
- 0.40 Senior Systems Engineer (.60 included under Library IT cost center)
- 3.00 Systems Engineer

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 693,451	$ 726,784	$ 852,251	17.26%
Benefits	210,084	223,685	220,031	-1.63%
Professional and Contractual	369,673	485,000	431,200	-11.09%
Materials, Supplies, and Other	41,415	75,275	87,125	15.74%
Capital Outlay	136,254	84,475	40,382	-52.20%
Net Expenditures Supported by General Revenues	**$ 1,450,877**	**$ 1,595,219**	**$ 1,630,989**	**2.24%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2016 decrease reflects the offset in moving to in-house staffing model, with a reduction in refresh finding to meet FY14 budget limit.
- FY2017 increase reflects one time increase of capital outlay for enterprise wide Wi-Fi and mobility improvements.
- FY2019 increase is for internet speed operational needs and modest equipment replacements.

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ENVIRONMENTAL SUSTAINABILITY

SUMMARY OF SERVICES PROVIDED

The goal of the Environmental Programs Coordinator is to accelerate the City's transition to an environmentally sustainable future by measuring and lowering the City's reliance on fossil fuels and serving as a resource to strengthen governmental and community based environmental programs.

The Environmental Sustainability Coordinator supports the City government as a whole and works closely with the Departments of Public Works, Recreation and Parks, Community Planning and Economic Development Services (CPEDS) and Finance.

Environmental harmony in the City of Falls Church has long been a key part of the City's Comprehensive Plan Goals and Objectives, and the Council Vision Statement. The Coordinator serves as liaison to the Environmental Sustainability Council (ESC) and its three subcommittees, as well as regional and non-profit organizations. In addition to its customary advisory role, the ESC has begun an ambitious program of outreach to City decision-makers and community stakeholders focused on green building and development practices and policies. Staff resources are essential to help these citizen efforts produce long lasting results.

Among the responsibilities of the Coordinator is compiling and reporting data on the City's greenhouse gas emissions and energy consumption. In FY2018, the City Council adopted ambitious goals to reduce greenhouse gas emissions by 20 percent below 2005 levels by 2020, and 80 percent below 2005 levels by 2050. The Coordinator will continue to work on developing plans to achieve those goals, carry them through the approval process, and measure progress toward the goals of those plans. The Coordinator leads the City's effort to gain regional, state and federal funds and collaboration to achieve meaningful progress toward these goals.

The recent update of the Vision Chapter of the City's Comprehensive Plan clarified the fundamental precepts of environmental harmony in the City of Falls Church. However, the "Natural Resources and the Environment" chapter has not been updated since 2005. Incorporation of current information and goal setting in the comprehensive plan is key to successfully driving environmental action, especially when policy change is proposed. The Coordinator will work with DES, DPW and Recreation and Parks as resources are available to update the plan.

TRENDS AND ISSUES

- The change in US administration in January 2017 heralded changes in national environmental policy, including the withdrawal of the United States from the Paris Climate Agreement. However, the Mayor and City Council joined nearly 400 mayors across the nation in committing to the goals enshrined in the Paris Agreement. As part of the Climate Mayors group, they stated its intention to intensify efforts to meet our current climate goals, push for new action and work together to create a 21st century clean energy economy. Investments in renewable energy and energy efficiency, creating more demand for electric cars and trucks and increasing our efforts to cut greenhouse gas emissions support the creation of a clean energy economy, and show that we stand for environmental justice.
- The City continues to leverage regional effort from organizations such as MWCOG and the Northern Virginia Regional Commission, and neighboring counties. For example, actively participating in NVRC discussions with Dominion Energy about LED street lighting conversion, and will once again participate in a Solarize campaign. MWCOG continues to support our efforts to incorporate geothermal heat pumps at the new high school.

- The construction of the new high school and adjacent development will affect a large land area of the City. As with smaller development projects, and the renovation of City Hall and the Library, it is important to maximize the environmental benefits obtained. The ESC will continue to advocate for independently certified green building and neighborhood standards.

SIGNIFICANT CHANGES IN FY2019

- Increased focus on green building and development policies and practices.

FY2019 DELIVERABLES

- Greenhouse gas inventory for community and City
- Action Plan for Greenhouse Gas Emission Reduction
- New grant funding for renewable energy, energy efficiency and environmental projects
- Continuation of EPA Green Power Partnership and Green Power Community programs
- Continuation of wildlife habitat certification
- Continuation of Solarize program
- Update the Natural Resources and the Environment chapter of the Comprehensive Plan
- Raise awareness of and participation in Environmental programs through effective communication.
- Build community volunteer resources for Operation Earthwatch to increase student participation as well as celebrate the 25th program year.

PRIORITIES FOR FUTURE FUNDING

1. Smart phone $850. This position works closely with members of the public who expect the ability to contact staff outside standard business hours and when out of the office at meetings, conferences or working in the field.
2. Energy Specialist $20,000. Part-time help or an intern to assist with energy data entry and analysis. Volunteers are currently sporadically doing this work when they are available.

ADOPTED POSITIONS BY FTE – 1.00 TOTAL

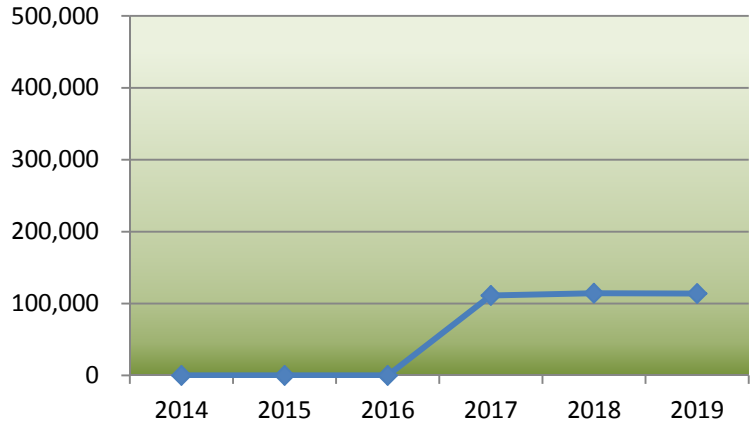
- 1.00 Environmental Program Coordinator

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 79,409	$ 82,536	$ 85,012	3.00%
Benefits	21,524	22,733	19,769	-13.04%
Professional and Contractual	-	1,100	100	-90.91%
Materials, Supplies, and Other	8,760	7,926	8,926	12.62%
Total Expenditures	109,693	114,295	113,807	-0.43%
Revenues				
Grants & Contributions	1,800	1,930	1,800	-6.74%
Net Expenditures Supported by General Revenues	**$ 107,893**	**$ 112,365**	**$ 112,007**	**-0.32%**

Environmental Sustainability

BUDGET TREND: FY2014 – FY2019

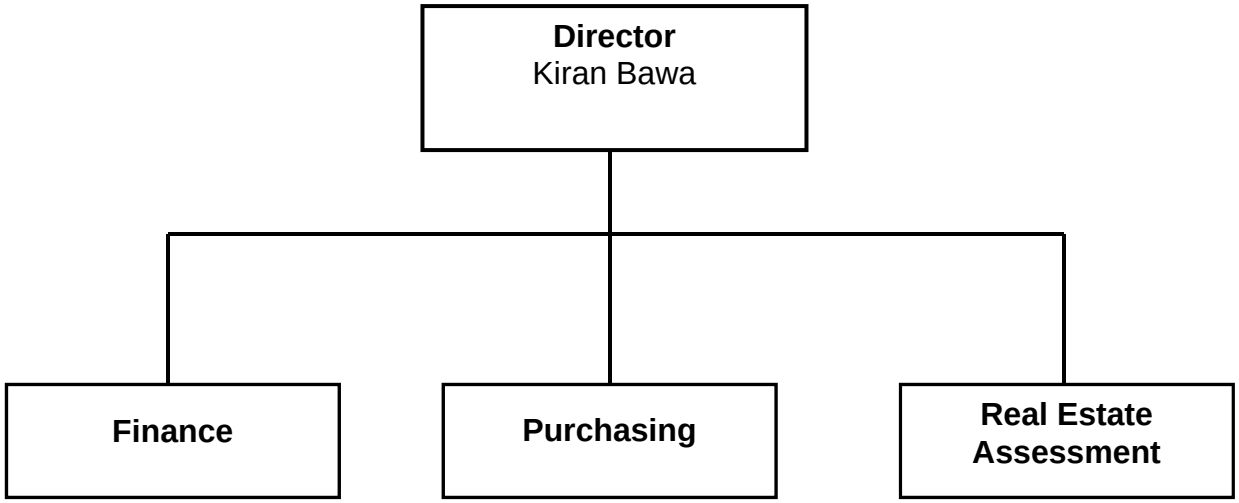


	2014	2015	2016	2017	2018	2019
Change		-	-	-	2.8%	-0.4%

Notes:

- This program and the position was created as an amendment to the FY2016 budget.
- FY2019 budget generally remains flat, nominal reduction is due to retirement and health benefit reductions.

FINANCE


Director
Kiran Bawa
Finance
Purchasing
Real Estate Assessment

FINANCE & PURCHASING

SUMMARY OF SERVICES PROVIDED

The Finance Division serves the residents of the City of Falls Church, its vendors, intergovernmental partners, employees, and all the departments and divisions of the City government. It is responsible for the City's financial reporting and accounting, payment of obligations to vendors and employees, and purchasing of goods and services that require competitive pricing. The Division's functions include reconciliation of all bank and investment accounts, preparation of financial reports for submission to the City Council, the public, the Commonwealth of Virginia, rating agencies, and others, and supporting the City Manager in the development of the City's annual budget. The Chief Financial Officer assists the City Manager and City Council in making strategic decisions concerning the fiscal health of the City, and also facilitates the borrowing of funds that may be needed to fund the City's Capital Improvements Program. The Division pays all invoices, and pays about 300 employees on a bi-weekly basis. The Division also ensures compliance with taxing authorities for the remittance of payroll and sales taxes. The Purchasing Agent assists in the competitive procurement of purchases each year for both the General Government and School Division.

TRENDS AND ISSUES

In light of the adopted robust capital improvement program as the City's revenue flattens out, it will require more due diligence in monitoring revenue to mitigate potential impacts. The reduction in revenue growth will impact cash flow and timing of debt issuance. The constraints on department spending will require fiscal agility in responding to unanticipated spending that may arise during the course of the fiscal year.

FY2019 DELIVERABLES

- Process 13,000 invoices within (10) business days of receipt
- Timely payment of (46) debt service payments
- Reconcile and process payroll tax, sales tax payments and benefit payments (500) timely
- Process over 500 journal entries
- Perform over 400 bank and investment reconciliations annually
- Prepare quarterly financial reports and analysis for General Fund
- Provide response to department inquiries within 24 hours
- Prepare annual filings for VDOT and US Department of Commerce
- Perform 70 procurements and renewals annually for all city government
- Perform contract revisions and cancellations
- Review and convert over 1,000 requisitions to purchase orders
- Review contracts for commodities and services
- Prepare and assist with the annual budget development and presentation
- Work with financial advisors for issuance of debt for major capital projects
- Work with auditors to prepare annual comprehensive financial report, annual state reports, and presentation to council

PRIORITIES FOR FUTURE FUNDING

1. Two (2) Budget Analysts $200,000. Provide assistance to departments with budget analysis and implementation, as well as provide data analysis for revenue projections.

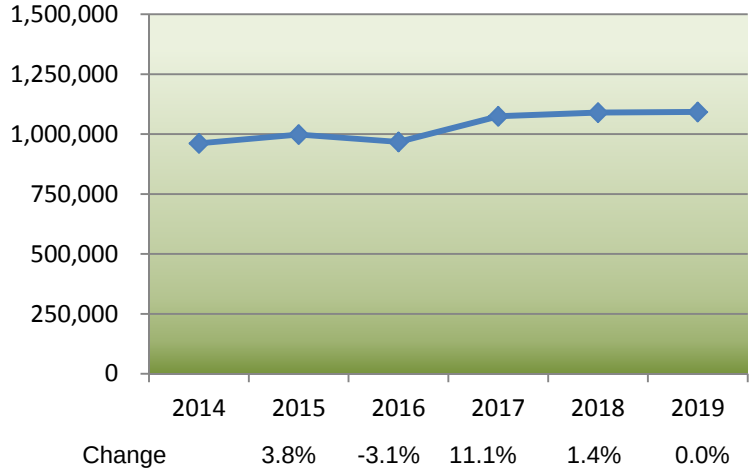
ADOPTED POSITIONS BY FTE – 8.0 TOTAL

- 1.00 Director/Chief Financial Officer
- 1.00 Deputy Finance Director
- 1.00 Purchasing Agent
- 1.00 Senior Accountant
- 1.00 Staff Accountant
- 1.00 Payroll Specialist
- 1.00 Accounting Associate
- 1.00 Senior Administrative Assistant

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 664,490	$ 753,403	$ 787,828	4.57%
Benefits	197,521	241,243	206,624	-14.35%
Professional and Contractual	77,039	73,500	75,100	2.18%
Materials, Supplies, and Other	24,393	21,400	19,800	-7.48%
Net Expenditures Supported by General Revenues	**$ 968,177**	**$ 1,089,546**	**$ 1,089,352**	**-0.02%**

BUDGET TREND: FY2014–FY2019



Notes:

- Increase in FY2017 is due to the addition of a senior administrative assistant position.

REAL ESTATE ASSESSOR'S OFFICE

SUMMARY OF SERVICES PROVIDED

The primary responsibility of the Real Estate Assessor's Office is the assessment of every parcel located in the City on an annual basis, at market value as required by Virginia Code. The goal is to assess and maintain real property information in the City of Falls Church in a fair and equitable manner to ensure that each taxpayer bears only their fair share of the real property tax burden as determined by the City Council of Falls Church.

This office collects and maintains a history of all land parcels in the City with computerized current information specific to each parcel which includes: ownership, deed and plat references, ownership history, and specific house characteristic information. This information is widely used by realtors, attorneys, title search personnel, prospective homebuyers, sellers, private appraisers (both local and out-of-city/state), and surveyors. Assessment information is available to all users through a web portal maintained by the Assessor's Office. Other services provided by the Assessor's Office include: notification of assessments, responses to inquiries concerning assessments and assessment procedures, hearing administrative appeals, and preparing the Board of Equalization for pubic appeals. This office produces the annual land book.

Annually, this division reviews approximately 300 real estate listings and sales, adjusts the values of approximately 5,000 parcels as indicated by the market data, inspects 160+ parcels that have been issued a building permit, and 150+ parcels as the result of a sale or an appeal. The division also maintains and periodically updates the real estate database containing approximately 5,000 parcels, provides online real estate information, and serves as staff to the Board of Equalization, which meets approximately 10 times each year.

TRENDS AND ISSUES

- New construction growth continues to trend upward
- Increased complexity in mixed use projects

FY2019 DELIVERABLES

- Median ratio between .9 and 1.1
- Coefficient of Dispersion between 5 and 15
- Price Related Differential between .98 and 1.03

PRIORITIES FOR FUTURE FUNDING

1. Senior Real Estate Appraiser $140,000. New and anticipated development activity requires the addition of a real estate appraiser to ensure accurate appraisal of such activities.

ADOPTED POSITIONS BY FTE – 3.00 TOTAL

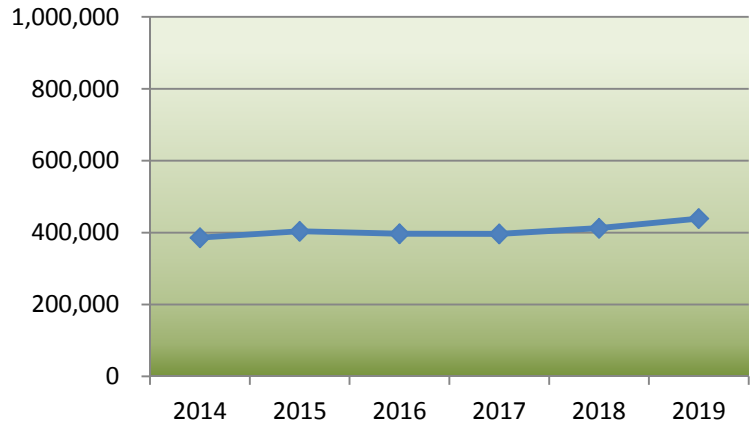
- 1.00 Real Estate Assessor
- 1.00 Real Estate Specialist
- 1.00 Senior Real Estate Appraiser

Real Estate Assessor

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 287,076	$ 294,000	$ 298,911	1.67%
Benefits	67,358	69,998	91,932	31.34%
Professional and Contractual	28,323	32,751	30,586	-6.61%
Materials, Supplies, and Other	19,941	15,361	17,526	14.09%
Net Expenditures Supported by General Revenues	**$ 402,698**	**$ 412,110**	**$ 438,955**	**6.51%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		3.7%	4.6%	-0.1%	4.0%	6.5%

Notes:

- Increase in FY2019 primarily due to changes in health insurance elections of employees.

COMMISSIONER OF THE REVENUE

Thomas Clinton
Commissioner of Revenue

SUMMARY OF SERVICES PROVIDED

Tom Clinton is a directly elected State Constitutional Officer and representative of the citizens of the City of Falls Church. He has had the honor and privilege of serving as Commissioner since January of 2002. Tom was first elected in November of 2001, and has been re-elected to four-year terms in 2006, 2010, 2014 and 2018. Tom was born in Falls Church, attended FCCPS schools grades K-12, is very active in, and dedicated to, Falls Church City and lives here with his wife Karen, and their two children.

The Office is responsible for the assessment of taxes on businesses and residents that are levied by the state of Virginia and the City of Falls Church. These non-real estate based revenue assessments represent a total of about 20 percent of all gross revenues received by the City, ensuring that everyone that lives, works, or visits here, pays their fair share of taxes. Revenue collection is essential to paying for critical public services and infrastructure that benefits our residents, business owners and visitors.

The Commissioner works closely with the Treasurer's Office, the Economic Development Office, the Economic Development Authority, the Falls Church Chamber of Commerce and the local business community providing, among other services, critical tax information involving past, present and future economic development decisions, and daily demonstrating a customer friendly, pro-business attitude.

More people and businesses will be moving into the City in the very near future, adding to the existing heavy office workload. For most City residents and businesses, the Commissioner's Office is their primary contact with City Hall because of their vehicle registrations, DMV2Go transactions at City Hall, DMV Connect transactions at the American Legion, state tax returns, Notarizations, commercial or home-based business licenses, tangible personal property transactions and general City information. The Commissioner's Office receives the most mail, email and walk-in traffic, the highest number of phone calls and the most Notary requests in City Hall. The Commissioner's Office is the most directly affected office when the City's population increases, and when the population regularly turns over.

Our goal is simple: to make the assessment and payment of taxes easy to understand, and as convenient to pay as possible, while still providing the same pleasant, high-quality, small-town, personal service that our businesses and residents have come to expect from the Commissioner's Office. Seven out of the nine COR Office employees live in Falls Church City, the highest percentage in City Hall. Not only are we dedicated, we live here too, and we're careful stewards of your tax dollars!

TRENDS AND ISSUES

- Two new mixed use buildings opened in 2016, at the West Broad Residences (Harris Teeter) and at the Lincoln at Tinner Hill, together adding 512 residential units that are now fully occupied, at least 800 or more cars, numerous businesses located on the ground floor and above in the residential units, and the filing of hundreds of additional state income tax returns.

- Mason Row was approved in January of 2016 with 322 new residential units, and it may be revised to include age restricted housing vs. a hotel, creating more demand on the office. The project will start with many contractor business licenses issued from the Commissioner's Office. When completed, 700 or more cars are projected to be garaged in the project, more resident income tax returns will be filed, and numerous commercial and residential businesses will open, including a large dine-in style movie theatre, retail stores, and restaurants. The new admissions tax assessed on each movie ticket sold will be audited by the Commissioner's Office.
- The Insight Development Project at Broad and Washington Street is scheduled for a vote in April, possibly adding hundreds of apartments, numerous businesses and hundreds of additional cars that will need to be registered and assessed by the Office, plus more tax returns.
- Our New Resident Outreach Program has been very successful in orientating new residents to Falls Church and getting them to register their vehicles, pay their car taxes and get a City decal on their vehicles within the 60 day limit, to avoid getting a $50 ticket.
- Personal property assessments should further increase with the City's recent acquisition of a license plate tag reader.
- The DMV2Go Mobile Unit currently visits City Hall on the 2nd Friday of every month from 9 am until 4 pm. This full-service mobile unit will parked in front of City Hall from 9 am until 4 pm.
- In 2016, Commissioner Clinton added the DMV Connect Service, which visits on Mondays, Wednesdays and Thursdays during the 2nd week of the month at the American Legion Building located next to the bike trail at 400 N Oak Street from 9 am until 4 pm. The DMV Connect Service is similar to the DMV2Go Service; it operates out of suitcases instead of the mobile unit.
- In calendar year 2017, the Commissioner's Office tracked about 1400 construction permits issued from the Department of Development Services (DDS) and these represented about $25M in overall construction activity. This is done to ensure that all business licenses and waivers were correctly obtained; the appropriate taxes were assessed, property improvement information was sent to the City Assessor, and the Workers' Compensation forms were collected and submitted to the state, protecting those employees working for contractors here.

FY2019 DELIVERABLES

- The office issues about 1,800 business licenses, and processes about 1,800 tangible personal property tax assessments based on the business equipment owned, or leased, by companies.
- The office processes many other business related taxes including: utility, right-of-way, phone line charges, hotel occupancy, short-term rental, bank franchise taxes, and the labor-intensive Meals Tax, which is a significant revenue source, due to the City's many vibrant restaurants.
- The office annually processes about 2,400 state income tax refunds, 500 estimated tax payments and 500 tax due payments for City taxpayers on behalf of the Virginia Department of Taxation. State income tax returns are first desk-audited; errors are detected and corrected, and then entered into our database resulting in faster tax refunds for City residents.
- The office assists citizens in resolving their complex tax problems with the Virginia Department of Taxation by helping them to review their tax return and talking directly to Taxation employees.
- The office annually issues approximately 13,500 personal property tax assessments, which become personal property (also called vehicle or car) tax bills in September of each year.
- In June, the office mails out 11,000 Vehicle Verification Forms to all current registered vehicle owners. We annually process hundreds of address changes related to those vehicles.
- The office generates all of the vehicle decal bills, decal transfers and quickly issues almost all of the temporary vehicle decals, reducing the number of parking tickets received by City residents.
- The office performs about 2,000 annual personal property assessment adjustments, including vehicle dispositions, and other assessment valuation changes, both saving taxpayers money.
- The office removes and applies hundreds of City decals by request on taxpayer's windshields every year to help residents be in compliance with the City code. No appointment is necessary.

PRIORITIES FOR FUTURE/EXISTING FUNDING

1. Monitor staff workload and training budget as the City's population continues to grow, putting additional strain on an already very busy office.
2. Getting NCIC access that will allow us to track out-of-state license plates through the VA State Police helping to enforce the new $100 out-of-state license fee, when there are no qualifying exemptions to not be registered with the VA DMV and paying car taxes here.
3. Purchasing an additional server to allow better license plate reading efficiency.
4. Improving the on-line vehicle registration process and getting the registration link directly on the City's homepage, thus making vehicle registration easier, increase revenue and reduce tickets.

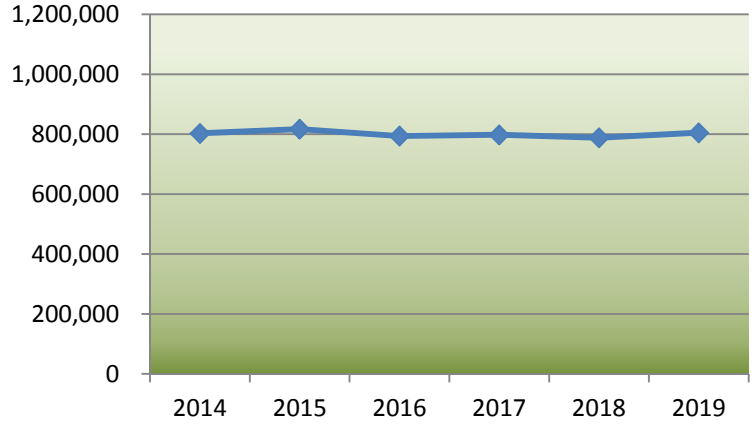
ADOPTED POSITIONS BY FTE – 8.75 TOTAL

- 1.00 Commissioner of the Revenue
- 1.00 Chief Deputy Commissioner
- 1.00 Business License Revenue Auditor
- 5.75 Revenue Assistants

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 589,015	$ 607,119	$ 624,048	2.79%
Benefits	149,102	149,217	148,733	-0.32%
Professional and Contractual	9,698	9,900	10,600	7.07%
Materials, Supplies, and Other	17,949	21,678	21,409	-1.24%
Total Expenditures	765,765	787,914	804,790	2.14%
Revenues				
State Grants	91,994	93,000	92,500	-0.54%
Charges for Services	-	-	-	0.00%
Total Revenues	91,994	93,000	92,500	-0.54%
Net Expenditures Supported by General Revenues	**$ 673,770**	**$ 694,914**	**$ 712,290**	**2.50%**

BUDGET TREND: FY2014-2019



	2014	2015	2016	2017	2018	2019
Change		1.8%	-2.8%	0.5%	-1.3%	2.1%

Notes:

- In December of FY2018, the year to date financial report showed a 10.58% increase in Personal Property Taxes assessed.
- The report also showed a 3.5% increase in the City's Meals Tax revenue, which is administered exclusively by the Commissioner's Office.
- The Commissioner's Outreach program to residents living in apartments and condos continues to be very successful in getting vehicles registered and taxes paid sooner.
- The full-service **DMV2Go Mobile Unit** will be at **City Hall** the **2nd Friday** of every month.
- The **DMV Connect Service** will be at the **American Legion Building** at 400 N Oak St the **2nd Monday, Wednesday and Thursday** of the month. Call **(703) 248-5450** or email **commissioner@fallschurchva.gov** for more DMV details. The hours for both are from 9-4.

OFFICE OF THE TREASURER

Jody Acosta
Treasurer

SUMMARY OF SERVICES PROVIDED

The Office of the Treasurer is established by the Constitution of the Commonwealth of Virginia, and the Treasurer, Jody Acosta, is an elected Constitutional Officer, whose elected status ensures that City funds will be safeguarded by an official who is accountable directly to the City's citizens. Treasurer Acosta was elected in 2014, after serving the office as Chief Deputy Treasurer for 8 years prior to her election as Treasurer.

The primary functions of the Treasurer's Office fall into five major categories:

- Billing and collection of taxes
- Billing and collection of storm water fees
- Receipting and processing all City revenue
- Investments and safeguarding of City funds
- Disbursement of funds

TRENDS AND ISSUES

- The Treasurer's Office set an all-time high for tax Collection rates in the year ended June 30, 2017 (FY2017). The combined collection rate for Real Estate and Personal Property taxes *during the year of the Levy* was 98.77% - the highest rate in the City's history. The combined collection rate for all previous years is 99.81%, one of the best in Virginia.
- The Treasurer's office is a founding member of the City's "parking study group" – a coalition with the FC Police Dept., Dept. of Public Works, and Commissioner of the Revenue and FC Sheriff's office. We use the Treasurer's Office License Plate Reader (LPR) and accompanying technology in outings with the Sheriff's office to locate unregistered vehicles within the City and bring them into compliance with State and City Code by getting the cars registered and onto the City's tax rolls. This inter-departmental alliance between City Hall offices is a contributing factor, along with growth from new development, of a budget surplus in Personal Property taxes of almost $500,000 in the current budget year.
- For the 2nd year in a row, new development within the City (combined with the parking study group cited above), has resulted in an increase in personal property tax billing for over 700 new vehicles added to the tax rolls over the past 2 years. Additional development planned for the next 2 years (the Insights project a Broad and Washington Streets and Founder's Row) is projected to bring appx. 800 more cars to our locality according to the Commissioner of Revenue's office – again increasing billing and collection of Personal Property taxes, all borne by the Treasurer's office staff of 5 individuals.
- The Treasurer's office continues to administer the City's first Residential Zone Parking Program for the Winter Hill community. We have processed over 11,000 Visitor passes and over 700 parking permits for the residents of Winter Hill to date. This is an ongoing program. In 2017, the Treasurer's office issued 145 permits to new residents.
- The Treasurer renegotiated the banking contract with the City's bank in 2017 resulting in a savings of approximately $34,000 in fees.

SIGNIFICANT CHANGES IN FY2019

- Implementation of a Citizen's Self Service module available through our current software is scheduled for 2018. This will allow citizen's to access their tax accounts in real time, receive bills via email, make in-house online payments, and view real estate assessment information. The implementation will place a heavy workload on the Treasurer's office for testing and trouble-shooting, but once its fully operational, will be a valuable service for our citizens.
- The Treasurer plans to issue a banking RFP in FY2019. After in-depth analysis, we believe we can save the City an additional $45,000 in banking fees by renegotiating the banking services through the RFP process. Again, this will be a labor-intensive project, but once completed, will serve our citizens well.

FY2019 DELIVERABLES

1. Bill and collect payments on more than 9,000 real estate bills during the year. Redesign the real estate bills to a more user-friendly format.
2. Administer an additional billing and payment program for 198 mortgage companies.
3. Bill and collect personal property taxes on more than 12,000 vehicles and 1,800 businesses.
4. Process all other cash receipts for the City including Recreation fees and FCCPS revenue.
5. Invest City (non-pension and non-OPEB) funds with the goal of minimizing risk and ensuring the availability of cash to meet the City's expenditures, while generating revenue from the use of funds that otherwise might remain idle.
6. Bill and issue approximately 300+ dog licenses each year. Maintain database for Animal Control.
7. Issue approximately 200 bank liens, 2600 delinquent tax notices, 300 DMV Registrations stops, 250 State tax refund seizures as part of the collection process each year.
8. Process over 200 Estimated State Income Tax payments and State Tax Payments for City residents.

PRIORITIES FOR FUTURE FUNDING

1. <u>2 FTEs: 1 cashier, 1 additional compliance personnel. $85,000 - $90.000.</u> To meet the increasing service demands of a growing population. Over the past 2 years, the City has added over 750 cars and over 1,000 new residents which impacts our small office a great deal. We tracked our workload for 2 months, and we received and responded to over 1300 emails during the 2 month tracking period. We fielded over 1,000 phone calls during a 1 month tracking period. We are in dire need of more staff. The Commissioner of Revenue has a staff of 9 people - almost double the staff of the 5 people in the Treasurer's office and they don't handle any real estate assessments - just BPOL and Personal Property. The Treasurer's office bills and collects for over 4,700 real estate tax accounts as well as 13,000 personal property and business tangible tax accounts and does stormwater billing/collection too. We do quite a bit of back-office work in partnership with the Finance office - handling all the City's banking and investments, and real estate appeals resulting in Supplemental tax bills and Abatements; we also administer the City's online billing and payment program, the City's Tax Relief program for the Elderly & Disabled, and run the Winter Hill zone parking program. We are projecting 2 additional staff members in FY2020 at $40,000 - $45,000 per position. 1 position would be a cashier for counter work & phones. 1 position would be a hybrid compliance/collector position - working with our tag reader to find un-registered vehicles in the City and get them onto the tax rolls – thereby bringing them into "compliance" with State and City code. As our office has proven, if we have the tools (technology) and resources (staff), we can help increase revenues by capturing the taxes owed to the City.

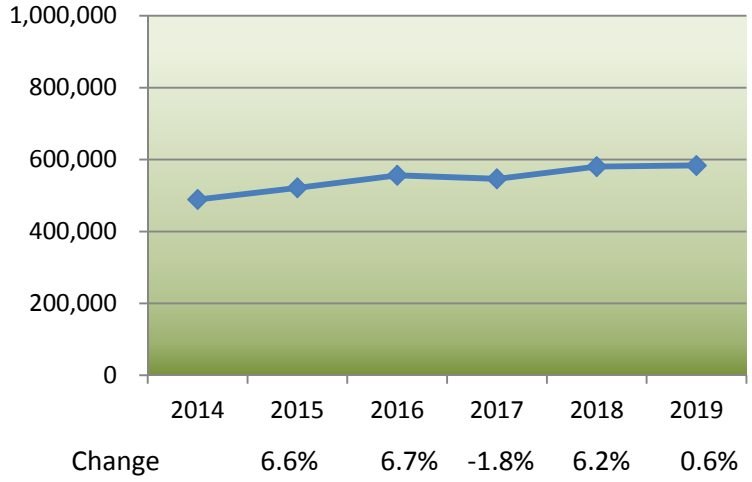
ADOPTED POSITIONS BY FTE – 5.00 TOTAL

- 1.00 Treasurer (Elected)
- 1.00 Chief Deputy Treasurer
- 1.00 Deputy Treasurer
- 1.00 Treasurer Specialist – Compliance
- 1.00 Treasurer Assistant

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 376,340	$ 366,088	$ 381,297	4.15%
Benefits	129,133	135,358	123,312	-8.90%
Professional and Contractual	30,790	40,817	41,097	0.69%
Materials, Supplies, and Other	29,033	38,017	37,737	-0.74%
Total Expenditures	581,315	580,280	583,443	0.55%
Revenues				
State Grants	75,156	76,000	76,000	0.00%
Charges for Services	4,220	5,000	8,100	62.00%
Total Revenues	79,376	81,000	84,100	3.83%
Net Expenditures Supported by General Revenues	**$ 501,939**	**$ 499,280**	**$ 499,343**	**0.01%**

BUDGET TREND: FY2014-FY2019



PROPERTY TAX RELIEF PROGRAM

SUMMARY OF SERVICES PROVIDED

The City sponsors Real Estate Tax, Personal Property Tax, and Automobile Decal Fee Relief programs for residents who are age 65 years or older or who are permanently disabled. This program is administered by the Treasurer. The goal of these programs, which target residents who have incomes less than 50 percent of the area median, is to help participants remain in their homes and/or maximize their available income. In 2011, the State of Virginia passed an Amendment to its Constitution establishing the Veteran Tax Relief program, which mandates that any veteran who is 100% disabled, and whose disability is 100% service related, is to receive 100% real estate tax relief from the locality.

In FY 2017, the Treasurer's Office received and processed 81 completed Applications, and granted Tax Relief and/or Deferral to 78 individuals. The cost for Elderly & Disabled Tax Relief was $180,000 and the cost for the Veteran's Relief Program was $31,000 for a total of $211,000.

The Treasurer's office also administers the Tax Deferral program for 13 senior citizens who deferred a total of $52,000 in real estate taxes in FY 2017. Additionally, there were a total of 25 citizens receiving personal property tax relief for a total of $1,342 in relief.

In 2014, the Treasurer's Office, along with the City Manager, and Housing & Human Services, proposed to restructure the Senior Tax Relief Program. After conducting a survey of the tax relief programs in surrounding jurisdictions, including their income limits and relief amounts, we proposed that the City of Falls Church modify the qualifying income limits and increase relief amounts. City Council unanimously approved the modifications. The former relief cap of $2,000 had been in effect since 2002. The current cap is $4,000. City Council is looking at enhancing the relief program even further by offering 100% relief to those seniors in the lowest income category of $22,850 or below. If approved, this will add $45,000 to tax relief expenditures in FY2019.

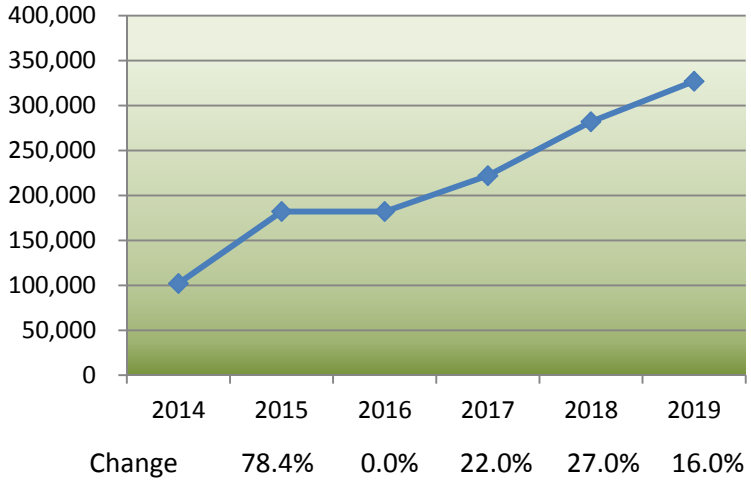
TRENDS AND ISSUES

- Tax Relief for surviving spouses of servicemen and women "Killed In Action", passed the Virginia legislature as a Constitutional amendment in November 2014 and took effect on January 1, 2015, providing 100% real estate tax relief for the surviving spouse. The fiscal impact for 2018 was $0, as the one case we had in the City apparently moved out of the City.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Property Tax Relief	$ 263,242	$ 282,000	$ 327,000	15.96%
Net Expenditures Supported by General Revenues	**$ 263,242**	**$ 282,000**	**$ 327,000**	**15.96%**

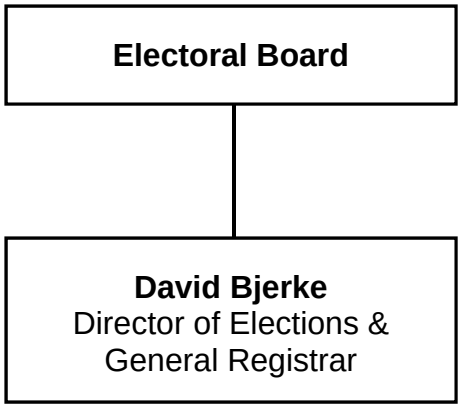
BUDGET TREND: FY2014-FY2019



Notes:

- The Tax Relief program was updated in 2015. The restructuring of the program resulted in 8 new participants who were able to receive real estate tax relief.
- We are looking at further enhancements to the relief program in FY2019 by offering 100% relief to those seniors in the lowest income category of $22,850 or below. If approved, this will add $45,000 to tax relief expenditures for June 2019.

VOTER REGISTRATION & ELECTORAL BOARD



SUMMARY OF SERVICES PROVIDED

The Office of Voter Registration and the Electoral Board work together to conduct elections in the City in accordance with the Constitution and Code of the Commonwealth of Virginia. Duties include maintaining an accurate list of registered voters, processing and validating candidate filings, establishing polling places staffed by trained election officials appointed and trained by the Office of Voter Registration and Elections, offering convenient and reliable absentee voting, holding elections, and certifying election results.

TRENDS AND ISSUES

- Two elections:
  - General Election on November 6th, 2018 (Midterms)
  - Primary Elections on June 11th, 2019.
- Three-member Electoral Board is appointed by the Circuit Court, based on recommendations made by the local political party chairs. Two members of the Board represent the political party of the current governor, while the third member represents the party that had the second highest number of votes statewide in the last gubernatorial election. The Electoral Board members serve staggered three-year terms. Electoral Board remuneration is a stipend paid by the City and reimbursed by the Commonwealth.
- The Director of Elections & General Registrar is appointed by the Electoral Board for a four-year term. Registrar receives a full-time salary, which is paid by the City and partially reimbursed by the Commonwealth. All benefits are City benefits.
- Deputy Registrar is half-time and receives benefits.
- Four part-time Assistant Registrars.

SIGNIFICANT CHANGES IN FY2019

- Federal Election (Midterms): One year after the highest turnout Gubernatorial Election in City history, we are expecting record turnout for the midterm federal elections. While it shouldn't rival the turnout of a Presidential election, we are expecting record turnout for a midterm election similar to what we saw in the last general election (gubernatorial).

FY2019 DELIVERABLES

- Over the past several years, this office has implemented several reforms that have generated efficiencies both in workload and savings for the city but also increased service to the residents/citizens. These reforms include:
  - Moving City Council and School Board elections from May to November
  - Reducing the number of polling places from five to three and redrawing the borders of the Wards
  - Successful "Bailout" from the previously required preclearance provisions of the Voting Rights Act
- Successful implementation of a Photo ID law
- Successful implementation of electronic poll books (EPBs)
- Successful implementation of a new voting system
- FY2019 sees a budget decrease after implementation of a new voting system even with turnout expected to be higher than historical averages.

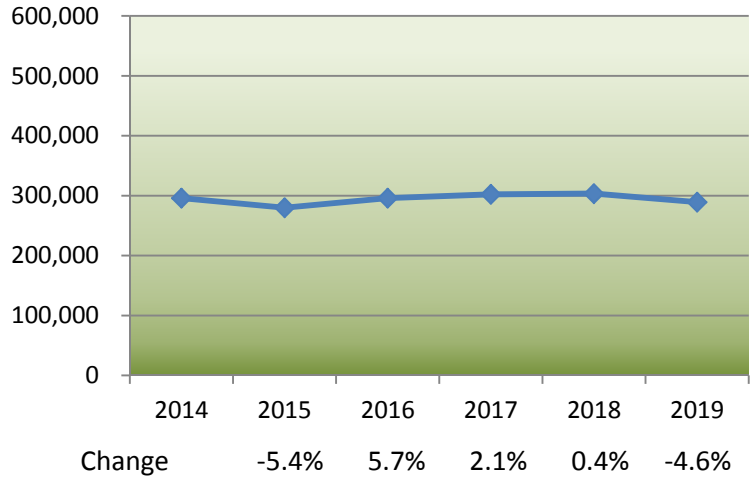
ADOPTED POSITIONS BY FTE – 1.50 TOTAL

- 1.00 Registrar
- 0.50 Assistant Registrar

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 177,636	$ 178,988	$ 183,438	2.49%
Benefits	58,540	63,184	62,814	-0.59%
Professional and Contractual	12,182	30,147	10,850	-64.01%
Materials, Supplies, and Other	22,995	31,000	32,150	3.71%
Total Expenditures	271,353	303,319	289,252	-4.64%
Revenues				
State Grants	41,810	45,000	41,800	-7.11%
Fines	-	100	100	0.00%
Total Revenues	41,810	45,100	41,900	-7.10%
Net Expenditures Supported by General Revenues	**$ 229,542**	**$ 258,219**	**$ 247,352**	**-4.21%**

BUDGET TREND: FY2014–FY2019



Notes:

- Budget changes based on the number and size of elections in each Fiscal Year (e.g. Presidential in FY17 is the largest).
- The decrease in the FY2019 budget is a result of the implementation of a new voting system.

SHERIFF'S OFFICE

S. Stephen Bittle
Sheriff

SUMMARY OF SERVICES PROVIDED

The Falls Church City Sheriff's Office is a constitutional office responsible, in accordance with the Code of Virginia, for courtroom security and operation (General District and Juvenile and Domestic Relations Courts), prisoner transportation, civil and criminal service of process, evictions and Sheriff's sales, upholding the laws of the Commonwealth and protecting civil rights within the jurisdiction of the City of Falls Church. The local responsibility of the reflected budget of the Sheriff's Office is reduced by a supplement provided by the Commonwealth of Virginia.

The Sheriff's Office maintains facility and court security for 49 General District Court and 27 Juvenile and Domestic Relations court days as well as additional scheduled court days subject to the discretion of the judiciary. In addition, this Office transports approximately 300 prisoners to and from correctional facilities for the Courts. In 2017, the Sheriff's Office monitored numerous individuals who were ordered by the courts to provide community service in lieu of traditional sentencing. The Office processes approximately 2000 court papers and executes approximately 30 writs of possession (evictions) annually.

The Sheriff's Office, upon request, assists the Falls Church Police Department with traffic enforcement and control, walking patrols, crowd and traffic control at major events and participates in regional law enforcement traffic and safety programs. The Sheriff's Office annually issues approximately 750 traffic citations and approximately 50 parking tickets. The Sheriff's Office receives grants from the state and regional governmental entities to conduct traffic enforcement and educational programs.

The Sheriff's Office utilizes a reserve/auxiliary deputy program that consists of 13 volunteer deputies who work on court days and assist with special events. This reserve deputy program accounts for a savings in excess of $70,000.00 in salaries alone. The current staffing of compensated deputies for the Office are insufficient to adequately administer General District Court and Juvenile & Domestic Court days without the assistance of the auxiliary/unpaid deputies.

The Sheriff's Office provides a community outreach effort resulting in the fingerprinting of approximately 1,000 persons annually, including City residents, children and non-residents. The Sheriff's Office also provides safety education and guidance to parents, guardians, caregivers, and/or anyone transporting children and checks for proper installation of approximately 175 child safety seats in vehicles annually.

COMMUNITY SERVICE PROGRAM:

The Sheriff's Office operates the Falls Church Community Service Program, a diversion program providing an alternative sentencing option for the Courts for persons sentenced by the court. These individuals were diverted from jail and assigned to the Program, resulting in community service involving volunteering at local churches, community centers and other non-profit facilities. These activities and the monitoring of these individuals to insure compliance with the Court's order are the responsibility of the Sheriff's staff including coordination of services with probation officers.

The Sheriff's Office also hosts the following programs for the residents of the City of Falls Church:

- Operation Safe Halloween
- Santa Ride
- Anti-Terrorism Task Force
- Ident-A-Child
- Cell Phone Collection Program
- Gun Safety Program and Gun Lock Distribution
- Career and Safety Presentations to Schools and Community Groups

TRENDS AND ISSUES

- Rising cost of housing inmates at Arlington and Alexandria Detention Centers
- Increase in Court Papers
- Increase in Evictions/Process

FY2019 DELIVERABLES

- Provide court and judicial security for at least 76 court days
- Provide 330 prisoner transports
- Serve/Process/Execute in excess of 3000 court documents
- Issue 1,150 traffic citations and parking tickets
- Provide outreach and education to 1,000 persons and community groups
- Provide education and training on transporting children
- Provide checks on 200 child safety seat installations
- Provide City departments with pick-ups for cash & checks for delivery to the Treasurer's Office

PRIORITIES FOR FUTURE FUNDING

1. Deputy Sheriff ($70,000): The Sheriff's Office requests an additional full time Deputy to assist in transport of prisoners to and from correctional facilities to court. This will allow the Sheriff's Office to reduce prisoner housing costs by utilizing other correctional facilities with lower rates.
2. Unmarked Transport Vehicle ($50,000): Vehicle required to transport sensitive, high profile and/or dangerous inmates.

ADOPTED POSITIONS BY FTE – 6.50 TOTAL

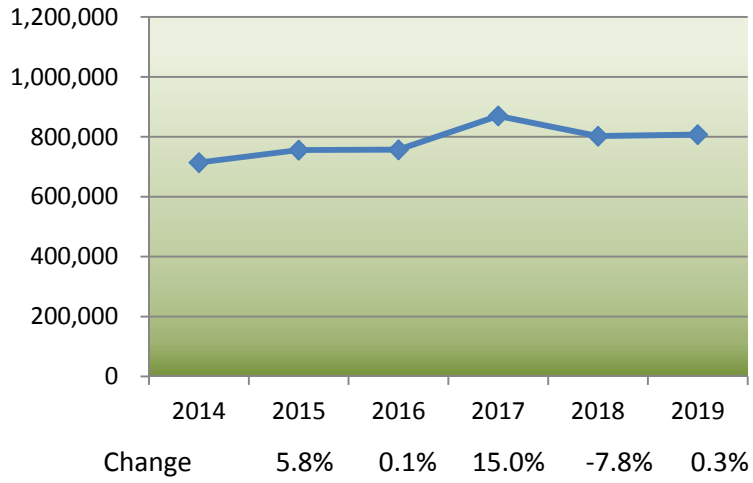
- 1.00 Sheriff (Elected)
- 3.50 Deputy Sheriffs
- 1.00 Chief Deputy Sheriff
- 1.00 Administrative Assistant

The Sheriff's Office also has one part-time (no benefits) Deputy Sheriff and the aforementioned reserve/unpaid deputies will also continue to provide assistance.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 595,111	$ 571,612	$ 579,362	1.36%
Benefits	153,401	152,164	144,478	-5.05%
Professional and Contractual	13,921	16,647	15,650	-5.99%
Materials, Supplies, and Other	80,734	61,555	64,804	5.28%
Capital Outlay	47,360	-	-	0.00%
Total Expenditures	890,528	801,978	804,294	0.29%
Revenues				
Federal Grants	11,488	-	-	0.00%
State Grants	141,212	145,000	142,000	-2.07%
Charges for Services	43,419	48,792	45,392	-6.97%
Fines	46,784	53,333	49,662	-6.88%
Total Revenues	242,904	247,125	237,054	-4.08%
Net Expenditures Supported by General Revenues	**$ 647,624**	**$ 554,853**	**$ 567,240**	**2.23%**

BUDGET TREND: FY2014 – FY2019



ADULT CORRECTION SERVICES

The City contracts with Arlington County and Alexandria City for jail services. The Adult Detention Center (ADC) houses prisoners for the City and provides outreach services with Offender Aid and Restoration Services (OAR), a private, nonprofit organization offering community-managed programs aimed at restoring offenders in Arlington, Falls Church and Alexandria. Through alternative sentencing options, OAR assists in reducing the overcrowding of the local adult and juvenile detention facilities. Community Services Program (CSP) staff members interview, place and often directly supervise referrals from all Court levels, as well as adult and juvenile probation offices. Each year, approximately 1,100 individuals provide at least 34,000 hours of community service, sometimes continuing to volunteer or receive employment with their work sites. Jail based programs include life skills, 12 step groups, mentoring, tutoring and employment classes. After release, the Employment and Transition Services (ETS) staff work with clients on transitional and employment issues, as well as make referrals for substance abuse, mental and physical health and other needed treatment.

SIGNIFICANT CHANGES IN FY2019

- Move more inmates to Alexandria
- Facilitate the transfer of state Department of Correction inmates to state facilities.
- Encourage the Arlington County judicial authorities to permit the incarceration of prisoners in alternate facilities pending the final dispositions of their cases.

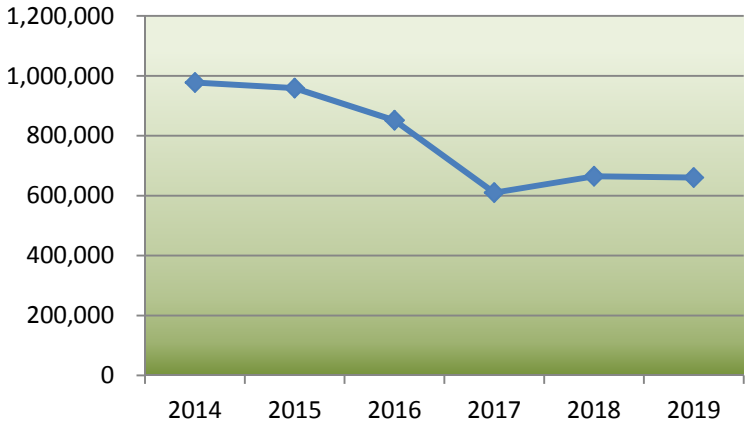
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contract with Arlington County for ADC
- Contract with Alexandria City for ADC

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 691,490	$ 664,693	$ 660,375	-0.65%
Net Expenditures				
Supported by General Revenues	**$ 691,490**	**$ 664,693**	**$ 660,375**	**-0.65%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		-1.9%	-11.2%	-22.5%	8.9%	-0.6%

Notes:

- Cost decreases and increases in this cost center are driven by the number of individuals held in the Adult Detention Center.
- The Sheriff has an MOU with Alexandria Sheriff to house inmates who are sentenced to 30 days or more and state prisoners at a reduced rate in an effort to cut cost.

CLERK OF THE GENERAL DISTRICT COURT

SUMMARY OF SERVICES PROVIDED

The Commonwealth of Virginia provides district courts for the City of Falls Church. It is a state agency, which is part of the Seventeenth Judicial District. The Juvenile and Domestic Relations section has exclusive jurisdiction over offenses where complainant and defendant are related or are household members, and delinquency cases, including foster care and abuse cases. The General District Court has jurisdiction over all misdemeanor cases (City and State Codes), traffic cases, and non-compliance matters with agencies such as the Alcohol Safety Action Program (ASAP). The Civil Division of the General District Court hears civil cases of limited jurisdiction ($25,000 or less) and includes a Small Claims Division for self-represented litigants ($5,000 or less). Mediation services are available for those cases, which occur within the corporate limits of the City of Falls Church.

The District Court Clerk's Office is the administrative arm of the court. The Clerk is the chief administrative officer and is accountable to the presiding Chief Judges of the General District and Juvenile and Domestic Relations courts for all office functions. The Clerk is responsible for the organization, managing the flow of cases through the court and, ensuring that the policies of the court are followed. Further, the Clerk is responsible for the accounting of all funds handled by the court and the proper distribution thereof. Court personnel are all state employees.

While District Court employees serve the City of Falls Church and their citizens, they are employees of the state and are paid by the state at a level that is set by the legislature. Realizing that the salary set by the state may be lower than what is required to recruit and retain staff, the legislature enacted Virginia Code §16.1-69.45 and §16.1-69.46 in 2008 to allow localities to supplement the salary of district court employees. Beginning in FY2014, this office began to receive a salary supplement equal to 15% of what the employees currently receive from the state.

TRENDS AND ISSUES

- Citizens depend on the courts and personnel to assist with issues that may arise and with that citizen traffic to our office is on the rise
- Crime rate is overall on the decrease; however, to maintain staff at a competitive level the salary supplement is necessary
- New officers both in the Police Department and the Sheriff's Office may increase the overall numbers in cases for FY 2018
- Increase in the amount of contested parking citations per month, which bring revenue to the City of Falls Church
- Increase in the amount of citizens requesting protective orders through the City of Falls Church
- Preliminary numbers for 2017:
    - Traffic: 3,291 cases
    - Criminal: 622 cases
    - Civil: 330
    - Juvenile: 201
    - Domestic Relations: 138

FY2019 DELIVERABLES

- City council to maintain our office expense budget to current levels as requested for the following reasons:
  - Collection of fines ($1.00 - $2500.00) and costs ($61.00 - $86.00) on all guilty or a facts sufficient finding for guilt on traffic citations and criminal charges
  - Collection of filing fees to the Treasurer of Falls Church, which include Sheriff's fee, Courthouse Maintenance Fee, Fines and Forfeitures, Courthouse Security Fund, Jail Admission Fee and Local Interest on a bi-weekly basis (estimates between $8,000 - $20,000+ depending on what is collected)
  - Collection of delinquent accounts through the Arlington County Treasurer which in turn get re-distributed back to the Treasurer of Falls Church
  - Operator's Licenses for Juveniles in the City of Falls Church are sent to Arlington County to set up Driver's License presentations
  - Allow for mediation to occur between two parties in dispute in Clerk's Office as no other space is available
  - Prepare DMV paperwork for re-instatement of driving privileges for those who have been revoked/suspended on condition all fines and costs have been collected
  - Prepare paperwork for those that are placed in community service through the Falls Church Sheriff or OAR in Arlington
  - Prepare Restricted Licenses for defendants charged with various offenses (both for JDR & GDC)
  - Court will be conducted in Arlington pending the completion of renovations in Falls Church Courthouse.

ADOPTED POSITIONS BY FTE – 0.00 TOTAL

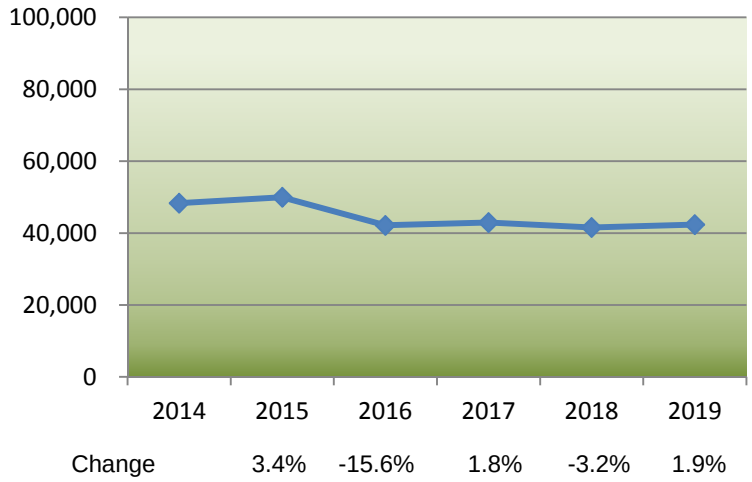
The courts have the following employees which are paid by The Supreme Court of Virginia. The City provides a supplement of 15% of salaries to the Clerk of the Court and Deputy Clerks.

- 3.00 General District Court Judges (rotating each month every Wednesday)
- 2.00 Juvenile & Domestic Relations Judges (rotating each month 2nd & 4th Tuesdays)
- 1.00 Clerk of the Court
- 1.00 Deputy Clerk
- 1.00 Account/Deputy Clerk
- 0.50 Part-time Typist/Deputy Clerk

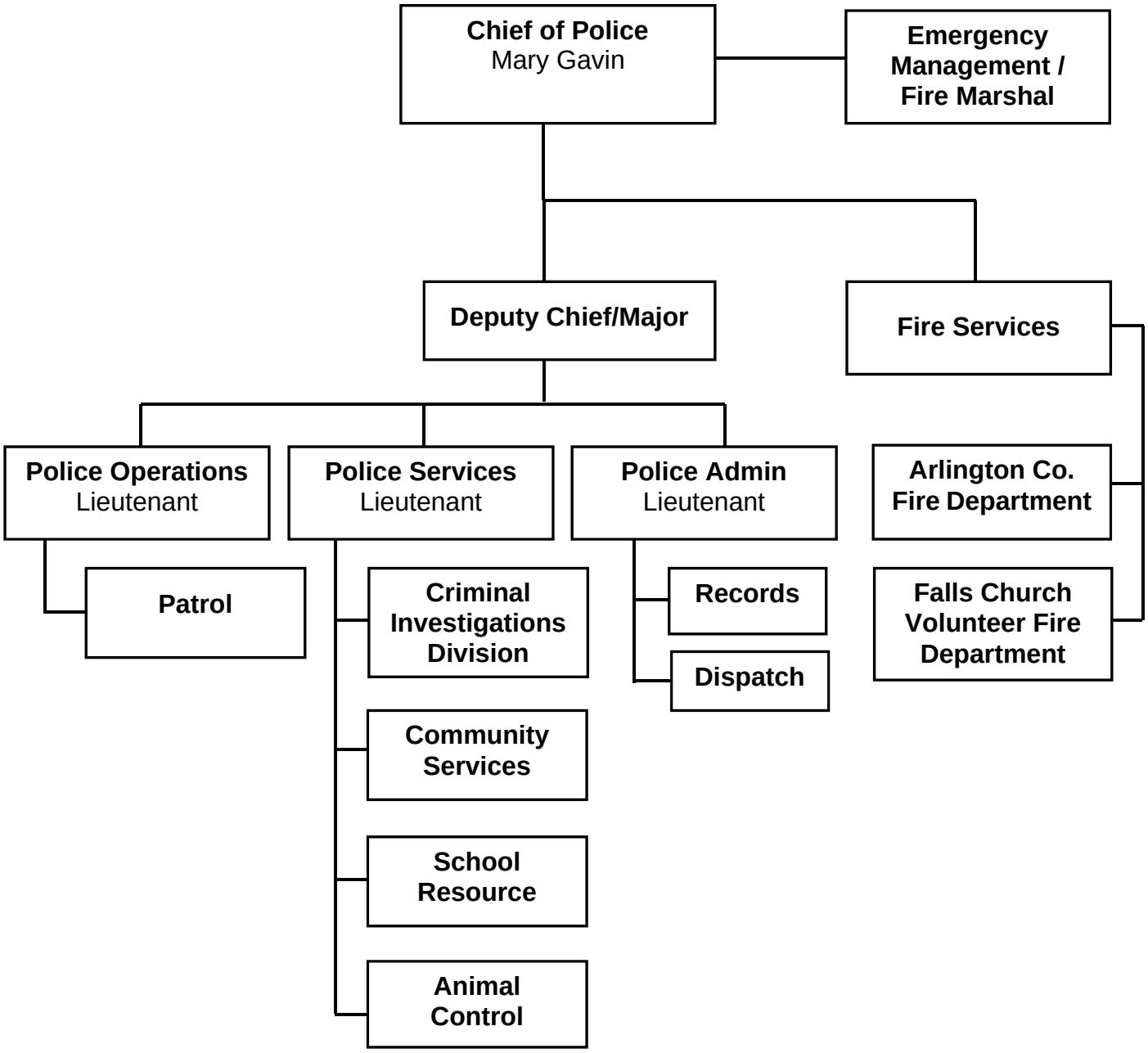
ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 24,564	$ 24,230	$ 24,957	3.00%
Benefits	1,898	1,854	1,931	4.15%
Professional and Contractual	5,827	7,396	7,396	0.00%
Materials, Supplies, and Other	6,066	8,063	8,063	0.00%
Net Expenditures Supported by General Revenues	**$ 38,356**	**$ 41,543**	**$ 42,347**	**1.94%**

BUDGET TREND: FY2014 – FY2019



DEPARTMENT OF PUBLIC SAFETY



POLICE DEPARTMENT ADMINISTRATION

SUMMARY OF SERVICES PROVIDED

The Chief of Police reports directly to the City Manager and is responsible for managing the Police Department, serving as liaison to the Arlington County and Falls Church Volunteer Fire Departments, and as Assistant Coordinator of Emergency Management. All correspondence, purchasing, budget, grants and other administrative duties are performed by the office.

Annually, the Chief manages public safety activity for the City and prepares, submits and monitors the City's public safety budget. Serving as Director of Public Safety, the Chief maintains liaison with other Public Safety Services including the Falls Church Sheriff's Office, the Arlington County Corrections Department, the Arlington County Fire Department, and the Falls Church Volunteer Fire Department, and maintains liaison with other regional, local and federal law enforcement agencies including attending Council of Governments, Homeland Security, and Police Academy meetings.

TRENDS AND ISSUES

- Continue to stay abreast of the ever-changing threats and risks posed in the criminal and natural disasters setting.
- Maintain order and safety in a rapidly growing diverse and dense community; managing the demand for additional administrative services for increased parking and plan review.
- Ever-changing technology needs i.e. portable/mobile radio systems, increasing inter-jurisdictional contracts, advances in 911-text, social media, and body-worn camera demands.

FY2019 DELIVERABLES

- External Deliverables:
  - Provide high quality seamless public safety service to the community through prevention, intervention and enforcement activities as specified within the Divisional narratives.
  - Work in partnership with neighboring community of public safety entities as well as those in the criminal justice system.
- Internal Deliverables:
  - Cultivate a safe and healthy work environment that respects and enhances employee's quality of life through proper staffing and training. Conduct one wellness seminar for staff within FY2019.
  - Value the leadership and human qualities in all employees.
- Budget and Policy
  - Be responsible stewards of monies budgeted.
  - Keep pace with the quarterly reports on Accreditation files, practices and assessments for a successful Re- Accreditation July 2020.

PRIORITIES FOR FUTURE FUNDING

1. Staff Training ($20,000): Reconstitute the training budget to keep up with trends and needs in professional development for all employees. In FY2010 the training budget was at $20,000 and was subsequently cut to $13,000 hence $7,000 needs to be added back to line item.
2. In-car/ Body-worn camera technology ($50,000): In-car/body-worn camera technology is in high demand from communities all over the Unites States. This amount is a rough estimate of startup/replacement cost of new technology if the demand is warranted.

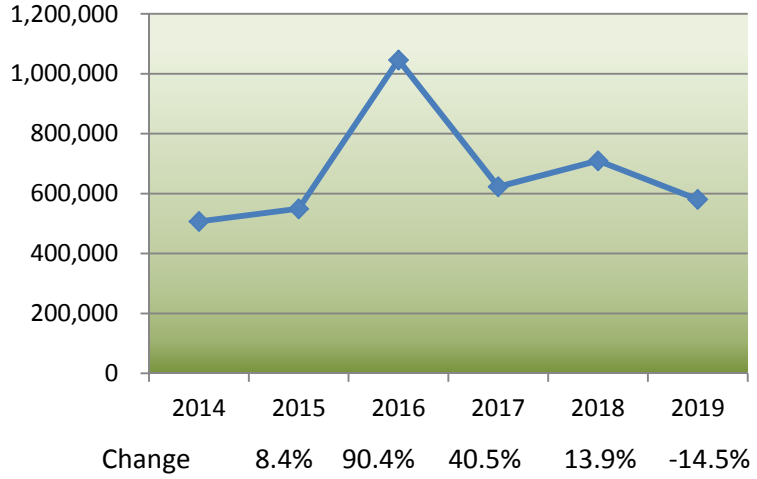
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 Chief of Police
- 1.00 Senior Administrative Assistant

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 282,930	$ 283,209	$ 233,371	-17.60%
Benefits	117,306	119,012	88,417	-25.71%
Professional and Contractual	7,042	7,866	7,866	0.00%
Materials, Supplies, and Other	150,102	299,642	249,642	-16.69%
Capital Outlay	35,795	-	-	0.00%
Total Expenditures	593,175	709,729	579,296	-18.38%
Revenues				
Licenses, Fees, and Permits	7,504	8,600	8,100	-5.81%
Federal Grants	110,795	150,000	100,000	-33.33%
Other Grants and Contributions	71	-	200	-
Total Revenues	118,370	158,600	108,300	-31.72%
Net Expenditures Supported by General Revenues	**$ 474,805**	**$ 551,129**	**$ 470,996**	**-14.54%**

BUDGET TREND: FY2014 – FY2019



Notes:

- The increase in FY2016 is due to the replacement of radios.
- The increase in FY18 is due to transfer of .5 FTE Lieutenant to the Chief's budget from the Police Services budget.
- The reduction in this cost center is from the (.5 FTE portion) of the Lieutenant salary which was transferred from Office of the Chief to Photo Enforcement and Police Services to better reflect true cost center expenditures.

PHOTO ENFORCEMENT PROGRAM

SUMMARY OF SERVICES PROVIDED

The Police Department monitors and enforces Red Light violations at two intersections in the City utilizing photo enforcement technology. Expanding the use of this technology at other intersections in the City would have a positive effect on driving behavior and traffic safety. This technology has other valuable applications as well. During FY2014, the Falls Church City Public School system implemented a Public Safety program aimed at enforcing the laws regarding motorists passing school buses while loading. While this is a school program, the enforcement and the majority of the administration of the program is the responsibility of the Police Department. During the 2015-2016 school year, the School Bus Stop Arm program was suspended following an opinion by Virginia's Attorney General, but was restored in October 2016 once appropriate legislative remedies were enacted. On November 30, 2016, both the School Bus Stop Arm and Red Light programs were suspended following a ruling by the Falls Church General District Court regarding enforcement under the current code. Both programs were reinstated in June 2017.

TRENDS AND ISSUES

- With regional growth, a continuing increase in traffic and congestion is expected for the foreseeable future.
- With the City's goal of increased walkability there is a potential for an increase in personal injury accidents.
- Since the program's inception the total number of violations has been trending downward each year as has the number of accidents at the monitored intersections.
- There were no accidents at either of the participating intersections in 2017.

SIGNIFICANT CHANGES IN FY2019

- No significant changes are anticipated in this program unless expansion of the program is approved and /or the new RFP process in May 2018 bring change.

FY2019 DELIVERABLES

- Continue to monitor existing photo enforcement intersections
  - 4,750 Notices of Violations issued in 2014
  - 4,446 Notices of Violations issued in 2015
  - 4,139 Notice of Violations issued in 2016
  - 2,715 Summons' issued in 2017 (June – December 2017)
- Continue to administer the School's Stop Arm Enforcement Program
  - 808 Notices of Violations issued in 2014
  - 546 Notices of Violations issued in 2015 (Through October 2, 2015)
  - 34 Notices of Violations issued in 2016 (October 31 – November 30, 2016)
  - 163 Summons' issued in 2017 (September-December 2017)

PRIORITIES FOR FUTURE FUNDING

1. Expand photo enforcement to additional intersections ($174,000 annually): based on three new approaches at $14,500 per month. The cost to fund the expansion would likely only require the outlay of lease costs for approximately two months. With revenues starting to come in during the third month, these costs would likely be recouped over the next eight months. Incremental expansion will not require additional personnel.

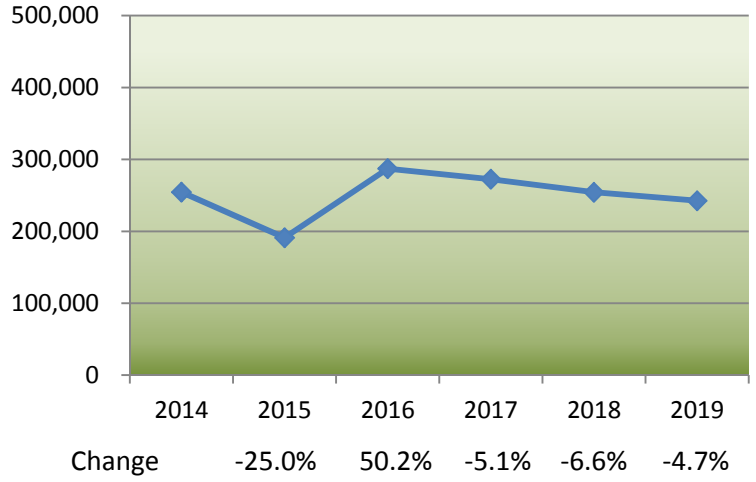
ADOPTED POSITIONS BY FTE – 0.50 TOTAL

- 0.25 Lieutenant
- 0.25 Uniform Patrol Officers

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 77,753	$ 57,607	$ 46,405	-19.45%
Benefits	31,759	23,572	20,121	-14.64%
Materials, Supplies, and Other	79,474	173,163	176,000	1.64%
Total Expenditures	188,986	254,342	242,526	-4.65%
Revenues				
Charges for Services	-	-	-	0.00%
Fines	89,865	200,000	200,000	0.00%
Total Revenues	89,865	200,000	200,000	0.00%
Net Expenditures Supported by General Revenues	**$ 99,121**	**$ 54,342**	**$ 42,526**	**-21.74%**

BUDGET TREND: FY2014 – FY2019



Notes:

- The 3% increase for FY19 anticipates a cost increase as this contract expires and goes back out for bid.
- The program continues to have a positive effect on the overall averages for accidents at the participating intersections.
- The School Bus Stop Arm Program will have no negative budget impact as the financial administration of the program is the responsibility of the Falls Church City Public Schools. All costs associated with the Police Department's management and enforcement efforts are reimbursed by the schools.
- The moderate decrease in 2018 and 2019 reflects changes in personnel allocation for this program.

POLICE DEPARTMENT – OPERATIONS

SUMMARY OF SERVICES PROVIDED

The Operations Division is comprised of Uniformed Patrol, Traffic Unit, and Parking Enforcement. It is the most visible Division of the Police Department, as they are responsible for providing and supervising the officers that patrol the City 24 hours a day, 7 days a week providing basic police services. The patrol officers provide proactive patrol and respond to complaints from citizens, investigate motor vehicle accidents and perform traffic enforcement duties. The Parking Enforcement Officer is also an integral part of the Operations Division. The Operations Division also manages special events in the City.

TRENDS AND ISSUES

- Increase in overtime because of caseload, mandatory training and court
- Increase in planning and overtime for new City special events such as MLK, Mardi Gras
- Increase in vehicle maintenance with aging fleet
- Overall decrease in State 599 aid to local Governments
- Decrease in Federal (UASI), State aid support of LinX, LPR, and Gang Taskforce
- Steady inter-jurisdictional contract increases for 911-Maintenance
- Increase of calls for service due to the steady growth of population and development density
- Increase demand for City wide parking strategies and enforcement in both residential and business districts
- Increase regional planning related to national and international terrorist threats

SIGNIFICANT CHANGES IN FY2019

- The Operations Division is working out of a temporary location during the construction at City Hall
- A second K-9 Unit has been added to further enhance resources within the community

FY2019 DELIVERABLES

- 24 hour/7 days a week operational, patrol of City
- Respond to calls for service. Estimate 31,096 within a calendar year
- Conduct over 2,200 written investigations resulting from calls for service.
- Conduct patrol and traffic effort resulting in approximately 2,883 tickets for traffic violations
- Execute approximately 729 arrests resulting from proactive patrols and calls for service
- Respond and investigate traffic accidents, approximately 199 accidents per year
- Respond and work to reduce over 596 residential and business alarms
- Provide security, public assistance and crowd control during four (4) City public events and five (6) citizen/community sponsored events*
- Participate in four (4) Regional Safety Campaigns directed at reducing aggressive driving, speeding and school zone violations and provides mandatory in-service training for Department personnel, as well as, specialized training for Department personnel as needed or requested.

PRIORITIES FOR FUTURE FUNDING

1. <u>4 FTE Police Officers ($320,000)</u>: The minimum staffing level for Patrol Officers on the street has been at 3 for over 30 years. In that span of time the City has grown from a population of 9,800 to what is now approaching 14,000. Adding four officers would allow for the minimum staffing level to increase to 4.

2. 2 Additional Police Cruisers ($80,000): With the addition of a K-9 unit one of the new existing fleet vehicle will have to be a dedicated K-9 vehicle. Adding a second vehicle would maintain the current officer/vehicle ratio so as not to operate vehicles 24 hours a day.
3. .75 FTE Parking Enforcement Officer ($40,000): The significant increase of residential and business opportunities throughout the City have created a concentrated need for parking spaces and strategies. The Parking Enforcement Officer acts as a proactive, investigative and enforcement asset for public safety.

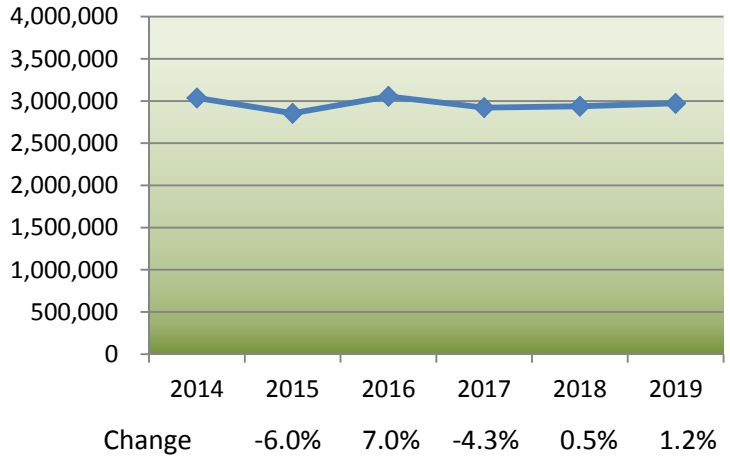
ADOPTED POSITIONS BY FTE – 21.50 TOTAL

- 1.00 Lieutenant
- 11.75 Uniform Patrol Officers
- 0.75 Parking Enforcement Officer
- 4.00 Sergeants
- 4.00 Corporals

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 1,491,057	$ 1,531,468	$ 1,605,141	4.81%
Benefits	976,035	943,628	912,926	-3.25%
Professional and Contractual	47,759	70,000	70,000	0.00%
Materials, Supplies, and Other	231,075	232,674	224,918	-3.33%
Capital Outlay	129,933	159,000	159,000	0.00%
Total Expenditures	2,875,860	2,936,770	2,971,985	1.20%
Revenues				
Charges for Services	1,531	2,000	2,000	0.00%
Federal Grants	26,977	7,200	7,200	0.00%
State Grants	335,308	322,336	332,712	3.22%
Fines	304,976	347,667	323,738	-6.88%
Total Revenues	668,792	679,203	665,650	-2.00%
Net Expenditures Supported by General Revenues	**$ 2,207,068**	**$ 2,257,567**	**$ 2,306,335**	**2.16%**

BUDGET TREND: FY2014 – FY2019



Notes:
- The modest increase for FY2019 is due to transfers of personnel between the Operations Division and Services Division.

POLICE SERVICES

SUMMARY OF SERVICES PROVIDED

Police Services covers two divisions; Services and Administrative Services. The Services Division is comprised of Criminal Investigations, School Resources, and Community Services to include Crossing Guards. Administrative Services oversees the Records and Communications Units and manages the department's information and technology systems. Police Services is responsible for many of the department's functions and programs, such as Photo Enforcement and Accreditation and oversees all training for both sworn and civilian employees, maintains 23 police vehicles and trailers, and manages the evidence/property function of the department which handles approximately 1,000 pieces of property annually.

The Criminal Investigations Unit conducts investigations on all major crimes ranging from homicides and robberies to thefts and financial crimes. The detectives not only investigate criminal matters, but they are also responsible for processing crime scenes. The Criminal Investigations Unit is assigned and investigates between 250 and 300 cases annually. The School Resource Officer (SRO) is assigned full time to the George Mason High School and Mary Ellen Henderson Middle School and provides community resources, crime prevention, and educational services to the students, parents, and school staff. The Community Services position has been vacated and responsibilities reassigned. Patrol officers assigned to Operations are now responsible for much of the Community Policing functions. The Lieutenant assigned as the Commander of Services also acts as the liaison and coordinator for the Crossing Guards and assists with the Photo Enforcement program.

Administrative Services oversees the Records and Communications Units and manages the department's information and technology systems. The Records Unit is responsible for managing and organizing traffic, criminal incident, and arrest documentation within the Records Management System, and provides clients with police reports, record checks for employment, and accident reports. The Records Unit processes and/or retrieves approximately 10,000 written reports, tickets and other similar information annually. Administrative Services is also responsible for managing the department's CAD (computer aided dispatch), records management and technology systems, supervising communications personnel, managing the Photo Enforcement System and Accreditation Program, Recruitment/ Hiring and succession planning, and managing all of the department's FOIA requests.

TRENDS AND ISSUES

- As the City and the region continue to grow, growth is shaping up vertically as opposed to horizontally.
- Advances in social media, commercial communications and technology continue to outpace available patrol and investigative technology.

FY2019 DELIVERABLES

- Criminal Investigations Unit to maintain a case closure rate above 70% (72% for 2017).
- Communications Unit will answer approximately 50,000 telephone calls and dispatch over 24,000 calls for service.
    - Maintain a criminal warrant file containing approximately 400 warrants
    - Conduct computer records checks for 8,000 vehicles and 8,500 drivers
- The Records Unit will conduct data entry and manage:
    - Over 200 Criminal Warrants
    - Over 4,000 Traffic Citations
    - Over 3,500 Parking Tickets

- Maintain certifications for all department personnel through mandatory in-service retraining as established by Virginia Department of Criminal Justice Services.

PRIORITIES FOR FUTURE FUNDING

1. Increase Records Staff by 1 FTE – Administrative Assistant $50,000. Due to a staff reduction in 2010 and 2011, there is currently only one Records Clerk. As a result, in calendar year 2017, the Records window had to remain closed over 20% of the total business hours it should have been open to the public.
2. 1 FTE Police Officers ($80,000): The staffing level for School Resource Officer in the City Schools has been at 1 for over 30 years. In that span of time the City School population has significantly increased and the nature of threats posed to all school communities has expanded. The public safety expectations of preparedness, responsiveness and prevention are the paramount priority in the school community. The SRO plays a significant role in keeping the school community safe.

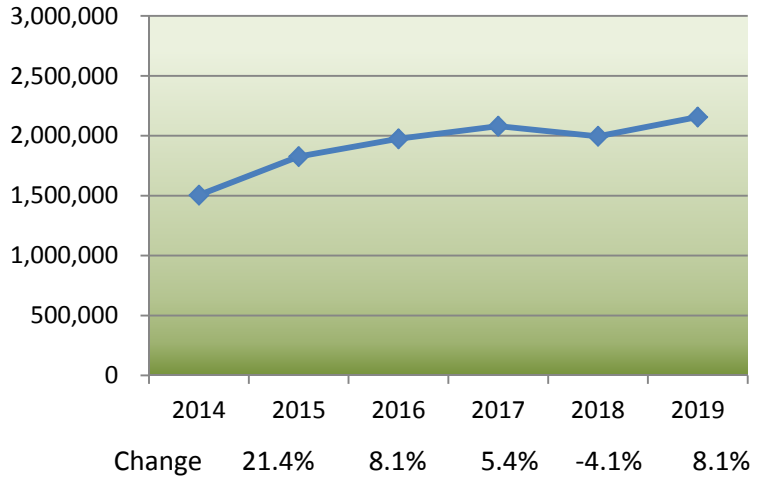
ADOPTED POSITIONS BY FTE – 14.50 TOTAL

- 1.00 Deputy Chief/Major
- 1.75 Lieutenants
- 2.00 Investigators
- 1.00 School Resource Officer
- 1.00 Administrative Assistant
- 2.00 Sergeant – Investigations
- 2.00 Corporal – Investigations
- 2.75 Crossing Guards
- 1.00 Senior Administrative Assistant

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 1,202,921	$ 1,166,278	$ 1,292,147	10.79%
Benefits	509,927	480,731	491,726	2.29%
Professional and Contractual	227,511	212,346	236,305	11.28%
Materials, Supplies, and Other	139,750	136,060	136,060	0.00%
Capital Outlay	45,574	-	-	0.00%
Total Expenditures	2,125,683	1,995,415	2,156,238	8.06%
Revenues				
Charges for Services	1,172	1,200	1,300	8.33%
Net Expenditures Supported by General Revenues	**$ 2,124,511**	**$ 1,994,215**	**$ 2,154,938**	**8.06%**

BUDGET TREND: FY2014 – FY2019



Notes:

- The increase in professional and contractual expenses is due to reconciliation between estimated and actual costs of ECC and Telecommunications services with Arlington County.
- The decrease in salaries, wages and benefits for FY2018 is due to a realignment of supervisory responsibilities and reassignment of personnel.
- The increase in contractual services and reassignment of personnel results in an overall increase of 12.14% for FY2019.

POLICE DEPARTMENT - DISPATCH

SUMMARY OF SERVICES PROVIDED

The Falls Church Police Dispatcher Center is the E-911 call transfer point for the City, it answers the Police Department's emergency and non-emergency phones 24/7/365, dispatches complaints requiring police officer response, and they are the after-hours contact point for the City. The dispatchers also provide after-hours security for City Hall and all other City buildings, including schools, by monitoring the City fire/burglary alarm system. The dispatchers monitor the Emergency Public Safety Radio System for the Capitol Region, Weather Radio, Amber Alert System and other emergency notification systems.

The Dispatch Center answers over 50,000 emergency and non-emergency telephone calls and dispatches more than 25,000 calls for service, annually. In addition, the dispatch center maintains the criminal warrant file system that handles approximately 200 warrants and conducts computer records checks for approximately 8,000 motor vehicles and 8,500 drivers annually for both the Police Department, as well as the Falls Church Sheriff's Office.

TRENDS AND ISSUES

- As the region grows, so do the number of calls answered in the Dispatch Center.
- A rapidly growing number of Police Dispatch Centers receive calls for service via email, text 911, and other social media sources.
- As local primary PSAPs transition fully to the Next Generation 911 system, the Falls Church Dispatch Center will need to enhance its own equipment and software to support the transfer and recording of emergency communications received via these alternate sources.

SIGNIFICANT CHANGES IN FY2019

- The computer equipment utilized by Dispatchers will need to be upgraded and optimized, in order to meet increased performance standards in advance of the NG911 transition.
- The backup dispatch center at the Fire Station had to be significantly updated and enhanced in order to maintain continuing operations during construction at City Hall.
- The primary dispatch center at City Hall will have to be significantly updated and enhanced with newer electronics and equipment compatible with the City's and Verizon's new fiber network.

FY2019 DELIVERABLES

- Continue to provide high quality seamless public safety service for the community and with all partnering agencies.

PRIORITIES FOR FUTURE FUNDING

1. Increase Dispatch Staffing by 2 FTE – Dispatchers $120,000. With expanding responsibilities and workloads, staffing is becoming critical. Currently, six Dispatchers staff four squads. Future staffing must allow for two Dispatchers per squad.

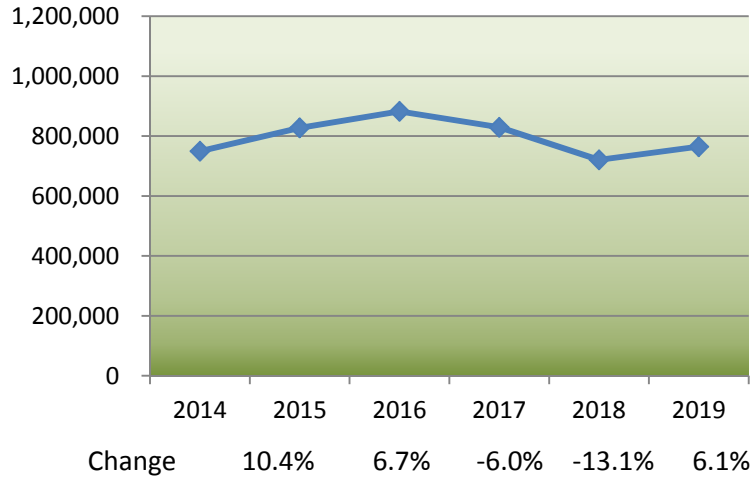
ADOPTED POSITIONS BY FTE – 6.00 TOTAL

- 6.00 Emergency Communications Technicians

ADOPTED BUDGET

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 344,511	$ 304,742	$ 319,803	4.94%
Benefits	95,378	103,618	104,312	0.67%
Professional and Contractual	431,057	312,391	340,607	9.03%
Net Expenditures Supported by General Revenues	**$ 870,946**	**$ 720,751**	**$ 764,722**	**6.10%**

BUDGET TREND: FY2014 – FY2019



Notes:

- The largest increase for FY19 is due to contractual services for dispatch phone maintenance as Verizon's service contracts expired during FY18.
- The increase in Salaries reflects the status of a fully staffed unit for an entire year.

ANIMAL CONTROL

SUMMARY OF SERVICES PROVIDED

The Designated Animal Control Officer oversees all cases involving domestic and wild animals in the City. The City receives calls on a daily basis concerning animals running at large, animal cruelty, animal bites, nuisance wildlife, and rabies concerns. The Animal Control Officer receives approximately 30 phone calls/emails per day, answers about 240 calls for service each year and secures approximately 35 animals per year. Additionally, the Animal Control Officer maintains the Animal Control Division and vehicle, maintains all necessary/mandated logs, contacts, written reports and handles administrative matters concerning the division.

TRENDS AND ISSUES

- With increased construction, there are increased wildlife complaints
- Complaints of barking dogs and animals at large increase as populations increase

SIGNIFICANT CHANGES IN FY2019

- No significant changes are anticipated for FY2018

FY2019 DELIVERABLES

- Continue to provide high quality seamless public safety service for the community and with all partnering agencies

PRIORITIES FOR FUTURE FUNDING

1. Our Animal Warden has been able to maintain shelter and veterinarian costs over the last few years, however, the costs for shelter and veterinarian services has increased significantly over the last five years for other jurisdictions in the region. For example, Manassas Park, which is similar in size and handles approximately the same number of animal and wildlife calls as Falls Church, had contract shelter care costs approaching the $70,000 mark for 2017.

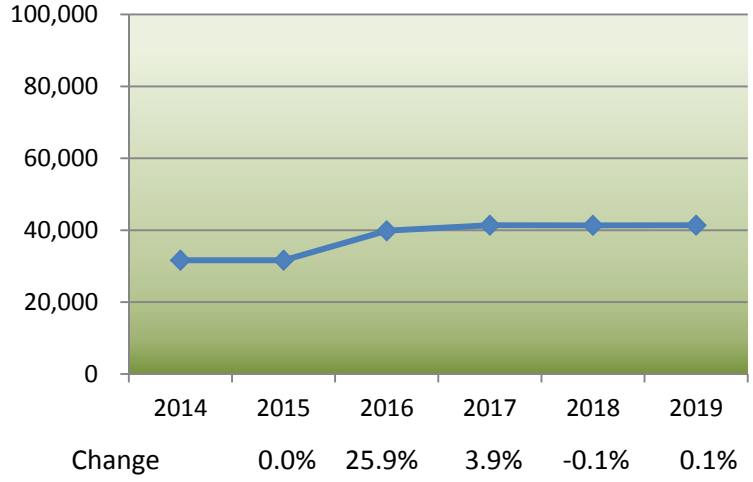
ADOPTED POSITIONS BY FTE – 0 TOTAL

- The position of 0.40 Animal Control Officer is a part-time temporary position.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 37,938	$ 36,536	$ 36,536	0.00%
Benefits	3,332	3,256	3,316	1.84%
Professional and Contractual	3,738	1,500	1,500	0.00%
Materials, Supplies, and Other	-	25	25	0.00%
Net Expenditures Supported by General Revenues	**$ 45,008**	**$ 41,317**	**$ 41,377**	**0.15%**

BUDGET TREND: FY2014 – FY2019



Notes:

- The proposed budget for FY19 continues to remain flat consistent with the previous four years.

EMERGENCY MANAGEMENT

SUMMARY OF SERVICES PROVIDED

The Office of Emergency Management (OEM) operates under the direction of the Chief of Police. The City Fire Marshal serves as the OEM Coordinator. OEM provides the leadership, coordination and operational planning that enables the City's response to, and recovery from, the impact of natural and man-made hazards. OEM's responsibilities are local and regional in nature, and are components of the Department of Homeland Security. OEM ensures the City meets and maintains the goals of the National Incident Management System (NIMS). This is accomplished by promoting emergency planning, public education and emergency exercises/drills throughout the City.

Programs administered by OEM include management of the Emergency Operations Center (EOC), review and updates of the following: Emergency Operations Plan (EOP), Continuity of Operations Plan (COOP), Regional Hazardous Mitigation Plan, NIMSCAST Compliance Reporting and the Local Capability Assessment for Readiness (LCAR) report. Communication programs under OEM includes WebEOC, Alert Falls Church, Satellite Phones, Video Tele-Conferencing (VTC) and the administration of the Government Emergency Telecommunications Service (GETS) cards. The Coordinator of OEM administers a Local Emergency Management Performance Grant (LEMPG) as well as being involved in all decisions with the Director of Emergency Management on Declarations of Disaster and application of Federal Reimbursements.

The Coordinator of Emergency Management serves as liaison for the Virginia Department of Emergency Management and the Washington Metropolitan Council of Governments Emergency Managers. In 2017, The Coordinator was awarded the PEM Designation (Professional Emergency Manager) by the Virginia Department of Emergency Management and the Virginia Association of Emergency Management. This is the highest designation in the Emergency Management field in the Commonwealth of Virginia.

TRENDS AND ISSUES

- Nationally and regionally, there is a growing demand for Emergency Management to be the focus for planning, preparing and coordination for law enforcement's response to coordinated attacks and threats to the community.
- Locally there are greater requests to OEM from the community including Faith-Based, NGO's, Daycare facilities and businesses to assist in training and advice on preparing for Active Violence Events.
- Community resilience is reviewed during the plan review process for new construction projects.
- As the growth of the City continues there is an ever increasing demand to meet the needs of the entire community, including those with special needs. Due to limited resources this continues to only be a collateral issue that needs greater attention as the population of the City increases.
- Approved the 2016 City of Falls Church Emergency Operations Plan (EOP) to meet compliance with Federal and State requirements.
- Received Local Emergency Performance Grant from the Virginia Department of Emergency Management managed by the Emergency Manager/Fire Marshal. The 2016 Grant funded the new 100% electric Utility Task Vehicle that benefits response needs during Special Events.
- Update of the Hazard Mitigation Plan as part of a regional effort to include 20 jurisdictions (to be ratified by City Council in early 2017).
- Co-Design and conducted an Active Shooter Complex Coordinated Attack, Table-Top Exercise with Alexandria and Arlington.

Served as Liaison with Fairfax Health Department of Zika Virus concerns impacting the City of Falls Church.

- Assist in development of Incident Action Plans for Falls Church City Schools sponsorship of the Peruvian Elections.
- Co-Authored White Paper in support of VDEM/COG Regional Planners.
- Conducted the annual "Praise and Preparedness" meeting that focuses on the needs and services that can be provided between Government and our Faith-Based Community. This included additional training sponsored for the Virginia Fusion Center focusing on safety and security of Houses of Worship.
- Completed Local Capability Assessment for Readiness (LCAR) report to the Commonwealth of Virginia, as required.
- Served on Assessment Center Interview Panels as a Subject Matter Expert in Emergency Management for Stafford County and the Commonwealth of Virginia.

SIGNIFICANT CHANGES IN FY2019

- Over the last six years issues have been raised resulting from after actions of actual incidents or exercises in which corrective actions have been identified. These include planning and training. It appears the assistance from the Virginia Department of Emergency Management has scaled back on resources for these needs. As these demands continue to increase, the notion of a 1/2 FTE to fulfill all requirements of Emergency Management is an unacceptable standard of practice. Consideration needs to take place to meet compliance needs.
- Manage the Everbridge emergency notification system for Alert Falls Church. This includes data entry of contact information into the system. This is an example of having excellent systems provided by the Region, however without the administrative staff to enter the data, the City losses the best capabilities the system provides.
- Postponed NIMS Audit in 2016 due to lack of staff time. This is a concern as employees must meet NIMS training city-wide to meet Federal and State compliance. Due to the employee turn-over rate training needs are ongoing in order to meet compliance.
- Increased demand to coordinate the planning and preparation for a regional response to all threats with an emphasis terrorism and coordinated acts of violence. Emergency Management has been identified as the source to regionalize this approach.

FY2019 DELIVERABLES

- Completion of the following Emergency Support Plans: Regional Hazardous Mitigation Plan, Sheltering and Damage Assessment Plans.
- Continue to foster relationship with FCCPS and their need to establish Emergency Plans.
- Continue to the Praise and Preparedness Program with our Faith Based Organizations.
- Focus on STOP THE BLEED campaign designed to provide immediate trauma aid to government buildings, schools, houses of worship and assemblies located in the City.

PRIORITIES FOR FUTURE FUNDING

1. Emergency Planner ($100,000) – hire a full time planner for meet the demands of a full time City, currently being administer by a ½ FTE Coordinator.

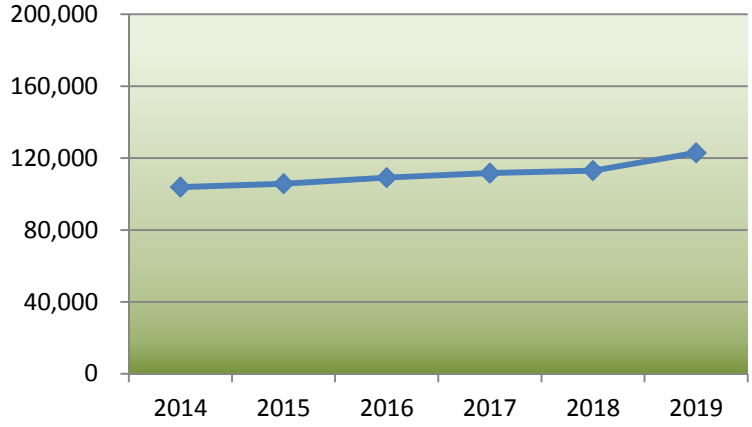
ADOPTED POSITIONS BY FTE – 0.50 TOTAL

- 0.50 Emergency Management Coordinator

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 60,011	$ 60,891	$ 62,684	2.94%
Benefits	22,662	21,766	29,872	37.24%
Materials, Supplies, and Other	3,141	14,716	14,716	0.00%
Capital Outlay	11,402	15,627	15,627	0.00%
Net Expenditures Supported by General Revenues	**$ 97,215**	**$ 113,000**	**$ 122,899**	**8.76%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		1.8%	3.3%	2.3%	1.2%	8.8%

Notes:

- The modest increase in EM services is in salary as Captain Polera completed the COG IRE Program which increases his salary

FIRE MARSHAL

SUMMARY OF SERVICES PROVIDED

The Fire Marshal is designated as the Fire Official for the City and is a Division under the Police Department. The Fire Marshal also serves as the Coordinator of Emergency Management (EM). The mission is life safety and property preservation through the enforcement of the Virginia Statewide Fire Prevention Code. Inspects and issues permits required by the Fire Code based upon occupancy type and the use of hazardous materials and operations. Inspections are required on an annual basis as well as investigated based upon complaint. The Fire Marshal is tasked with the administration of these duties including the financial accounting and the collecting of revenues associated with the Inspection Program.

The Fire Marshal is also charged with investigations involving fire and explosions as well as environmental crimes. There were seven fires reported with an estimated fire loss (CY2016) of over $325,000. These incidents resulted in four minor injuries. In addition, the Fire Marshal is one of the many facets included in the plan review process for all new construction projects and special events in the city.

In addition to those primary duties, the Fire Marshal is a Sworn Law Enforcement Officer and part of the Command Staff. As such, the position supports all emergency events that occur within the City. Collateral duties for the Fire Marshal include attending various meetings with regional groups including the Council of Governments Fire Prevention Group. The Fire Marshal holds certifications through the Virginia Department of Fire Programs, the Virginia Department of Housing and Community Development as well as national trade organizations.

Fire Inspection Program	INSPECTIONS	PERMITS	VIOLATIONS	REVENUE
CY2016	296	280	929	$62,467
CY2015	290	280	1036	$62,290
CY2014	222	174	517	$41,905
CY2013	211	150	541	$38,743
CY2012	200	143	826	$36,383
CY2011	177	120	368	$22,290

TRENDS AND ISSUES

- The addition of the Part-Time Fire Inspector has proven to be a success by accomplishing 100 percent of the inspectable businesses that meet the criteria for annual inspections and permits under the Virginia Statewide Fire Prevention Code.
- Growth will continue to have a high demand on the Fire Inspection Program for existing structures. As new mixed use structures replace single use occupancies the density increases resulting in the need for increase annual inspections and permits required by the Fire Code.
- The addition of new construction projects includes a plan review process under the Statewide Fire Prevention Code. As these projects increase, so does the demand for plan reviews.

SIGNIFICANT CHANGES IN FY2019

- 2016 showed the stabilization of inspectable businesses that meet the criteria for annual inspections and permits under the Virginia Statewide Fire Prevention Code. This was only possible by the hiring of the part-time Fire Inspector.
- There is an increasing need for support staff to support the workload for administration of the Fire Marshal's Office. This includes the day to day clerical needs for the issuance of Fire

Permits, the fire inspection program including tracking delinquent permit and inspection fees, the organization of plan reviews and investigative administrative needs.

FY2019 DELIVERABLES

- The Part-Time Fire Inspector will continue to conduct inspections of 100% of the City's inspectable properties

PRIORITIES FOR FUTURE FUNDING

1. Administrative Assistant ($35,000): Needs included performing clerical duties such as creating permits, filing notices of violation, logging inspections, following-up with billing and collecting revenue. The position would free up clerical duties performed by the Fire Marshal-Emergency Manager to focus on more strategic goals under these Divisions.
2. Permanent Part-Time Fire Inspector ($25,000): Move the part-time temporary position to a permanent position since permanent revenues from this position will be supported.

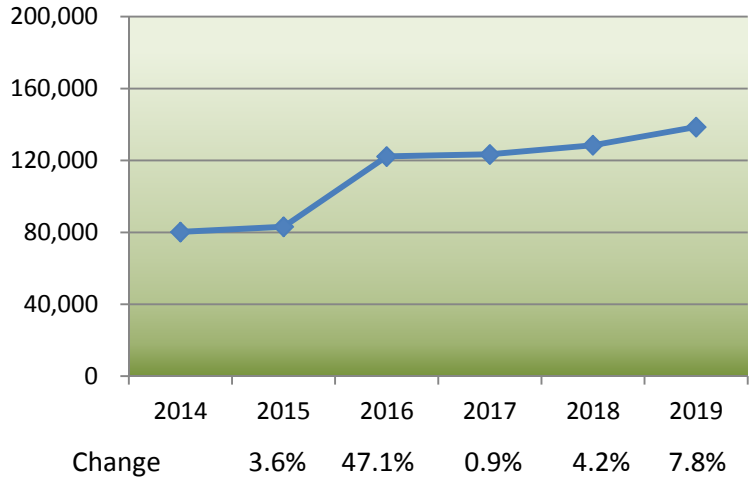
ADOPTED POSITIONS BY FTE – 0.50 TOTAL

- 0.50 Fire Marshal

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 80,294	$ 93,229	$ 95,022	1.92%
Benefits	24,972	25,583	33,863	32.37%
Materials, Supplies, and Other	7,413	9,683	9,683	0.00%
Total Expenditures	112,956	128,495	138,568	7.84%
Revenues				
Charges for Services	62,698	60,000	60,100	0.17%
Net Expenditures Supported by General Revenues	**$ 50,259**	**$ 68,495**	**$ 78,468**	**14.56%**

BUDGET TREND: FY2014 – FY2019



FIRE AND RESCUE SERVICES

SUMMARY OF SERVICES PROVIDED

The Office of the Chief of Police, by contract, coordinates with the Arlington County Fire Department and Volunteer Fire Department to provide 24/7/365 fire, EMS and HAZMAT services at the Falls Church Fire Station #6. Arlington County has 33 fire fighters and emergency medical services personnel, assigned to the Falls Church Fire Station.

Annually, the Arlington Fire/EMS responds to approximately 5,400 calls and approximately 25 HAZMAT calls.

The budget shown below also includes $35,150 grant to the Falls Church Volunteer Fire Department which helps to defray their fire and EMS equipment costs, training, materials, and emergency vehicle insurance; as well as payment towards the Virginia Line-of-Duty-Act fund for the volunteers. In 2016 the Volunteer Fire Department EMTs responded to 309 basic life support trauma and medical calls, freeing up ACFD's advanced life support units to focus on more critical incidents. Volunteers also recorded 370 hours of supplemental staffing on engine, ladder truck, and medic, assisting ACFD staff on fire and EMS calls. Light & Air 106 is on call for fire and police support 24/7/365. Falls Church VFD members contributed a grand total of 17,555 hours of service in 2016, across staffing, training, administration, and providing fire and life safety education to the public.

FY2019 DELIVERABLES

Volunteer Fire Department

- Respond to fire and EMS emergencies via volunteer owned-and-staffed Ambulance, Utility, and Light & Air units
    - Ambulance: Provide basic life support (BLS) EMS response via regularly-scheduled ambulance duty shifts
    - Light & Air: Provide scene lighting and air replenishment on major fire and police incidents (e.g. multi-alarm fires, fire marshal investigations, police investigations)
    - Utility: Provide surge capability for unplanned environmental emergencies (e.g. winter storms, heavy wind/rain storms)
    - Provide dedicated fire and EMS standby at City special events, including but not limited to New Years, Memorial Day, Independence Day, Fall Festival, Elections
- Supplement ACFD staffing on engine, ladder truck, and medic units
- Provide fire and life safety education to the public via:
    - Community outreach to schools, especially during Fire Prevention Week
    - Increased community awareness of fire and EMS operations at Open House
    - Safety presentations which are a core component of every birthday party hosted at the fire station
    - Fire station tours and safety presentations, upon request, tailored to the audience - e.g. Boy and Girl Scouts, au pair groups, and faith communities
- Provide and/or procure high-quality training for volunteers to improve their skills and knowledge, and provide for their own safety while responding to emergencies

PRIORITIES FOR FUTURE FUNDING

Volunteer Fire Department

1. Fire and EMS apparatus insurance
2. Personal protective equipment (PPE)
3. Training programs, e.g EMT-Basic and Firefighter Level I/II (national standard)
4. Equipment and supplies (e.g. communications, fuel, repairs)

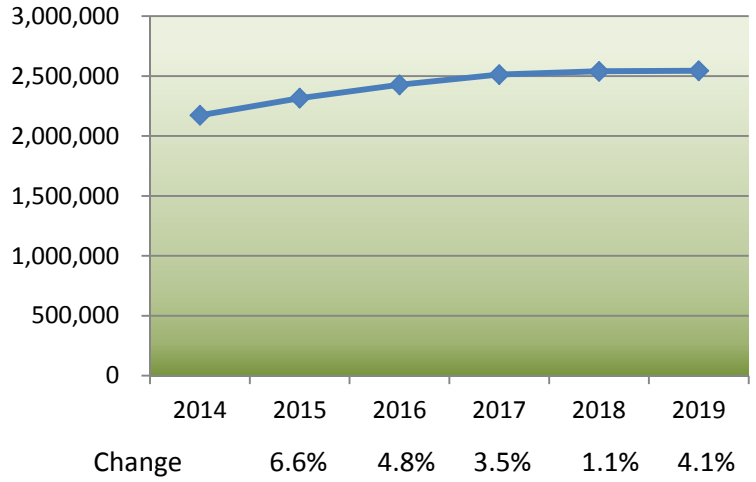
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contract with Arlington County provides for 33 fire fighters.
- 50-55 Volunteers

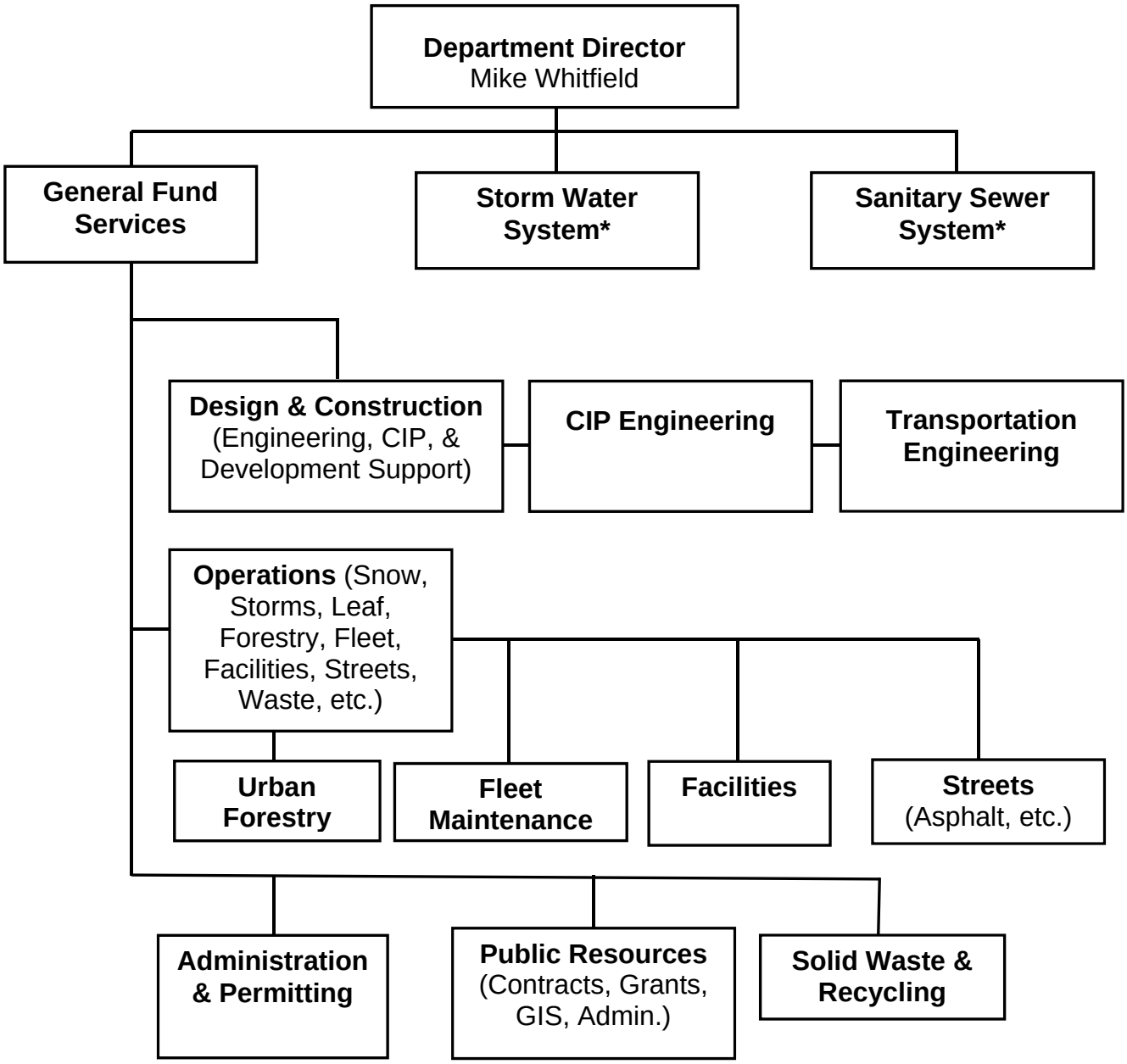
ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Benefits	$ 5,815	$ 5,816	$ 8,646	48.66%
Professional and Contractual	2,156,551	2,266,841	2,380,027	4.99%
Materials, Supplies, and Other	37,880	35,150	23,746	-32.44%
Capital Outlay	276,160	231,322	231,322	0.00%
Total Expenditures	2,476,406	2,539,129	2,643,741	4.12%
Revenues				
State Grants	57,465	40,000	40,000	0.00%
Charges for Services	166,470	146,000	150,000	2.74%
Total Revenues	223,935	186,000	190,000	2.15%
Net Expenditures Supported by General Revenues	**$ 2,252,471**	**$ 2,353,129**	**$ 2,453,741**	**4.28%**

BUDGET TREND: FY2014 – FY2019



DEPARTMENT OF PUBLIC WORKS



*The Department of Public Works also manages the Sanitary Sewer Fund and the Stormwater Fund, which are enterprise funds that have their own separate budgets, as well as many projects in the Capital Improvements Program. The Sanitary Sewer Fund budget can be found on page 223. The Stormwater Fund budget can be found on page 235. The CIP Funds budgets begin on page 263.

PUBLIC WORKS ADMINISTRATION

SUMMARY OF SERVICES PROVIDED

The Public Works Administration cost center provides administrative oversight and resources for supporting inspection of private construction in the ROW, Permitting, Erosion & Control compliance and general DPW needs.

TRENDS AND ISSUES

- ROW Permits increased from 287 in FY2017 to 332 in FY2018 and an estimated 384 in FY2019
- Allocation of staff to CIP accounts has increased administrative burden

SIGNIFICANT CHANGES IN FY2019

- Reallocation in engineering support was necessary to accommodate CIP and operational needs
- New ROW permitting system to clarify responsibilities and increase accountability of permittees

FY2019 DELIVERABLES

- Blanket ROW permit processing for ongoing utility maintenance has been streamlined
- Development of protocols for utility companies to become accountable for ROW disturbance
- Operational programs not under other cost centers are managed administratively
- Code compliance and proposed changes are evaluated and changes to be presented to Council

PRIORITIES FOR FUTURE FUNDING

1. Professional Services $20,000. Due to limited funding for pre-scoping of projects, additional funds are required to contract with Consultants to assist in scoping of projects. As other unforeseen special projects are identified during the year, DPW is called upon to respond to creation of new sidewalk and utility easements. These type of services aren't included in operational funding, as they are not known. The type of services required to cover these cost are paid from this account.

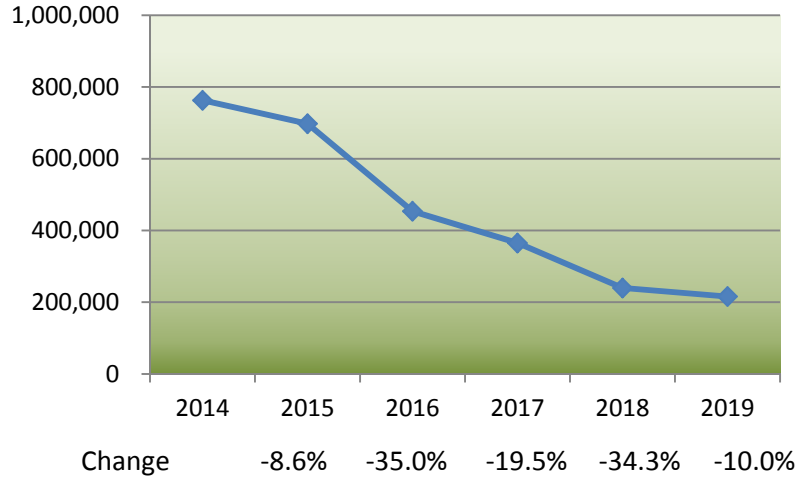
ADOPTED POSITIONS BY FTE – 1.50 TOTAL

- 0.60 Director of Public Works
- 0.80 Permitting Manager

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 292,540	$ 153,124	$ 143,035	-6.59%
Benefits	67,412	57,046	43,235	-24.21%
Professional and Contractual	8,878	550	550	0.00%
Materials, Supplies, and Other	32,316	29,107	29,107	0.00%
Capital Outlay	23,818	-	-	0.00%
Total Expenditures	424,963	239,827	215,927	-9.97%
Revenues				
Licenses, Fees, and Permits	242,085	174,000	176,800	1.61%
Charges for Services	5,139	4,000	5,700	42.50%
Fines	3,500	5,000	3,700	-26.00%
Total Revenues	250,724	183,000	186,200	1.75%
Net Expenditures Supported by General Revenues	**$ 174,239**	**$ 56,827**	**$ 29,727**	**-47.69%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2015 reflects a reallocation of staff and administrative costs to other Cost Centers such as the Utility funds, and CIP funding.
- FY2016 reflects reallocation of resources to other Cost Centers (4108 and 4109) to better reflect organizational structure.
- FY2017 reflects the transfer of one FTE position to Finance Department
- FY2018 reflects changes in the Department's organizational structure to better respond to current challenges in program areas and projects.

DESIGN & CONSTRUCTION ENGINEERING

SUMMARY OF SERVICES PROVIDED

The Design & Construction Engineering section provides general engineering support for the Department of Public Works.

Typical services:

- Coordinate and oversee master planning for infrastructure needs; such as traffic signals, paving, bridges, retaining walls, stormwater, and sanitary sewer
- Coordinate engineering related projects, needs and priorities within Public Works and other departments in the City
- Develop and oversee implementation of engineering design standards for public and private development
- Assist with engineering related projects throughout the organization on an as needed basis

TRENDS AND ISSUES

- Staff within Public Works was realigned on January 1, 2017 to address workload needs associated with the City's capital improvement program. This division was created at that time to help coordinate those needs while balancing the ongoing responsibilities within the department.

FY2019 DELIVERABLES

- Paving, Transportation/Signals, Storm and Sanitary Sewer programs
- Administer and provide oversight for programs
- Provide guidance to developers, engineers and contractors on City policies

SIGNIFICANT CHANGES IN FY2019

- Staff turnover will increase the operational efforts to align resources accordingly
- Establish goals and implementation for programs to be accomplished within a 5 year programed window

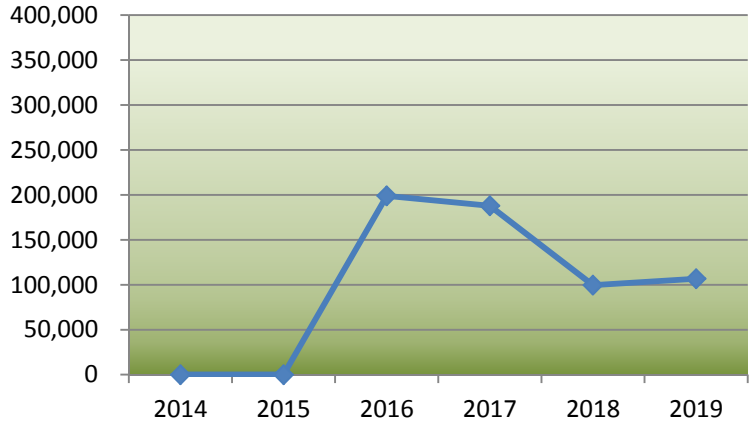
ADOPTED POSITIONS BY FTE – 0.75 TOTAL

- 0.25 Engineering Manager
- 0.05 Project Manager
- 0.30 Principal Engineer
- 0.05 Senior Engineer
- 0.05 Senior Engineer
- 0.05 Principal Engineer

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 77,556	$71,275	$80,353	12.74%
Benefits	33,224	22,442	20,180	-10.08%
Professional and Contractual	463	-	-	0.00%
Materials, Supplies, and Other	7,779	5,925	6,200	4.64%
Capital Outlay	-	-	-	0.00%
Reserves	-	-	-	0.00%
Total Expenditures	119,022	99,642	106,733	7.12%
Revenues				
Charges for Services	-	-	-	0.00%
Net Expenditures Supported by General Revenues	**$ 119,022**	**$99,642**	**$106,733**	**7.12%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		-	-	-5.5%	-47.0%	7.1%

Notes:

- FY 2016 this cost center was created for the Construction Management Group.
- FY2018 this cost center was renamed for the Design & Construction Engineering Group. The Construction Management group was eliminated.
- FY2018 reflects reallocation of resources from and to other program areas.

TRANSPORTATION ENGINEERING

SUMMARY OF SERVICES PROVIDED

The City of Falls Church maintains, operates, and manages all of the roadways in the City. The Transportation Engineering Cost Center provides for the engineering, management, and administration of the City's transportation network. Key systems or components managed and administered by this cost center include:

- 28 Traffic signals and other components (flashing beacons, etc.)
- Over 200 city owned streetlights and 1,020 Dominion Virginia Power streetlights
- Over 1,900 regulatory and warning signs
- Pavement markings
- 26 bridges

In addition to managing the infrastructure systems above, the Transportation team is responsible for:

- Reviewing development plans, road closure requests and transportation impact studies
- Assisting the CIP team in the development and delivery of transportation projects
- Supporting the Citizens Advisory Committee on Transportation (CACT)
- Implementation of Planning programs and Master Plans
- Responding to citizen inquiries

TRENDS AND ISSUES

- Grant-funded projects and commercial development is increasing the infrastructure the City has to maintain.
- Regional trends and traffic safety concerns continue to inspire increased requests for pedestrian and cyclist facilities (e.g., crosswalks, sidewalks, curb ramps and bike lanes).

SIGNIFICANT CHANGES IN FY2019

- The lack of a Transportation Engineer has impacted the program areas and resources have been distributed to other staff
- Projects are managed from cradle to grave, which necessitates the use of consultants to assist in the construction management phases

FY2019 DELIVERABLES

- Preventive maintenance for all traffic signals
- Rewiring of 1 signalized intersection
- Bick pavers and utility undergrounding at 412 W. Broad St.
- Approximately 1/2 mile of milling and paving along residential streets
- 1-2 marked crosswalks with new curb ramps

PRIORITIES FOR FUTURE FUNDING

1. Paving $100,000. Necessary annual funding to establish a 20-year replacement cycle. The cost for pavement reconstruction could come from grants.

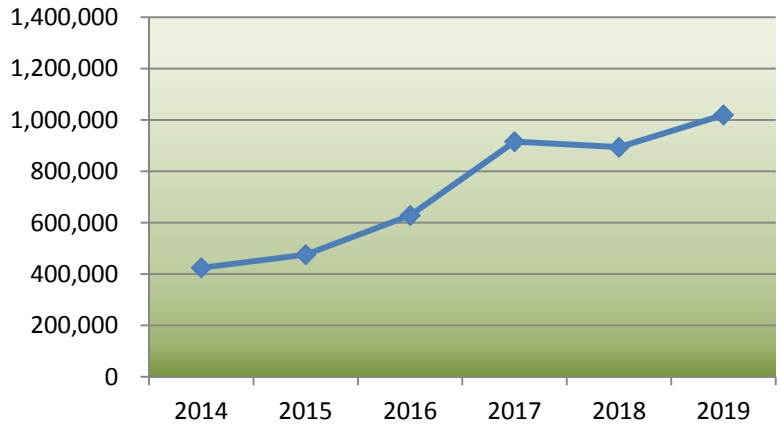
ADOPTED POSITIONS BY FTE – 1.65 TOTAL

- 0.70 Senior Engineer
- 0.75 Senior Engineer
- 0.20 Project Manager

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 211,084	$ 141,070	$ 166,668	18.15%
Benefits	70,464	49,222	48,831	-0.79%
Professional and Contractual	265,466	443,653	473,653	6.76%
Materials, Supplies, and Other	176,338	185,190	185,430	0.13%
Capital Outlay	457,889	75,000	145,000	93.33%
Reserves	-	-	-	0.00%
Total Expenditures	1,181,240	894,135	1,019,582	14.03%
Revenues				
State Grants	733,004	439,083	613,784	39.79%
Total Revenues	733,004	439,083	613,784	39.79%
Net Expenditures Supported by General Revenues	**$ 448,236**	**$ 455,052**	**$ 405,798**	**-10.82%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		12.0%	32.1%	45.7%	-2.3%	14.0%

Notes:

- FY2015 increases include reallocation of the Civil Engineer Inspector to this program, plus increased funding to manage and maintain the Traffic Signal system.
- FY2016 increases the staffing allocated to the Cost Center.
- FY2016 budget provides funding to replace (2) traffic signal cabinets and provide software for staff.
- FY2017 increase is due to the transfer of paving costs to this cost center from Highways, Streets, & Sidewalks.
- FY 2018 decrease due to reallocation of one staff to CIP Engineering
- FY2019 increase is due to the funding of traffic signal maintenance and re-wiring, and sidewalk replacement.

CIP ENGINEERING

SUMMARY OF SERVICES PROVIDED

The Capital Improvements Program Engineering section manages projects – both design and construction phases – under the City's Capital Improvements Program (CIP). The section also assists in the development of the City's CIP.

Typical Services of CIP Engineering Section for CIP projects:

- Pre-Construction Services Phase (Project management, plan review, right of way acquisition, public engagement, project scope development assistance, specifications development assistance, bid and contract preparation assistance, grant administration assistance)
- Construction Management Phase (Inspections, documentation, public engagement, payment processing, field resolution, contract enforcement)
- Post-Construction Phase (Commissioning, grant and permit close-out assistance, documentation)
- CIP Programming (Program development, cost estimation, project scheduling, project scope assistance)

In addition to managing the programs above, the CIP team is responsible for:

- Managing projects for other City Departments, i.e. Parks & Recreation

TRENDS AND ISSUES

- Manage projects with over $25M in projected construction costs in FY2019 including City Hall, Library, S. Maple Ave., W & OD Park, Bike Share, Oak Street Bridge, Big Chimneys, Downtown Plaza, Neighborhood Traffic Calming, Safe Routes to School, S. Washington St. and (4) Signal projects.
- Anticipated increase of federally funded projects will add to overall administrative burden. Grant applications have become more detailed oriented including need for detailed cost estimates and data collection to justify grant awards

SIGNIFICANT CHANGES IN FY2019

- The CIP Engineering Manager was moved to this new cost center.
- (2) Temporary/Part time Project Managers were hiring to maintain program schedules.

FY2019 DELIVERABLES

- Master planning for CIP program. Focus on delivery of projects on a yearly basis
- Construction of City Hall, Bike Share, Big Chimneys, Downtown Plaza, Neighborhood Traffic Calming, S. Washington St. and (3) Signal projects.

PRIORITIES FOR FUTURE FUNDING

1. Project Concept Development $30,000. Funding needed to improve grant application and project scope and budget development process. Professional services may help to set project goals and expectations and make grant funding requests more accurate. Additionally, grant applications are increasingly asking for applicants to provide more detailed cost estimates and project scopes.

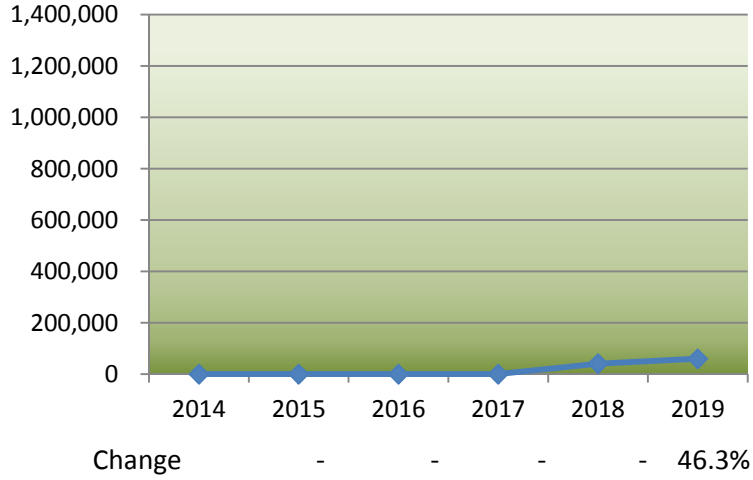
ADOPTED POSITIONS BY FTE – 0.45 TOTAL

- 0.20 Principal Engineer
- 0.25 Project Manager

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ -	$ 25,100	$ 40,264	60.41%
Benefits	-	7,905	12,153	53.74%
Professional and Contractual	-	-	-	0.00%
Materials, Supplies, and Other	-	7,890	7,410	-6.08%
Net Expenditures Supported by General Revenues	**$ -**	**$ 40,895**	**$ 59,827**	**46.29%**

BUDGET TREND: FY2014 – FY2019



Notes:

- This is a new cost center in FY2018
- FY2019 will be the highest volume of work for the CIP group and the City

PUBLIC RESOURCES

SUMMARY OF SERVICES PROVIDED

The Public Resources Group is a new cost center within DPW, established in FY18. The Group synchronizes essential functions and resources for both Operating and Capital Improvement Program (CIP) activities and provides services for contracts, administration, grants and GIS to Public Works staff, other departments and outside agencies. Group functions assure compliance with regulations and standard policies and procedures.

Key components managed and administered by this cost center include:

- Ongoing Procurement and Contracting for goods and services (both professional and nonprofessional) for DPW. Includes wide variety of contractual services such as engineering, architectural, solid waste collection, recycling, landscaping, HVAC maintenance, paving, stormwater pipe lining and custodial services (currently about 95 contracts)
- Full continuum of Grants Administration: applications, coordination with other Departments, reporting, Council resolutions, VDOT liaison, compliance, financial reimbursements to the City
- Management of federally-funded construction procurement, including required state/federal review coordination
- Documentation management for CIP construction projects, including federally-funded capital construction
- Geospatial analysis, development and maintenance (Geographic Information Systems/GIS for City departmental GIS needs)
- Support of stormwater and sewer utilities
- DPW Administration support, including development SMRT notices and scheduling

TRENDS AND ISSUES

- Filing of grant reimbursement requests totaled $1.35 million in FY17 and $1.27 million for the first eight months of FY18
- 58% of current and near-future grant projects are now federally-funded, resulting in significant increase of requirements and administrative burden
- Staff time now tracked on 37 separate CIP projects
- GIS serves as an important tool for City staff and the public, to identify physical features and locations within the City. GIS is also used for tracking and identifying maintenance-related programs.

SIGNIFICANT CHANGES IN FY2019

- Increase in use of the Public Resources Group by all City departments has led to an overburden.

FY2019 DELIVERABLES

- Geospatial/GIS support related to stormwater utility, tax parcels, and Next Gen 9-1-1
- Effective and timely management of ongoing DPW contracts and new procurement efforts
- Federal and CIP construction, Parks projects development and Bike Share procurement
- Grant applications as planned and presented to Council
- Continuation of close coordination with Development Services for grants, CIP planning and project development

PRIORITIES FOR FUTURE FUNDING

1. Temporary Assistance for Contracts $32,500. With the significant increase in DPW CIP projects and tasks issued under engineering and A/E contracts, a greater portion of the Public Resource Manager's time has been required for processing invoices and pay applications. Temporary/part-time assistance is needed to enable the Public Resource Manager to focus primarily on DPW procurement, including complex CIP project procurement with federal funds.

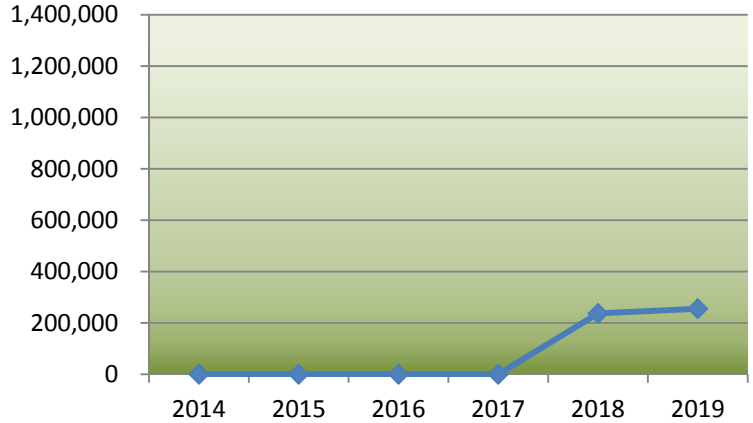
ADOPTED POSITIONS BY FTE – 2.50 TOTAL

- 0.50 Public Resources Manager
- 0.85 CIP Grants Administrator
- 0.90 Senior Administrative Assistant
- 0.25 GIS Manager

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ -	$ 173,225	$ 195,621	12.93%
Benefits	-	40,347	38,438	-4.73%
Professional and Contractual	-	200	200	0.00%
Materials, Supplies, and Other	-	23,135	20,975	-9.34%
Net Expenditures Supported by General Revenues	**$ -**	**$ 236,907**	**$ 255,234**	**7.74%**

BUDGET TREND: FY2014 – FY2019



Change	-	-	-	-	7.7%

Notes:

- Established as a new cost center in FY2018
- FY2019 has an increase of use from other Departments for GIS, Contract Administration and Grant Funding assistance

SOLID WASTE & RECYCLING

SUMMARY OF SERVICES PROVIDED

Solid waste and recycling collection are provided for single family and townhome residents in the City. Commercial and multi-family residents are required to contract directly with providers. Core services include:

- Curbside trash and recycling collection
- Curbside bulk, yard waste and bundled brush collection
- Recycling Center operation and management
- Solid waste code compliance
- Streetscape trash/recycling can installations, operation, and maintenance
- Hazardous waste management
- Regulatory compliance

The Solid Waste and Environmental Programs Coordinator performs extensive public outreach – including publication of program documents, education and outreach materials and organizes / staffs special events including:

- Recycling Extravaganza & household Hazardous Waste Collection
- Spring & Fall Community Clean-Up
- Spring Leaf Mulch Distribution
- Composting Workshops and Farmers Market Outreach
- School and community outreach including FCCPS recycling presentations, field trips to the waste transfer station, and tours/presentations to community groups

TRENDS AND ISSUES

- The City's recycling rate has consistently ranked in the top tier of Virginia jurisdictions, fluctuating between 60-70%. The latest data (from CY 2016) had the City ranked number three in the state with a 63% recycling rate.
- Food waste continues to represent one of the largest fractions of solid waste in Falls Church and in 2015 the EPA elevated its priority by announcing the nation's first food waste reduction goals. The City's recent implementation of food waste composting programs (first of their kind in VA) will help increase the recycling rate and act as a catalyst for regional action. Food waste diversion will remain a high priority and pathway to accomplish the goals outlined in the City's Solid Waste Management Plan.
- Contract costs have continued to increase. In FY2018, solid waste collection fees increased 1.7% and disposal fees increased 3.7% for a second year in a row. Recycling Center hauling costs remained 66% higher than FY15. These key contract costs represent 85% of the program's budget.
- Recycling revenues have declined since FY2012 ($101,000) as a result of market changes, contract costs, and fluctuating tonnages. Revenues have rebounded since FY2016's low point of $12,000. FY2017 recycling revenue was $44,000 and FY2018 is projected to be about $38,000. Looking ahead, commodity values will likely remain suppressed due to contamination standards imposed by China (a major importer of U.S. recyclables). The City's contamination rate is lower than industry averages, thus creating advantages in future processing/sale contracts. Even with a complicated market outlook, there is no question about the fiscal and environmental benefits of the City's recycling accomplishments.

- Short term trends pressuring communities to decrease contamination may affect recyclables accepted at the processing facility. A renewed focus on contamination will require fresh education and outreach initiatives. Plans for a new high school will have impacts on the City's leaf collection program. Leaves collected curbside each fall are stored and ground on the George Mason High School campus. Pending the outcome of the school planning process, alternative options for leaf collection, storage and distribution will need to be developed.

SIGNIFICANT CHANGES IN FY2019

- Contract costs are expected to increase. Disposal costs are expected to increase 3-5% and collection costs are expected to increase 1-3% (annual impact of $10,000-20,000). A flat budget puts pressure on all service offerings.
- The City's curbside trash, recycling and yard waste collection contract expires in FY2019. A competitive procurement process will be conducted to secure a new contract.

The Solid Waste Program piloted a food waste collection station at the farmers market in FY2016, a 24/7 community drop-off program in FY2017 and a voluntary curbside food waste collection program, the first of its kind in Virginia, in FY2018. Trends indicate increasing participation. From August 2017-December 2017, 34 tons of food waste was composted rather than the incinerated. The FY2019 budget sustains the City's innovative and popular compost programs through changes to recycling programming and business process improvements.

FY2019 DELIVERABLES

- See services above.

FY2019 PRIORITIES FOR FUTURE FUNDING

1. Compost programs $25,000. Expand participation in compost programs by reducing participation costs. The curbside collection program's cost-share design enabled participation at a low cost to the resident and the City. This design was critical in launching Virginia's first curbside collection program. Future funding would grow participation by reducing or eliminating the resident's share of the cost.
2. Additional Household Hazardous Waste (HHW) event and improved access to recycling for difficult materials ($25,000): The City used to provide two HHW events annually. City residents may dispose of HHW at the Fairfax County Solid Waste Transfer Station, but the local HHW event improves convenience, possibly preventing HHW from entering the general waste stream or local environment. Funding would also improve access to recycling for difficult materials such as paint, mattresses, carpet, medication, etc. Using successful programs like DC's Paint Care takeback program as a roadmap, this funding aims to partner with the business community to improve access to recycling.
3. Education and outreach $15,000. Short term trends pressuring communities to decrease contamination may affect recyclables accepted at the processing facility. A renewed focus on contamination will require fresh education and outreach initiatives. Funding would include citywide mailers, magnets and other outreach material.

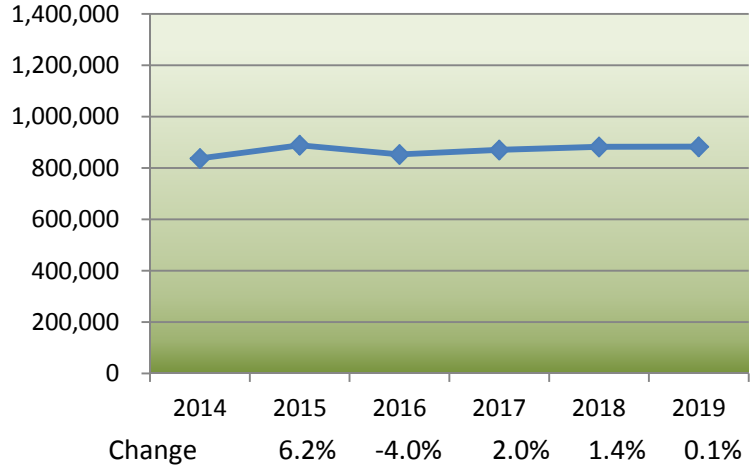
ADOPTED POSITIONS BY FTE – 1.00 TOTAL

- 1.00 Solid Waste Programs Coordinator

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 95,115	$ 90,068	$ 92,612	2.82%
Benefits	22,847	22,968	20,101	-12.48%
Professional and Contractual	737,716	749,494	749,494	0.00%
Materials, Supplies, and Other	11,203	14,628	14,628	0.00%
Capital Outlay	8,251	5,000	6,000	20.00%
Total Expenditures	875,132	882,158	882,835	0.08%
Revenues				
State Grants	6,192	5,000	6,000	20.00%
Charges for Services	93,081	72,000	80,400	11.67%
Total Revenues	99,273	77,000	86,400	12.21%
Net Expenditures Supported by General Revenues	**$ 775,859**	**$ 805,158**	**$ 796,435**	**-1.08%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2015 reflects increasing hauling, handling, and disposal costs; and decreasing revenues from Recycling.
- FY2016 reflects less drastic reduction in recycling revenues and increases in contract costs than had been anticipated for FY2015.
- FY2017-18 solid waste collection costs increased both years by 1-2% and disposal costs increased 3.7%.
- FY2019 Disposal and collection costs are expected to increase which could impact services or programming.

HIGHWAYS, STREETS & SIDEWALKS

SUMMARY OF SERVICES PROVIDED

All public roadways within the City (including Rte. 29 and Rte. 7) are operated and maintained by the Department of Public Works. The City is reimbursed by VDOT for a portion of the operating and maintenance costs under the State's Urban Highway program. Routine maintenance and operations performed by the City include:

- Pavement repair (potholes)
- Sidewalk and curb/gutter repair
- Pavement rehabilitation and reconstruction
- Pavement markings
- Sign installation and refurbishment
- Collecting and/or clearing debris caused by severe weather
- Emergency response in Right-of-Way
- Maintaining bus shelters, benches, bike racks and trash cans

The Department of Public Works manages the construction and maintenance of all City streets, including street paving and repairs, curb and gutter replacement, and sidewalk repair and construction. Approximately 300 linear feet of curb and gutter are replaced annually, along with approximately 550 square yards of sidewalk. City crews use approximately 500 tons of asphalt annually to repair City streets. The City receives funding from the Virginia Department of Transportation to offset a portion of these costs. Crews under this cost center provide many other services, some of which are allocated to other cost centers, such as leaf collection and snow removal.

TRENDS AND ISSUES

- As the appurtenances on the streets increase, it will be necessary to budget for maintenance and refurbishment on a yearly basis.
- Maintenance of new bus shelters, signs and pavement markings
- Increase sign, ADA ramps and pavement markings

SIGNIFICANT CHANGES IN FY2019

- Operations involvement has increased with more CIP and signal maintenance
- A hotel tax generating approximately $60,000 has been added to the budget for business district improvements, which are budgeted in this cost center.
- Special events have increased and Operations are required to staff and provide safety aspects

FY2019 DELIVERABLES

- Replacement of approximately 300 feet of curb, gutter, and sidewalk (0.1% of city's inventory)
- Training and certification for crews to maintain signal equipment
- Refresh 1/3 of city's crosswalks and stop bars
- Proceeds from Hotel Taxes will be used for the enhancement of the downtown area, including hanging tree planter maintenance and holiday tree lighting.

PRIORITIES FOR FUTURE FUNDING

1. Bus Shelters Maintenance $18,000. Funding for repairs and maintenance to all City owned Bus shelters.
2. Sidewalk Maintenance $47,000. Repair and maintenance of sidewalks and curb and gutter, in particular for the tripping hazards.

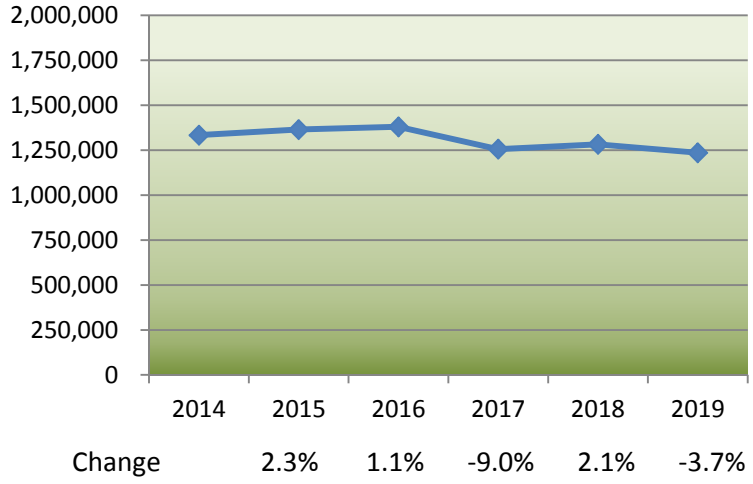
ADOPTED POSITIONS BY FTE – 10.85 TOTAL

- 0.25 Superintendent of Public Works
- 0.20 Asst. Superintendent
- 0.40 Sr. Administrative Assistant
- 2.00 Senior Maintenance
- 2.00 Crew Leader
- 5.00 Maintenance Worker
- 1.00 Senior Equipment Operator
- Salary from this cost center is allocated to Snow 4105, and Leaf Collection 4205

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 491,555	$ 515,400	$ 547,239	6.18%
Benefits	188,316	199,912	178,844	-10.54%
Professional and Contractual	42,174	196,340	226,340	15.28%
Materials, Supplies, and Other	268,892	310,365	312,825	0.79%
Capital Outlay	103,730	60,000	-	-100.00%
Total Expenditures	1,094,667	1,282,017	1,265,248	-1.31%
Revenues				
Charges for Services	452	2,500	2,100	-16.00%
State Grants	461,657	684,486	539,551	-21.17%
Total Revenues	461,657	684,486	539,551	-21.17%
Net Expenditures Supported by General Revenues	**$ 633,010**	**$ 597,531**	**$ 725,697**	**21.45%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2015 includes money to replace the City's Front End Loader which was transferred to Fairfax Water as part of the sale.
- FY2016 includes money to replace two dump trucks
- FY2017 reduction due to transfer of paving funds to Transportation Engineering Cost Center

SNOW & ICE REMOVAL

SUMMARY OF SERVICES PROVIDED

The Department of Public Works, using City crews and private contractors, provides for the timely removal of snow/ice from City streets and public parking lots to ensure safe travel for citizens and emergency equipment. Approximately 120 tons of salt are laid down during a typical event to inhibit the formation of ice on our streets. DPW tries to apply the minimum amount of salt necessary to establish safe conditions with each event in order to minimize the salt's effects upon the City's trees and streams. Crews plow and/or treat 72 lane miles with each complete pass through the City.

TRENDS AND ISSUES

- The frequency of minor storms increased for FY 2018

FY2019 DELIVERABLES

- Budget provides resources to respond to 6-8 typical (2"-6") storm mobilizations

PRIORITIES FOR FUTURE FUNDING

1. $ 25,000 for the replacement of 2 sanders.
2. $ 1,500 for increased costs of weather forecasting service.

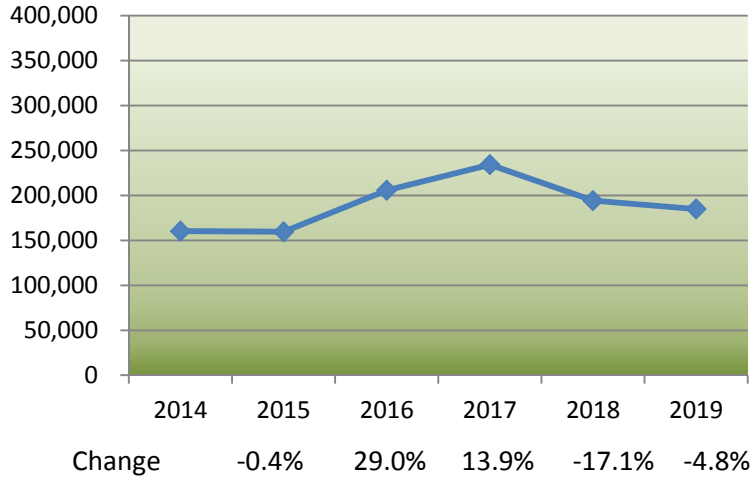
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Employees are assigned from the Highways, Streets and Sidewalks crews as needed.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 61,229	$ 65,952	$ 67,052	1.67%
Benefits	13,630	16,764	14,556	-13.17%
Professional and Contractual	6,854	11,500	11,500	0.00%
Materials, Supplies, and Other	34,070	100,000	93,000	-7.00%
Capital Outlay	56,800	-	-	0.00%
Total Expenditures	172,584	194,216	186,108	-4.17%
Revenues				
State Grants	114,321	185,216	177,108	-4.38%
Net Expenditures Supported by General Revenues	**$ 58,263**	**$ 9,000**	**$ 9,000**	**0.00%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2016 reflects increased snow mobilizations observed in FY14 and FY15.
- FY2016 includes replacement of (1) salt spreader.
- FY2017 includes the purchase of a spreader rack.
- FY2018 Decrease for equipment purchased in FY2017

LEAF COLLECTION

SUMMARY OF SERVICES PROVIDED

The Department of Public Works provides collection, transport and disposal of all leaves raked to the curb by residents during the designated leaf collection season, from mid-October to mid-December. After collection, leaves are ground into mulch and made available to residents. Approximately 5,000 cubic yards of leaves are collected annually. Specific activities include:

- Residential Leaf Collection
- Leaf Grinding
- Leaf Mulch Distribution

TRENDS AND ISSUES

- Anticipated loss of grinding site adjacent to GMHS in the coming years will result in increased costs and/or reduction of services

SIGNIFICANT CHANGES IN FY2019

- Additional events and services during the Fall months has pushed the leaf collection into the Winter months

FY2019 DELIVERABLES

- (3) passes for collection of residential leaves
- (2) mulch loading events at recycling center

PRIORITIES FOR FUTURE FUNDING

1. Two vacuum units $50,000. Two of our vacuum units are more than 20 years old and need to be replaced.

ADOPTED POSITIONS BY FTE – 0.00 TOTAL

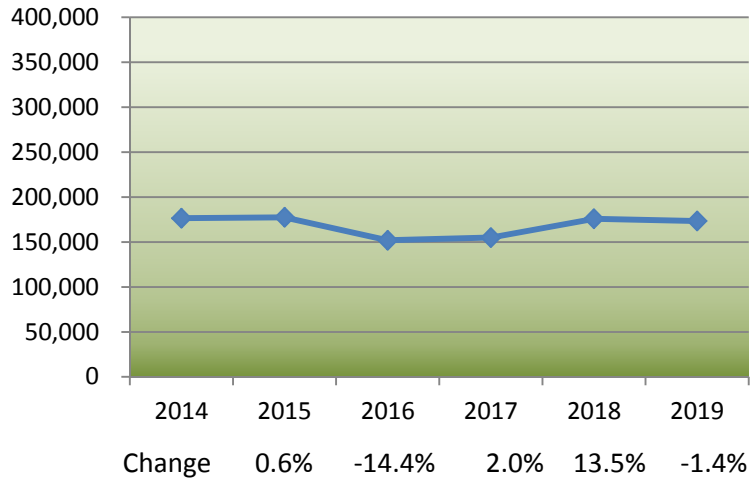
- Employees are assigned from Highway, Streets and Sidewalks crews. Temporary labor is also used.

Leaf Collection

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 111,013	$ 95,200	$ 97,500	2.42%
Benefits	31,124	30,603	25,845	-15.55%
Professional and Contractual	10,342	30,000	30,000	0.00%
Materials, Supplies, and Other	15,454	20,000	20,000	0.00%
Total Expenditures	167,933	175,803	173,345	-1.40%
Revenues				
State Grants	154,406	154,603	134,145	-13.23%
Net Expenditures Supported by General Revenues	**$ 13,527**	**$ 21,200**	**$ 39,200**	**84.91%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2016 reflects elimination of contracted services
- FY2018 increase for salaries to adequately perform task for leaf collection.

GENERAL SERVICES

SUMMARY OF SERVICES PROVIDED

The City owns and maintains 11 major facilities and 11 ancillary facilities:

- City Hall
- Community Center
- Library
- Cherry Hill Farmhouse and Barn
- Gage House
- Aurora House
- Property Yard Admin and Fleet Maintenance Shop (7100 Gordon Road)
- Property Yard Warehouse (Fairfax Water Lease Space – 217 Gordon Road)
- Property Yard B (7111 Gordon Road)
- Homeless Shelter
- Fire Station #6 (owned by Falls Church, routine maintenance by Arlington County)
- 400 N. Washington (Temporary Space)

General Services supports the operation, maintenance, and repair of these facilities. The major functions include:

- Utilities (electric, natural gas, water/sewer, etc.)
- Janitorial Services
- Preventive Maintenance and Building Systems Management
  - (HVAC, boilers, elevators, plumbing, electrical, generators, structural, cosmetic, fire, envelope, roof, security)
- Emergency Repairs
- Capital Project Implementation

TRENDS AND ISSUES

- Critical strategic decisions must be made regarding maintenance and/or replacement of existing building components at City Hall and the Library – facilities which are expected to be substantially renovated in FY2018-2019

SIGNIFICANT CHANGES IN FY2019

- Increases in maintenance costs at the Community Center, Library and City Hall due to operation of aging equipment
- Added maintenance of the Cherry Hill Barn and ancillary structure

FY2019 DELIVERABLES

- Continued operation and maintenance of the city's inventory of facilities

PRIORITIES FOR FUTURE FUNDING

1. HVAC Repairs $10,000. Contract costs for HVAC maintenance and repairs are expected to increase.
2. Cleaning Service $20,000. Contract costs for facility cleaning services are expected to increase.

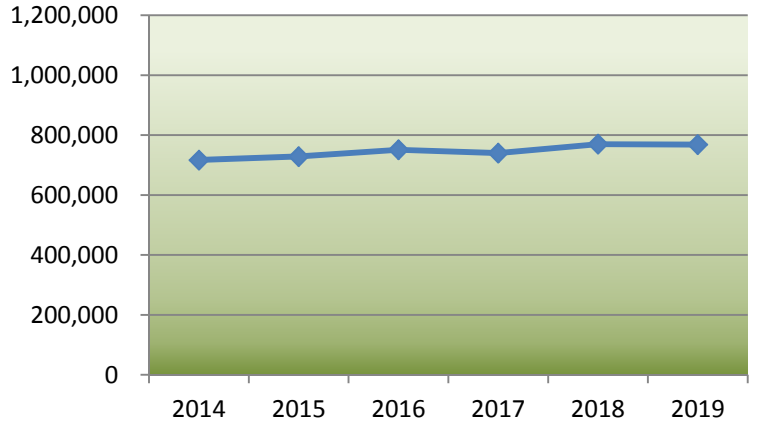
ADOPTED POSITIONS BY FTE – 2.05 TOTAL

- 0.25 Public Works Superintendent
- 0.40 Asst. Public Works Superintendent
- 1.00 Maintenance Technician
- 0.40 Sr. Administrative Assistant

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 154,003	$ 167,393	$ 172,114	2.82%
Benefits	54,296	59,097	52,948	-10.40%
Professional and Contractual	282,507	377,000	377,000	0.00%
Materials, Supplies, and Other	152,762	166,250	166,250	0.00%
Net Expenditures Supported by General Revenues	**$ 643,567**	**$ 769,740**	**$ 768,312**	**-0.19%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		1.7%	3.1%	-1.5%	4.0%	-0.2%

Notes:

- FY2018 No significant change in expenditures.

FLEET MAINTENANCE

SUMMARY OF SERVICES PROVIDED

The Department of Public Works provides routine annual maintenance and repair of City owned motor vehicles and equipment. City personnel repair and maintain 88 vehicles and pieces of equipment for the City fleet and 46 vehicles and pieces of equipment for the Schools.

City, school, fire, and rescue vehicles consume approximately 112,000 gallons of fuel (E10 gasoline and B20 bio-diesel) annually.

TRENDS AND ISSUES

- Aging equipment and vehicles
- Addition of new vehicles to City and Schools

SIGNIFICANT CHANGES IN FY2019

- Frequency of maintenance on aging equipment has increased the time of repairs

FY2019 DELIVERABLES

- Preventive and corrective maintenance for 124 vehicles and equipment pieces (generators, vacuum units, backhoes, trailers, plows, sanders, etc.)
- Gasoline and diesel fuel dispensary management
- Fleet management to include safety inspections, recall processing, and parts management

PRIORITIES FOR FUTURE FUNDING

1. (2) Vehicle Lifts $100,000. Replacement of two vehicle lifts due to current aging condition and ongoing maintenance required.

ADOPTED POSITIONS BY FTE – 4.00 TOTAL

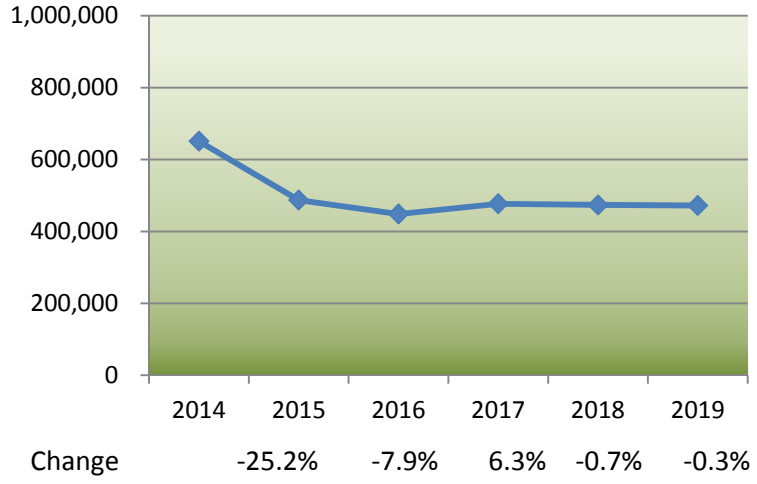
- 1.00 Vehicle Maintenance Supervisor
- 1.00 Senior Auto Mechanic
- 1.00 Auto Parts Specialist
- 1.00 Auto Mechanic

Fleet Maintenance

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 253,263	$ 269,953	$ 276,827	2.55%
Benefits	98,695	103,723	95,223	-8.19%
Professional and Contractual	123,450	104,850	104,850	0.00%
Materials, Supplies, and Other	(19,133)	(5,000)	(5,000)	0.00%
Total Expenditures	456,275	473,526	471,900	-0.34%
Revenues				
Charges for Services	275,051	287,600	276,700	-3.79%
Net Expenditures Supported by General Revenues	**$ 181,224**	**$ 185,926**	**$ 195,200**	**4.99%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2015 reflects reductions to materials and fuel cost as a result of the sale of the water system.

URBAN FORESTRY

SUMMARY OF SERVICES PROVIDED

Urban Forestry is responsible for the City's substantial inventory of vegetation. The City is proud to be the longest recognized Tree City USA in the State of Virginia, having been awarded the designation every year since 1979. Specific responsibilities include:

- Maintenance
  - Planting, pruning, care, and removal of approximately 7,000 trees along City streets thousands more in Parks and other City properties
  - Mowing, mulching, and landscape maintenance of 18 City parks and gardens and six City facilities
  - Commercial Streetscape installations along West Broad, South Maple, and North & South Washington Streets, and 22 landscaped areas along other City streets
  - Ten Rain Garden/Bioretention facilities (partially funded by Stormwater Fund)
  - 19 irrigation systems
- Administrative support and management of the following programs:
  - Tree City USA
  - Neighborhood Tree Program
  - Habitat Restoration Program (removal of invasive and restoration of native plants)
- Enforcement and management of Chapter 44 (Vegetation) and Chapter 48 (Zoning) of the City Code
- Review and inspection of development activity (residential, commercial, and public)
- Administration and liaison for the Tree Commission
- Public outreach and support for the City's Arbor Day celebration

TRENDS AND ISSUES

- Nearly one acre of new streetscape, rain gardens, and City maintained greenspace has been installed in the last decade
- Continued commercial development, city park enhancements (West End Park and Howard Herman Stream Valley Park), and new Rain Garden/Bioretention facilities have introduced new maintenance responsibilities
- Some larger Site Plan installations have indicated a willingness or desire to privately maintain streetscape enhancements associated with the development
- The City has developed a tree management database, which allows for proactive management of our urban forestry infrastructure

SIGNIFICANT CHANGES IN FY2019

- New development has provided some relief for continued maintenance of City staff
- Additional request for landscaping throughout the City

FY2019 DELIVERABLES

- At least monthly servicing of the commercial streetscape installations (landscape maintenance, litter removal, etc.)

PRIORITIES FOR FUTURE FUNDING

1. Repairs & Maintenance of streetscape $10,000. Increase of services for maintaining the existing streetscape and newly planted streetscape irrigation systems throughout the City.
2. Repairs & Maintenance of landscape $15,000. Increase in contracts for tree removal and pruning, mowing services, and landscape maintenance.
3. Water & Sewer Service $5,000. Increase of cost for water and sewer services.

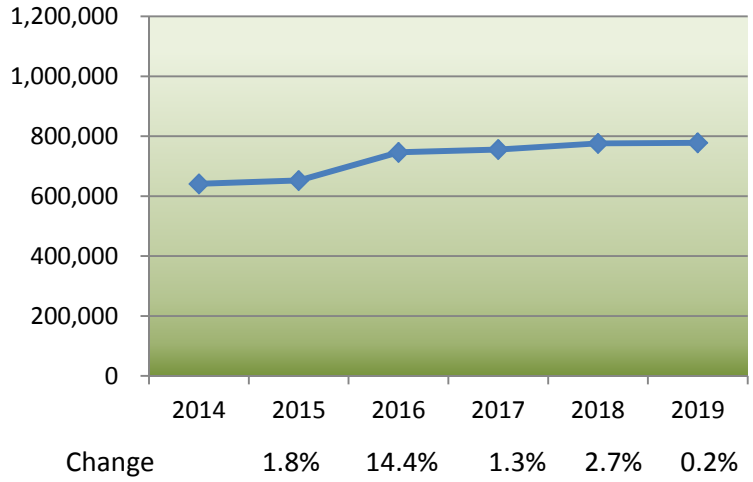
ADOPTED POSITIONS BY FTE – 4.00 TOTAL

- 1.00 City Arborist
- 1.00 Green Space Manager
- 1.00 Green Space Worker
- 1.00 Maintenance Worker

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 262,834	$ 259,860	$ 267,431	2.91%
Benefits	92,288	92,185	85,036	-7.76%
Professional and Contractual	291,239	315,000	315,000	0.00%
Materials, Supplies, and Other	113,864	109,000	110,320	1.21%
Total Expenditures	760,225	776,045	777,787	0.22%
Revenues				
Charges for Services	567	1,500	1,100	-26.67%
Fines	650	5,000	4,600	-8.00%
Net Expenditures Supported by General Revenues	**$ 759,575**	**$ 771,045**	**$ 773,187**	**0.28%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2016 reflects anticipated increases in maintenance contracts coupled with a recommended increase in Level of Service for the commercial corridors.
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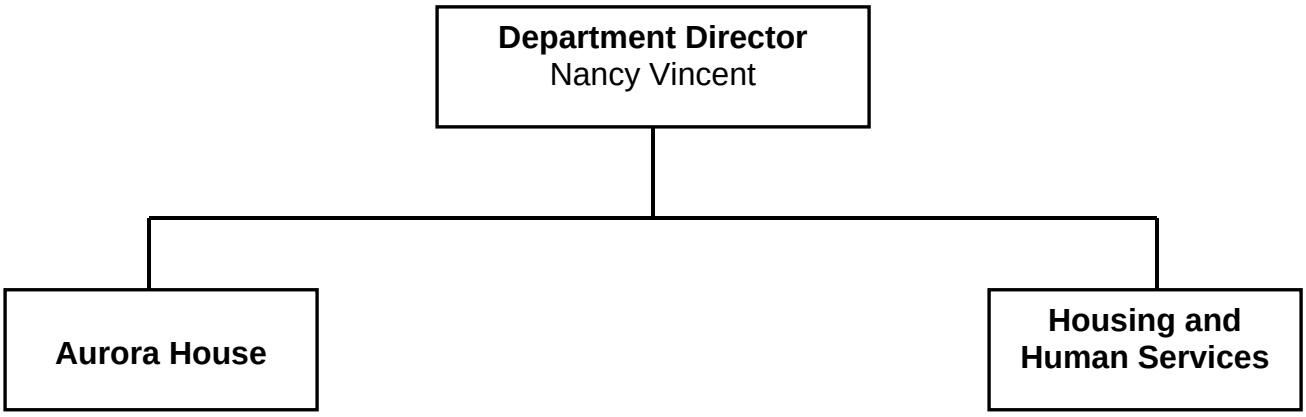
DEPARTMENT OF HUMAN SERVICES



The Department of Human Services includes Aurora House and Housing and Human Services. In addition to the direct services provided by these units, the Human Services Department connects citizens to services provided under agreements with neighboring jurisdictions. These include the Area Agency on Aging, Arlington County Judicial and Correctional Services, Fairfax-Falls Church Community Services Board, Fairfax County Department of Family Services, and Fairfax County Health Department.

AURORA HOUSE

SUMMARY OF SERVICES PROVIDED

Aurora House provides residential treatment to adolescent females who are under the formal supervision of the Juvenile and Domestic Relations District Court or who are referred through the Comprehensive Services Act programs for children with serious emotional or behavioral issues. The Group Home has capacity for 12 and serves the Cities of Falls Church and Alexandria as well as Arlington and Fairfax Counties. The City of Falls Church administers the program and receives revenue for its operation from participating jurisdictions based on their proportionate use.

Teenage girls are placed in Aurora House by order of the Juvenile Court or a Written Placement Agreement. The program directly assists girls and their families by providing therapeutic services that address serious emotional, educational, and behavioral problems in a nurturing, structured, and supervised living environment. Since Aurora House is a local program, girls remain in their community and continue to attend their home schools. This allows Aurora House to provide intensive services to parents including family therapy/counseling and parenting education.

Aurora House offers placements of up to a year but also offers short term placements for at risk youth and families in crisis who may need immediate, temporary out of home interventions as an alternative to foster care or possible introduction to the Juvenile Court System or incarceration.

In February 2018, Aurora House received approval from the Department of Juvenile Justice to expand its services with a new Transitional Living Program (TLP). The TLP will provide a unique opportunity for female youth ages 16-18 to develop much-needed independent living skills while in a nurturing environment that offers stability, consistency, and safety.

Aurora House services include individual, group, and family counseling, family therapy, educational enrichment, and recreational activities. The Family Therapist/Mental Health Clinician facilitates family therapy sessions and parenting skill sessions. Other therapeutic services include case management, developing individual treatment plans, writing progress reports, facilitating case consultations, and attending Court hearings. Also, members of the community volunteer at the facility providing tutorial services to residents weekly. The Olom-Porzel Scholarship Fund is managed by the Citizen's Advisory Committee, awarding college scholarships to former Aurora House residents.

TRENDS AND ISSUES

- Needs of clients continue to change with an increase in cases with mental health needs and issues and a decrease in delinquency cases
- Aurora house continues to provide transitional/step down and reintegration services for children leaving treatment centers

SIGNIFICANT CHANGES IN FY2019

Aurora House received approval from the Department of Juvenile Justice to expand its services with a new Transitional Living Program (TLP). The TLP will provide a unique opportunity for female youth ages 16-18 to develop much-needed independent living skills while in a nurturing environment that offers stability, consistency, and safety.

Aurora House

FY2019 DELIVERABLES

- Maintain or exceed a parental participation rate of 85%
- Maintain or exceed an annual utilization of 75%
- Maintain or exceed a 90% successful discharge rate
- Maintain or reduce recidivism rate by 5% 8+.1+.63+.5

ADOPTED POSITIONS BY FTE – 8.73 TOTAL

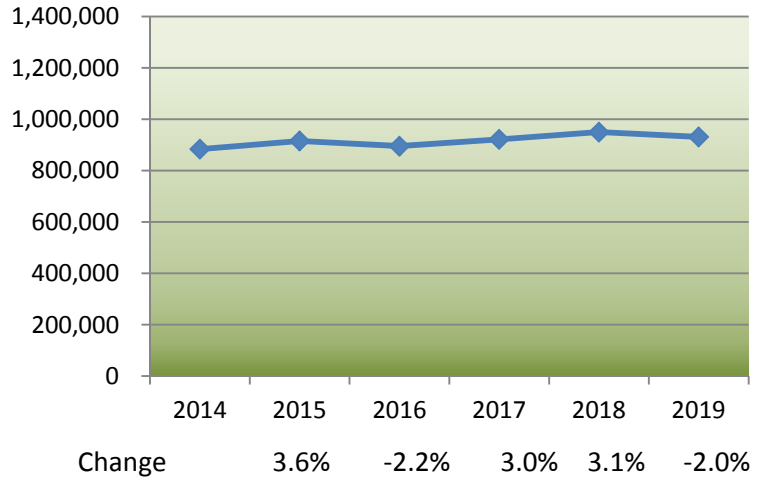
- 0.10 Director of Human Services
- 1.00 Group Home Manager
- 1.00 Residential Supervisor
- 5.00 Group Home Counselors
- 0.63 Food Services Coordinator
- 1.00 Senior Administrative Assistant

*Part-time employees are also employed as relief counselors in addition to the employees listed above.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 593,633	$ 635,936	$ 659,146	3.65%
Benefits	153,362	172,665	148,289	-14.12%
Professional and Contractual	14,140	39,870	21,670	-45.65%
Materials, Supplies, and Other	93,468	95,300	97,100	1.89%
Capital Outlay	25,440	6,187	5,000	-19.19%
Total Expenditures	880,043	949,958	931,205	-1.97%
Revenues				
Federal Grants	2,441	2,100	2,300	9.52%
State Grants	120,679	120,679	-	-100.00%
Charges for Services	433,994	615,804	922,800	49.85%
Other Grants and Contributions	1,800	5,000	1,200	-76.00%
Total Revenues	558,914	743,583	926,300	24.57%
Net Expenditures Supported by General Revenues	**$ 321,130**	**$ 206,375**	**$ 4,905**	**-97.62%**

BUDGET TREND: FY2014 – FY2019



Notes:

- Costs for Aurora House are paid by participating jurisdictions based on utilization and per diem rates.
- Typically, about 10% of Aurora House funding comes from the City.

JUVENILE & COURT SERVICES

SUMMARY OF SERVICES PROVIDED

The City participates in the operation of several regional juvenile court programs and the Northern Virginia Juvenile Detention Center. These services are purchased from Arlington County, Alexandria City, and private vendors. For these programs, the City pays only for its actual use of the service based on a per diem rate or an agreed upon formula. By cooperating with other jurisdictions to provide these services, the City is able to greatly expand the alternatives available for youth at significantly lower costs.

Additionally, the City contracts with Arlington County for the full array of services provided by the Court Services Unit (CSU). These services include intake, probation, and treatment services for juveniles and adults who come before the Falls Church Juvenile and Domestic Relations District Court (JDR). The JDR Court has jurisdiction in cases involving juveniles as well as when offenses are committed against family members. Cases typically include child custody, child abuse and neglect, truancy, running away from home, juvenile delinquency, and domestic violence.

The CSU provides three general types of services: Court Intake and Diversion, Adult Probation, and Juvenile Probation. The Court intake and diversion service assists victims, police officers, parents, school officials, and child welfare professionals in filing complaints or petitions seeking court action. Adult Probation supervises adult offenders before the court for domestic violence or offenses against juveniles and monitors their compliance with court-ordered sanctions, counseling, and adult protective orders. Juvenile Probation serves the City's most troubled youth.

TRENDS AND ISSUES

- There continues to be a need for detention services within the City of Falls Church.

	FY2016	FY2017	FY2018
Falls Church Juvenile Detention Bed Days:	93	105	54

The increases for FY2016 and FY2017 can be attributed to juveniles absconding from court ordered placements.

FY2019 DELIVERABLES

- 100% of juveniles who require mental health services receive them within a timely fashion.
- 85% of juveniles who require substance abuse services will complete them successfully.
- Utilizing other case management directives, the number of juvenile detention bed days in FY2019 is expected to remain under 100.
- Coordinate placement of one boy in the Argus House Boys' Group Home, two girls in Aurora House Girls' Group Home, approximately four youths in the Detention-Diversion Program, and refer 20 clients to perform community service through Offender Aid and Restitution (OAR).
- Through the Fairfax-Falls Church Comprehensive Services Act (CSA), arrange for approximately seven to ten youths to receive Home-Based counseling and psychological and psychiatric assessments, and one youth to enter residential treatment.
- Work with the schools to identify at risk youth in danger of involvement with the juvenile justice system
- Follow best practices on effectively managing juveniles with substance abuse and mental health issues
- At least 80 percent of all juvenile cases will successfully complete probation, and recidivism rates, within one year, among juveniles will be no greater than 10 percent

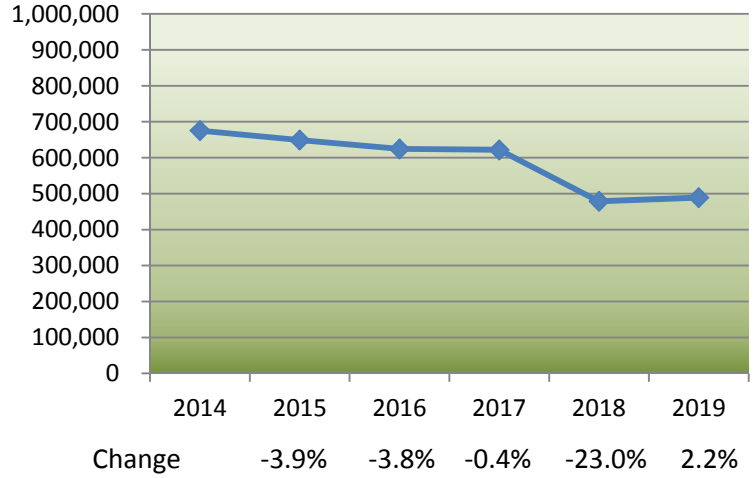
- At least 75 percent of all adult cases will successfully complete probation, and the recidivism rate, within one year, among adults will be no greater than 20 percent
- Work with the Falls Church City Public Schools to identify those juveniles involved with substance abuse and provide services prior to any court involvement.

ADOPTED POSITIONS BY FTE – 0.00 TOTAL (Services are contracted with Arlington County.)

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 24,188	$ -	$ -	0.00%
Benefits	11,034	-	-	0.00%
Professional and Contractual	505,783	478,577	488,881	2.15%
Materials, Supplies, and Other	2,523	-	-	0.00%
Total Expenditures	543,527	478,577	488,881	2.15%
Revenues				
State Grants	12,893	-	-	0.00%
Total Revenues	12,893	-	-	0.00%
Net Expenditures Supported by General Revenues	**$ 530,634**	**$ 478,577**	**$ 488,881**	**2.15%**

BUDGET TREND: FY2014 – FY2019



Notes:

- In FY2017 the City began contracting with Arlington County for the full array of services of the Court Services Unit. These services are no longer provided in-house. The reduction in cost stemming from this move is shown in FY18.

JUDICIAL SERVICES: JDR – ARLINGTON

SUMMARY OF SERVICES PROVIDED

The 17th Judicial District combines Falls Church and Arlington County. City support for the Judicial Services provided through this cost center includes those of the Juvenile and Domestic Relations District Court (JDR). The City receives numerous services from various offices of the court system operated by Arlington County because the City jointly uses these services and pays a proportional share of the County's costs. For FY2019, Falls Church is estimated to be 5.61 percent of the combined population of Arlington County and the City of Falls Church.

SIGNIFICANT CHANGES IN FY2019

- Court will be held in Arlington while City Hall is being renovated.

FY2019 DELIVERABLES

- The court in Falls Church will conduct approximately 250 hearings and anticipates 125 new cases.

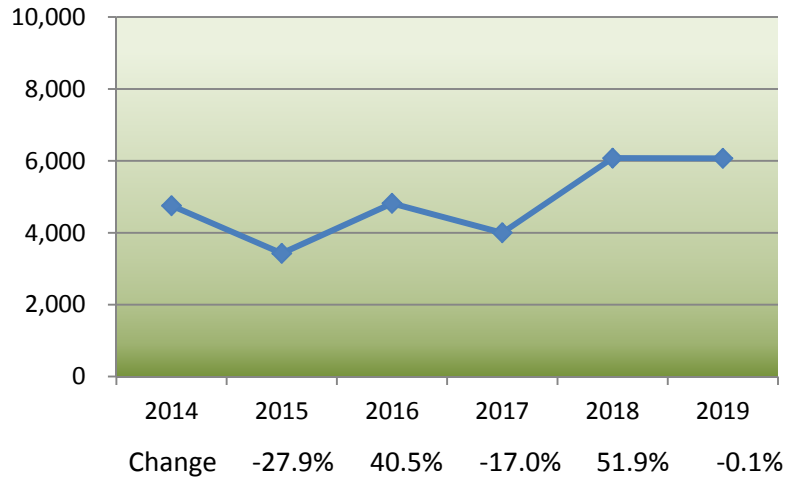
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contractual services provided through agreement with Arlington County.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 3,998	$ 6,074	$ 6,069	-0.08%
Net Expenditures				
Supported by General Revenues	**$ 3,998**	**$ 6,074**	**$ 6,069**	**-0.08%**

BUDGET TREND: FY2014 – FY2019



Notes:

- The City pays Arlington a proportionate share of costs for Judicial Services. For FY2019, this will be 5.61%.

HOUSING AND HUMAN SERVICES ADMINISTRATION

SUMMARY OF SERVICES PROVIDED

Housing and Human Services enhances lives in the City of Falls Church by offering a range of services, particularly for the City's most vulnerable residents. Services include providing low and moderate income housing, housing counseling, landlord/tenant information, emergency financial assistance, subsidized transportation, rent relief, advocacy, and case management. Referrals are given for food, dental care, shelter, and assisted living, among other things. Three grant programs support the work of nonprofits serving City residents. Additionally, staff provides general information and referral services. Particular focus is directed at seniors, at-risk families and individuals, residents with limited English proficiency, victims of domestic violence, individuals with disabilities, homeless individuals, and households with low and moderate incomes.

TRENDS AND ISSUES

- Provision of information and referral decreased .6% from last year
- Number of housing counseling requests decreased 12% last year
- Landlord/tenant interventions remained consistent from last year while assistance with evictions decreased from previous year.
- Number of Affordable Dwelling Rental Units remained consistent at 54 while the number of ADU homeowners decreased from 25 to 23.
- Rental –The median rents in the City have seen a 96% increase from $965 to $1,888since 2000. The percentage of City renters paying greater than 30% of monthly income towards rent have increased from 31% to 43% since 2000.
- Homeownership – From 2008 to 2018, the median cost of detached single family homes has increased by 29% In addition the attached homeownership units have increased by 18% and condos by 11%.
- Number of referrals for food was consistent with last year.

SIGNIFICANT CHANGES IN FY2019

- Increasing housing costs are significantly reducing affordability in the City

FY2019 DELIVERABLES

- Make at least 200 contacts to provide advocacy and intervention services
- Provide 200 responses to information and referral requests
- Provide housing information in response to 200 requests
- Provide landlord/tenant counseling to 40 residents
- Provide eviction prevention information to 10 residents
- Administer 77 Affordable Dwelling Units (rental and homeownership)
- Use a variety of tools to maintain the current stock of affordable market rate housing
- Make 35 referrals for food
- Make 30 referrals for dental services
- Monitor contract services with Fairfax Department of Family Services, Fairfax-Falls Church Community Services Board, and Fairfax County Health Department
- Work with a nonprofit to develop a group home for 5 adults with disabilities

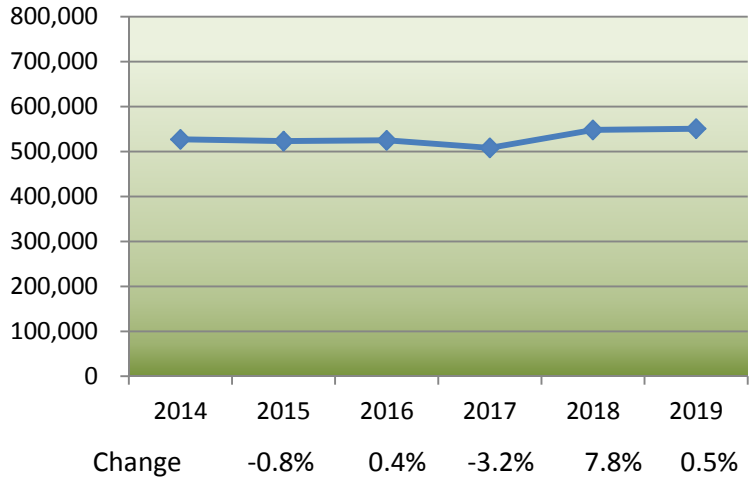
ADOPTED POSITIONS BY FTE – 4.90 TOTAL

- 0.90 Director of Human Services/HHS Manager
- 1.00 Human Services Specialist
- 1.00 Housing Program Analyst
- 1.00 Housing Specialist I
- 1.00 Management Specialist

ADOPTED BUDGET

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 388,192	$ 406,498	$ 420,394	3.42%
Benefits	108,942	119,162	107,971	-9.39%
Professional and Contractual	2,834	4,396	4,396	0.00%
Materials, Supplies, and Other	17,631	17,810	17,810	0.00%
Total Expenditures	517,598	547,866	550,571	0.49%
Revenues				
Other Grants and Contributions	300,000	-	10,000	-
Total Revenues	300,000	-	10,000	-
Net Expenditures Supported by General Revenues	**$ 217,598**	**$ 547,866**	**$ 540,571**	**-1.33%**

BUDGET TREND: FY2014 – FY2019



Notes:

- HHS budget has remained essentially flat

PUBLIC ASSISTANCE PROGRAMS

SUMMARY OF SERVICES PROVIDED

Housing and Human Services connects residents to a variety of services and programs including those to foster healthy and resilient children, youth, and families; to help the elderly and individuals with disabilities maintain self-sufficiency in the community; to assist residents with limited English proficiency; and to assist individuals who are homeless; among other things. Services are provided directly by Housing and Human Services staff, through contracts with Fairfax County, or through grant programs.

TRENDS AND ISSUES

- The number of Medicaid cases maintained per month rose 19% when compared to the previous year
- Families receiving supplemental nutrition assistance (food stamps) increased from last year 22%
- Child Protective Services and Adult Protective Services investigations increased by 55% from the previous year
- Fare Wheels transportation program remained consistent in providing taxi vouchers to income eligible elderly and disabled individuals
- The number of households requesting emergency financial assistance to meet their urgent needs remained consistent with the previous year.
- Yearly Rent Relief is provided to 6 income eligible seniors and /or disabled households to offset the burden of increasing rents. The number of recipients decreased by one household.
- Community Services Funds provided grants to nonprofit organizations to meet the basic needs of residents such as:
    - Emergency homeless shelter served 30 individuals; legal services served 13 households; reading services for 5 hearing impaired residents and 3 residents with dial in information services; emergency and supportive services and monthly rental assistance to 3 households; and emergency and supportive services to meet basic needs was provided to 39 households
- Provided federally funded Community Development Block Grant and HOME program funds to benefit low and moderate income households such as:
    - Provided 7 households with monthly rental assistance; literacy education for 15 households; repairs to senior housing apartment 80 residents
    - There have been regular decreases in CDBG funding for the past 4 years

FY2019 DELIVERABLES

- Provide an array of services to families and individuals in order to support and strengthen families, protect the vulnerable from abuse and neglect, help older adults and those with disabilities maintain their independence, help individuals and families become economically self-sufficient.
- Maintain 140 Medicaid cases monthly through Department of Family Services
- Provide Supplemental Nutrition Assistance Program (SNAP) support to 50 families per month through Department of Family Services
- Conduct Child Protective or Adult Protective Services investigations through Fairfax County
- Provide Fare Wheels taxi vouchers to 60 low income senior/disabled individuals
- Provide emergency financial assistance to 12 households

- Provide Rent Relief to 5 low income senior/disabled households
- Administer the Community Services Fund
- Administer the federal Community Development Block Grant and HOME program grants. Over 110 City residents will be served.

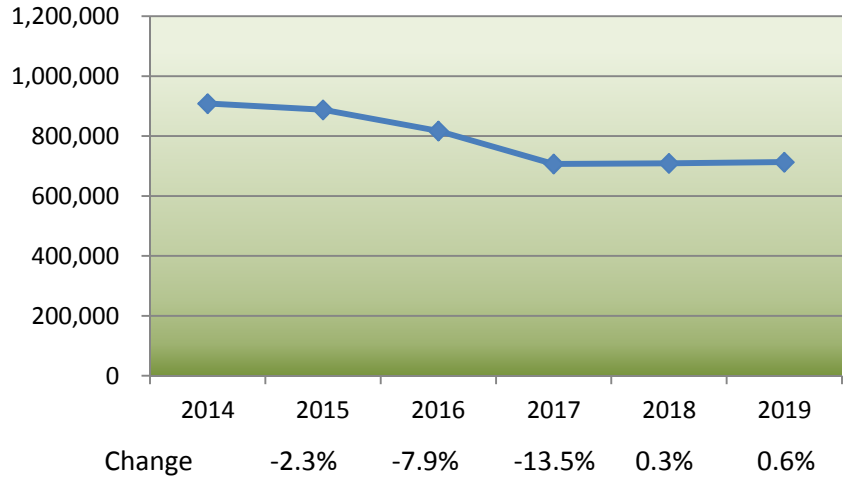
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Programs are administered by Housing and Human Services administration or contracted through agreement with Fairfax County.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 489,284	$ 501,925	$ 505,942	0.80%
Materials, Supplies, and Other	221,529	207,077	206,960	-0.06%
Total Expenditures	710,813	709,002	712,902	0.55%
Revenues				
Federal Grants	97,742	76,541	79,452	3.80%
Charges for Services	6,090	6,000	6,400	6.67%
Total Revenues	103,832	82,541	85,852	4.01%
Net Expenditures Supported by General Revenues	**$ 606,981**	**$ 626,461**	**$ 627,050**	**0.09%**

BUDGET TREND: FY2014 – FY2019



Notes:

- Costs are determined by contractual agreement with Fairfax County, based on population and actual service.

COMMUNITY SERVICES BOARD

SUMMARY OF SERVICES PROVIDED

The Fairfax-Falls Church Community Services Board (CSB) provides services for people in our community who have mental illness, substance use disorders, and/or intellectual disability. The CSB also provides early intervention services for infants and toddlers who have developmental delays. The goal of these programs is to provide specific services to enable City residents to meet treatment needs and to provide programs that will empower them to live self-determined, productive, and valued lives. Housing and Human Services has the responsibility for contract monitoring.

TRENDS AND ISSUES

- Residents receiving mental health services remained consistent from the previous year
- Residents receiving intellectual disabilities services remained consistent
- Residents receiving alcohol and drug services remained consistent
- Residents receiving services through the Infant and Toddler Connection remained consistent

FY2019 DELIVERABLES

CSB offers a comprehensive menu of preventative and responsive services with the goal of protecting individual dignity and human rights. Staff and contracted services providers include psychiatrists, psychologists, nurses, counselors, therapists, case managers, peer specialists, administrative, and support staff.

- Mental health services provided 45 residents
- Intellectual disabilities services provided to 21 residents
- Alcohol and drug services provided to 10 residents
- Infant and Toddler Connection provided to 30 infants

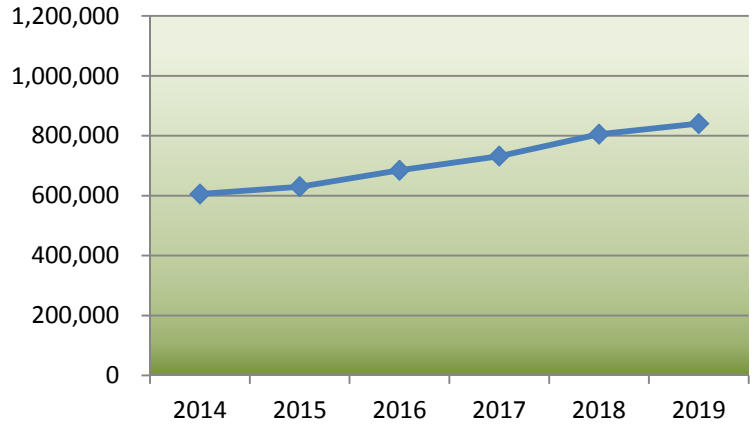
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contractual services provided through agreement with Fairfax County

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 731,851	$ 805,036	$ 840,458	4.40%
Net Expenditures				
Supported by General Revenues	**$ 731,851**	**$ 805,036**	**$ 840,458**	**4.40%**

BUDGET TREND: FY2014 – FY2019



Change	4.0%	8.7%	6.9%	10.0%	4.4%

Notes:

- Cost is determined by the CSB in accordance with the contractual agreement with the City.

HEALTH SERVICES

SUMMARY OF SERVICES PROVIDED

The City contracts with the Fairfax County Department of Health to provide a variety of public health services to City residents and businesses. A wide range of services are provided relating to child and maternal health, senior health, communicable disease control, environmental health, and bio-terrorism. The Health Department has five core functions upon which service activities are based: prevention of epidemics and the spread of disease, protecting the public against environmental hazards, promoting and encouraging healthy behaviors, assuring the quality and accessibility of health services, and responding to disasters and assisting communities in recovery.

TRENDS AND ISSUES

- 10% decrease in health clinic visits from the previous year
- Environmental health inspections remained consistent with the previous year
- One resident has been served by adult day care for the previous two years
- The number of enrollees in primary health care services has remained consistent

FY2019 DELIVERABLES

- 259 health clinic visits
- 281 environmental health inspections
- 230 days of adult day care and 414Fastran rides for 1 residents
- Primary health care services to 9 (17 visits) low-income, uninsured residents. 70 residents are currently enrolled.

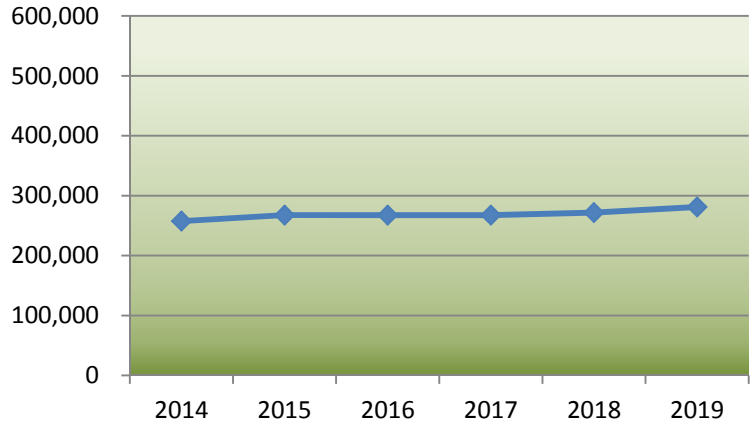
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contractual services provided through agreement with Fairfax County

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 251,519	$ 271,657	$ 281,000	3.44%
Net Expenditures Supported by General Revenues	**$ 251,519**	**$ 271,657**	**$ 281,000**	**3.44%**

BUDGET TREND: FY2014 – FY2019

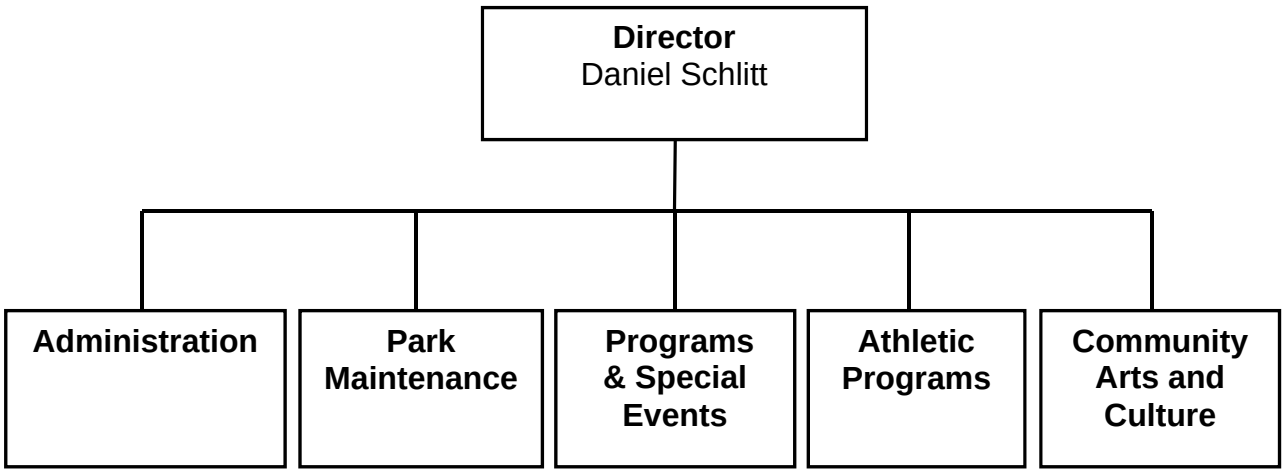


Change	3.9%	-0.1%	0.0%	1.6%	3.4%

Notes:

- Costs are based on population and actual usage for some services in accordance with a contractual agreement.

DEPARTMENT OF RECREATION & PARKS



RECREATION AND PARKS ADMINISTRATION

SUMMARY OF SERVICES PROVIDED

This Cost Center provides funding to support the administration of the Recreation & Parks Department and the supervision and management of the Falls Church Community Center, Cherry Hill Farmhouse, 18 parks, ten tennis courts, ten playgrounds, and five basketball courts.

The Falls Church Community Center houses the administrative offices of the Recreation & Parks Department. The Center, open 357 days a year, operates more than 4,300 hours annually with an estimated 200,000 visits each year. Programs for toddlers, elementary aged children, teenagers, adults of all ages, and seniors are offered. The Community Center serves as a teen center, recreation center, special event venue, senior center, preschool, entertainment center, information center, and meeting place. The Community Center continues to be a focal point of the Falls Church community and serves as a place for town hall meetings, public forums, and local, state, and federal elections. The Community Center also serves as the City's emergency shelter.

Over 11,000 registrations for classes, sport programs, field trips, camps and other recreation activities are processed annually. Staff also receives and processes approximately 350 room rental requests for the Community Center, 150 picnic shelter reservations, and 850 tennis court reservations. In addition, the Department anticipates the collection of over two million dollars a year through the assessment of user's fees for programs, activities and rentals.

TRENDS AND ISSUES

- As the City's population increases, we have more class offerings and rentals, resulting in a fully booked building and we have had to turn potential users away
- We continue to register more households every year. In 2017, the Recreation Department registered 1,673 new households.

FY2019 DELIVERABLES

- This Administration cost center will provide administrative support that will allow us to offer a fun, safe and recreational environment for 200,000 visitors per year in a building that is used for a teen center, recreation center, special event venue, senior center, preschool, entertainment center, information center, and meeting place. The Community Center also serves as the hub of the Falls Church Recreation and Parks Department providing customer service and all other administrative and programming responsibilities of the 16.4 FTE professional, maintenance and administrative staff of the Recreation and Parks Department.

PRIORITIES FOR FUTURE FUNDING

1. Upgrade Facility Security - $7,500: Single year expense to add additional cameras and upgrade hardware to support the additional cameras.
2. Upgrade Registration Software - $16,000: Single year expense to migrate to RecTrac 3.1. Vermont System's product, RecTrac, is the software we use to process all Recreation and Parks registrations, rentals and points of sale transactions. Vermont Systems is no longer making improvements to the 10.3 system we are currently using.

3. Banner Infrastructure - ~$30,000: Single year expense to design and build infrastructure to hang banners over Broad Street and Washington Street. The City is not able to close the road and hang banners as we have in the past.
4. Community Center Facility Reinvestment – $10,000 per year: As we reach 15 years post renovation, we need to reinvest in the Community Center and the amenities within such as furniture, bleachers and partitions, additional painting and other improvements not covered by Public Works. Public works handles major facility issues.

ADOPTED POSITIONS BY FTE – 5.80 TOTAL

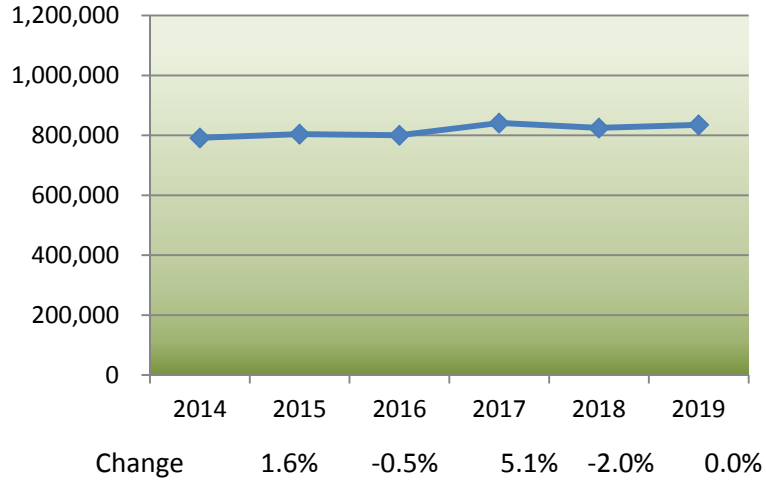
- 1.00 Director of Recreation and Parks
- 1.00 Senior Administrative Assistant
- 1.00 Administrative Assistant
- 2.80 Maintenance Workers

Temporary seasonal labor is also used as needed.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 404,574	$ 423,785	$ 439,209	3.64%
Benefits	121,355	125,172	102,034	-18.48%
Professional and Contractual	40,854	42,000	43,125	2.68%
Materials, Supplies, and Other	231,296	233,660	240,577	2.96%
Capital Outlay	22,227	-	-	0.00%
Total Expenditures	820,306	824,617	824,945	0.04%
Revenues				
Charges for Services	43,580	40,000	35,000	-12.50%
Other Grants and Contributions	5,161	-	4,400	-
Total Revenues	48,741	40,000	39,400	-1.50%
Net Expenditures Supported by General Revenues	**$ 771,564**	**$ 784,617**	**$ 785,545**	**0.12%**

BUDGET TREND: FY2014 – FY2019



Notes:

- In FY2015, $9,000 was eliminated from Professional and Contractual expenditures. With online registration and better website visibility, printing and binding costs have decreased.
- There are no significant line item changes in FY2016 or FY2017.
- In FY18 there is a $5,000 decrease in funding for materials and supplies. This will mean we may not be able to replace items such as tables, chairs, etc. as needed.
- In FY19, there are no significant line item changes.

PARKS MAINTENANCE

SUMMARY OF SERVICES PROVIDED

This Cost Center provides funding to support the maintenance of parks, park trails, athletic fields, park and playground equipment, outdoor recreational facilities, and turf in parks and around public buildings. These funds are used to enhance the appearance of the public parks and grounds, make them safe to use, and aid in the protection of the City's natural resources through an effective maintenance program.

The staff of the park maintenance crew repairs and paints signs and park equipment as needed; removes trash from parks and public grounds; maintains and prepares fields for athletic events; maintains trails through City parks; removes snow from City-owned sidewalks; and provides assistance to the urban forestry division as needed. The crew also helps with the setup and breakdown for all City special events.

Private contractors are used to augment the maintenance of the City's parks and grounds. The City uses contractors for some turf maintenance, and the maintenance of the athletic fields at Larry Graves Park, Thomas Jefferson Elementary School and Madison Park. Using private contractors saves the City the expense of purchasing large pieces of equipment.

TRENDS AND ISSUES

- Amenities such as new benches and trash receptacles as well as ten new raised flower beds have been added to our parks over the past few years.
- Our two rectangular fields at Thomas Jefferson Elementary School and Madison Park are well maintained and used constantly.
- New maintenance standards should be created and implemented which will require additional funding.
- With no pay-go funding for Master Park Implementation in the Capital Improvements Budget, a larger operating budget is needed.
- City parks have been experiencing major renovations park by park. Recently West End Park, Howard E Herman Stream Valley Park and the Cherry Hill Park playground have all been through these renovations. This is the new trend, to make improvements park by park. This will continue with major improvements to Big Chimneys Park in the near future.
- The City maintains a synthetic turf field at GMHS and will soon have a synthetic turf field at Larry Graves Park. The synthetic turf on each field will need to be replaced every 9 years.

SIGNIFICANT CHANGES IN FY2019

- With the reopening of Howard E Herman Stream Valley Park, and West End Park, we have seen a large increase in park attendance. We also expect to see increased use at the Cherry Hill playground and at Big Chimneys Park and the Downtown Plaza post renovations. This results in increased maintenance needs.

FY2019 DELIVERABLES

- The City operates 18 parks made up of natural open space areas, greenways, and parks with picnic areas, playground equipment, a variety of recreation amenities and large playing fields. This cost center has two major functions. The first function is repairing and replacing park amenities and small pieces of equipment. The second is the basic maintenance of our parks to include upkeep of turf, painting picnic tables and signage, handling erosion, path deterioration, smaller landscape maintenance issues, trash removal and overall cleanliness of the parks. Large overhauls and complete renovations of parks are handled in the CIP. Through this cost center the City's Recreation and Parks Department and maintenance staff will continue to provide quality parks to the City.

PRIORITIES FOR FUTURE FUNDING

1. Repair and Replacement of Equipment – $21,000 Annually. The replacement and repair of individual pieces of equipment and or amenities within our parks have traditionally been in the CIP but have long been debated as to whether or not they meet CIP requirements. Annual replacement of smaller playground equipment, color coating sport courts and the repair and or replacement of smaller park amenities such as picnic benches, grills, table, etc., should be funded in the operating budget. An annual commitment of an additional $25,000 is needed. Large overhauls and or full master park implementations will continue to be CIP funded.
2. Development of Maintenance Standards – $15,000 Annually. With City Council's approval of the recently updated "Parks for People" plan in the City's Comprehensive Plan, the Advisory Board of Recreation & Parks and other organizations within the City recommended that best possible scenario for implementing Master Park Plans is to develop and implement a set of maintenance standards. These standards provide a timing structure to keep maintenance needs on track and better anticipate future spending needs. The standards would address turf maintenance, adding color with flowers, annuals and other landscaping features, drainage issues in addition to many other basic maintenance needs related to park aesthetics and functionality.
3. Funding to Maintain Ball Fields – $10,000 Annually. Our contracted services expense to maintain our natural grass rectangular fields is increasing. For FY2017, savings from supplies were moved to this line item to fund our FY2017 needs, but as these costs continue to increase we will need added funding.
4. Reserve Fund for Turf Field Replacement - $100,000 Annually. A synthetic turf field has a life cycle of about 9 years. The George Mason Field was recently completed and Larry Graves will need new synthetic turf nine years after it is installed. A fund should be developed to cover the expense of laying new turf.

ADOPTED POSITIONS BY FTE – 3.00 TOTAL

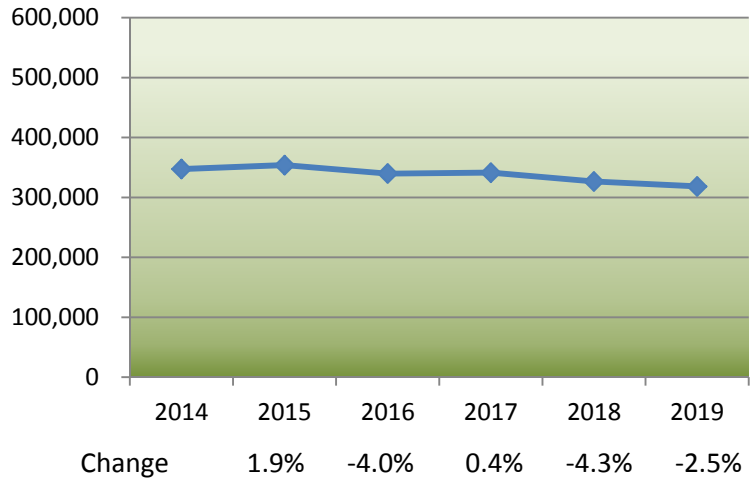
- 1.00 Senior Crew Leader
- 2.00 Maintenance Workers

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 129,869	$ 136,840	$ 142,559	4.18%
Benefits	41,036	49,778	44,817	-9.97%
Professional and Contractual	87,668	106,383	98,000	-7.88%
Materials, Supplies, and Other	26,740	33,558	32,950	-1.81%
Net Expenditures Supported by General Revenues	**$ 285,312**	**$ 326,559**	**$ 318,326**	**-2.52%**

Parks Maintenance

BUDGET TREND: FY2014 – FY2019



Notes:

- In FY2016 funding for Professional and Contractual Services, Materials, Supplies & Other is decreased by over $12,000.
- In FY2018 all funding for Parks Maintenance will remain relatively flat. The decrease is due to changes in benefits due to employee turnover.
- In FY19, increases in mandatory and contractual services, while maintaining a zero percent budget increase demanded a decrease in parks spending.

RECREATION PROGRAMS AND SPECIAL EVENTS

SUMMARY OF SERVICES PROVIDED

This Cost Center provides funding to support offering a wide variety of recreational programs and activities. Each year more than 550 Hobby classes such as technology, dance, fitness and more are organized and held at the Falls Church Community Center. Special events such as the Memorial Day Parade and Festival and Fall Festival and Taste of Falls Church are attended by over 50,000 people annually. Summer and school break camp registrations currently exceed 5,000 and bring in over $800,000 in user fees annually to the City. This includes our traditional playground program which offers a low cost eight weeks of crafts, sports, field trips and swimming. Additional programs coordinated in this Cost Center include our award winning Farmers' Market, Senior Center programming, Teen programing, our licensed preschool, and historical programs held at the Cherry Hill Farmhouse.

TRENDS AND ISSUES

- This cost center generates over 1.5 million dollars annually.
- To improve wellness, get residents in our parks and offer low cost programs, we've developed and maintained programs such as Fit at the Farmers Market and Pop-Up in Parks programs.
- With the expected improvements to the George Mason High School/Mary Ellen Henderson Campus, we will need to consider how to continue offering our summer camps and other programs and activities to maintain our customers and collection of user fees.
- Our increasing population within Falls Church and surrounding areas is now more than ever creating a need for more space to run our programs. Facility space for additional programming is limited.

FY2019 DELIVERABLES

- The Falls Church Recreation and Parks Department provides an opportunity to every single City resident to participate in some form of program, class or activity to enjoy for recreational purposes. These offerings include an extensive offering of over 550 hobby classes with over 3,000 participants, summer camp offerings that result in over 5,300 registrations annually, approximately 10,000 senior center visits, a licensed preschool program offering fall, winter/spring and summer sessions, over 20 historical programs open to the public and tours of the Cherry Hill Farmhouse to nearly 4,000 visitors, over 75 special events and weekly farmers' markets which over attract over 50,000 visitors per year. Our programs and special events cost center is the highlight of what the Recreation and Parks Department offers to its residents. User fees collected exceed expenditures on an annual basis in this cost center.

PRIORITIES FOR FUTURE FUNDING

1. <u>Support for community sponsored events - $20,000 annually:</u> The Recreation and Parks Department frequently receives requests from City residents, businesses and non-profit groups to host events within City limits. Funding to support these requests is needed.

ADOPTED POSITIONS BY FTE – 6.00 TOTAL

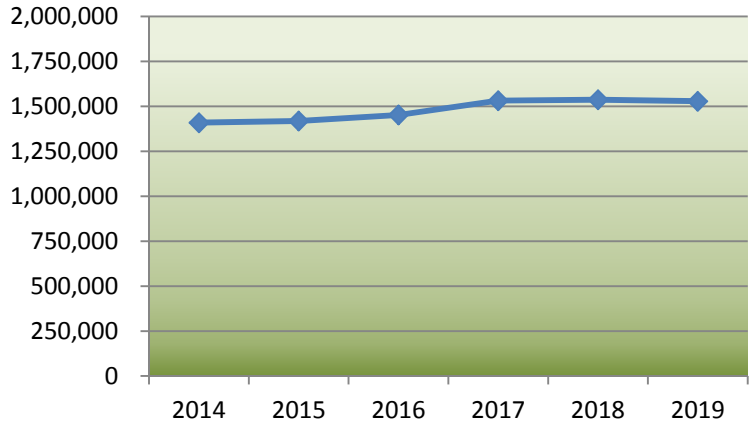
- 1.00 Deputy Director
- 2.00 Program Supervisors
- 2.20 Recreation Specialists
- 0.80 Preschool Teacher

Temporary seasonal labor is also used as needed.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 519,190	$ 523,828	$ 534,087	1.96%
Benefits	126,422	139,519	123,037	-11.81%
Professional and Contractual	709,541	703,000	696,000	-1.00%
Materials, Supplies, and Other	159,267	170,380	174,980	2.70%
Total Expenditures	1,514,420	1,536,727	1,528,104	-0.56%
Revenues				
Charges for Services	1,551,246	1,602,000	1,584,000	-1.12%
Other Grants and Contributions	201	-	700	-
Total Revenues	1,551,447	1,602,000	1,584,700	-1.08%
Net Expenditures Supported by General Revenues	**$ (37,027)**	**$ (65,273)**	**$ (56,596)**	**-13.29%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		.7%	2.4%	5.5%	0.3%	-0.6%

Notes:

- The upcoming renovation/build of George Mason High School will have a significant impact on summer camp programming and revenues.
- The change in Salaries & Wages from FY16 actuals to FY17 and FY18 includes yearly increases but the bulk of the difference is from staff turnover that resulted in underspending.
- In FY19, there are no significant line item changes.

ATHLETIC PROGRAMS

SUMMARY OF SERVICES PROVIDED

This Cost Center provides funding to support a substantial number of individual and team sports programs and activities for residents of all ages. Youth team sports include spring and fall soccer, flag football and basketball for boys and girls. Team sports for adults include coed volleyball, women's volleyball, coed softball, coed soccer, and men's basketball.

All coaches have access to sport specific coaching programs through the Recreation Department. Additionally, background checks are conducted for all coaches as one way of assuring the safety of participants.

Youth sport participation continues to increase. Winter basketball now attracts nearly 900 participants each year. The spring and fall soccer programs feature more than 600 participants for each season. Flag football has nearly 300 participants each fall. Additionally, nearly 400 of our younger players participate in non-competitive clinics in basketball and soccer. Staff is also involved in helping the Falls Church Lacrosse Program get field space and continues to provide support to the FORCE wrestling club.

Adult team sports attract more than 600 men who play basketball yearly the adult basketball leagues and over 200 men and women play softball and volleyball.

TRENDS AND ISSUES

- Indoor and outdoor practice and competition space is at a critical low
- Women's sports are growing with the addition of women's adult volleyball
- With the increase in registrations, we are less reliant on contracting local athletic associations to offer our sports programs, and bringing all teams we can into a house program
- Our youth sport programs continue to grow every year. Our most recent youth leagues included 28 teams in flag football, 69 teams in fall soccer and 89 teams in our winter basketball program.
- Contracted costs for franchise fees and referees continue to increase
- With the expected changes to the George Mason High School/Mary Ellen Henderson Campus, we will need to consider how to continue offering our athletic programs

FY2019 DELIVERABLES

- In FY2019, the Recreation and Parks department will continue to provide a safe and fun environment for youth to play sports as well as provide a variety of athletic leagues for adults in different competition levels.

PRIORITIES FOR FUTURE FUNDING

1. Athletic Supplies - $10,000: Franchise fees and referee costs continue to rise. Maintaining a zero operating increase demanded a decrease in athletic supplies for FY19. Additional funding is needed to keep up with replacing supplies such as cones, paint for ball fields, balls, scoreboards and other athletic supplies as needed.
2. Competition Facilities - $ Undetermined: History has dictated that athletic participation will increase with the increased population growth of the City. With this said, the Department of Recreation and Parks has reached a critical need for additional gymnasium and rectangular field space.

ADOPTED POSITIONS BY FTE – 1.40 TOTAL

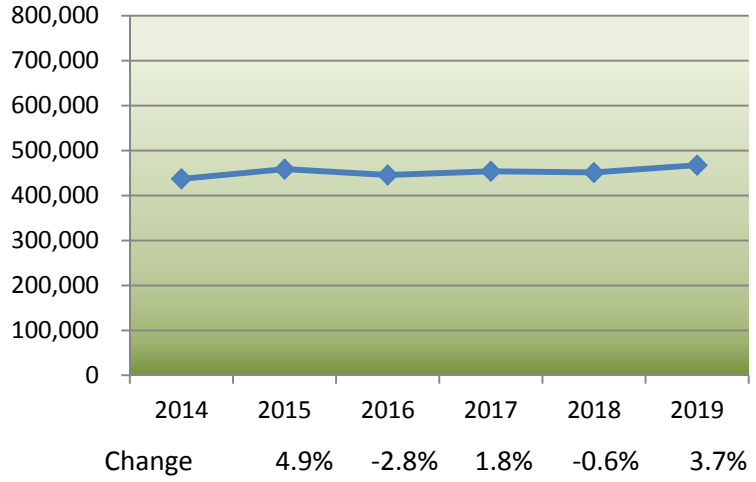
- 1.00 Program Supervisor
- 0.40 Recreation Specialist

Temporary seasonal labor is also used as needed.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 91,322	$ 95,028	$ 109,142	14.85%
Benefits	15,456	16,329	16,694	2.24%
Professional and Contractual	103,861	100,000	112,000	12.00%
Materials, Supplies, and Other	235,792	239,700	229,700	-4.17%
Total Expenditures	446,431	451,057	467,536	3.65%
Revenues				
Charges for Services	432,635	408,000	433,000	6.13%
Net Expenditures Supported by General Revenues	**$ 13,796**	**$ 43,057**	**$ 34,536**	**-19.79%**

BUDGET TREND: FY2014 – FY2019



Notes:

- In FY2015, temporary salaries and professional services have incurred slight increases to support additional human resource needs.
- In FY2016 moving youth soccer leagues out of Arlington Soccer Association and running our league in house, the contractual services line has decreased by $7,000
- FY18-Revenues are remaining relatively flat due to the lack of additional field and gymnasium space.
- In FY19, the significant change in salaries is because we have reallocated half of a Recreation Specialist, .8FTE from 7109 to 7110.
- Also in FY 19, due to rising contractual services, and maintaining a zero operating increase, funding was taken from athletic supplies.

COMMUNITY ARTS AND CULTURAL PROGRAMS

SUMMARY OF SERVICES PROVIDED

This Cost Center provides administrative support to the City's Arts & Humanities Council, houses the funding for the cultural arts grant program and provides administrative support to the grant program as well as special projects that celebrate the City's arts, theatre, culture and history. The grant program provides financial support for special projects, events, and work supporting the arts, theatre, culture and history in the City of Falls Church. This effort implements the Council Resolution 2009-36 establishing the arts district and humanities council. Specifically, this program leverages resources, manages a grants program and other designated purposes related to bringing the best in arts and humanities programming to the City of Falls Church and its citizens.

TRENDS AND ISSUES

- The Arts and Humanities Council serves as a catalyst for arts and culture in the community, increasing the quality of life and property values.
- The Arts and Humanities Council advises City Council on public policy promoting activities, programs, events and strategies that encourage arts, history and cultural education.

SIGNIFICANT CHANGES IN FY2019

- There are no financial changes expected in FY2019.
- Programmatically, staff now have a more significant role in the grant program.

FY2019 DELIVERABLES

- The annual grants program which consists of program and operational grant funding will continue to be awarded to City non-profits advancing culture and arts in the community, and will continue to be awarded competitively.
- Recreation and Parks staff will continue to act as an active member of the Council and advocate for culture and arts in the community as well as continue to serve on special projects celebrating and promoting arts, theatre, culture and history within the Little City.

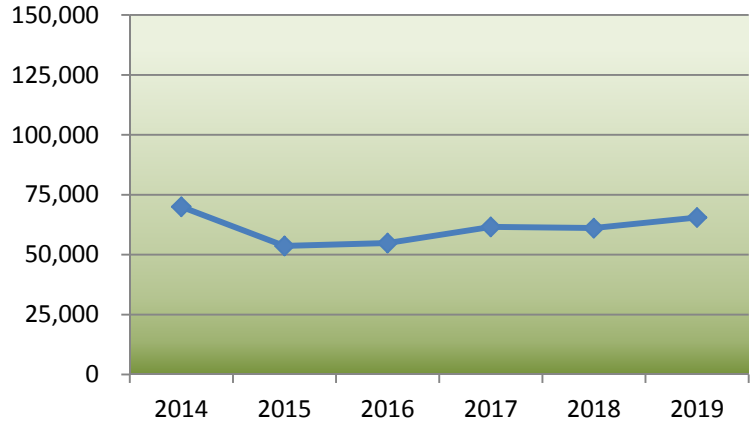
ADOPTED POSITIONS BY FTE – 0.20 TOTAL

- 0.20 Recreation Specialist

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 11,589	$ 12,141	$ 12,505	3.00%
Benefits	3,921	3,943	3,522	-10.68%
Materials, Supplies, and Other	42,547	45,000	49,500	10.00%
Total Expenditures	58,056	61,084	65,527	7.27%
Revenues				
State Grants	5,000	-	4,500	-
Total Revenues	5,000	-	4,500	-
Net Expenditures Supported by General Revenues	**$ 53,056**	**$ 61,084**	**$ 61,027**	**-0.09%**

BUDGET TREND: FY2014 – FY2019

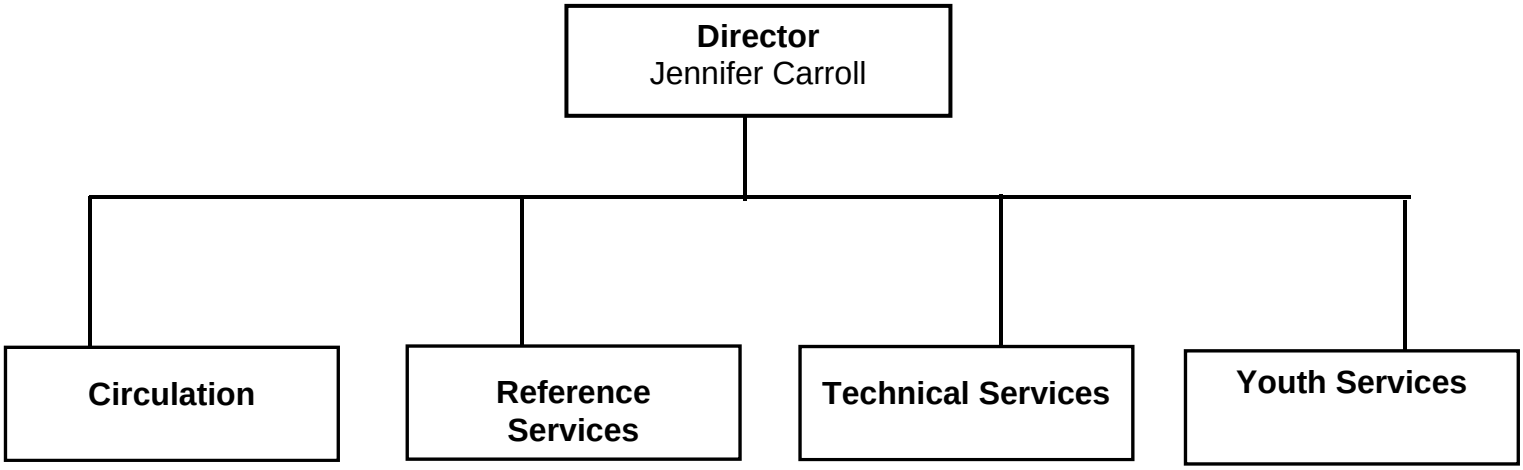


	2014	2015	2016	2017	2018	2019
Change		-23.4%	2.3%	12.3%	-0.8%	7.3%

Notes:

- The changes in FY2017 are in salaries. This continues to be funded as .2FTE.
- In FY2019, we expect to receive $4,500 in state grant funds for cultural programs.

DEPARTMENT OF LIBRARY SERVICES



SUMMARY OF SERVICES PROVIDED

This department provides library services to the citizens of Falls Church and has reciprocal borrowing agreements with libraries whose jurisdictions are members of the Council of Governments (COG). It promotes open access to library resources that enrich and help all City residents. The collection encompasses all formats: books, periodicals, CDs, DVDs, audio-books, reference databases, eBooks, eMagazines, eMusic, and eAudiobooks. Additional services include:

- 16 public Internet workstations and six online catalogs
- A building that is entirely Wi-Fi accessible
- Two book returns available 24/7
- Renew/reserve materials online, receive overdue/reserve/pre-notification email notices
- Two public copiers, one for color copies
- Reference questions answered and computer help as well as one on one trainings on eDevices
- Local History (of Falls Church) collection
- Inter-library loan services for City of Falls Church citizens
- A wide variety of programs for children, teens, and adults throughout the year
- For the tenth year won the Star Library national award—one of only three in Virginia and the **only** library in the state that has been selected all ten years the award has been given

TRENDS AND ISSUES

- 970 programs last year, 36,598 people attended
- Summer Reading Program for children, teens, and adults: over 2,500 participated last year, a new record! Over the three month summer vacation, the library circulated 155,973 items
- 27,540 registered borrowers and 10,840 are Falls Church citizens
- Circulation of over 500,000 items annually, up 44.7% in last ten years
- Over 308,000 visits annually by patrons
- “One in, one out” situation with most collections since book shelves are at capacity
- Limited space for programming, e.g. 120 children attending per story hours three times a week
- Building that is physically not holding up to the heavy use it receives—HVAC, plumbing, elevator, energy efficient lighting, plumbing, and ADA issues
- Digital format use is increasing every year, but so is the print collection, which will not “go away” for years and years to come, if ever
- Increased use of space for tutoring, use of Wi-Fi to conduct patrons’ own research, study groups
- Revenue from State Aid to Libraries is expected to decrease from the previous year (FY2017), this is a year to year calculation and based on the Legislature’s willingness to fund it

SIGNIFICANT CHANGES IN FY2019

- Completion of A/E for the library expansion and renovation; construction begins
- All major indicators of use by the public continue strongly with no significant increase in staff, hours of operation, or operating budget

FY2019 DELIVERABLES

- CMAR process complete
- A/E complete with successful design for the library project that includes citizen involvement
- Provide approximately 700-750 programs a year for all ages
- Answer approximately 60,000 reference questions per year
- Circulate over 465,000 items a year
- Maintain an 83% to 85% of the city population with active library cards
- Catalog 95% of all materials within one month of receipt
- Continue to provide eResources and increase their use by 10% over previous year

PRIORITIES FOR FUTURE FUNDING

1. Possible storage costs for parts of the collection and furniture while the library is being expanded and renovated; $20,000 in FY2019 when the expansion/renovation project is taking place.
2. Public Server refresh: $16,000 in FY2020

ADOPTED POSITIONS BY FTE –18.85 TOTAL

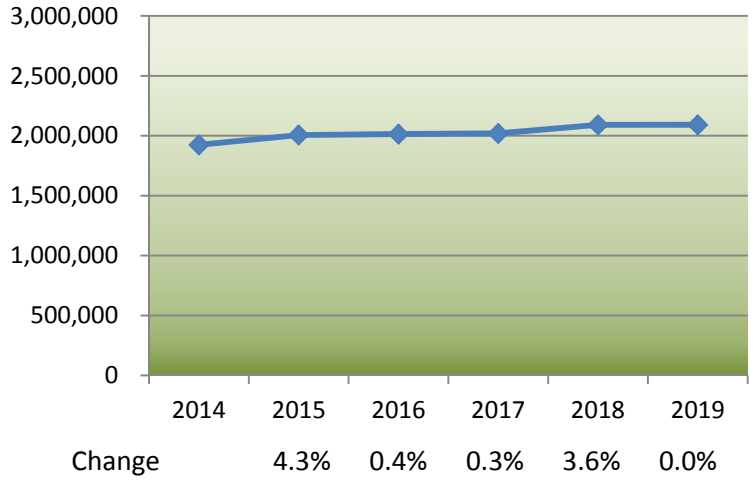
- 1.00 Library Director
- 1.00 Youth Services Supervisor
- 4.60 Librarians
- 6.05 Library Assistants
- 1.00 Circulation Supervisor
- 1.00 Technical Services Supervisor
- 1.00 Reference Services Supervisor
- 1.00 Senior Administrative Assistant
- 0.60 Automation Application Specialist
- 1.00 Custodian
- 0.60 Senior Library Page

Temporary workers are also used as Pages and three Library Assistants.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 1,168,457	$ 1,185,867	$ 1,191,668	0.49%
Benefits	348,099	350,650	356,036	1.54%
Professional and Contractual	1,108	3,410	1,050	-69.21%
Materials, Supplies, and Other	528,467	550,787	541,960	-1.60%
Total Expenditures	2,046,130	2,090,714	2,090,714	0.00%
Revenues				
State Grants	145,195	144,360	144,430	0.05%
Charges for Services	9,870	10,000	8,800	-12.00%
Fines	44,998	41,000	43,200	5.37%
Other Grants and Contributions	27,751	-	-	0.00%
Total Revenues	227,813	195,360	196,430	0.55%
Net Expenditures Supported by General Revenues	**$ 1,818,317**	**$ 1,895,354**	**$ 1,894,284**	**-0.06%**

BUDGET TREND: FY2014 – FY2019

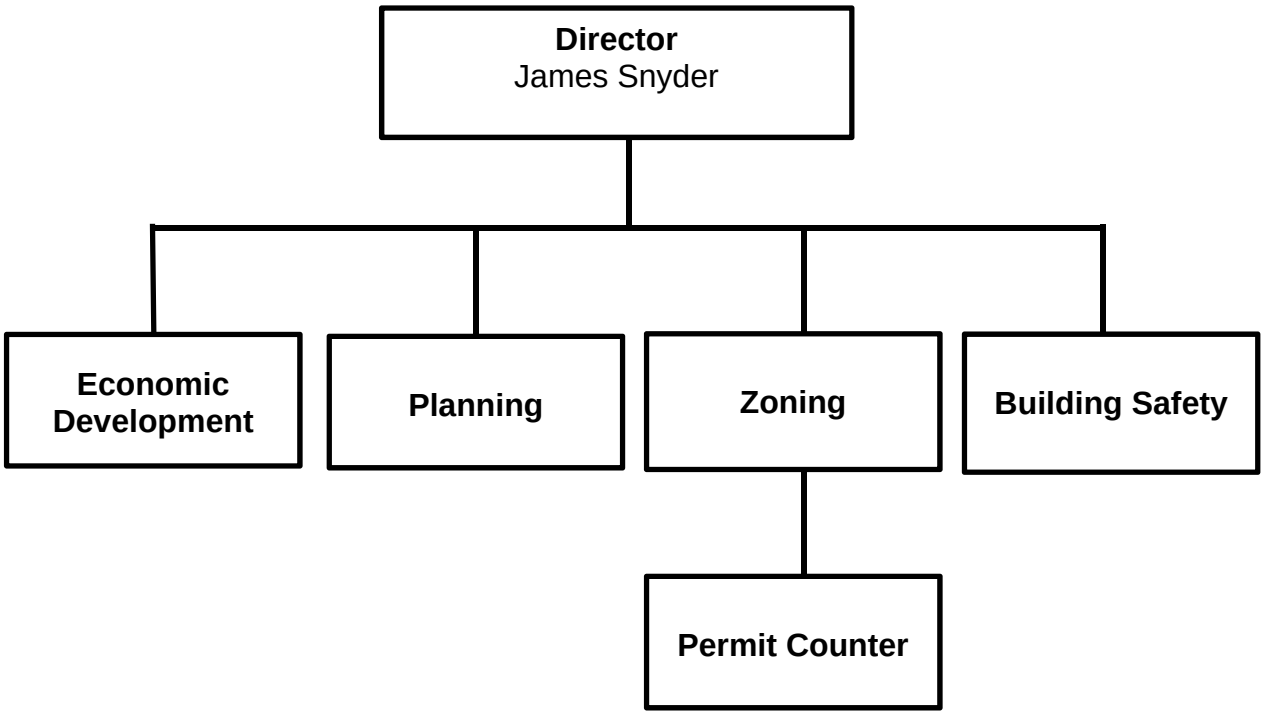


Notes:

For FY2019, the following are the major changes in the library's budget:

- Two temporary positions were moved to permanent part-time status (Library Assistant I and Library Assistant II)
- Change in the ILS system from III/Millennium to Biblionix/Apollo

COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT SERVICES



SUMMARY OF SERVICES PROVIDED

The Department of Community Planning and Economic Development Services (CPEDS) exists to improve quality of life and support the development of a safe City that balances economic, environmental, and social needs of current and future generations.

CPEDS provides services in four overarching areas: (1) Economic Development, (2) Planning – including Future, Current, and Transportation Planning (3) Zoning, and (4) Building Safety. Organizing these four work areas under one department encourages employees to break through traditional work silos that would otherwise impede new projects and investments in the City.

The Economic Development Team performs the following work:

1. Works closely with prospective investors to the City, who are interested in revitalizing or redeveloping aging properties in the City's Planning Opportunity Areas (POAs) and Revitalization Districts
2. Business attraction and facilitation
3. Business retention and facilitation
4. Chamber of Commerce and business liaison
5. Works closely with commercial brokers, property owners, prospective businesses and other City staff, to encourage low vacancy rates in the City's commercial spaces
6. Monitors and reports on economic and business activity
7. Fiscal impact analysis of proposed development projects
8. Staff support for the Economic Development Authority (EDA)

The Planning Team performs the following work:

1. Community Engagement including staff support for the Planning Commission, Historic Architecture Review Board (HARB), Historical Commission, and Citizens Advisory Committee on Transportation (CACT), as well as regular interaction with the City Council.
2. Plan Development including updates to the City's Comprehensive Plan, development of Small Area Plans and Master Plans, and coordination on special reports and studies.
3. Resource Identification and Acquisition including working with individuals and groups interested in redevelopment opportunities; applications for public project grants, especially transportation and parks grants; and supporting preparation of the City's Capital Improvement Program (CIP).
4. Plan Implementation including review of redevelopment applications, plan and zoning ordinance map and text amendments; and management of public projects including neighborhood traffic calming, residential permit parking, bus shelters, bike-share, and park projects.
5. Regional Coordination: The team coordinates with regional partners including the Northern Virginia Transportation Authority (NVTA), the Northern Virginia Transportation Commission (NVTC), the Washington Metropolitan Area Transit Authority (WMATA), the Council of Governments (COG), Fairfax County, and Arlington County on a range of issues and projects.

The Zoning team provides the following services:

1. Zoning review of all planning and development projects, including special exceptions, rezonings, site plans, subdivisions, and grading plan.
2. Zoning review of building plans, building permits.
3. Zoning review of sign applications, variances, special use permits.

4. Zoning enforcement and compliance, including monitoring compliance with conditions of approval (e.g. voluntary concessions, site plan conditions, and variance conditions).
5. Zoning Administrator review and analysis of properties, authoring zoning opinion and compliance letters, and assisting in the development of zoning text amendments.
6. Staff support for the Board of Zoning Appeals (BZA) and the Architecture Advisory Board (AAB).

The Counter Services team provides the following services

1. Intake, application and payment processing.
2. Review and issuance of all building and trades permits (e.g. plumbing, electrical, gas) and certificates of occupancy.
3. Review and scheduling of annual pool inspections.
4. Permit intake and issuance to support the Department of Public Works and the Fire Marshal
5. In calendar year 2015 there were **4,088** in-person visitors to the counter, and **5,153** phone calls. Note that in-person visits and phone call are trending down as email and electronic communication use increases.

The Building Safety team performs the following services

1. Enforces the Virginia Uniform Statewide Building Code for commercial and residential structures
2. Enforces the Virginia Property Maintenance Code
3. Reviews all building, electrical, mechanical, plumbing, fuel/gas, energy, accessibility, and fire protection plans for compliance with the Virginia State codes.
4. Conducts field inspections of projects.
5. Staff support and training for the "Board of Building Code and Fire Prevention Code Appeals".
6. Coordinates with the Fire Marshal, Health Department, and others to conduct full code inspections
7. Participates as part of the emergency management response team.
8. Stay up-to-date with code changes, new and emerging materials and methods of construction and construction products.

TRENDS AND ISSUES

1. Permits: Permits issued over the last five-years show an upward trend and a continued high level of activity
    - 2013 – 2,277
    - 2014 – 2,725
    - 2015 – 2,689
    - 2016 – 2,538
    - 2017 – 2,446
2. Certificates of Occupancy: Certificates of Occupancy issues over the last five-years show an upward trend
    - 2013 – 211
    - 2014 – 202
    - 2015 – 242
    - 2016 – 276
    - 2017 – 231

3. Permit Fees: Permit fees collected have increased. This increase reflects an increase is fee amounts to better cover staff time. It also reflects an increase in the number and complexity of redevelopment projects.
    - 2013 - $809,307
    - 2014 - $1,842,055
    - 2015 - $1,304,529
    - 2016 - $671,063
    - 2017 – $625,509
4. Single Family Home Activity: Single family home construction continues. The bulk of the activity is tear-downs (note the low number of net new homes in comparison to the number of permits).
    - 2013 – 17 permits, net 7
    - 2014 – 37 permits, net 6
    - 2015 – 33 permits, net 7
    - 2016 – 20 permits, net 6
    - 2017 – 22 permits, net 1

5. Electronic Plan Review: To keep up with increasing activity, greatly speed up plan review, and reduce the need for paper copies; City staff has increased use of electronic plan review, increased availability of online fillable forms, and electronic scheduling.

6. Private Development Activity: Development continues throughout the City (see table below).

7. Public Planning and Implementation: Staff continues to complete long range planning, zoning, and building safety efforts (see tables below).

Project Name	Size	Year
Recently Completed Projects		
Easter Seals Child Care Center	serves 162 children	opened 2013
Good Fortune Grocery	40,000 sq ft commercial	opened 2014
Dominion Jewelers	3,200 sq ft commercial	opened 2014
Hilton Garden Inn	110 rooms	opened 2014
Northgate	105 units 36,735 sq ft commercial	opened 2014
PMA Doctor's Office	11,332 sq ft commercial	opened 2015
Jessie Thackrey School		opened 2015
301 West Broad Street	288 units 64,522 sq ft commercial	opened 2016
Lincoln at Tinner Hill	224 units 45,000 sq ft commercial	opened 2017 Target Grand opening scheduled for March 2018

Kensington Assisted Living Building	120 beds 3,000 sq ft commercial and art space	opened 2017
Southgate Village Shopping Center. 100 E Fairfax St. "Tulip Building"	26,860 sq ft commercial	opened 2017
Projects Under Construction		
205 Park Ave	7,183 sq ft commercial	expected completion 2018
Cottage Housing	10 households	Expected 2018
Projects Approved		
Inns of Virginia	76 hotel rooms	approved 2016
Mason Row	322 units 122-145 hotel rooms 20,000-33,000 sq ft movie theater 67,839 sq ft commercial	approved 2016
Project Applications		
Broad & Washington	304 units 101,300 sq ft commercial	submitted 2016

Project	Completed
Comprehensive Planning	
Mobility for all Modes	2014
Parks for People	2015
Virginia Tech Student Report on Environmental Sustainability	2016
Vision 2040	2017
Small Area Planning	
S Washington Street Small Area Plan	2013
Downtown Small Area Plan	2014
Schools Area ULI-TAP	2015
Gordon Road Mini-TAP	2015
W Broad Street Small Area Plan	2016
Master Planning	
Bus Stop and Bus Shelter Master Plan	2013
TDM Report	2013
Neighborhood Traffic Calming Program Update	2015
Bicycle Master Plan	2015
Park Avenue Great Street Concept	2015
Four Mile Run Restoration and Redevelopment Action Plan	2016
W&OD Master Plan: The City's Greenest Street	2016
Streetscape Standards Update	2017

Urban Design recommendations for West Falls Church project	2017
Transportation Study for West Falls Church project	2017
Project Implementation	
Neighborhood Traffic Calming, Parker Ave & Kent St	2016
Neighborhood Traffic Calming, Pennsylvania Ave	2016
Residential Parking District, Winter Hill	2016
West Broad St street furniture and green bike racks	2016
Bus Shelters	2016-2018
Neighborhood Traffic Calming, N Maple Ave	2017
Capital Bike-share	Expected 2018
W&OD Park and Trail Crossings	Expected 2020

Zoning Updates	
Split Lot Zoning Ordinance Amendment	2014
Increased setback to 20' on Washington and Broad Streets	2014
Updated Commercial Parking Requirements	2016
Change to allow Planning Commission adjustment of required parking for any site plan with a TDM	2016
Added bicycle parking and conversion of space from vehicle to bike parking	2016
Reduced off-site parking agreement term from 30 to 10 years	2016
Amended definition of a "sign", 2nd story signs allowed	2016
Building Safety	
Insurance Services Office audit resulting in improved commercial rating and sustained residential rating	2014
Board of Building Code and Fire Prevention Code Appeals	2015
Began using tablets for field inspection and recording results	2015
Prioritized coordinated code review for commercial projects	2016
Prepared manual/guide to aid commercial applicants in getting through review and permitting process quickly	2016
Started electronic plan review (in addition to paper plan review)	2016

FY2019 DELIVERABLES AND FUTURE PROJECTS

The below list of suggested deliverables for the upcoming fiscal year is based on priorities identified through conversations with community stakeholders. The Council work plan, Planning Commission work plan, Economic Development Authority work plan, and others will inform actual work items undertaken.

Additional tasks identified in the Future Projects list can be addressed in future fiscal years or sooner if additional resources are provided.

FY 2019 Deliverable	Future Projects
Development Activity	
1. West Falls Church project, developer selection and entitlement 2. Founders Row, special exception amendment, site plan approval, and ground breaking 3. Broad & Washington, special exception and site plan	

Plan Development	
1. Combined Small Area Plan for West Falls Church, West End, and Gordon Road Triangle (commercial areas west of W&OD Park and Trail) 2. East End ULI TAP (COG-ULI grant) 3. Demographics Chapter Update 4. Community Profile	1. Land Use and Economic Development Chapter Update 2. Natural Resources, Environmental Sustainability Chapter Update 3. Pedestrian Friendly Principles and Design Standards 4. Consistent with Parks for People, Identify Greenways on Future Land Use Map
Plan Implementation	
1. Bike-Share 2. W&OD Master Plan 3. Neighborhood Traffic Calming 4. Transportation Demand Management	1. Residential Neighborhood Gateways 2. Historic Walking Tours 3. Downtown Parking District
Regional Coordination*	
1. NVTA 2. NVTC 3. COG	1. WMATA (currently monitored through NVTC staff) 2. TPB *<u>*Staff resources for regional coordination are prioritized to address highest priority issues / largest impact opportunities.</u>* *<u>*Resources are not available to track all issues simultaneously.</u>*
CIP and Grants	
1. Grant Applications: a. Transportation Alternatives Program (TAP), b. Recreational Trails Program (RTP), c. SmartScale, d. NVTA 70% Funds, e. Bicycle Pedestrian Safety Program (BPSP) 2. FY 20-25 CIP a. Grant Application Schedule b. POA Project Lists	
Zoning Updates	
1. Greenway Downs Zoning Code Amendment	1. B-Use update 2. Establish Arts & Culture District 3. Residential Parking Update
Building Safety	
1. Launch the “Build Falls Church” Webpage 2. Finalize plan review and field inspection for Lincoln at Tinner Hill and 205 Park Ave 3. Plan review and field inspection for Founders Row 4. Aldi 5. City Hall	

PRIORITIES FOR FUTURE FUNDING

1. One Half Time Position Counter Services ($30,000): This part time position will help staff to handle and to assist with the mid-day rush at the Counter. During peak times mid-day when there is heavy customer volume at the Development Services Counter. This will help staff to provide timely service to homeowners, builders and small business owners who frequently need in person assistance at the counter. Funding for this position is potentially available from the fees collected for building and trades permit fees.

2. Implementation Funds for Demonstration Projects ($50,000): More communities are using demonstration projects to quickly deliver on long term plans. Demonstration projects can deliver meaningful and usable benefits in months instead of years. Demonstration projects are durable enough to last until permanent installation and allow communities to try things out before building permanent structures.

ADOPTED POSITIONS BY FTE – 21.30 TOTAL

1.00 Director, Community Planning and Economic Development Services
1.00 Senior Administrative Assistant

Planning Division (7.8)
1.00 Planning Director
1.00 Planning Specialist/Planning Commission Clerk
1.00 Deputy Planning Director
1.00 Principal Planner
0.50 Deputy Zoning Administrator/Senior Planner
1.00 Senior Planner
1.00 Senior Planner/GIS/Urban Design Specialist
1.30 Planner, Transportation*

Economic Development (2.00)
1.00 Business Manager
1.00 West Falls Church Project Manager (Consultant)

Zoning Division (4.5)
1.00 Zoning Administrator
0.50 Deputy Zoning Administrator / Senior Planner
1.00 Development Services Inspector/Zoning Technician

Counter Services Team (2.0)
1.00 Senior Development Process Specialists / Team Leader
1.00 Senior Development Process Specialists

Building Safety Division (5.0)
1.00 Building Official
1.00 Deputy Building Official /Electrical Plan Reviewer Inspector
1.00 Multi Code Plan Reviewer and Inspector
1.00 Structural Engineer/Plan Reviewer
1.00 Building Inspector

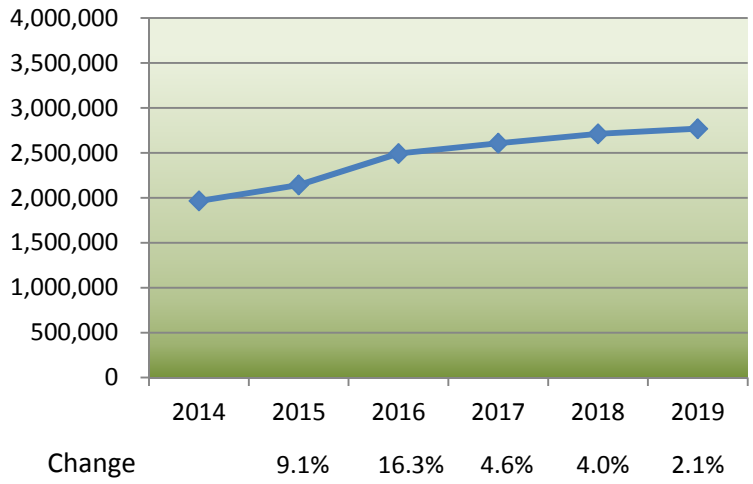
*0.70 of a Transportation Planner position is being funded with grants under the Capital Improvements Program (CIP) Funds.

**Temporary employees and consultants are also utilized by the department on an as needed basis.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 2,086,591	$ 2,023,808	$ 2,005,290	-0.92%
Benefits	547,012	569,329	487,598	-14.36%
Professional and Contractual	30,007	22,600	150,200	564.60%
Materials, Supplies, and Other	80,885	78,252	104,304	33.29%
Capital Outlay	33,896	17,000	20,500	20.59%
Total Expenditures	2,778,391	2,710,989	2,767,892	2.10%
Revenues				
Licenses, Fees, and Permits	603,868	1,130,000	1,165,726	3.16%
Use of Inspection Fee Reserves	-	-	-	0.00%
Total Revenues	603,868	1,130,000	1,165,726	3.16%
Net Expenditures Supported by General Revenues	**2,174,524**	**1,580,989**	**1,602,166**	**1.34%**

BUDGET TREND: FY2014 – FY2019



Notes:

FY 2015
- A Marketing Specialist was added.
- A Senior Administrative Assistant was added.
- A Transportation Planner was added.

FY 2016
- A Structural Building Engineer was added.

FY 2017
- A multimodal transportation planner and two planning consultants were added.

FY2019
- With the reorganization, the Director of Economic Development position was eliminated and the Marketing Specialist position was changed to a part-time position.
- A project manager for the West Falls Church project is included in the proposed budget.

NON-DEPARTMENTAL EXPENDITURES

The following categories of expenditures are considered to be non-departmental:

- Transfer to School Board
- Other Education Expenditures
- Post-Employment Benefits
- Regional Transportation/Transit
- Debt service
- Transfers to Other Funds
- Contingencies and Tax Credits

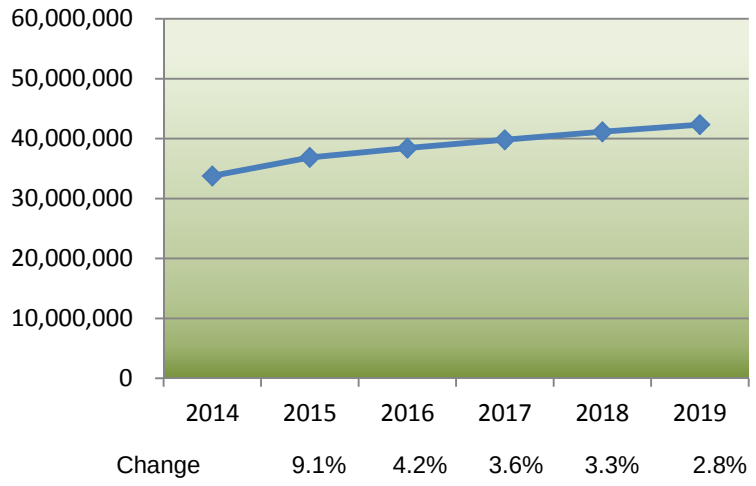
TRANSFER TO SCHOOL BOARD

The following shows the transfer of funds from the General Fund to the School Board. More information can be found regarding the School Board's budget beginning on page 241.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Transfer to School Board - Operating	$ 39,696,000	$ 41,040,500	$ 42,211,546	2.85%
Transfer to School Board - Community Services	121,030	107,500	107,500	0.00%
Net Expenditures				
Supported by General Revenues	**$ 39,817,030**	**$ 41,148,000**	**$ 42,319,046**	**2.85%**

BUDGET TREND: FY2014 – FY2019



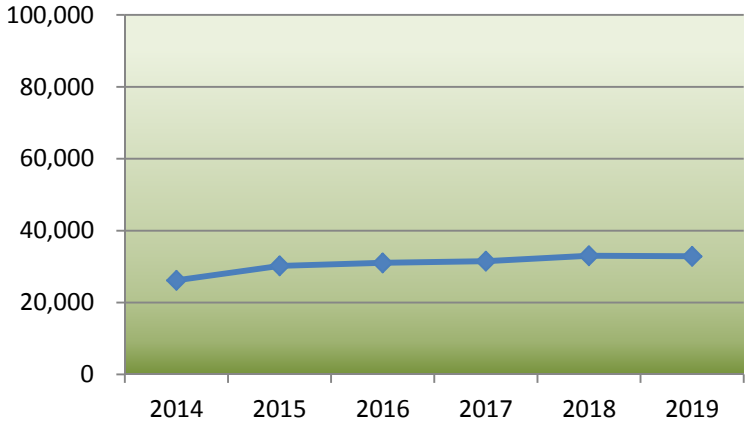
OTHER EDUCATION EXPENDITURES

The amounts adopted in the following budget constitute the City's contribution to Northern Virginia Community College (NVCC).

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Northern Virginia Community College Contribution	$ 31,482	$ 33,003	$ 32,852	-0.46%
Net Expenditures				
Supported by General Revenues	**$ 31,482**	**$ 33,003**	**$ 32,852**	**-0.46%**

BUDGET TREND: FY2014 – FY2019



Change	15.4%	2.7%	1.5%	4.8%	-0.5%

OTHER POST-EMPLOYMENT BENEFITS

In addition to pension, the City provides health insurance and life insurance benefits for employees who have both vested in the City's pension plan and retire from the City. Together, these are referred to as "Other Post-Employment Benefit" (OPEB).

For employees hired prior to April 1, 2008 the City pays 50% of the retiree's health insurance premium and 100% of the premiums for $2,000 life insurance policy with the benefit vesting after either five years of credible service or eligibility to retire, whichever comes first. For employees hired on or after April 1, 2008 the City pays 20% of the retiree's health insurance premium after ten years' credible service and the benefit increases by 2% per year up to 50% at twenty-five years of service.

The following table shows the portion of the FY2019 ARC that is allocable to current retirees. In addition, the departmental budgets include a portion of the ARC that is allocable to active employees. In total for the General Fund, the City will contribute $365 thousand in FY2019 and contributed $351 thousand in FY2018.

Included in this category, although related to pension, is a reduction to the City's Actuarially-Determined Contribution (ADC) to the Basic and Police Pension Plan. The reduction is a result of the return on investments on the Water System sales proceeds from 2014. The City also reduced its FY2018 ADC by $140,000. This reduction was included in the City's departmental budget in FY2018.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Benefits	$ 191,361	$ 92,978	$ 120,225	29.30%
Pension Return on Investment	-	-	(640,000)	-
Net Expenditures Supported by General Revenues	**$ 191,361**	**$ 92,978**	**$ (519,775)**	**-659.0%**

REGIONAL TRANSPORTATION

WMATA

The City, along with other jurisdictions in the region, contributes an annual subsidy towards the Washington Metropolitan Area Transportation Authority (WMATA)'s operating and capital costs. WMATA provides bus and rail service throughout the region. In FY2019, the City's estimated share of the WMATA costs is $4.8 million.

The City funds its share of the costs using four different sources of funds:

1. Local revenues tax revenues: $1,076,000. It should be noted that a portion of this ($1,050,000) is used as the City's Commercial and Industrial Equivalency (C&IE) match. The City is required to provide this match and transfer it to the Special Transportation Fund in order to receive its NVTA 30% allocation.
2. Northern Virginia Transportation Authority (NVTA) 30% funds: $0.
3. Fuel taxes: $1,167,000. The City imposes taxes on fuel sold within the City. By law, these taxes are deposited directly with the Northern Virginia Transportation Commission (NVTC) and NVTC makes the payments directly to WMATA on the City's behalf. These amounts are therefore not included in the City's budget.
4. State grants from the Virginia Department of Rail and Transportation (DRPT): $1,259,000. NVTC applies for grants with DRPT to be used towards the City's share of the WMATA costs. These funds are also deposited directly with NVTC and are not included in the City's budget.

The adopted budget has an increase of $132,681 (or 13.9%) for WMATA based on the recently adopted mass transit metro funding legislation (HB1539 and SB856) along with $100,000 for transportation projects.

OTHER

The City pays NVTA for its share of NVTA's administration costs, using the 30% NVTA funds.

The City also participates in regional cooperation and makes an annual contribution to the Northern Virginia Transportation District. These are funded with local funds.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Northern Virginia Transportation District	$ 4,856	$ 4,856	$ 4,856	0.00%
Northern Virginia Transportation Authority	-	11,149	11,500	3.15%
WMATA Obligations	764,626	943,670	1,076,000	14.02%
Total Expenditures	769,482	959,675	1,092,356	13.83%
Revenues				
NVTA 30% Funds	-	115,149	11,500	-90.01%
Total Revenues	-	115,149	11,500	-90.01%
Net Expenditures Supported by General Revenues	**$ 769,482**	**$ 844,526**	**$ 1,080,856**	27.98%

DEBT SERVICE

The City issues debt as necessary to fund long-lived capital assets such as school buildings, open space, and public facilities and infrastructure. The adopted use of debt financing is included as part of the City's Capital Improvements Program (CIP) and is subject to the Council's adopted debt policies which are noted on page 32.

Debt service for the General Fund includes all general obligations of the City, including those debts issued for the School Board but excludes debts issued for the utility funds. Debt service for debt issued for the use of the utility funds is included in their respective budgets and is covered by their respective user rates.

In June 2018, the City issued approximately of $22.3 million to fund the renovation/construction of the City Hall, the Mary Riley Styles Public Library (Library), and the George Mason High School (GMHS), along with miscellaneous other projects for parks, open space, and public safety. The debt service for this issuance is estimated to be approximately $2 million and is included in the FY2019 adopted budget.

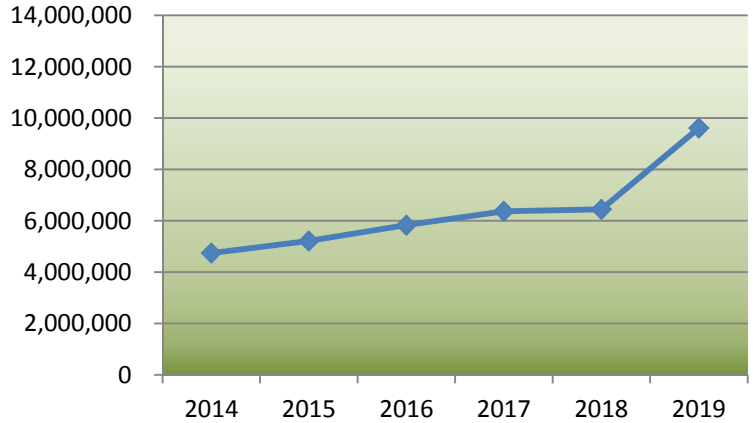
Additional debt is also expected to be issued in FY2019 for the Library and GMHS projects but the related debt service for this debt is expected to begin in FY2020. However, an estimated bond issuance cost of $800,000 is included in the FY2019 adopted budget.

Additional information on the City's debt can be found on pages 66-70.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 5,472	$ 17,000	$ 24,000	41.18%
Bond Issuance Costs	11,947	50,000	800,000	1500.00%
Principal	4,543,230	4,790,694	6,184,694	29.10%
Interest	1,719,723	1,587,818	2,189,306	37.88%
Total Expenditures	6,280,372	6,445,512	9,198,000	42.70%
Revenues				
Other Grants and Contributions	118,703	118,830	119,085	0.21%
Total Revenues	118,703	118,830	119,085	0.11%
Net Expenditures Supported by General Revenues	**$ 6,161,669**	**$ 6,326,682**	**$ 9,078,915**	**43.50%**

BUDGET TREND: FY2014-2019



Change	9.9%	11.8%	9.2%	1.2%	49.1%

Notes:

- The City issued new bonds in FY2012-FY2017, resulting in the increase of debt service for the subsequent years.
- The City expects to issue $22.3 million in new debt in FY2018.

TRANSFERS TO OTHER FUNDS

Transfers to other funds are made out of the General Fund to provide funding for projects in the Capital Improvements Program (CIP) accounted for in the General Government and School Capital Project Fund and the Special Transportation Fund. The adopted transfers are to provide for matches to federal grants and to provide funding for critical facilities and infrastructure maintenance.

In FY2019, a total of $1,977,604 is being transferred to three funds:

- General Government and School Capital Project Fund: $350,000. The projects funded are:
  - City Facilities Reinvestment: $350,000

- FCCTV Fund: $237,604. These transfers are funded with general revenues and Public, Education, and Government grants (PEG). Prior to FY2017, these transactions were included in the Executive Department's budget and were managed under the auspices of the Office of Communication.

- Special Transportation Fund: $1,390,000. This transfer comprises the City's C&I Equivalent funds. These funds will be used to pay for the following expenditures:
  - Obligation to WMATA: $1,050,000
  - Downtown Planning Opportunity Area improvements: $240,000 (using the proceeds from the sale of property on Hillwood Avenue in FY2018)
  - Neighborhood Traffic Calming: $100,000

  The WMATA expenditure is expended from the General Fund and therefore, a corresponding revenue item labeled Transfer from the Special Transportation Fund is also being recognized in the Revenues section of the General Fund budget.

  In 2013, Virginia enacted HB2313, which allowed certain local jurisdictions to raise sales, transient occupancy, and grantor's taxes in order to fund eligible local and regional transportation expenditures. These taxes are deposited with the Northern Virginia Transportation Authority (NVTA). Of the taxes raised in the City, the City is entitled to receive 30% while the remaining 70% is pooled with other jurisdiction's 70% funds to pay for regional transportation projects. However, in order to receive the local share of 30%, the City is required to raise an amount equivalent to 12.5 cents of tax on commercial and industrial properties in lieu of taxing these properties. If the City does not raise the full equivalent amount, the difference is deducted from the City's local share of 30% and is placed in the 70% pool.

  The City's C&I Equivalent in FY2019 is approximately $1,050,000.

Additional information regarding the CIP and the Special Transportation Fund can be found beginning on page 263.

Transfers to Other Funds

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Transfer to CIP	2,043,860	200,000	350,000	75.00%
Transfer to Special Transportation Fund - C&IE	932,126	1,135,567	1,390,000	22.41%
Transfer to FCCTV Fund	156,096	223,386	237,604	6.36%
Total Expenditures	3,132,082	1,558,953	1,977,604	26.85%
Revenues				
PEG	-	65,000	65,000	0.00%
Total Revenues	-	65,000	65,000	0.00%
Net Expenditures Supported by General Revenues	**3,132,082**	**1,493,953**	**1,912,604**	28.02%

CONTINGENCIES, TAX CREDITS, & RESERVES

This budget proposal includes the equivalent of 3 cents (1.5 cents approved in the FY2018 Budget and $640,000 in investment returns from the proceeds of the sale of the Water system) to be placed in capital reserves for future use. Capital Reserves will be drawn down in future years to pay for debt service on capital projects that were previously approved, including the George Mason High School reconstruction, City Hall renovation, and the Mary Riley Styles Public Library renovation.

$250,000 is being reserved to pay to BJ's pursuant to the Economic Development Agreement entered into with 6607 Wilson Retail, LLC. Since the credit implementation, the City has been paying the maximum amount of $250,000 to BJ's, although these are shown as reductions to revenue for accounting purposes.

This budget does not include contingency reserves to offset potential changes to revenues and expenditures that are not yet known at the time this budget is adopted.

ADOPTED BUDGET

	FY2017 Adopted	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Capital Reserve	$ -	$ 600,000	$ 1,240,000	106.67%
Tax Credit - BJ's	250,000	250,000	250,000	0.00%
Net Expenditures Supported by General Revenues	**$ 250,000**	**$ 850,000**	**$ 1,490,000**	**75.29%**

Note: The above numbers do not include $282,000 in tax relief which is included instead in the treasurer's budget as they administer the program.

Sanitary Sewer Fund

FY2019 Adopted Budget

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The Sewer Fund's programs are managed by the Department of Public Works.

The Sewer Fund's FY2019 budget includes the following:

- Rates remain flat at $9.87 per 1,000 gallons
- An allocation of $550,000 has been made to continue the City's sanitary sewer rehabilitation efforts using cured-in-place lining
- $200,000 is also being appropriated to conduct capacity study along West Broad Street
- Reserve for Repairs, Replacement and Rehabilitation for $72,800

SEWER FUND REVENUES

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Service Charges	$ 4,082,923	$ 3,800,000	$ 4,165,000	9.61%
Other Charges	213,829	200,000	215,000	7.50%
Total Charges for Services	**4,296,752**	**4,000,000**	**4,380,000**	**9.50%**
Availability Fees	1,414,080	100,000	100,000	0.00%
Investment Revenues	23,426	10,000	30,000	200.00%
Miscellaneous	24,287	-	-	-
TOTAL REVENUE - SEWER FUND	**$ 5,734,258**	**$ 4,110,000**	**$ 4,510,000**	**9.73%**

SEWER FUND EXPENDITURES

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Sewer Management	$ 397,260	$ 504,523	$ 545,688	8.16%
Collection and Disposal	1,879,199	1,632,424	1,759,694	7.80%
Debt Service	1,052,124	1,247,250	1,278,815	2.53%
Other Post-Employment Benefits	4,000	3,000	3,000	0.00%
Transfers to CIP	1,964,080	650,000	850,000	30.77%
Reserves	-	72,803	72,803	-
TOTAL EXPENDITURES - SEWER FUND	**$ 5,296,663**	**$ 4,110,000**	**$ 4,510,000**	**9.73%**

A detailed look at expenditures follows.

SEWER MANAGEMENT

SUMMARY OF SERVICES PROVIDED

The Department of Public Works administers and manages the City's sanitary sewer system, including planning, design, construction, and rehabilitation of the system, which serves all of the City's residents and several hundred households in Fairfax County. The sanitary sewer system is comprised of nearly 4,000 accounts, 47 miles of sewer mains, and more than 1,000 manholes. Approximately 1.4 million gallons of wastewater is collected per day and sent to treatment plants in Alexandria and Arlington County.

TRENDS AND ISSUES

- Rehabilitation of the sanitary sewer system through lining has increased the capacity in existing pipe; however the system is continually under pressure from redevelopment along the commercial corridor. The City is analyzing these impacts and projecting the impacts to the system from future potential land use.

SIGNIFICANT CHANGES IN FY2019

- City staff has developed a city-wide sanitary sewer model to identify capacity needs based on current and future land use. In FY2019 Public Works will develop a list of capital improvement projects needed to support anticipated development. Staff will evaluate anticipated improvement costs and the revenue necessary using availability fees to cover the costs.

FY2019 DELIVERABLES

- The City is updating the Sewer System Rate Study, last updated in 2012
- Construction of the Dorchester/Great Falls Sewer Capacity project.

ADOPTED POSITIONS BY FTE – 0.85 TOTAL

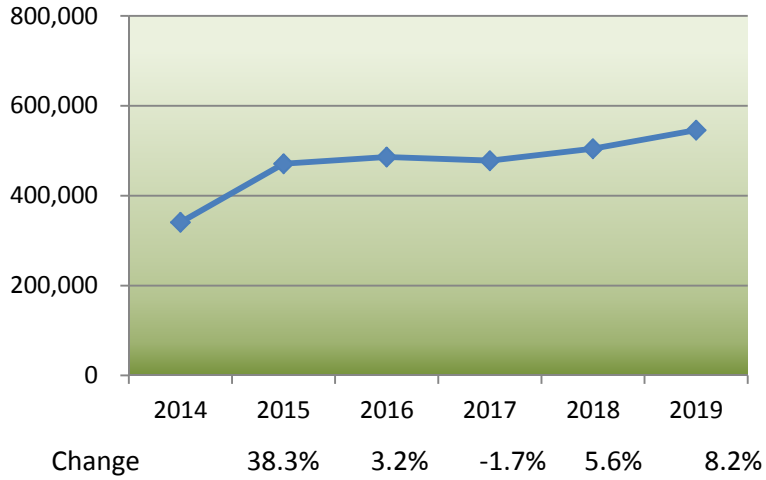
- 0.10 Director, Public Works
- 0.30 Engineering Manager
- 0.20 Public Resources Manager
- 0.25 GIS Manager
- 0.05 Senior Administrative Assistant
- 0.15 Principal Engineer

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 82,589	$ 89,792	$ 121,300	35.09%
Benefits	17,379	23,681	24,505	3.48%
Professional and Contractual	161,199	221,550	229,933	3.78%
Materials, Supplies, and Other	9,725	34,500	34,950	1.30%
Admin Fees to General Fund	126,368	135,000	135,000	0.00%
Net Expenditures Supported by General Revenues	**$ 397,260**	**$ 504,523**	**$ 545,688**	**8.16%**

Sewer Management

BUDGET TREND: FY2014 – FY2019



Notes:

- The increase in salaries for FY2019 is due to an adjustment in staffing allocations. This was done to reflect anticipated staff workloads related to the sanitary sewer program.

COLLECTION AND DISPOSAL

SUMMARY OF SERVICES PROVIDED

This Department of Public Works operates and maintains the City's sanitary sewer system. The system includes approximately 47 miles of pipeline ranging from 8" to 21" in diameter, and more than 1,000 manholes.

Maintenance activities include flushing the entire system several times a year to eliminate grease and debris build-up and keep sewer mains flowing at their full capacity, and television inspections of problem areas. Small repair activities such as manhole repairs and casting replacements are performed by the sanitary sewer crew. Larger repairs such as manhole replacement or pipe excavation and replacement are performed by contractors.

Costs in this cost center also include payments to our Inter-Jurisdictional (IJ) partners for conveyance and treatment of the City's wastewater. The Sewer rehabilitation CIP program which utilizes a "trenchless" technology known as Cured In Place Pipe (CIPP) is also run out of this cost center. This technology inserts a resin impregnated fiberglass sleeve into existing sewers and then utilizes steam or hot water to inflate and cure the sleeve resulting in a new pipe within the existing pipe at 20%-30% the cost of traditional replacement.

TRENDS AND ISSUES

- Rehabilitation of the sanitary sewer system through lining has increased the capacity in existing pipe; however the system is continually under pressure from redevelopment along the commercial corridor. The addition of new fats, oils, and grease (FOG) generators like restaurants require additional maintenance like flushing and calls for emergency service due to blockages.

SIGNIFICANT CHANGES IN FY2019

- The City will begin the implementation of an inspection campaign to reduce Fat Oil and Grease (FOG) that clogs the collection system, and causes problems in the treatment plants. This was postponed from FY2018 due to a vacancy in staffing.

FY2019 DELIVERABLES

- Flush entire system 3-4 times
- Convey approximately 1.4 Million Gallons per Day to our partner plants
- Nearly 3 miles of sewer rehabilitation

ADOPTED POSITIONS BY FTE – 3.55 TOTAL

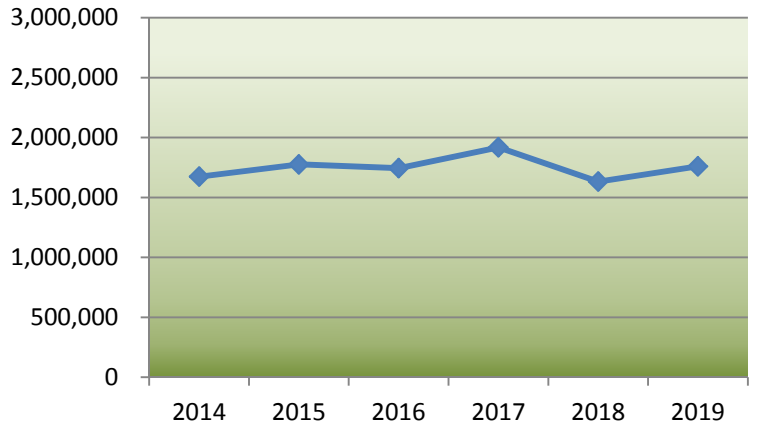
- 0.25 Public Works Superintendent
- 0.20 Asst. Public Works Superintendent
- 0.10 Sr. Administrative Assistant
- 1.00 Crew Leader
- 2.00 Maintenance Workers

Collection And Disposal

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 239,575	$ 233,101	$ 249,344	6.97%
Benefits	90,519	90,899	83,891	-7.71%
Professional and Contractual	1,179,682	1,239,824	1,315,859	6.13%
Materials, Supplies, and Other	56,349	68,600	70,600	2.92%
Capital Outlay	313,075	-	40,000	-
Net Expenditures Supported by General Revenues	**$ 1,879,199**	**$ 1,632,424**	**$ 1,759,694**	**7.80%**

BUDGET TREND: FY2014 – FY2019



	2014	2015	2016	2017	2018	2019
Change		6.1%	-1.8%	9.9%	-14.9%	7.8%

Notes:

- The increase in budget and revenues are largely driven by the number of customers and water usage.
- The City continues to add hundreds of new customers each year as redevelopment projects come online.

DEBT SERVICE

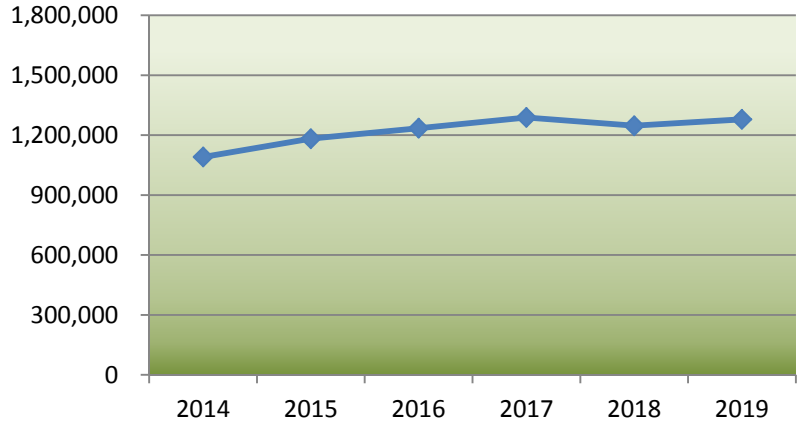
In prior years, debt was issued by the Sewer Fund to finance its share of the cost of Arlington County's and the Alexandria Renew wastewater treatment plants improvement.

In FY2018, the Fund expects to issue $424,000 in debt in order to finance the costs of the upgrades currently being done at the Alexandria Renew wastewater treatment plant. The resulting debt service from this issuance is reflected in the FY2019 proposed budget.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 102,430	$ -	$ -	0.00%
Principal	604,984	951,968	1,006,480	5.73%
Interest	344,710	295,282	272,335	-7.77%
Net Expenditures Supported by General Revenues	**$ 1,052,124**	**$ 1,247,250**	**$ 1,278,815**	**2.53%**

BUDGET TREND: FY2014 – FY2019



Change	8.4%	4.4%	4.3%	-3.2%	2.5%

Debt Service

The following shows projected debt service requirements over the next several years, including any bond issuances that are contemplated in the fund's six-year CIP:

	Principal	Interest	Total
FY2019	1,006,867	272,607	1,279,474
FY2020	1,056,553	277,360	1,333,913
FY2021	1,124,710	294,472	1,419,181
FY2022	1,200,924	323,830	1,524,754
FY2023	1,357,763	427,474	1,785,237
FY2024-FY2028	6,745,471	2,504,973	9,250,445
FY2029-FY2033	4,807,290	1,640,867	6,448,157
FY2034-FY2039	3,118,607	888,318	4,006,925
FY2040-FY2043	1,374,901	152,535	1,527,436
Total	**21,793,087**	**6,782,436**	**28,575,522**

OTHER POST-EMPLOYMENT BENEFITS

In addition to pension, the City provides health insurance and life insurance benefits of $5,000 for employees who have both vested in the City's pension plan and retire from the City. Together, these are referred to as "Other Post-Employment Benefit" (OPEB).

For employees hired prior to April 1, 2008 the City pays 50% of the retiree's health insurance premium and 100% of the premiums for life insurance policy with the benefit vesting after either five years of credible service or eligibility to retire, whichever comes first. For employees hired on or after April 1, 2008 the City pays 20% of the retiree's health insurance premium after 10 years' credible service and the benefit increases by 2% per year up to 50% at 25 years of service.

The following table shows the portion of this ARC that is allocable to current retirees. Throughout the Sewer Fund Expenditures budget, a portion of the ARC has been allocated to active employees. The total amount budgeted for the Sewer Fund for all active employees and retirees is approximately $8 thousand. Portions of the ARC are also allocated to the employees and retirees of the General and Stormwater Funds.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Benefits	$ 4,000	$ 3,000	$ 3,000	0.00%
Net Expenditures Supported by General Revenues	**$ 4,000**	**$ 3,000**	**$ 3,000**	**0.00%**

TRANSFERS & RESERVES

The Sewer Fund transfers funds to its Capital Improvements Project (CIP) Fund in order to pay for projects that are not debt-funded or grant-funded. In FY2019, the Sewer Fund budget includes a transfer of $750,000 to its CIP fund to pay for sewer pipe rehabilitation and conduct sewer capacity study along West Broad Street. These improvements are being funded out of current year revenues. An additional $100,000 is transferred for estimated receipt of availability fees. These fees are designated for system expansion costs.

Due to the reduction in debt service, the Sewer Fund is able to set aside $73,000 towards future capital expenditures.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Transfer to CIP	$ 1,964,080	$ 650,000	$ 850,000	30.77%
Reserves:				
Repairs, Replacement & Rehabilitation	-	72,803	72,803	0.00%
Net Expenditures Supported by General Revenues	**$ 1,964,080**	**$ 722,803**	**$ 922,803**	**27.67%**

Storm Water Fund

FY2019 Adopted Budget

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The City's stormwater facilities are managed by the Department of Public Works. In 2014, the City created a storm water enterprise fund to manage the growing costs of regulatory compliance, flood mitigation, water quality improvement, and to maintain aging stormwater infrastructure. Revenues for this fund are generated by a new fee based on impervious coverage.

The management of stormwater in the City includes administering the following programs:

- VA DEQ/MS4 Permit
- Compliance, BMP Management
- Stormwater Conveyance Infrastructure Rehabilitation/Replacement
- TMDL Compliance
- Private Development Oversight
  - Chesapeake Bay Program
  - Erosion and Sediment Control
  - Site Plan / Grading Plan Review
- Capital Improvement Program
- National Flood Insurance Program / Community Rating System Program
- Street Sweeping
- Geographic Information Systems

The greatest need of the City's stormwater conveyance system is capital maintenance. The system has aged or was built with insufficient conveyance capacity and, consequently, in many parts of the City fails to adequately carry a 2-year storm event (ie, a storm with a 50% chance of occurring during any given year). Approximately 28% of the system in composed of corrugated metal piping (CMP). Given the age of the system much of the CMP is at or past its service life and is responsible for many of the service calls Operations receives. The City will address these critical needs through a comprehensive conditions assessment and planned infrastructure upgrades.

Compliance with state and federal mandates to reduce sediment, nitrogen, and phosphorus from stormwater runoff will be a challenge for the City. Staff estimates the City will need to spend several million dollars on stormwater quality projects by 2025 in order to meet the Chesapeake Bay water quality targets set by the state. City staff administer various programs and activities in order to comply with an array of related regulations that include the Federal Clean Water Act (e.g., National Pollutant Discharge Elimination System (NPDES), Municipal Separate Storm Sewer System (MS4) Permit, Total Maximum Daily Load (TMDL) and the Federal Emergency Management (FEMA) Flood Insurance Program where the City actively participates in the Community Rating System (CRS) to provide a flood insurance discount for its residents.

The City's Geographic Information Systems program is also supported by the Stormwater fund. GIS is integral to the stormwater utility, as it is used to establish billing units by analyzing imagery to determine impervious coverage of parcels. GIS is also used to catalogue data about all manner of operations on the stormwater system.

STORMWATER FUND REVENUES

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Service Charges	$ 1,592,168	$ 1,590,000	$ 1,575,000	-0.94%
Inspection Fees	-	45,000	45,000	0.00%
Revenue from Use of Money and Property	11,196	8,000	10,000	25.00%
Use of Fund Balance	-	48,000	-	-
TOTAL REVENUE - STORMWATER FUND	**$ 1,603,364**	**$ 1,691,000**	**$ 1,630,000**	**-3.61%**

The FY2019 budget includes the fee of $18.36 per 200 square feet of impervious coverage, the same as the FY2018 fee. Other charges in FY2019 represents fees estimated to be collected for erosion and siltation inspections.

STORMWATER FUND EXPENDITURES

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Management	$ 522,843	$ 661,202	$ 593,933	-10.17%
Operations	787,366	879,805	866,107	-1.56%
Debt Service	153,597	149,993	169,960	13.31%
Reserves	24,718	-	-	-
TOTAL EXPENDITURES - STORMWATER FUND	**$ 1,488,525**	**$ 1,691,000**	**$ 1,630,000**	**-3.61%**

A detailed look at expenditures follows.

STORMWATER MANAGEMENT

SUMMARY OF SERVICES PROVIDED

The Department of Public Works provides management and operation of the City's stormwater conveyance system, including planning, design, construction, and rehabilitation of the system. In addition, funding is used to develop and implement capital improvements needed to provide high quality and reliable service. The department also manages the day-to-day operations of the Stormwater Utility Fund, which includes outreach, customer service, impervious coverage mapping updates, and credit program.

TRENDS AND ISSUES

- Debt service costs from recent stormwater capital projects is coming online and pressuring the operating budget. Small increases in revenue will be needed in out years to continue investments in the infrastructure.
- The fund's operating budget continues the trend of shifting expenses from the engineering to operation group to focus on system repairs and rehabilitation.

SIGNIFICANT CHANGES IN FY2019

- Staff time allocations were adjusted to account for anticipated department priorities and corresponding workloads; such as current capital projects. Elements of the stormwater management program, specifically tasks related to the MS4 Permit and erosion and sediment control inspections, will be performed by an engineering consultant.
- Staff positions reduced from 1.75 to 1.45 FTE

FY2019 DELIVERABLES

- Construction of the Harrison Branch and Wren Branch projects
- Submittal of Annual MS4 Report
- Processing of Stormwater Credit Applications

PRIORITIES FOR FUTURE FUNDING

1. Capital funding ($1,000,000 annual) – Capital funding for stormwater facilities reinvestment to address capacity, structural integrity, and compliance issues

ADOPTED POSITIONS BY FTE – 1.45 TOTAL

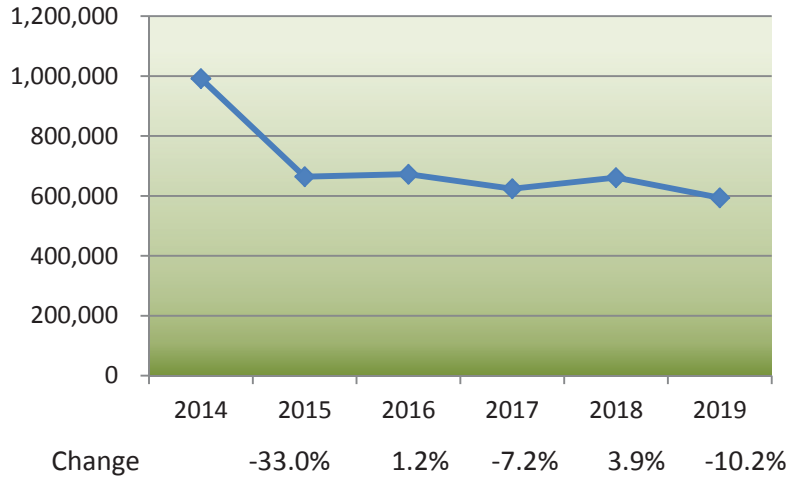
- 0.10 Director of Public Works
- 0.30 Engineering Manager
- 0.10 Civil Engineering Inspector
- 0.10 Public Resources Manager
- 0.10 CIP Project Manager
- 0.15 Principal Engineer
- 0.05 Senior Administrative Assistant
- 0.50 GIS Manager
- 0.05 CIP Grants Administrator

Stormwater Management

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 240,365	$ 163,975	$ 151,054	-7.88%
Benefits	71,543	78,340	30,860	-60.61%
Professional and Contractual	55,109	255,937	243,919	-4.70%
Materials, Supplies, and Other	17,495	26,450	34,600	30.81%
Capital Outlay	1,405	6,500	3,500	-46.15%
Admin Fees to General Fund	136,926	130,000	130,000	0.00%
Total Expenditures	**$ 522,843**	**$ 661,202**	**$ 593,933**	**-10.17%**

BUDGET TREND: FY2014 – FY2019



Notes:

- FY2014 reflects the beginning of the stormwater enterprise fund when more funding was received as a result of the fees established for stormwater.
- Reductions in budget over time have been due to reallocating staff resources. The funds have been shifted to the operational size of the program in order to maintain the existing conveyance system.

STORM SEWER OPERATIONS AND MAINTENANCE

SUMMARY OF SERVICES PROVIDED

The operations crew is responsible for inspection, cleaning and repairing the stormwater system, which includes more than 26 miles of storm drain, 1,400 appurtenances and 8,100 feet of stream channel in the Four Mile Run and Tripps Run watersheds. The vast majority of the City's stormwater system was originally installed as the City grew during the 1930s through the 1960s. Today, many of these stormwater pipes and structures are beyond their expected life span and in some locations have failed or are near failing.

The Stormwater Crew utilizes vacuum and flusher trucks to clean structures and pipes, and to keep debris out of our streams. The crew also uses a television inspection truck to inspect and catalogue the condition of the infrastructure and diagnose problems, develop maintenance and repair priorities, and establish a record of system condition.

TRENDS AND ISSUES

- A four man stormwater crew was established in May of 2014. Since its creation the crew has mainly focused on the City's greatest immediate needs; inspecting and cleaning storm pipes and performing repairs to stormwater inlets and manholes.
- The crew also coordinates with Stormwater Administration to systematically collect hundreds of feet of pipe condition data using closed circuit television inspections.

SIGNIFICANT CHANGES IN FY2019

- None anticipated

FY2019 DELIVERABLES

- Sweep each street 5 times
- Clean 700 structures
- Flush 13 miles of pipe
- Video inspect 6 miles of pipe

ADOPTED POSITIONS BY FTE – 4.55 TOTAL

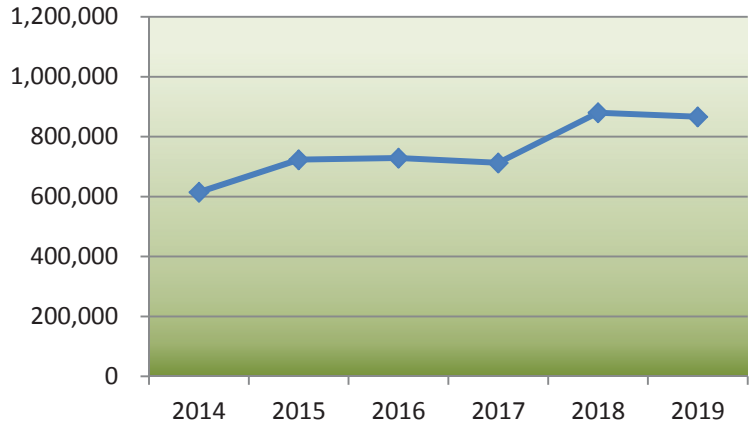
- 0.25 Superintendent of Public Works
- 0.20 Asst. Superintendent of Public Works
- 0.10 Sr. Administrative Assistant
- 1.00 Crew Leader
- 3.00 Maintenance Worker

Operations and Maintenance

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 240,284	$ 244,954	$ 284,105	15.98%
Benefits	112,352	130,291	119,702	-8.13%
Professional and Contractual	307,390	355,000	315,000	-11.27%
Materials, Supplies, and Other	63,936	101,560	144,300	42.08%
Capital Outlay	63,404	48,000	3,000	-93.75%
Total Expenditures	**$ 787,366**	**$ 879,805**	**$ 866,107**	**-1.56%**

BUDGET TREND: FY2014 – FY2019



Change	17.6%	0.8%	-2.2%	23.5%	-1.6%

Notes:

- FY2014 reflects the beginning of the stormwater enterprise fund when more funding was received as a result of the fees established for stormwater.
- Funding for operational activities has trended upward due to a strategic shift in funding, from administration and engineering to repair and maintenance. This is due to the strong need for reinvestment in the City's storm infrastructure.

DEBT SERVICE

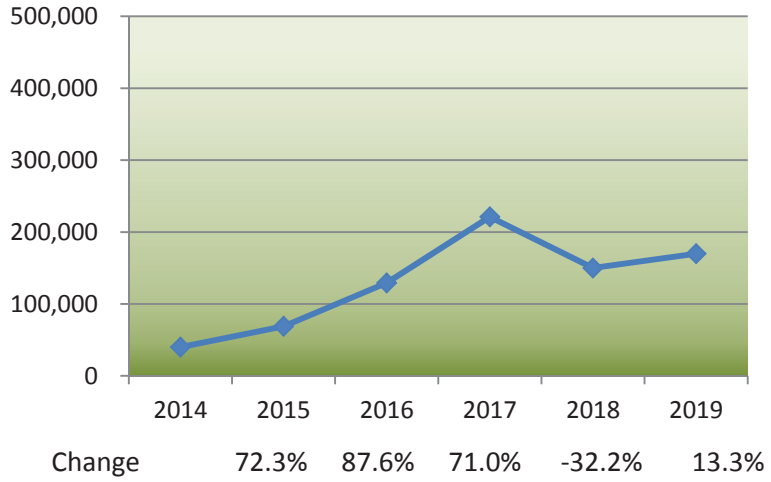
Over the past three years, the City issued General Obligation Bonds to fund the capital projects for the Stormwater Fund.

In June 2018, the fund expects issued $200,000 in new debt in order to pay for capital projects that are currently underway. The expected debt service on this is included in the FY2019 adopted budget.

PROPOSED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ -	$ -	$ -	0.00%
Principal	101,641	92,478	102,478	10.81%
Interest	51,956	57,515	67,482	17.33%
Net Expenditures Supported by General Revenues	**$ 153,597**	**$ 149,993**	**$ 169,960**	**13.31%**

BUDGET TREND: FY2014 – FY2019



Notes:

- The decrease in FY2018 is due to the transfer of unspent bond proceeds from the stormwater fund to the sewer fund, as well as the associated annual debt service.
- The increase in FY2019 is due to the issuance of $200,000 new debt in June 2019.

Debt Service

The following shows projected debt service requirements over the next several years, including any bond issuances that are contemplated in the fund's six-year CIP:

	Principal	Interest	Total
FY2019	$ 102,678	$ 16,055	$ 118,733
FY2020	128,078	33,538	161,616
FY2021	158,678	62,343	221,021
FY2022	199,478	99,819	299,297
FY2023	250,478	145,456	395,934
FY2024-FY2028	2,366,658	1,432,596	3,799,254
FY2029-FY2033	2,682,146	1,220,097	3,902,243
FY2034-FY2039	2,368,022	737,039	3,105,061
FY2040-FY2043	1,284,500	163,088	1,447,588
Total	**$ 9,540,716**	**$ 3,910,029**	**$ 13,450,745**

Affordable Housing Unit Fund

FY2019 Adopted Budget

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AFFORDABLE HOUSING PROGRAM

SUMMARY OF SERVICES PROVIDED

The City of Falls Church Affordable Housing Fund (AHF) provides funding both to maintain existing affordable housing and to develop additional affordable housing opportunities in the City for households with gross income less than 120% of the median income for the Washington Metropolitan statistical area. Funds are awarded on a rolling application basis through a public application process. Non-profit, for-profit, or government organizations are eligible for funding.

ELIGIBLE ACTIVITIES

- Acquisition, rehabilitation, and/or development of multi-family or single family unit buildings; or
- Acquisition, rehabilitation, and/or development of specialized housing for the elderly, mentally or physically disabled or homeless; or
- Acquisition/rehabilitation of properties for adaptive reuse; or
- Loan program for acquisition, rehabilitation, and/or development of multi-family or single family properties.

USE OF FUNDS

- Bridge loans
- Financing
- Predevelopment Grants

TRENDS AND ISSUES

Staff was contacted by the non-profit Wesley Housing about the Fields of Falls Church apartments (96 units) which are at risk of losing affordability. The Fields was built with tax credits which are due to expire in 2026. The non-profit would use the Affordable Housing Fund for a loan to preserve affordability. The property is beyond its tax credit compliance period now and has approximately eight years left in its extended use compliance period. The loss of The Fields would be a huge hit to housing affordability in the City.

As background, the property was originally developed by Kettler-Scott in joint venture with Wesley Housing in 1996. An affiliate of Sun America provided the equity in exchange for a 99.9% limited partnership interest, and VHDA provided the debt financing. The extended use agreement provided for a 30-year affordability deed restriction. Wesley's objective is to extend the affordability covenants of the property. In order to do so, Wesley would likely have to acquire 100% of the property from the two equity partners - Kettler-Scott & Sun America.

Loans previously granted through the Affordable Housing Fund for the First Time Homebuyer Program will be repaid in the event of a sale.

Approximately $292,000 is available through the Affordable Housing Fund for eligible activities.

PRIORITIES FOR FUTURE FUNDING

The Affordable Housing Policy requires dedicated annual revenue to the Affordable Housing Fund to promote the acquisition and preservation of permanently affordable housing units.

In order to preserve the long term affordability of the Fields of Falls Church, a $101,571 annual contribution from the General Fund to the Affordable Housing Fund would be needed for the next seven years that could be drawn upon when the current tax credit financing expires in 2026. The total cost of the project to be requested from the City will be approximately $1 million.

$6,000 annually is required to "buy down" an Affordable Dwelling Unit to make it affordable to a low income family.

ADOPTED POSITIONS BY FTE – 0.0 TOTAL

This program is managed and staffed by the Department of Human Services.

The balance of the fund as of December 31, 2017 was $292,000. There are currently no planned expenditures from this fund in FY2019.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ -	$ -	$ -	-
Materials, Supplies, and Other	-	-	-	-
Total Expenditures	-	-	-	-
Revenues				
Revenue from Use of Property and Money	944	-	-	-
Loan repayments	-	-	-	-
Use of Fund Balance	-	-	-	-
Total Revenues	944	-	-	-
Net Expenditures Supported by General Revenues	**$ (944)**	**$ -**	**$ -**	**-**

Cable Access Fund

FY2019 Adopted Budget

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CABLE ACCESS FUND

SUMMARY OF SERVICES PROVIDED

Falls Church Community Television (FCCTV), administratively managed by the Office of Communications (OCOM), operates under a tripartite agreement between the City government, the public schools, and the public (represented by the Falls Church Cable Access Corporation). FCCTV delivers programming via cable channels (Cox channel 11, RCN channel 2, Verizon channel 35), YouTube video uploads, and public broadcasting and online streaming of City Council, School Board, Planning Commission and other public meetings.

FCCTV is supported by Public-Education-Government (PEG) Grant funds provided by Cox and Verizon via the franchise agreements with the City government. PEG Grants may be spent only on capital expenditures for FCCTV. Operating expenditures are supported by the local taxes from the General Fund.

FCCTV provides services to the government by recording and editing City Council and Planning Commission meetings, town hall-style meetings, marketing promotions, special events, program and services demonstrations, and more. Recorded meetings help the government achieve transparency and accessibility for the community.

FCCTV provides services to the public schools by recording and editing School Board meetings, town hall-style meetings, special events, program and services demonstrations, and more.

FCCTV provides services to the public in conjunction with the Cable Access Corporation by providing classes on studio production, field production, and editing and providing studio space and equipment library.

All programs have the potential to be broadcast via FCCTV channels.

TRENDS AND ISSUES

- Increased requests from City staff and City Council for informational videos about public projects and programs in the City.
- Developing appropriate studio space in potential new high school or other location. Note: the “head-ends” from the cable companies are located on the high school campus and would need to be moved if studio moves in the future.
- Shared desire by three members of the Tripartite PEG Agreement to more fully realize the potential community benefits of FCCTV.

FY2019 DELIVERABLES

- Produce at least 12 videos featuring City programs, services, events, or employees, and at least 12 videos featuring School programs, services, events, or employees.
- Record, produce, and broadcast approximately 52 Council Meetings, 26 Planning Commission Meetings, 26 School Board Meetings, and 10 additional special meetings per year.
- Upgrade and reinstall equipment in new Chambers and Dogwood Room, coordinating with ITS.
- Initiate planning for full high definition (HD) conversion; completion is dependent on funding and cable company timelines.
- Engage City employees in video production training, such as how to produce quick videos for social media.

- Produce promotional videos and enhance social media presence for FCCTV to raise awareness and cultivate interest for Access Corporation.

PRIORITIES FOR FUTURE FUNDING

1. Operating funds - $7,000: More operating funds are needed so the station can function, much less succeed. Most of the TV Station's non-compensation directed funding are from the PEG Grants, which are restricted to capital purchases by law and cannot be used for maintenance. We can buy new equipment with the grant but if a part breaks, we have to pay for it out of local funds. We currently do not have sufficient funds to maintain equipment and software. Currently, we have annual and monthly software licenses that need to be paid for but there is not sufficient funds to pay for them.

ADOPTED POSITIONS BY FTE – 2.00 TOTAL

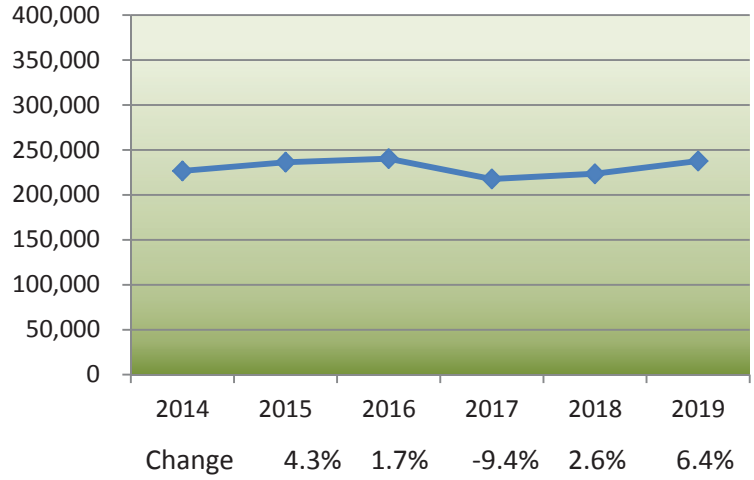
- 2.00 Cable TV Videographer

*Temporary employees are also employed on as needed basis.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 118,128	$ 123,006	$ 133,220	8.30%
Benefits	34,788	32,581	36,585	12.29%
Materials, Supplies, and Other	3,180	2,799	2,799	0.00%
Capital Outlay	28,069	65,000	65,000	0.00%
Total Expenditures	**184,165**	**223,386**	**237,604**	**6.36%**
Revenues				
Transfer from City	$ 156,096	$ 158,386	$ 172,604	8.98%
PEG Grants	28,069	65,000	65,000	0.00%
Total Revenues	**184,165**	**223,386**	**237,604**	**6.36%**
Revenues Over Expenditures	**$ -**	**$ -**	**$ -**	**-**

BUDGET TREND: FY2014 – FY2019



Notes:

- Prior to FY2014, the FCCTV activities were accounted for by the School Board in their Community Services Fund.
- In FY2017, the TV Station Supervisor position was eliminated and replaced with a Videographer.

School Board

FY2019 Adopted Budget

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FALLS CHURCH CITY SCHOOL BOARD

SCHOOL BOARD MEMBERS

Lawrence Webb
Chair
Phil Reitinger
Vice Chair
Greg Anderson
Justin Castillo
Erin Gill
Shannon Litton
Shawna Russell
Nathan Homes, *School Board Student Representative*

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SCHOOL BOARD OFFICIALS

Dr. Peter Noonan, *Superintendent of Schools*
John Wesley Brett, *Director of Communications*
Marybeth Connelly, *Community Outreach Director*
Marty Gadell, *Executive Administrative Assistant and School Board Clerk*
Lisa High, *Chief Academic Officer*
Kristen Michael, *Chief Operating Officer*
Patricia Minson, *Chief Officer: Legal Services*

FALLS CHURCH CITY PUBLIC SCHOOLS TRIENNIAL PLAN FY2018-2020

OUR VISION AND MISSION

Falls Church City Public Schools is a student-centered, innovative, and inclusive community of lifelong learners. We strive to guarantee a personalized environment that supports each child's unique needs, where each student achieves at least one-year academic growth annually, and where every graduate is prepared for their next step in life as a responsible, caring, and internationally-minded citizen.

We aspire to be the premier International Baccalaureate school division. To that end, we will continuously improve as a learning organization. The following are the five priorities during the 2018-2020 triennium:

STUDENT-CENTERED TEACHING AND LEARNING

- Ensure equity of access to quality core instructional programs and resources for all students.
- Ensure all students develop critical thinking and creative problem-solving skills through the International Baccalaureate Programmes.
- Empower principals as collaborative instructional leaders to ensure fair and equitable student outcomes.
- Make instructional programming decisions by measuring the performance of all students, including special populations, to ensure all students meet or exceed local, state, and federal accountability standards
- Integrate and leverage technology as an instructional tool.

EXCELLENT STAFF

- Attract, hire, and retain an exceptional, diverse staff to meet the needs of all students.
- Provide ongoing quality professional learning to ensure instructional best practices are consistently implemented in our classrooms.
- Ensure FCCPS salaries remain regionally competitive.

OPTIMAL FACILITIES AND LEARNING ENVIRONMENTS

- Maintain safe and secure facilities.
- Educate students in innovative, energy efficient, healthy, and sustainable facilities that support best practices for teaching and learning.

FISCAL MANAGEMENT

- Align financial decision-making with the FCCPS vision, mission, and priorities.
- Ensure all stakeholders have a role in developing the annual budget.
- Maximize resources entrusted to FCCPS, remaining accountable to and transparent with the community.

COMMUNITY ENGAGEMENT

- Encourage and support opportunities for parent and citizen involvement.
- Collaborate with City Council, Planning Commission, and school stakeholders - students, staff, parents, and other community members - around FCCPS policies and activities.

SCHOOL BOARD OPERATING FUND

SUMMARY OF SERVICES PROVIDED

The Operating Budget funds the day-to-day costs of providing all components of our PreK-12 educational program, including special, gifted, career/technical, remedial, and ESOL education services, as well as summer school and student activities.

ENROLLMENT

	FY2018 STUDENTS	FY2019 PROJECTED STUDENTS	CHANGE FROM CURRENT
Jessie Thackrey Preschool (PK)	78	70	(8)
Mt. Daniel Elementary (K-1)	357	367	10
Thomas Jefferson Elementary (2-5)	820	837	17
M.E. Henderson Middle School (6-8)	599	608	9
George Mason High School (9-12)	824	859	35
TOTAL STUDENT ENROLLMENT	2,678	2,741	63

REFLECTING OUR TRIENNIAL PLAN

The School Board's FY2019 Budget request reflects the priorities of our school system outlined in the Triennial Plan adopted this past fall. Each new request is aligned with this plan and reflects the current collective needs of Falls Church City Public Schools (FCCPS) while recognizing the need for fiscal restraint within the current CIP environment.

A strong effort was made to engage all stakeholders in this budget process. Numerous meetings were held in the community, with staff and faculty, and with our local governmental bodies to understand the respective group's priorities that could be included while remaining true to the Triennial Plan.

FISCAL RESTRAINT

Falls Church City Public Schools are very grateful to the community for their support to build a new high school. With that fiscal commitment in mind, this budget was deeply scrutinized for cost efficiencies and savings. Unfortunately, with reduced state funding, revenue beyond the 2 percent guidance from the City is essential to continue to offer the high-quality education Falls Church City expects from its schools.

New Initiatives

Excellent staff is required to fulfill the mission of FCCPS. Our employees are the number one resource in our system, making up 85% of our Operating Budget. Fair and competitive compensation is necessary to attract and retain the best teachers and staff. FCCPS has made great strides in bringing our salary scales in closer alignment with our major competitors. The School Board proposed 3% Cost of Living Adjustment will provide a compensation improvement for all employees and increase the competitiveness of our salary scales across the board. The requested increase in funding from the City Council will fund the 3% Cost of Living Adjustment and allow us to add a psychologist position.

Well over $2 million dollars in new requests, independent of compensation, were initially proposed by the Principals and Directors. All of these requests have been fully assessed and prioritized for their connection to the Triennial Plan. Of those requests, only $698,644 of the most critical needs were included in the FY 2019 budget, and nearly 80% of these expenditures are required staff or additional staff hours. Of the unfunded requests, 85% were additional staff as well, including support for Counseling, Social Work, Special Education, STEAM and a Dean of Students for the Middle & High School. With a requested increase in funding from the City Council to fund the Cost of Living Adjustment and the psychologist, reductions and realignments identified during the budget development process will allow us to support these most critical needs.

New Initiatives		
Compensation:		
3.0 Percent Cost of Living Adjustment	$	1,059,546
Cost of Living Adjustment for All Employees	**$**	**1,059,546**
School-Based Resources:		
Administrative Support at Jessie Thackrey	$	22,200
Primary Years Program Coordinator		103,300
Counselor – Mary Ellen Henderson		56,000
Math Specialist – Mary Ellen Henderson		103,300
Technology and Curriculum Resources – George Mason		40,000
Special Education Specialist		34,600
Special Education Classroom Teacher		103,300
Psychologist		73,300
LIEP Specialist (Language Instruction Education Program)		-
Band Instrument Replacement		5,000
Placeholder for Per pupil Accounts		20,000
Reserve for School Based Innovation		30,000
Parent Resource Center		-
Laptop Carts – Thomas Jefferson		12,950
Non-School Based Resources		
Bus Driver Supervisor (11 to 12 month change)		13,481
Web Security Equipment		48,905
Software Licenses		7,308
Van/Bus Replacement		25,000
Total Operating Fund	**$**	**698,644**

Our stated mission is to be the premier International Baccalaureate (IB) school division in the country. *"An IB education aims to transform students and schools as they learn, through dynamic cycles of inquiry, action and reflection. Teachers enable and support students as they develop the approaches to learning they need – for both academic and personal success."*[1] The IB programme encompasses all FCCPS students and the School Board proposed budget provides support for all FCCPS students. A Primary Years Program (PYP) coordinator is needed to support teachers and students at Mt. Daniel Elementary School and Thomas Jefferson Elementary School.

A new Special Education resource teacher will be added and a LEIP teacher position will be repurposed to serve as an English for Speakers of Other Languages resource teacher. These two positions, along with our curriculum resource teacher will create a "support triad" that focuses on instruction for ***all*** students and professional learning for ***all*** teachers in the division.

An additional school psychologist is needed to serve students' emotional and social needs. FCCPS currently employs 2 full time school psychologists. This is a student/psychologist ratio of 1,339:1. The recommended ratio is 500-700:1. Adding a psychologist will bring a ratio of 900:1. This is a critical need. Related to this is the need for an additional half time counselor at Mary Ellen Henderson Middle School (MEHMS).

To be consistent with planning factors, a 1.0 math specialist position at MEHMS and an additional special education teacher for the division will be added based on updated enrollment projections.

The proposed budget reflects other priorities of the Triennial Plan as well. There is a demonstrated need for clerical support at Jessie Thackrey Preschool. There is also a need for additional curriculum resources at George Mason High School (GMHS) for Hybrid Classroom (Hy-C) and Career and Technical Education (CTE); creation of a band equipment replacement fund; additional technology funds (for web security, laptop carts, software licenses); an increase of time for a transportation staff member; the addition of one transportation van; and a small "superintendent's reserve for innovation" that will be used for curriculum and instructional innovation grants next year.

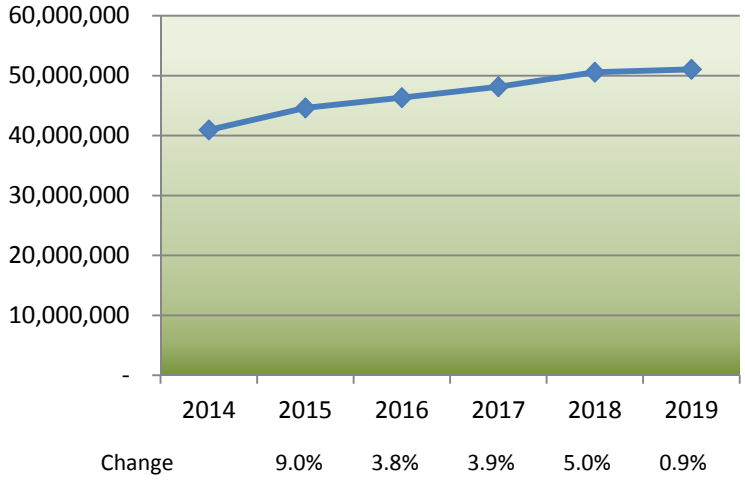
The Falls Church City School Boards FY2019 Proposed Budget represents a fiscally prudent request to maintain the excellent schools that Falls Church City values.

[1](http://www.ibo.org/benefits/the-ib-teaching-style/, n.d.)

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries	$ 29,989,956	$ 31,619,090	$ 32,388,669	2.43%
Benefits	10,303,976	11,140,160	11,164,743	0.22%
Professional and Contractual	4,431,432	4,805,470	4,599,862	-4.28%
Conferences, Travel, & Memberships	215,753	203,950	223,300	9.49%
Materials, Supplies, and Other	1,194,671	1,311,430	1,427,578	8.86%
Capital Outlay	1,052,992	829,600	579,706	-30.12%
Transfers to Other Funds	132,800	35,000	30,000	-14.29%
Reserves	-	626,000	626,000	0.00%
Total Expenditures	**47,321,581**	**50,570,700**	**51,039,858**	**0.93%**
Revenues				
Transfer from City	$ 39,708,000	$ 41,040,500	$ 42,211,546	2.85%
State Grants	3,795,117	4,118,300	4,040,732	-1.88%
Sales Tax	2,663,206	2,775,300	2,809,038	1.22%
Federal Grants	526,707	553,600	556,558	0.53%
Other	892,477	1,508,800	971,984	-35.58%
Use of Fund Balance	-	574,200	450,000	-21.63%
Total Revenues	**47,585,507**	**50,570,700**	**51,039,858**	**0.93%**
Revenues Over Expenditures	**$ 263,926**	**$ -**	**$ 0**	**-**

BUDGET TREND: FY2014 – FY2019



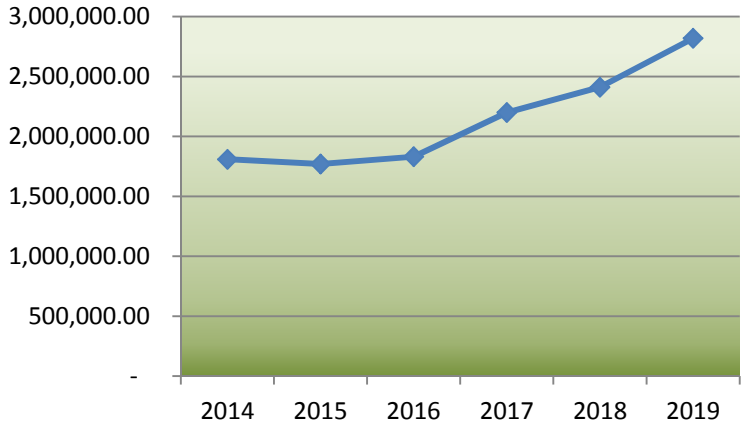
COMMUNITY SERVICES FUND

The Community Services Fund includes programs/services other than PreK-12 education provided to the Falls Church Community by FCCPS. These include: Day Care, Business in Education (BIE) partnership, rentals and community use of facilities, and the Falls Church Education Foundation.

PROPOSED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries	$ 978,982	$ 1,256,750	$ 1,244,796	-0.95%
Benefits	254,707	315,300	307,880	-2.35%
Professional and Contractual	158,783	246,400	164,450	-33.26%
Conferences, Travel, & Memberships	25,040	34,850	34,900	0.14%
Materials and Supplies	218,100	212,600	227,100	6.82%
Capital Outlay	90,213	100,000	135,000	35.00%
Reserves		175,000	175,000	0.00%
Transfer to Operating Fund	167,300	70,000	130,000	85.71%
Total Expenditures	**1,893,124**	**2,410,900**	**2,419,126**	**0.34%**
Revenues				
User Fees	1,632,767	1,871,420	1,879,626	0.44%
Transfer from City	109,030	107,500	107,500	0.00%
Other	138,330	178,980	179,000	0.01%
Use of Fund Balance	-	253,000	253,000	0.00%
Total Revenues	**1,880,127**	**2,410,900**	**2,419,126**	**0.34%**
Expenditures Over Revenues	**$ (12,997)**	**$ -**	**$ -**	-

BUDGET TREND: FY2014– FY2019



	2014	2015	2016	2017	2018	2019
Change		-2.2%	3.5%	20.1%	9.6%	16.9%

- The Day Care program continues to meet the needs of 350+ children in our care, providing an environment where children can flourish and the family can feel confident knowing their children are safe, secure and happy. Day Care weekly program planning is now tied to the IB Learner Profile and examples of this work is shared in our monthly newsletter.
- For the 6th consecutive year, fees remain stable due to phasing out part time care. Also, the Day Care program will fund new playgrounds for Mt. Daniel and TJ. This will have a positive impact for the Day Care Program as well as the schools.

~ Katie Clinton, Director

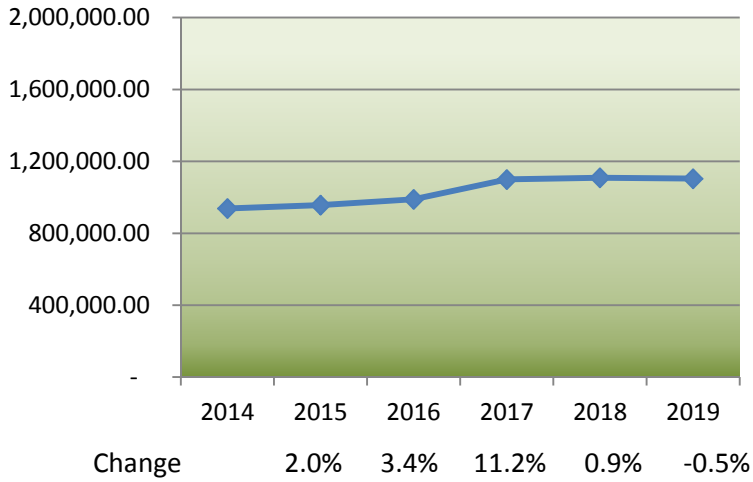
FOOD SERVICE FUND

The FCCPS Food Service Program provides meals (breakfast and lunch) to students throughout the school year as well as over the summer via the Summer Backpack Program.

ADOPTED BUDGET

	FY2017 Actual	FY2018 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries	$ 338,308	$ 401,280	$ 400,170	-0.28%
Benefits	$ 103,975	$ 134,420	$ 133,830	-0.44%
Professional and Contractual	$ 228	$ 36,550	$ 21,650	-40.77%
Materials, Supplies, and Other	$ 374,025	$ 436,350	$ 447,950	2.66%
Reserves	$ 50,000	$ 100,000	$ 100,000	0.00%
Total Expenditures	**$ 866,536**	**$ 1,108,600**	**$ 1,103,600**	**-0.45%**
Revenues				
User Fees	$ 780,520	$ 851,100	$ 851,100	0.00%
State and Federal Funds	$ 85,534	$ 120,500	$ 120,500	0.00%
Other Miscellaneous	$ 1,058	$ 2,000	$ 2,000	0.00%
Transfer from School Operating Fund	$ 45,000	$ 35,000	$ 30,000	-14.29%
Use of Fund Balance	$ -	$ 100,000	$ 100,000	0.00%
Total Revenues	**$ 912,112**	**$ 1,108,600**	**$ 1,103,600**	**-0.45%**
Revenues Over Expenditures	**$ 45,576**	**$ -**	**$ -**	**-**

BUDGET TREND: FY2014– FY2019



- In the coming fiscal year, the FCCPS Foodservice Team is dedicated to maintaining our standards of quality and excellence by continuing to cook from scratch, introducing both flavorful and healthy meal options. Further, we intend to work towards delivering innovative agricultural technology that produces avenues for student learning, discovery, community involvement, and collaboration across multiple departments. As part of the greater FCCPS Team, we recognize that access to quality food is foundational to student success.

~Richard Kane, Food Services Director

Six-Year Capital Improvements Program

FY2019 Adopted Budget

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INTRODUCTION

The development of the City's Six-Year Capital Improvements Program (CIP) allows the City to take a vision for the development of our public facilities through a disciplined evaluation process. By identifying projects and capital needs several years into the future, the City accomplishes the following objectives:

- Cost estimates for long-term objectives and identified needs are linked to available resources, and placed on a schedule for implementation;

- Major expenditures are scheduled in the context of a balanced Annual Operating Budget and a six-year financial forecast.

Capital projects are defined as a new, one-time project with a useful life of more than five years, and costing $150,000 or more. The cost estimates included in the CIP are intended to capture the entire estimated project cost, including, as applicable, land acquisition, design, negotiated agreements, and construction. The total request for each project is evaluated and, based upon funding, is prioritized to meet the needs of the City.

For FY2017 the City embarked on a new two-year CIP cycle process, whereby odd numbered years will be for minor updates to the approved CIP, and even numbered years are open for more significant changes and consideration of new projects. The goal of this “biennial CIP” approach is to allow staff to focus more time and effort on carrying out already approved projects, by redirecting some of the time and effort that is currently dedicated to developing and vetting new projects each year.

As FY2019 is an odd numbered year, the intent was for minor updates but due to situational changes and identified needs there are new projects under facilities, transportation and parks. The project needs, funding constraints and staff allocation resources have been considered in the development of this 6-year plan.

CIP Projects versus Maintenance Projects
CIP projects generally require significant engineering design and construction, whereas maintenance projects (like road paving, crosswalk painting, sidewalk section replacement, and landscaping) require routine upkeep every one to five years.

What is Capital Infrastructure?
This term refers to the built environment that makes the City of Falls Church safe, healthy, engaging, and beautiful and helps fulfill the City Council's vision of "A Special Place." Projects can be mandatory, like police emergency radios, but others build a quality community. Some construction project examples include:

- roads, sidewalks, crosswalks, bus shelters, traffic signals
- stormwater detention and pipes, sewer system, restoring flooding stream banks
- tennis and basketball courts, park trails, park play equipment
- HVAC replacement, roof replacement, WiFi and fiber connectivity, renovation and expansion for public buildings (schools, City Hall, community center, library, police station, courts)
- Replacement of police radio and 911 emergency call center equipment

The projects contained in the CIP support the goals and objectives outlined in the City's Comprehensive Plan and are intended to establish the long-term spending priorities identified by the

City Council and are consistent with their 2025 Vision/Comprehensive Plan/Strategic Plan as well as adopted Financial Polices. The CIP is updated annually and is subject to change with each update.
The City community input process included website enhancements, FAQs and additional community meetings during the Council budget process. This information is available at www.fallschurchva.gov/CIP.

PLANNING COMMISSION RECOMMENDATION

The Planning Commission (the Commission) voted on February 20, 2018, to recommend approval of the CIP for inclusion in the City Manager's FY2019 adopted operating budget and six-year Capital Improvements Program.

The Commission conducted public hearings on February 5 and 20, 2018. Additionally, held work session on February 12, 2018, which provided the Commission the opportunity to review the details of all projects proposed under the General, School, Transportation, Stormwater, and Sewer Funds. The Planning Commission discussed the six-year capital needs and the insufficient funding for Pay As You Go, local match for transportation grants and capital reserves.

The Commission ultimately requested no changes to the six-year CIP as presented on February 5, 2018.

The specific Commission adopted motion is provided below and was passed unanimously on a roll call vote:

> The Planning Commission recommends that the City Council **adopt**, pursuant to Section 6.19 of the City Charter and Section 17.08 of the City Code the FY2019-2024 Capital Improvements Program (CIP) as presented on February 5 and 12, 2018, as summarized on CIP notebook pages 3-1, 3-2, 3-3, 3-4, 3-5, 3-6 and 3-7 based on the following justifications:
>
> 1. The CIP is consistent with the adopted Comprehensive, Small Area and Master Plans;
> 2. The CIP approaches the citywide capital infrastructure and reinvestments needs in a holistic manner;
> 3. The CIP is enhanced through purposely planned and balanced reinvestment needs, funding options and staff resources;
> 4. The CIP is responsive to current fiscal reality and in compliance with adopted financial policies in context of pending amendment for large debt issuance;
> 5. To provide for fiscal balance of cash and debt financing the CIP must address long-term dedicated and sustainable funding for Pay As You Go local funding for facility reinvestment and other capital needs; and
> 6. The CIP provides sufficient match funding to leverage grants to address significant transportation needs.

CITY MANAGER RECOMMENDATION

The March 2018 City Manager's FY2019-2024 recommended CIP is consistent with the Commission's recommendation with two exceptions. First, the City Manager has allocated an additional $150,000 Pay As You Go funding for critical Facilities Reinvestment, which is consistent with the Planning Commission's justification #5, listed above. The second modification is the inclusion of $350,000 for the City Hall Public Space and Safety Improvements (City Hall) project to appropriate the additional funding, approved for the HITT Construction contract, on December 11, 2017. The City Hall project is a previously approved capital project.

COMPLIANCE WITH FISCAL POLICIES

City Council has placed a strong focus on restoring the financial stability of the City as expressed in its adopted Vision statement on Sound Finances, and the updated 2018 Financial Policies. The FY2019 Budget Guidance continues to place strong emphasis on planning for and funding the City's wide ranging infrastructure.

As the City is expected to incur substantial capital expenditures in the next few years, the financial policy was revised in February 2018 to strengthen the City's financial position requiring the City to maintain higher Available Fund Balance in years the two standard policy limits are exceeded. Please refer to Financial Summary section for details.

KEY POLICY DECISIONS

Managing an affordable tax rate and the potential risk of excessive debt is the principal financial planning challenge facing the City, and will be a central issue during the considering and adoption of the Six-Year CIP.

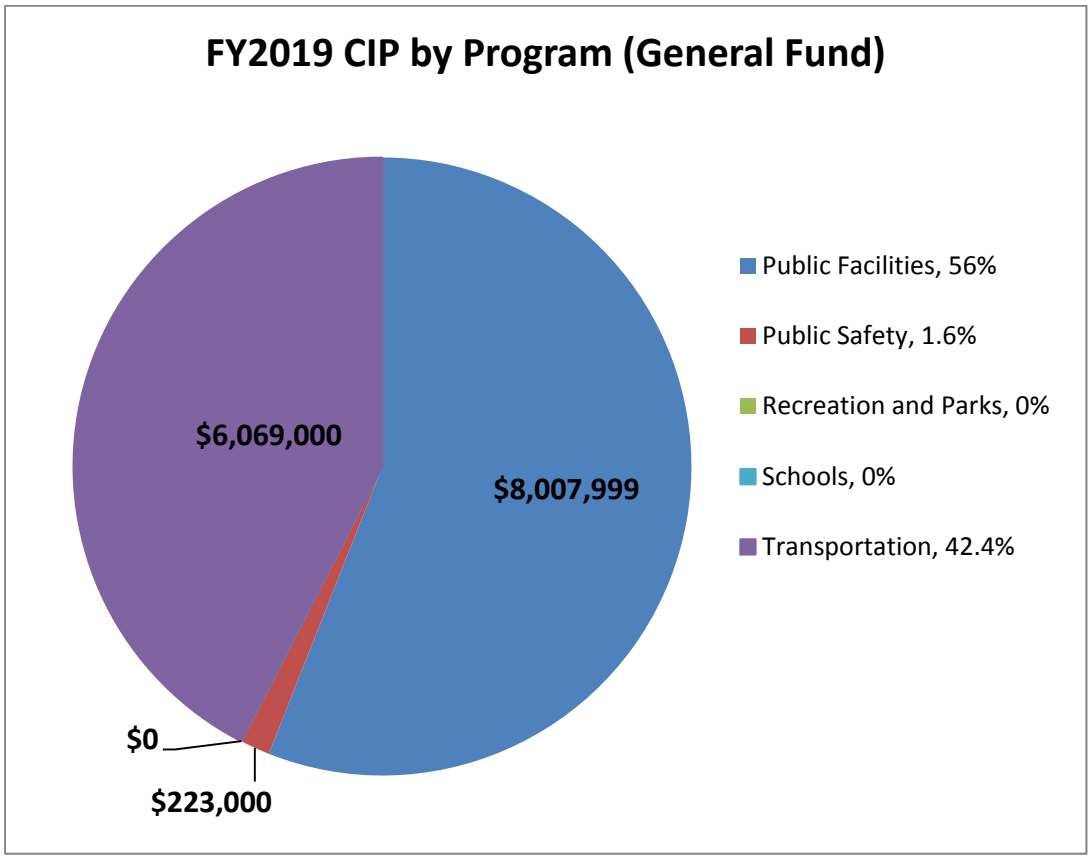
The following policy decisions are integral to the development and adoption of the Six-Year CIP:

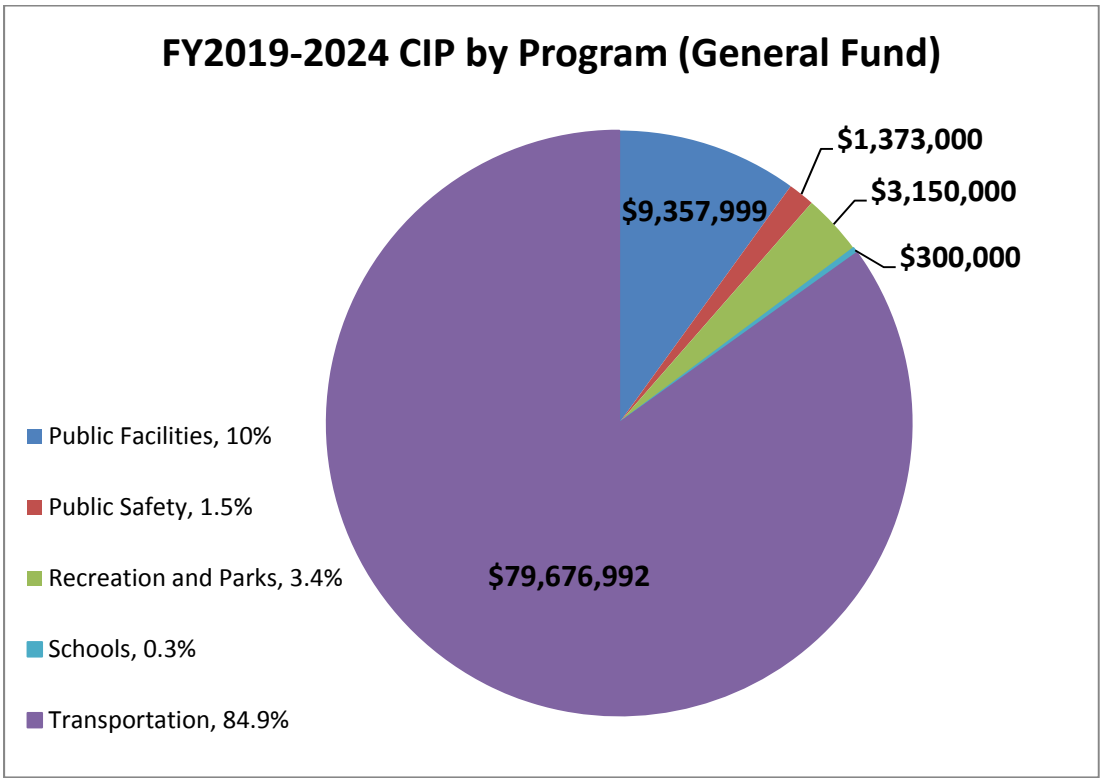
- Balancing desired level of school, park, library, government and transportation facilities with financial affordability and sustainability;
- Establishing the priority and timing of projects for affordability and manageable debt levels;
- Considering the reduction or deferral of projects to reduce debt levels;
- Determining the proper balance between capital and operating needs;
- Assessing the appropriate level of staff resources given the complexity of projects;
- Assessing the use of debt versus cash reserves to fund projects;
- Determining desired level of local Pay As You Go funding;
- Assessing economic development revenue opportunities on the West Falls Church Economic Development Project balanced with community and education vision and goals; and
- Determining the level of dedicated funding to grow Capital Reserves.

CIP PROJECT IMPLEMENTATION

There are previously approved active CIP projects being implemented which are further described under the existing general government project status report, the Snapshot, below. The Falls Church City Public Schools are still implementing the Mt. Daniel Expansion and Renovation project as well as expending already appropriated School Modernization funding on critical facility needs. New projects proposed within the FY2019-2024 CIP have taken constrained staff as well as funding resources in mind and therefore phased, this is especially true in the area of transportation.

The following pie charts provide a visual look at how CIP projects are allocated by functional areas for the General Fund for FY2019 and for FY2019-FY2024, excluding utilities.





Recreation and Parks:

There are requests for $1.2M in park master plan improvements, an additional $1M in open space funding and funding to develop a park at the anticipated new land purchase. The open space funding is delayed by one-year, from Recreation and Advisory Board recommendation and no funding source is identified. These projects are spaced to implement one significant effort per year. The Recreation and Parks Advisory Board approved recommendations are noted under Tab 9 posted at: http://www.fallschurchva.gov/1519/FY2018-2022-Capital-Improvements-Program .

Information Technology:

None identified in FY2019 due to focus on implementing current CIP projects.

Transportation:

The City continues to define transportation CIP items at the "project" scale, with each project being connected to a single source of grant funding and organized into CIP "programs". The program areas are: infrastructure-bridges, infrastructure-pavement, infrastructure-traffic signals, Downtown Area POA, North Washington POA, West Broad Street POA, Multimodal Connectivity and Accessibility, and Neighborhood Traffic Calming. This reorganization will allow the City to more easily focus investment in specific areas of the City and to coincide with the geographic Planning Opportunity Areas identified in the Comprehensive Plan. For example, the draft CIP includes a program for the South Washington Street Planning Opportunity Area (POA). Infrastructure specific CIP programs were also identified to account for projects that involve infrastructure systems on a City-wide scale and may not be confined to a single Planning Opportunity Area. The Infrastructure Programs are examples of City-wide infrastructure programs. Existing CIP projects that are currently underway were aligned with the new program framework.

In addition to focusing investment in specific areas of interest, organizing the CIP by program will enable staff to better plan for future expenditures, identify funding needs, and give the City greater flexibility in project scheduling, capitalizing on funding opportunities and allowing staff to coordinate related projects. An analysis of existing staff capacity to manage existing projects was conducted to determine a realistic schedule for implementation. The proposed transportation CIP realistically schedules project implementation based on project priorities and existing staff levels.

With the adoption of HB 2313 in 2013, the City continues to receive additional transportation funds through the Northern Virginia Transportation Authority (NVTA). By maintaining existing levels of transportation funding match leverage, the City will receive approximately $2.1M in additional funding each year. If the City increases local spending on transportation by $0.9M per year, it will receive an additional $0.9M each year. Further, the $0.9M in local funding can be used to leverage state and federal grant opportunities, which typically have match levels ranging from 50/50 to 80/20. This results in, at a minimum, 2 to 1 leverage for every City dollar and means that if the City elects to access the maximum benefit available, an additional $5M in transportation funding each year will likely be made available to the City. The proposed CIP continues to not recommend adopting the Commercial Transportation Tax overlay, due to eligible use restrictions, but rather to use the option of the equivalent funding, known as C&I equivalent (CIE), as part of the overall tax base to reflect the City-wide benefit. Due to local commitment to fund WMATA, if continued in FY2019 operating budget, the full required amount of CIE is achieved and therefore maximum amount of 30% NVTA drawdown. This is vital to remain in the current tax rate.

The proposed WMATA budget continues to increase reinvestment into the system for safety and reliability which is sorely needed. The City policies support transit, and is legally required through the WMATA agreement as a critical component of becoming less dependent on single occupied vehicles but this will result in minimal to no funding available for other transportation projects. The City is supporting efforts to increase state and regional funding to lesson local budgetary impacts.

Schools:

The School Board continues their long-term planning for school facility, in conjunction with City Council, as part of the George Mason High School (GMHS) and Mary Ellen Henderson Middle School (MEHMS) joint campus planning effort. This included a detailed analysis of student enrollment, facility condition, and construction design from new to renovation (costs range from $40M to $165M) as well as financing and phasing plans. All options put pressure on the City's financial policies and tax payer affordability. The economic development opportunities are actively being explored and the comprehensive plan, small area planning as well as zoning for this area being completed. All documents and analysis related to this effort are available on the City's website at: http://www.fallschurchva.gov/1599/High-School-WFC-Economic-Development-Pro

The School Board adopted CIP is available under Tab 6.

General Government Facility Reinvestment/ School Modernization:

Ongoing reinvestment into existing public facilities remains a priority and is an area where dedicated capital replacement reserves should be funded in the future. For FY2019, there is $350,000 Pay Go local funding for general government facility reinvestment provided. However, it is insufficient to meet identified needs still exist for FY2020 to FY2028. For school facility needs in FY2021 and FY2025 to FY2028 the School Board recommended $650,000 for Mary Ellen Henderson Middle School but no funding source identified at this stage, more analysis is required.

Library:

The Mary Riley Styles Library Board of Trustees worked with consultants in FY2013 to develop a Master Plan for the Library which also included a review of a 2008 Space Study and extensive public consultation. The goal is a library for the future that accommodates City growth and adheres to the City's Comprehensive Plan. The original Library building was constructed in 1957 and expanded in 1968 and 1992 to meet changing demands. The facility analysis conducted as part of the Master Plan process portrays a building that is: ADA deficient in many aspects and in need of many infrastructure repairs or replacements; it lacks storage and sufficient security systems and measures, space for large audiences which routinely occur weekly during story hours, study spaces for students after school and on weekends, larger public restroom space; and Local History room space. Shelving is too high, the elevator is old and unreliable, and the heating/air conditioning system does not work properly.

The Master Plan concludes that additional space is needed to support current and projected future functions, and that the Library should add 14,500 square feet to its existing 18,500 square foot facility to bring its size to 33,000 square feet. In addition to adding square footage, the Master Plan recommends upgrades to the existing building. As a result of the FY2015-2019 CIP process this project was funded at $8M with a request for the Library to the complete rebuild approach to one of renovation and 6,000 to 7,000 sf expansion. A revised feasibility study was conducted and as was noted in the FY2016-2020 CIP this CIP reflects that project scope and cost. The Library Board of Trustees presented this to a joint Council and Planning Commission in January 2015 and is conducting a community engagement process for this proposed plan. The November 2016 voter referendum approved this project funding. In January 2018 Council awarded the architectural contract and A&E work is underway. See Tab 6 for further details.

Facility Security Systems:

This project will upgrade security measures across public facilities so they are part of one centric system that can be monitored in the Public Safety Dispatch Center. City Buildings include: City Hall, Property Yard, Community Center, Library, Aurora House, Cherry Hill Farm House, Cherry Hill Barn, Gage House, and the Fire Station 6.

Improvements to the system would include all locking access control doorways, alarms (e.g., intrusion Panic and Fire), and interior and exterior cameras.

Many security measures do exist within the listed facilities, however the centralization of all security measures would allow for the optimization of the facilities' systems with a comprehensive, customized solution of cameras, alarms, pass card systems all tied back to public safety; one system that makes buildings safe, productive, efficient. Several of the existing systems are also at the end of their useful life cycle. See Tab for further details.

Storm Water Infrastructure:

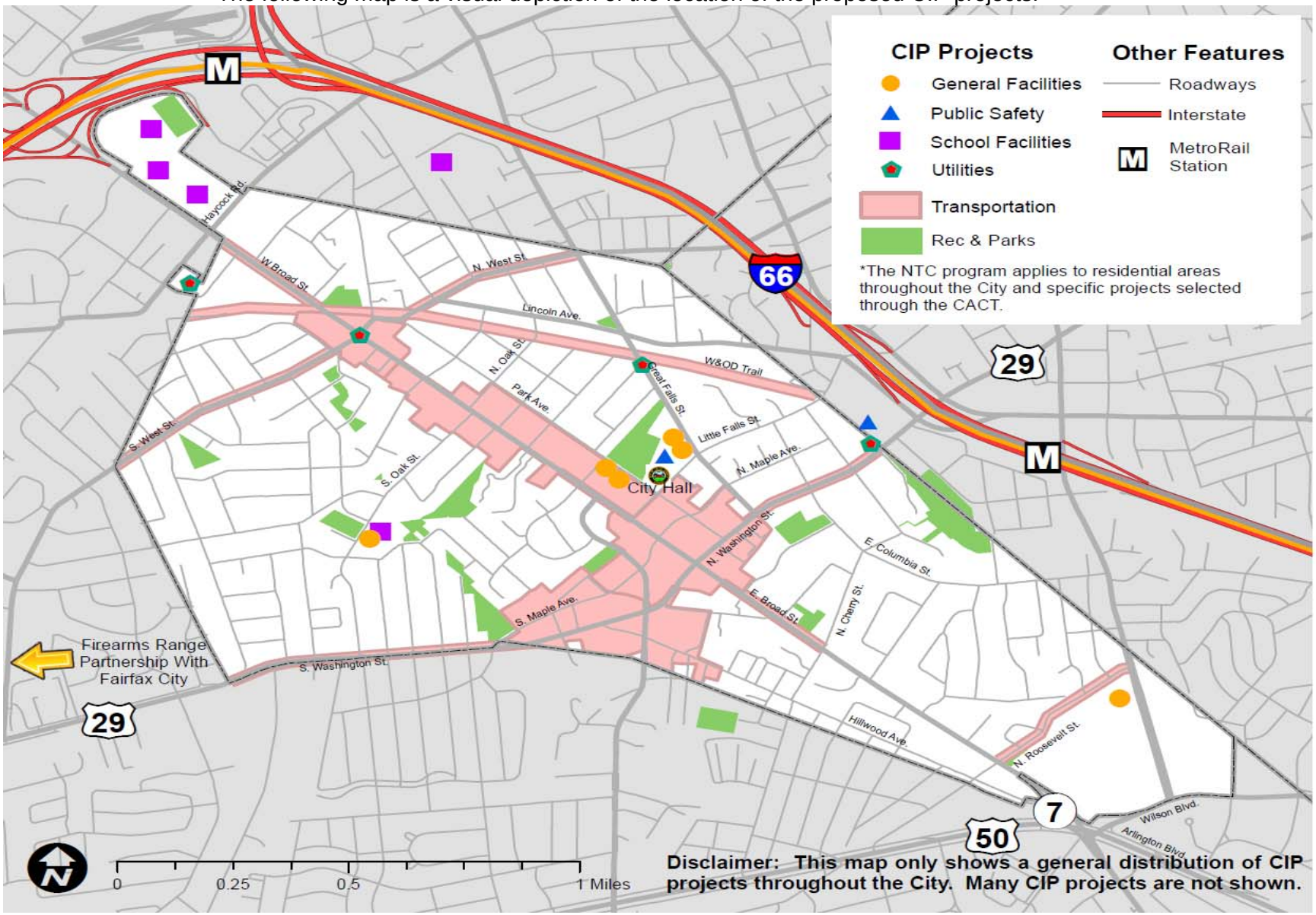
In many parts of the City, the storm water system is aging, undersized, and unable to convey the standard 10-year storm event. These deficiencies result in frequent flooding along some of the City streets and damage to private property. As the City carries out repairs to its existing storm water infrastructure, there will be opportunities for the implementation of measures that will improve water quality. As appropriate to individual circumstances, this might include daylighting streams, creating bio-engineered streambeds and storm water detention and infiltration systems. CIP funding for storm water improvements increases the ability to implement necessary water quality measures and infrastructure replacement/upgrades. The Watershed Management Plan, authorized by Council, has been adopted

and the recommendations of this Plan help formulate a strategy for projects and Council has established the enterprise fund, set the rates, and created the credit policy. Future grants are being pursued in the out years of this CIP.

Sanitary Sewer Fund:

The Sewer Fund is impacted by EPA-mandated projects to upgrade the Arlington and Alexandria wastewater treatment plants that the system uses. Ongoing repair and reinvestment in the existing pipes will continue per the rehabilitation plan. In addition, the purchase of additional wastewater treatment capacity to accommodate projected future flows resulting from development in the City will impact the Fund in FY2019, as well as plans to increase the reserve fund for sewer rehabilitation. A new project for capacity analysis and expansion is included this year to respond to West Falls Church Economic Development Project.

The following map is a visual depiction of the location of the proposed CIP projects:



FY2019-2024 CIP Project Distribution

GENERAL FUND AND SCHOOL BOARD

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	6YR TOTALS
PUBLIC SAFETY							
Fire Station 6 Reinvestment	$ 223,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 973,000
Public Facility Security (NEW)	$ -	$ 400,000	$ -	$ -	$ -	$ -	$ 400,000
Total Public Safety	**$ 223,000**	**$ 550,000**	**$ 150,000**	**$ 150,000**	**$ 150,000**	**$ 150,000**	**$ 1,373,000**
PUBLIC FACILITIES							
MRSPL Expansion/Renovations	$ 7,307,999	$ -	$ -	$ -	$ -	$ -	$ 7,307,999
City Facilities Reinvestment	$ 350,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,350,000
City Facilities Reinvestment	$ -	$ 140,000	$ 60,000	$ 65,000	$ 60,000	$ 25,000	$ 350,000
City Hall/Public Safety Rear Expansion	$ 90,000	$ -	$ -	$ -	$ -	$ -	$ 90,000
City Hall/Public Safety Renovation	$ 260,000	$ -	$ -	$ -	$ -	$ -	$ 260,000
Mary Ellen Henderson Middle School (NEW)	$ -	$ -	$ 300,000	$ -	$ -	$ -	$ 300,000
Thomas Jefferson Elementary (NEW)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Public Facilities	**$ 8,007,999**	**$ 340,000**	**$ 560,000**	**$ 265,000**	**$ 260,000**	**$ 225,000**	**$ 9,657,999**
RECREATION & PARKS/FIELDS							
Fellows Property Parkland (NEW)	$ -	$ -	$ -	$ 500,000	$ -	$ -	$ 500,000
Synthetic Turf Replacement	$ -	$ -	$ -	$ -	$ 450,000	$ -	$ 450,000
Park Master Plan Implementation	$ -	$ 600,000	$ 300,000	$ -	$ -	$ 300,000	$ 1,200,000
Acquisition of Open Space	$ -	$ 1,000,000	$ -	$ -	$ -	$ -	$ 1,000,000
Total Recreation & Parks/Fields	**$ -**	**$ 1,600,000**	**$ 300,000**	**$ 500,000**	**$ 450,000**	**$ 300,000**	**$ 3,150,000**
TOTAL GENERAL FUND	**$ 8,230,999**	**$ 3,490,000**	**$ 1,010,000**	**$ 915,000**	**$ 860,000**	**$ 675,000**	**$ 14,180,999**
Funding Sources							
Grant/Other Funded	-	-	-	-	-	-	-
Total *Debt* Financed	***$ 7,880,999***	***$ 2,150,000***	***$ 450,000***	***$ 650,000***	***$ 600,000***	***$ 450,000***	***$ 11,180,999***
Only if grant/revenue offset	**$ -**	**$ 1,140,000**	**$ 360,000**	**$ 65,000**	**$ 60,000**	**$ 25,000**	**$ 1,650,000**
Total "Pay as you go"	**$ 350,000**	**$ 200,000**	**$ 200,000**	**$ 200,000**	**$ 200,000**	**$ 200,000**	**$ 1,350,000**
Total Sources	**$ 8,230,999**	**$ 3,490,000**	**$ 1,010,000**	**$ 915,000**	**$ 860,000**	**$ 675,000**	**$ 14,180,999**

SPECIAL TRANSPORTATION FUND

	Funding Source	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	6 YR TOTALS
Infrastructure Program - Bridges	Federal Grant (RSTP)	$ 389,000	$ -	$ 75,000	$ -	$ -	$ 75,000	$ 539,000
Infrastructure Program - Bridges	State Grant (SGR)	$ 500,000	$ -	$ -	$ -	$ -	$ -	$ 500,000
Infrastructure Program - Pavement	State Grant (Revenue Sharin	$ -	$ 413,250	$ -	$ -	$ 650,000	$ 700,000	$ 1,763,250
Infrastructure Program - Pavement	State Grant (NVTA 30%)	$ -	$ 475,000	$ -	$ -	$ 650,000	$ 700,000	$ 1,825,000
Infrastructure Program - Pavement	Unfunded	$ -	$ 1,200,000	$ -	$ -	$ -	$ -	$ 1,200,000
Infrastructure Program - Traffic Signals	State Grant (Revenue Sharin	$ 412,500	$ 62,500	$ 350,000	$ 300,000	$ -	$ -	$ 1,125,000
Infrastructure Program - Traffic Signals (1)	State Grant (NVTA 30%)	$ 412,500	$ 62,500	$ 350,000	$ 300,000	$ -	$ -	$ 1,125,000
South Washington POA Program	State Grant (Revenue Share)	$ 412,500	$ 62,500	$ -	$ -	$ -	$ -	$ 475,000
South Washington POA Program	State Grant (NVTA 30%)	$ 412,500	$ 62,500	$ -	$ -	$ -	$ -	$ 475,000
Downtown Area POA Program	Federal Grant (Smart Scale)	$ 105,000	$ -	$ 413,000	$ 874,000	$ 608,000	$ -	$ 2,000,000
Downtown Area POA Program	State Grant (NVTA 30%)	$ -	$ -	$ 85,300	$ -	$ -	$ -	$ 85,300
Downtown Area POA Program	Local (PAYGO)	$ 240,000	$ -	$ 154,700	$ -	$ -	$ -	$ 394,700
Downtown Area POA Program	Federal Grant (Smart Scale)	$ 90,000	$ 320,000	$ 220,000	$ -	$ -	$ -	$ 630,000
Downtown Area POA Program	Federal Grant (Smart Scale)	$ -	$ -	$ -	$ 1,000,000	$ 1,700,000	$ -	$ 2,700,000
Downtown Area POA Program	Unfunded	$ -	$ 500,000	$ -	$ -	$ -	$ -	$ 500,000
Neighborhood Traffic Calming	Federal Grant (BPSP)	$ -	$ 636,000	$ -	$ -	$ 800,000	$ -	$ 1,436,000
Neighborhood Traffic Calming	Local (PAYGO)	$ 100,000						
Neighborhood Traffic Calming	State Grant (NVTA 30%)	$ 100,000	$ -	$ -	$ 100,000	$ -	$ -	$ 200,000
Multimodal Connectivity and Accessibility	Federal Grant (SmartScale)	$ 250,000	$ 300,000	$ 250,000	$ -	$ -	$ -	$ 800,000
Multimodal Connectivity and Accessibility	State Grant (NVTA 30%)	$ 40,000	$ -	$ -	$ -	$ -	$ -	$ 40,000
Multimodal Connectivity and Accessibility	Federal Grant (BPSP)	$ -	$ -	$ 90,000	$ 510,000	$ -	$ -	$ 600,000
Multimodal Connectivity and Accessibility	Federal Grant (RSTP)	$ -	$ -	$ -	$ -	$ 408,000	$ 550,000	$ 958,000
Multimodal Connectivity and Accessibility	Local (PAYGO)	$ -	$ 200,000	$ -	$ -	$ -	$ -	$ 200,000
WMATA & NVTA Annual Cost	Local (CIE)	$ 1,076,000	$ 1,066,450	$ 1,378,799	$ 1,790,909	$ 1,903,712	$ 2,017,138	$ 9,233,008
WMATA & NVTA Annual Cost	*Local (Debt)*	*$ -*	*$ -*	*$ 600,000*	*$ 600,000*	*$ 600,000*	*$ 600,000*	*$ 2,400,000*
WMATA & NVTA Annual Cost	State Grant (NVTA 30%)	$ 11,500	$ 11,845	$ 12,200	$ 12,566	$ 12,943	$ 13,331	$ 74,385
North Washington POA Program	State Grant (NVTA 70%)	$ -	$ -	$ -	$ 2,502,500	$ 6,870,000	$ 5,127,500	$ 14,500,000
West Broad Street POA Program	Federal Grant (RSTP)	$ -	$ 398,032	$ 346,469	$ 500,000	$ -	$ -	$ 1,244,501
West Broad Street POA Program	Federal Grant (Smart Scale)	$ 300,000	$ 350,000	$ 400,000	$ 545,000	$ 855,000	$ -	$ 2,450,000
West Falls Church and Joint Campus Revitalization District (NEW)	Federal Grant (BPSP)	$ -	$ -	$ 100,000	$ 650,000	$ -	$ -	$ 750,000
West Falls Church and Joint Campus Revitalization District (NEW)	State Grant (NVTA 70%)	$ -	$ -	$ 2,900,000	$ 7,185,000	$ 5,615,000	$ -	$ 15,700,000
West Falls Church and Joint Campus Revitalization District (NEW)	State Grant (I-66 CC)	$ -	$ 1,218,098	$ 2,599,883	$ 2,390,697	$ -	$ -	$ 6,208,678
TOTAL TRANSPORATION FUND		**$ 4,851,500**	**$ 7,338,675**	**$ 10,325,351**	**$ 19,260,672**	**$ 20,672,655**	**$ 9,782,969**	**$ 72,231,822**
SOURCES								
Grant Funded		**$ 3,435,500**	**$ 4,372,225**	**$ 8,191,852**	**$ 16,869,763**	**$ 18,168,943**	**$ 7,165,831**	**$ 58,204,114**
Local Debt	***Local (Debt)***	***$ -***	***$ -***	***$ 600,000***	***$ 600,000***	***$ 600,000***	***$ 600,000***	***$ 2,400,000***
Only if grant/revenue offset		**$ -**	**$ 1,700,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,700,000**
Total "Pay as you go"	**Local (PAYGO)**	**$ 1,416,000**	**$ 1,266,450**	**$ 1,533,499**	**$ 1,790,909**	**$ 1,903,712**	**$ 2,017,138**	**$ 9,927,708**
Total Sources		**$ 4,851,500**	**$ 7,338,675**	**$ 10,325,351**	**$ 19,260,672**	**$ 20,672,655**	**$ 9,782,969**	**$ 72,231,822**

(1) $242,232 of the Infrastructure Program – Traffic Signal funding in FY2019 is a transfer from the Infrastructure Program – Pavement prior year funds. This Ordinance authorizes the transfer of these funds.

SOURCE OF FUNDING FOR GENERAL FUND, SCHOOL BOARD & SPECIAL TRANSPORTATION – FY2019

	FUNDING SOURCE- FY2019 ONLY				
	FY2019	DEBT	PAUG	GRANTS	FY2019 PCT
GENERAL FUND					
Fire Station 6 Reinvestment	$ 223,000	$ 223,000	$ -	$ -	2.71%
Public Facility Security	$ -	$ -	$ -	$ -	0.00%
MRSPL Expansion/Renovations	$ 7,307,999	$ 7,307,999	$ -	$ -	88.79%
City Facilities Reinvestment	$ 350,000	$ -	$ 350,000	$ -	4.25%
City Hall/Public Safety Rear Expansion	$ 90,000	$ 90,000	$ -	$ -	1.09%
City Hall/Public Safety Renovation	$ 260,000	$ 260,000	$ -	$ -	3.16%
Mary Ellen Henderson Middle School (NEW)	$ -	$ -	$ -	$ -	0.00%
Thomas Jefferson Elementary (NEW)	$ -	$ -	$ -	$ -	0.00%
Fellows Property Parkland (NEW)	$ -	$ -	$ -	$ -	0.00%
Synthetic Turf Replacement	$ -	$ -	$ -	$ -	0.00%
Park Master Plan Implementation	$ -	$ -	$ -	$ -	0.00%
Acquisition of Open Space	$ -	$ -	$ -	$ -	0.00%
General Gov. and School Subtotal	**$ 8,230,999**	**$ 7,880,999**	**$ 350,000**	**$ -**	
TRANSPORTATION					
Infrastructure Program - Bridges	$ 889,000	$ -	$ -	$ 889,000	18.32%
Infrastructure Program - Pavement	$ -	$ -	$ -	$ -	0.00%
Infrastructure Program - Traffic Signals	$ 825,000	$ -	$ -	$ 825,000	17.01%
South Washington POA Program	$ 825,000	$ -	$ -	$ 825,000	17.01%
Downtown Area POA Program	$ 435,000	$ -	$ 240,000	$ 195,000	8.97%
Neighborhood Traffic Calming	$ 200,000	$ -	$ -	$ 100,000	4.12%
Multimodal Connectivity and Accessibility	$ 290,000	$ -	$ -	$ 290,000	5.98%
WMATA & NVTA Annual Cost	$ 1,087,500	$ -	$ 1,076,000	$ 11,500	22.42%
North Washington POA Program	$ -	$ -	$ -	$ -	0.00%
West Broad Street POA Program	$ 300,000	$ -	$ -	$ 300,000	6.18%
West Falls Church and Joint Campus Revitalization District (NEW)	$ -	$ -	$ -	$ -	0.00%
Transportation Subtotal	**$ 4,851,500**	**$ -**	**$ 1,316,000**	**$ 3,435,500**	
TOTAL	**$ 13,082,499**	**$ 7,880,999**	**$ 1,666,000**	**$ 3,435,500**	

SOURCE OF FUNDING FOR GENERAL FUND, SCHOOL BOARD & SPECIAL TRANSPORTATION – FY2019-FY2024

	FUNDING SOURCE- 6-YEAR PERIOD FY2019-FY2024				
	6YR TOTALS	DEBT	PAUG	GRANTS	TBD
GENERAL FUND					
Fire Station 6 Reinvestment	$ 973,000	$ 973,000	$ -	$ -	$ -
Public Facility Security	$ 400,000	$ 400,000	$ -	$ -	$ -
MRSPL Expansion/Renovations	$ 7,307,999	$ 7,307,999	$ -	$ -	$ -
City Facilities Reinvestment	$ 1,700,000	$ -	$ 1,350,000	$ -	$ 350,000
City Hall/Public Safety Rear Expansion	$ 90,000	$ 90,000	$ -	$ -	$ -
City Hall/Public Safety Renovation	$ 260,000	$ 260,000	$ -	$ -	$ -
Mary Ellen Henderson Middle School (NEW)	$ 300,000	$ -	$ -	$ -	$ 300,000
Thomas Jefferson Elementary (NEW)	$ -	$ -	$ -	$ -	$ -
Fellows Property Parkland (NEW)	$ 500,000	$ 500,000	$ -	$ -	$ -
Synthetic Turf Replacement	$ 450,000	$ 450,000	$ -	$ -	$ -
Park Master Plan Implementation	$ 1,200,000	$ 1,200,000	$ -	$ -	$ -
Acquisition of Open Space	$ 1,000,000	$ -	$ -	$ -	$ 1,000,000
General Gov. and School Subtotal	**$ 14,180,999**	**$ 11,180,999**	**$ 1,350,000**	**$ -**	**$ 1,650,000**
TRANSPORTATION					
Infrastructure Program - Bridges	$ 1,039,000	$ -	$ -	$ 1,039,000	$ -
Infrastructure Program - Pavement	$ 4,788,250	$ -	$ -	$ 3,588,250	$ 1,200,000
Infrastructure Program - Traffic Signals	$ 2,250,000	$ -	$ -	$ 2,250,000	$ -
South Washington POA Program	$ 950,000	$ -	$ -	$ 950,000	$ -
Downtown Area POA Program	$ 6,310,000	$ -	$ 394,700	$ 5,415,300	$ 500,000
Neighborhood Traffic Calming	$ 1,736,000	$ -	$ -	$ 1,636,000	$ -
Multimodal Connectivity and Accessibility	$ 2,598,000	$ -	$ 200,000	$ 2,398,000	$ -
WMATA & NVTA Annual Cost	$ 11,656,074	$ 2,400,000	$ 9,181,689	$ 74,385	$ -
North Washington POA Program	$ 14,500,000	$ -	$ -	$ 14,500,000	$ -
West Broad Street POA Program	$ 3,694,501	$ -	$ -	$ 3,694,501	$ -
West Falls Church and Joint Campus Revitalization District (NEW)	$ 22,658,678	$ -	$ -	$ 22,658,678	$ -
Transportation Subtotal	**$ 72,180,503**	**$ 2,400,000**	**$ 9,776,389**	**$ 58,204,114**	**$ 1,700,000**
TOTAL	**$ 86,361,502**	**$ 13,580,999**	**$ 11,126,389**	**$ 58,204,114**	**$ 3,350,000**

6-YEAR PROJECTION GENERAL FUND – POLICY COMPLIANCE

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Fund Balance							
Expenditures*	$ 87,419,499	$ 88,279,633	$ 93,713,165	$ 98,396,668	$ 100,776,444	$ 103,343,148	$ 105,726,062
Beginning Available Fund Balance	27,396,076	27,996,076	29,236,076	27,012,074	21,013,559	30,042,898	25,218,888
Addition to Available Fund Balance	600,000	1,240,000	(2,224,002)	(5,998,515)	(5,970,662)	(4,824,009)	10,334,814
Land Sale Proceeds	-	-	-	-	15,000,000		
Ending Fund Balance	**$ 27,996,076**	**$ 29,236,076**	**$ 27,012,074**	**$ 21,013,559**	**$ 30,042,898**	**$ 25,218,888**	**$ 35,553,702**
Fund balance as % of expenditures	**32.0%**	**33.1%**	**28.8%**	**21.4%**	**29.8%**	**24.4%**	**33.6%**
Policy Target (15% of Expenditures)	13,112,900	13,241,900	14,057,000	14,759,500	15,116,500	15,501,500	15,858,900
Debt Service							
Existing	$ 6,387,615	$ 6,324,930	$ 6,217,000	$ 6,125,361	$ 5,809,130	$ 4,672,628	$ 4,587,120
New**	-	2,470,070	5,595,173	8,322,342	8,918,587	10,470,025	10,733,463
Total Debt Service	**$ 6,387,615**	**$ 8,795,000**	**$ 11,812,173**	**$ 14,447,703**	**$ 14,727,717**	**$ 15,142,653**	**$ 15,320,583**
Debt service as % of expenditures	**7.3%**	**10.0%**	**12.6%**	**14.7%**	**14.6%**	**14.7%**	**14.5%**
Standard Policy Limit (12% of Expenditures)	10,490,340	10,593,556	11,245,580	11,807,600	12,093,173	12,401,178	12,687,127
Maximum Policy (15% of Expenditures)	13,112,925	13,241,945	14,056,975	14,759,500	15,116,467	15,501,472	15,858,909

*For expenditures other than debt service, includes annual growth projection of 2.5%.

**3.5%-5.00% interest rate assumption is used for new debt service calculation over the next six years. GMHS project for $120M is expected to be issued with 30-year level debt service bonds. Other debt is anticipated to be issued with 20-year level principal bonds.

UTILITY FUNDS – SANITARY SEWER AND STORMWATER

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	6 YR TOTALS	FY2025-FY2028	10 YR TOTALS*
*10-year new framework under development									
SEWER UTILITY									
Arlington WPCP Non-expansion Capital	$ 212,000	$ 371,000	$ 230,000	$ 62,000	$ 200,000	$ 200,000	$ 1,275,000	$ 800,000	$ 2,075,000
Alexandria Wastewater Treatment Upgrades	$ 432,000	$ 473,670	$ 765,990	$ 575,820	$ 543,600	$ 369,900	$ 3,160,980	$ 898,020	$ 4,059,000
Alexandria Wastewater Treatment Plant Capacity	$ -	$ -	$ -	$ 1,870,000	$ 1,870,000	$ 1,860,000	$ 5,600,000	$ -	$ 5,600,000
Sanitary Sewer Rehabilitation	$ 550,000	$ 600,000	$ 650,000	$ 700,000	$ 750,000	$ 750,000	$ 4,000,000	$ 3,000,000	$ 7,000,000
West End Sewer Capacity (NEW)	$ 200,000	$ 2,000,000	$ -	$ -	$ -	$ -	$ 2,200,000	$ -	$ 2,200,000
Total Sewer Utility	**$ 1,394,000**	**$ 3,444,670**	**$ 1,645,990**	**$ 3,207,820**	**$ 3,363,600**	**$ 3,179,900**	**$ 16,235,980**	**$ 4,698,020**	**$ 20,934,000**
SOURCES									
Total *Debt* Financed	$ 644,000	$ 844,670	$ 995,990	$ 2,507,820	$ 2,613,600	$ 2,429,900	$ 10,035,980	$ 1,698,020	$ 11,734,000
Total "Pay as you go" Financed	$ 750,000	$ 600,000	$ 650,000	$ 700,000	$ 750,000	$ 750,000	$ 4,200,000	$ 3,000,000	$ 7,200,000
Sewer Availability Fees	$ -	$ 2,000,000	$ -	$ -	$ -	$ -	$ 2,000,000	$ -	$ 2,000,000
Total Sources	$ 1,394,000	$ 3,444,670	$ 1,645,990	$ 3,207,820	$ 3,363,600	$ 3,179,900	$ 16,235,980	$ 4,698,020	$ 20,934,000
STORMWATER UTILITY									
Stormwater Facilities Reinvestments	$ -	$ 1,000,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 7,000,000	$ -	$ 7,000,000
Four Mile Run	$ -	$ -	$ -	$ -	$ -	$ 10,000,000	$ 10,000,000	$ -	$ 10,000,000
Total Stormwater Utility	**$ -**	**$ 1,000,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 11,500,000**	**$ 17,000,000**	**$ -**	**$ 17,000,000**
SOURCES									
Total *Debt* Financed	$ -	$ 1,000,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 7,000,000	$ -	$ 7,000,000
Total "Pay as you go" Financed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Only if grant/revenue offset	$ -	$ -	$ -	$ -	$ -	$ 10,000,000	$ 10,000,000	$ -	$ 10,000,000
Total Sources	$ -	$ 1,000,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 11,500,000	$ 17,000,000	$ -	$ 17,000,000
TOTAL UTILITIES	**$ 1,394,000**	**$ 4,444,670**	**$ 3,145,990**	**$ 4,707,820**	**$ 4,863,600**	**$ 14,679,900**	**$ 33,235,980**	**$ 4,698,020**	**$ 37,934,000**

IMPACT ON OPERATING COSTS

The following describes impacts on operating costs of the adopted six-year program:

A. GENERAL FUND AND SCHOOL BOARD

1. **Information Technology**: no new projects in this six-year CIP.
2. **Public Safety**: Improved Station 6 facility reinvestment will reduce maintenance and utility costs. Ongoing fire range maintenance will be reduced with the upgraded facility. Security systems will have minimal operating cost increase for maintenance support contracts but there is vital safety improvements achieved.
3. **Library Expansion:** Increases in utility costs and maintenance costs are expected with the expansion of the Library; however, there will be no requirement for additional staff and some offsetting utility and maintenance expenses from renovating the HVAC system and elevator.
4. **Schools Construction:** The new construction, renovations and expansion of school facility sites are anticipated to produce 10-40% cost savings due to modernization efficiencies and reduced utility costs.
5. **General Government Facility Construction:** The renovations and expansion of City Hall Public Space and Safety Improvements as well as system reinvestment in the other 21 facilities are anticipated to produce 5-15% cost savings due to modernization efficiencies and reduced utility costs.
6. **Park and field Improvements:** There will be additional operating costs to maintain the fields, parks and trails but there is improved safety and significant utilization of amenities are cost benefit pluses.

B. TRANSPORTATION FUND

1. **Infrastructure - Bridges:** It is estimated that this project will result in an increase in operating costs to perform the federally mandated bridge inspections, and may generate nominal maintenance costs but overall major maintenance reduce due to reconstruction.
2. **Infrastructure - Pavement:** It is estimated that this project will result in a moderate decrease in staff maintenance costs
3. **Infrastructure - Signals and Signs:** It is estimated that this project will result in a moderate decrease in staff overtime and maintenance costs.
4. **Downtown POA:** It is estimated that this project will result in a nominal increase in maintenance improved pedestrian and vehicular traffic signal equipment.
5. **North Washington/West Broad Street POA and West Falls Church Revitalization District:** It is estimated that this project will result in an increase in maintenance costs of less than $2,000 due to new lighting and pedestrian access/right of way facilities.
6. **Neighborhood Traffic Calming:** To be determined once funding and projects are determined and scheduled but an increase in maintenance costs of less than $2,000 is estimated.
7. **Multimodal Connectivity and Accessibility:** There will be additional operating costs to maintain the pedestrian sidewalk, crossing and trails but there is improved safety and utilization of amenities. NOVA Parks will assume maintenance costs for the W&OD Trail.

C. SEWER FUND

1. **Alexandria Wastewater Treatment Plant Upgrade:** It is estimated that this project will result in an increase in operating costs by about 10-15%.
2. **Falls Church Sewer Rehabilitation:** Relining pipes leads to significant reductions in operating and maintenance costs over time.
3. **Arlington WPCP Non-expansion Capital:** Anticipated to reduce operation expenses and maintenance costs.
4. **WWTP Capacity Expansion:** It is estimated that this project will result in an increase in operating costs.

D. STORMWATER FUND

1. **Stormwater Facility Improvement:** Improvements to storm water infrastructure can be expected to proportionally decrease operating costs, as staff time and equipment dedicated to addressing clogs, repairs, and malfunctions is reduced.

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Glossary

FY2019 Adopted Budget

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Accrual Basis of Accounting – A method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows.

Adopted Budget – The original adopted operating and capital budget approved by the City Council after public hearings and amendments to the proposed budget; becomes legal guidance to City management and departments for spending levels.

Advisory Referendum – A measure voted on by the general public in an election; refers to a specific question posed on a ballot which is non-binding and used to provide guidance to the elected representatives.

Appropriation – An authorization made by the City Council that permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are granted for a one-year period.

Assessed Value – The fair market value placed upon real and personal property by the City as the basis for levying property taxes.

Assessment/Sales Ratio – Assessed value for each sale of real property divided by its selling price; used to determine if real property is assessed within a reasonable range of fair market value. The Commonwealth of Virginia requires that real property be assessed at 100 percent of fair market value. An acceptable assessment/sales ratio percentage is 70 percent or higher.

Balanced Budget – By law, local government budgets must be balanced; i.e., expenditures may not exceed revenues.

Basis of Accounting – The timing of recognition, that is, when the effects of transactions or events should be recognized for financial reporting purposes.

Bond Debt Instrument – A written promise to pay a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal. Bonds are typically used for long-term debt to pay for specific capital expenditures.

Bond Ratings – A rating of quality given on any given bond offering as determined by an independent agency in the business of rating such offerings.

BPOL Tax – Business license or gross receipts tax, this item taxes the total revenues of a business.

Budget – A plan of financial operation including an estimate of proposed means of financing them (revenue estimates). The term also sometimes is used to denote the officially approved expenditure ceilings under which the City and its departments operate.

Budget Calendar – The schedule of key dates or milestones the City follows in the preparation and adoption of the budget.

BZA – Board of Zoning Appeals.

Capital Projects Fund – Each year, the City adopts a six-year Capital Improvements Program (CIP) that serves as a blueprint for the long-term physical improvements the City wishes to make. The Capital

Fund is funded through a transfer from the general, storm water and sewer funds, State aid and proceeds from bond issuances. The current year CIP is included as part of the annual budget.

Capital Improvements Program (CIP) – A six-year plan of proposed capital expenditures for long-term improvements to City facilities including water, sewer, transit and schools; identifies each project and source of funding. To be included in the CIP a project must be estimated to cost more than $150,000 and have a useful life in excess of five years.

Capital Outlay – An appropriation or expenditure category for government assets with a value of $5,000 or more and a useful economic life of one year or more.

Carryforward (carryover) – Funds in the School Division budget unexpended in one year that are used as a funding source for the subsequent year. This is required by 6.18 of the City Charter.

Coefficient of Dispersion – Represents the mean percentage deviation from a median.

Comprehensive Annual Financial Report (CAFR) – The annual report that represents a locality's financial activities and contains the independent auditor's reports on compliance with laws, regulations and internal controls over financial reporting based on an audit of financial statements performed in accordance with "Government Auditing Standards."

COG – Metropolitan Washington Council of Governments – an independent, nonprofit association of 17 member governments located in the Washington metropolitan region.

Constitutional Officers – Officials elected to four-year terms of office who are authorized by the Constitution of Virginia to head City departments; the Treasurer, the Commissioner of Revenue, and the Sheriff in the City.

Consumer Price Index (CPI) – A measure, calculated by the United States Department of Labor, commonly used to indicate the rate of inflation.

Contingency – A budgetary reserve set aside for emergencies or unforeseen expenditures for which no other budget exists.

CSA – Comprehensive Services Act.

CY – Calendar year.

Debt Per Capita – Total outstanding debt divided by the population of the City.

Debt Ratio – A measure used that determines the annual debt service or outstanding debt as a percentage of some other item which is generally an indication of the ability of the City to repay the debt; examples include annual debt service as a percentage of total annual expenditures and total outstanding debt as a percentage of total assessed value.

Debt Service – The payment of interest and principal to holders of the City's debt instruments.

Economic Development Authority (EDA) – Responsible for encouraging industrial and commercial development in the City.

Encumbrance – A reservation of funds that represents a legal commitment, often established through contract, to pay for future goods or services.

Enterprise Funds – Account for the financing of services to the general public whereby all or most of the operating expenses involved are recorded in the form of charges to users of such services. The enterprise funds consist of the Sewer Utility Fund and the Water Utility Fund.

Expenditure – Actual outlay of monies for goods or services.

Fair Market Sales – Defined as an "arm's length" transaction where there is a willing buyer and a willing seller, neither of which is under pressure to sell or buy. This excludes transfers such as sales within a family, foreclosures, or sales to a governmental unit.

Fringe Benefits – The employer contributions paid by the City as part of the conditions of employment. Examples include health insurance, state public employees retirement system and the City retirement system.

Fiscal Year (FY) – Section 6.01 of the City's charter sets the fiscal year as July 1 through June 30.

Full-Time Equivalent (FTE) – A measure of determining personnel staffing, computed by equating 2,080 hours of work per year with one full-time equivalent position.

Fund – An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities that are segregated for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance – The excess of an entity's assets over its liabilities; also known as excess revenues over expenditures. A negative fund balance is sometimes called a deficit.

GAAP – Generally Accepted Accounting Principles. These form the basis of the City's accounting and financial reporting.

GASB – Governmental Accounting Standards Board – an organization that provides the ultimate authoritative accounting and financial reporting standards for state and local governments.

General Fund – Used to account for all general operating expenditures and revenues, this is the City's largest fund. Revenues in the general fund primarily are from property taxes, sales tax, the business license tax and State aid.

General Obligation Bond – A bond for which the full faith and credit of the City is pledged for payment.

Infrastructure – Public systems and facilities, including water and sewer systems, roads, bridges, public transportation systems, schools and other utility systems.

Internal Service Charges – Charges to City departments for assigned vehicle repairs and maintenance provided by the motor pool division.

IT – Information Technology.

Lease Financing Instrument – Financial obligation which is not the general obligation debt of the City for which the full faith and credit of the City is pledged for payment.

Median Household Income – Median denotes the middle value in a set of values, in this case, household income.

Modified Accrual Basis of Accounting – Basis of accounting according to which revenues are recognized in the accounting period in which they become available and measurable and expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which are recognized when due.

Non-Departmental Accounts – Accounts used to record expenditures that cannot or have not been allocated to individual departments.

NVTA – Northern Virginia Transportation Authority.

NVTC – Northern Virginia Transportation Commission.

Object – As used in expenditure classification, this term applies to the type of item purchased or the service obtained (as distinguished from the results obtained from expenditures). Examples are personnel services, contractual services and materials and supplies.

OPEB – Other Post Employment Benefits. These are benefits offered to retirees in addition to a retirement plan. The City offers retiree health insurance and life insurance.

Personal Property Tax (PPT) – A City tax levied on motor vehicles and boats based on published listings of values, and on machinery and tools based on a percentage of cost.

Proposed Budget – The operating and capital budgets submitted to the City Council by the City Manager.

Proprietary Fund – A fund that accounts for operations that are financed in a manner similar to private business enterprise; consists of enterprise funds.

Public Service Corporation (PSC) – An entity defined by the Commonwealth of Virginia as providing utilities to residents and businesses; includes power companies, phone companies, gas companies, and other similar type organizations.

Real Estate Tax (R/E) – A tax levied by the City Council on real property in the City of Fairfax; real property is defined as land and improvements on the land (buildings).

Reserve – An account used to indicate that a portion of accumulated fund balance is committed for certain expenditures. Reserves may also be funded in a given year's operation, either for contingencies for specific items, or for future expenditures.

Reserve for Contingencies – An account used to appropriate current revenues for unknown expenditures that may arise during the fiscal year.

Revenue – The income received by the City in support of a program of services to the community; includes such items as property taxes, fees, user charges, grants, fines and forfeitures, interest income and miscellaneous revenue.

Revenue Estimate – A formal estimate of how much revenue will be earned from a specific revenue source for some future period – typically a future fiscal year.

ROW – Right-of-way.

Salaries – The amounts paid for personal services rendered by employees in accordance with rates, hours, terms and conditions authorized by law or stated in employment contracts. This category also includes overtime and temporary help.

Supplies and Material – The expenditure classification used in the budget to cover office and operating supplies, construction materials, chemicals, fuels, and repair parts.

Tax Rate – The amount of tax levied for each $100 of assessed value.

Transient Occupancy or Lodging Tax – Tax on stays at hotels and motels of less than 30 days duration.

User Fees – The payment of a fee for direct receipt of a public service by the person benefiting from the service.

Utility Funds – Sanitary sewer and Stormwater services are accounted for in the utility funds. The sanitary sewer fund and storm water fund are enterprise funds. Enterprise funds are those funds in which the cost of providing goods or services is financed primarily through user charges.

VML – Virginia Municipal League – a nonprofit association of City, town and county officials that provides member services to Virginia local governments.

WMATA – Washington Metropolitan Area Transit Authority, the regional agency that operates the METRO bus and subway systems expenditures.

Prepared by
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Policy of Non-Discrimination on the Basis of Disability

The City of Falls Church does not discriminate on the basis of disability in its employment practices or in the admission to, access to, or operations of its services, programs, or activities. Cindy Mester, 300 Park Ave., Ste 303E, Falls Church, VA 22046, has been designated to coordinate compliance with the ADA non-discrimination requirement.