CITY OF FALLS CHURCH

ADOPTED BUDGET
FISCAL YEAR 2019-2020

Annual Expenditures and Revenues for Fiscal Year 2019-2020 and Six Year Capital Improvements Program.

FY20

CITY OF FALLS CHURCH

City Manager's Message 3
City Introduction
City Council and Officials 17
City Vision 18
City Overview 21
Organizational Chart 27
Fund Structure 28
Financial Policies 31
Budget Overview
Budget Ordinances 39
Budget Process and Calendar 49
Fund Summaries 51
Position Summaries 59
Tax Rates 62
Unfunded Needs 63
Financial Summary 66
General Fund
General Fund Revenues 73
General Fund Expenditures
Legislative 76
City Mayor and Council 77
City Clerk 79
City Attorney 82
Executive Management 85
City Manager 86
Office of Communications 88
Human Resources 90
Risk Management 93
Information Technology 95
Environmental Sustainability 98
Finance 101
Finance & Purchasing 102
Real Estate Assessor's Office 104
Commissioner of the Revenue 106
Treasurer and Property Tax Relief Programs 109
Voter Registration and Electoral Board 114
Sheriff and Adult Corrections 117
Clerk of the Court 122
Public Safety 125
Police Administration 127
Photo Enforcement Program 129
Police Operations 131
Police Services 133
Dispatch 135
Animal Control 137
Emergency Management 139
Fire Marshal 141
Fire and Rescue Services 143
Public Works 145
Public Works Administration 147
Engineering Operations 149
CIP Engineering 152
Public Resources 154
Highways, Streets and Sidewalk 157
Traffic Signal Maintenance 159
Snow and Ice Removal 161
Solid Waste and Recycling 163
Leaf Collection 165

General Services 167
Fleet Maintenance 169
Arborist 171
Urban Forestry 173
Human Services 175
Aurora House Girls' Home 176
Juvenile & Court Services 179
Judicial Services: JDR – Arlington 181
Housing and Human Services Administration 182
Public Assistance Programs 184
Community Services Board 186
Health Services 188
Recreation and Parks 190
Recreation and Parks Administration 191
Parks Maintenance 193
Recreation Programs and Special Events 195
Athletic Programs 197
Community Cultural Programs 199
Library Services 201
Community Planning and Economic Development Services 205
Non-Departmental Items 214
Transfer to School Board 215
Other Education Expenditures 216
Other Post-Employment Benefits 217
Regional Transportation 218
Debt Service 220
Transfers to Other Funds 222
Contingencies and Tax Credits 224

Sanitary Sewer Fund
Revenues 227
Expenditures 227
Management 228
Collection and Disposal 230
Debt Service 232
Other Post-Employment Benefits 234
Transfers and Reserves 235

Stormwater Fund
Revenues 239
Expenditures 240
Management 241
Operations and Maintenance 243
Debt Service 245

Affordable Housing Fund 249

Cable Access Fund 256

School Board
Operating Fund 259
Community Services Fund 262
Food Service Fund 263

Capital Improvements Program
Introduction 267
General Fund and School Board 277
Special Transportation 278
Sources of Funding 279
Policy Compliance 281
Utility Funds 286
Project Status Snapshot 287
Impact on Operating Costs 292

Glossary 293

July 1, 2019

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

I am pleased to present the FY2020 Adopted Budget and Six-Year Capital Improvements Program (CIP) for the City of Falls Church. 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) while not recommending any increase in the real estate tax rate.

Overview of Revenues and Expenditures

The following chart summarizes the changes to expenditures and revenues between FY2019 and FY2020 for the General Fund:

	FY2019 Adopted	FY2020 Adopted	Variance	% Change
Operating Revenues	$92,480,005	$95,678,076	$3,198,071	3.5%
Use of Reserves	321,737	3,613,800	3,292,063	1023.2%
Total Revenues	$92,801,742	$99,291,876	$6,490,134	7.0%
School Transfer	$ 42,319,046	$ 43,363,277	$ 1,044,231	2.5%
General Govt	39,337,835	40,346,243	1,008,408	2.6%
WMATA	1,346,861	1,847,856	500,995	37.2%
Building Inspections	-	342,000	342,000	-
New Grants	-	555,000	555,000	-
Debt Service	9,198,000	13,477,500	4,279,500	46.5%
Capital Reserves	1,240,000	-	(1,240,000)	-100.0%
Pension ROI	(640,000)	(640,000)	-	0.0%
Total	92,801,742	99,291,876	6,490,134	7.0%

The School Board transfer is $43,363,277 which represents $1,044,231 (or 2.5%) increase over FY2019. 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 $52,137,505, a 2.2% increase over FY2019.

The FY2020 General Government operating budget (not including debt service, grants or development costs) provides for operating expenditures of $40,296,243 This represents an increase of $958,408 (or 2.4%) over FY2019. The operating budget includes pay-as-you-go funding for facilities and transportation infrastructure improvements.

The adopted budget has an increase of $501,000 (or 37.2%) for WMATA subsidy based on WMATA's FY2020 Budget. This amount funds the 3 percent state-mandated base operating budget growth cap, in accordance with Council Budget Guidance. However, it does include payment of prior year obligations for contractual changes and an increase in capital subsidy.

The increase in funding for Building Inspections shown in the chart above reflects the increase in building activity in the City, notably with the Founders Row project and the George Mason High School project. The adopted budget provides for the hiring of two additional building inspectors and the change in status for the fire safety inspector from temporary to permanent status. The source of funding is the Permit Fee Reserve which currently has a balance of $900,000. The draw down on the Permit Fee Reserve for these positions will be restored through the building permit fees paid by Founders Row.

Debt service will increase by $4,279,500 (or 46.5%) in FY2020 due to the financing the major capital projects of George Mason High School, Mary Riley Styles Public Library, and acquisition of the Fellows Property. FY2020 Budget includes the use of $2.875M in capital reserves towards the debt service as planned. This use of capital reserves is part of the Plan of Finance for the new High School that was presented at the time of the bond referendum in November 2017. Offsetting this use of capital reserves is the first down payment ($6.5 Million) for the 10-acre land at the GMHS campus, under agreement for commercial development.

The contribution to Capital Reserves shown in the chart above is reduced to zero in FY2020 as the 3.5 cents on the tax rate dedicated to growing the capital reserves in FY2019 is converted to covering actual debt service, which also is part of the Plan of Finance for the GMHS project.

The Pension ROI in the chart above reflects the return on investment of $640,000 from a portion of the water sale proceeds ($9.2 million) that was invested in the City pension funds in 2016. This return on investment is reflected in the budget as a credit to the City's share of annual actuarially determined contribution (ADC).

Tax Rate

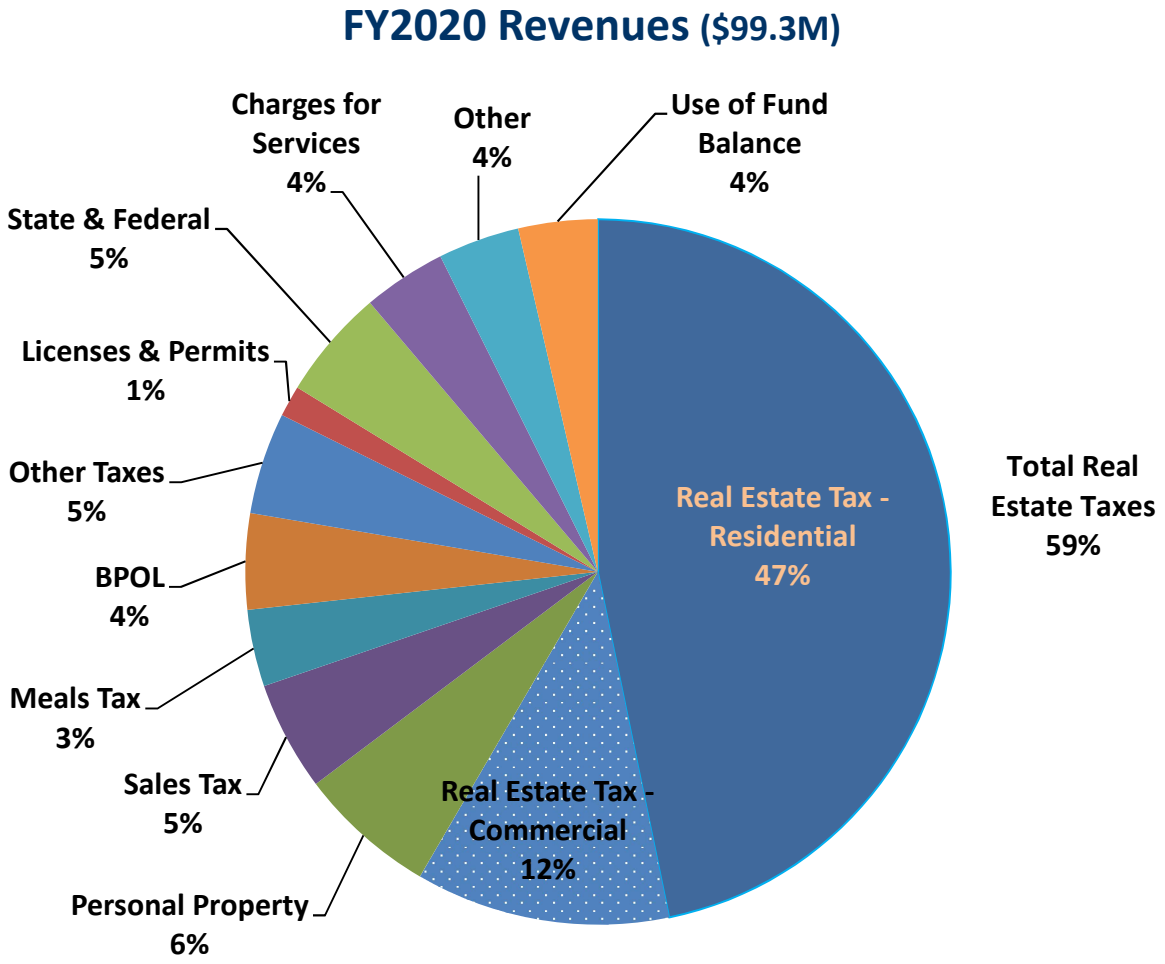
The Adopted FY2020 Budget does not require an increase in the Real Estate Tax Rate for operating or capital needs. The current tax rate of $1.355 per $100 in assessed value would remain unchanged. The operating budgets for General Government and Schools are within the revenue growth guidance provided by City Council in December 2018.

In November 2017, the voters approved a Bond Referendum for up to $120 million for a new George Mason High School. In addition, the City has embarked on renovation of other facilities including the City Hall and Mary Riley Styles Library. To meet these capital needs the City has already dedicated eight cents of the Real Estate Tax Rate to address the increased debt service. Those prior actions include 3.5 cents real estate tax rate increases approved in FY2018 and FY2019; the equivalent of 3 cents in operating savings invested in Capital Reserves in FY 2019; and 1.5 cents savings from the Return on Investment of $9.2 million water sale proceeds in the City and Police pension plans.

The adopted FY2020 Budget does not require a change to other City tax rates or the sewer or stormwater fees. A complete list of City tax rates are listed in this Budget document.

FY2020 Revenues

The chart below provides a summary of the major sources of revenues for the General Fund totaling $99.3 million.



The table below provides a summary of FY2020 revenue projections by category compared to the FY2019 Adopted budget.

	FY2019 Adopted	FY2020 Adopted	Variance	% Change
Real Estate Tax	$ 56,151,000	$ 57,991,000	$ 1,840,000	3.3%
Personal Property Tax	6,278,200	6,278,200	-	0.0%
Sales Tax	4,742,000	4,979,000	237,000	5.0%
Meals Tax	3,279,000	3,496,000	217,000	6.6%
BPOL	4,439,000	4,369,000	(70,000)	-1.6%
Other Taxes	4,702,000	4,621,000	(81,000)	-1.7%
Licenses & Permits	1,410,626	1,410,626	-	0.0%
State & Federal	4,406,390	5,067,915	661,525	15.0%
Charges for Services	3,806,484	3,778,389	(28,095)	-0.7%
Other Revenues	3,265,305	3,702,946	437,641	13.4%
Use of Fund Balance	321,737	3,597,800	3,276,063	1018.2%
Total Revenues	**$ 92,801,742**	**$ 99,291,876**	**$ 6,490,134**	**7.0%**

Real Estate Assessments

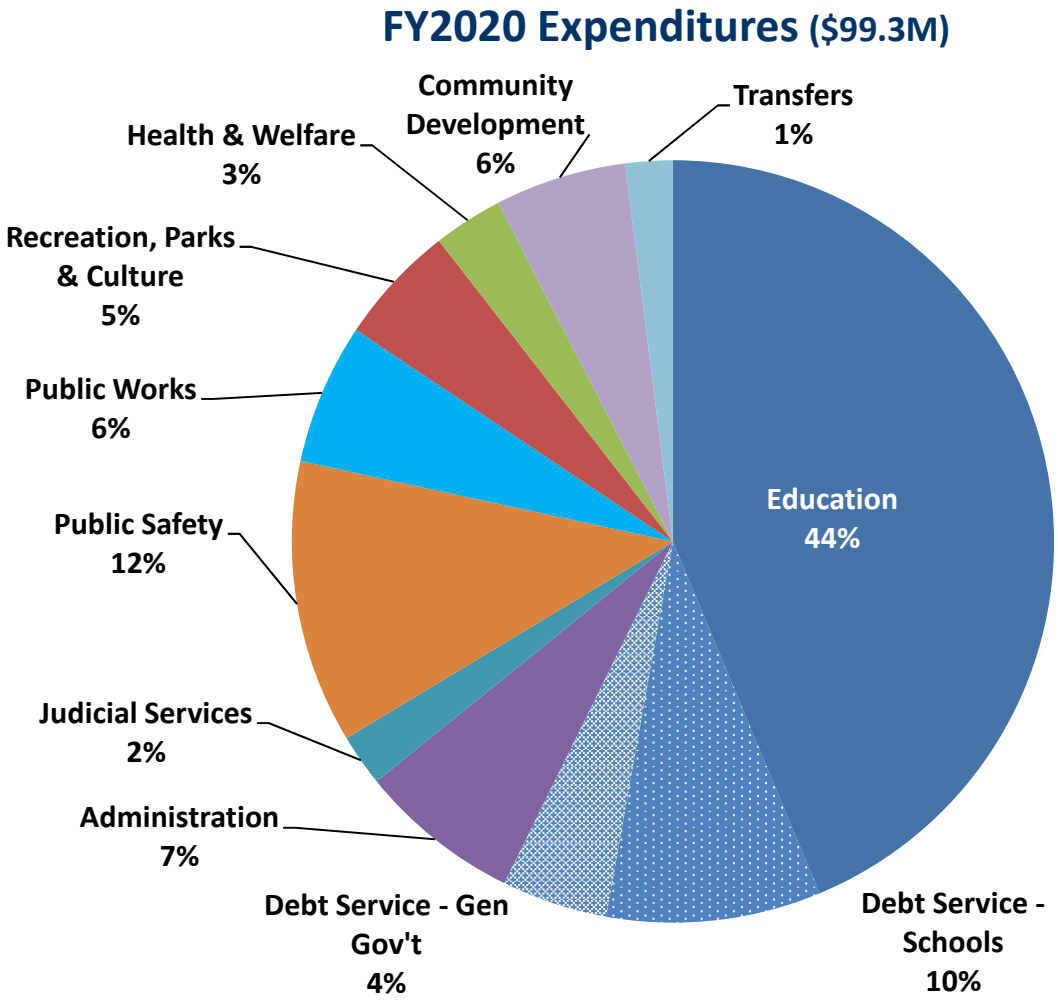
The total assessed value of real estate in the City is approximately $4.3 billion as of January 1, 2019, an increase of $138.9 million (or 3.4%) over January 1, 2018. The growth in assessed value reflects market appreciation of 2.3% and approximately $45 million of new construction in the City.

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

	FY2019	FY2020
Single Family:	up 4.7%	up 2.9%
Townhouses:	up 2.6%	up 1.0%
Condominiums:	up 1.7%	up 4.9%
Commercial:	up 3.6%	up 1.6%
Apartments:	down 0.6%	up 10.3%
Overall:	**up 3.4%**	**up 3.4%**

FY2020 Expenditures

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



The Debt Service share of 14% of the budget is above the City's historical range of between 6% and 8% of expenses. This ratio is expected to grow to 15% by FY2022 with the issuance of construction bonds for George Mason High School, as well as City Hall and Mary Riley Styles Library.

Operating Budget Highlights

- *Transportation and Infrastructure*
  - ✓ Pay-as-you-go capital funds for City facilities and infrastructure: $300,000
  - ✓ Transportation Project Development: $100,000
  - ✓ Spot Improvements for paving and sidewalks: $100,000
- *High Performing Work Force*
  - ✓ Merit increase of 3.25%
  - ✓ Step increase of 3.0%, and 0.5% COLA increase for sworn employees
  - ✓ Restore funding for the full time Human Resources Director position
- *Public Safety*
  - ✓ Add Building Inspectors (2 FTEs)
  - ✓ Upgrade a Fire Safety Inspector position from temporary to permanent status
  - ✓ Buyout 3 vehicle leases
  - ✓ Use of approximately $350,000 in Building Permit Reserve, which currently has a balance of approximately $900,000.
  - ✓ Add a Police Officer (1 FTE) to increase force to 33 uniformed personnel
- *Housing Affordability*
  - ✓ $390,000 for the property tax relief program for elderly, disabled and veterans, an increase of $63,000 over FY2019 based on the recommendations of the Senior Tax Relief Task Force

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. The Mount Daniel Elementary School renovation and expansion was completed this past fall. The City Hall Public Space and Safety Improvement Project was completed in April 2019. The new George Mason High School and the renovation and expansion of Mary Riley Styles Library are currently in design, with construction expected in FY2020.

Transportation projects are funded principally with state and federal grants, and constitute a large and growing part of the CIP. New transportation projects included in the FY2020-FY2025 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	FY2020	FY2020-FY2025
PUBLIC SAFETY	$ 150,000	$ 2,050,000
PUBLIC FACILITIES (includes general govt, library & schools)	300,000	3,175,000
RECREATION & PARKS	150,000	3,650,000
TRANSPORTATION FUND	29,079,825	59,423,825
TOTAL GENERAL GOVERNMENT & SCHOOLS	**$ 29,679,825**	**$ 68,298,825**
SEWER FUND- Utility Enterprise	$ 4,685,494	$ 20,764,073
STORMWATER FUND- Utility Enterprise	1,000,000	18,000,000
TOTAL UTILITY FUNDS	**$ 5,685,494**	**$ 38,764,073**
TOTAL ALL FUNDS	**$ 35,365,319**	**$ 107,062,898**

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 FY2020 projects are in the areas of:

Fire Station: $150,000, debt financed, for final funding for HVAC and boiler replacement.

Facility Reinvestment: $300,000, pay as you go funded, to replace or rehabilitate deteriorating components and systems to extend facility life. Identified projects include:

- Aurora House: stair replacement, commercial kitchen equipment replacement and roof replacement;
- Cherry Hill Farmhouse: basement repairs, structural support replacement and HVAC/Humidity equipment replacement; and
- Property Yard: boiler, boiler vent structural repairs, safety glass at shop doors, loading dock ramp structural repairs, garage door replacement and security equipment.

Parks: $150,000 for ongoing Park Master Plan projects, such as trails and playground equipment. The CIP also includes planning for Fellows Property park improvements, as this two acre property on South Oak Street is currently in the process of being acquired by the City. In partnership with the School Board, the City Recreation and Parks Department is contributing half the cost to install lights at the new practice field on the George Mason High School campus.

Transportation: $31 million in transportation projects are funded through state and federal grants in the FY2020 CIP. Notable FY2020 projects include: West Falls Church Improvements ($15.7 Million), Neighborhood Traffic Calming ($636,000), Oak Street Bridge replacement ($2.1 Million), traffic signal and intersection improvements, Park Avenue parking and streetscape improvements, and City contributions to WMATA capital improvements.

Sanitary Sewer: The FY2020 CIP includes $3.2 Million to construct new sewer lines to serve the George Mason High School and West Falls Church Economic Development Projects This expansion project is funded with availability fees paid by developers. The CIP also provides $750,000 for the annual program of relining aged sewer pipes to improve sewerage flow and reduce groundwater infiltration. Sanitary Sewer fees are unchanged at the current rate of $9.87 per 1,000 gallons.

Storm Water: The FY2020 CIP proposes $1 Million in debt financing to repair aging and deteriorated storm water conveyance systems. The adopted budget maintains the Stormwater fee at $18.36/200 square feet of impervious surface.

Capital Reserves

The estimated Capital Reserve balance at the end of FY2019 is anticipated to be $11.1 million. This anticipated balance does not include the first payment ($6.5 million) for the capitalized ground lease of the commercial development at the George Mason High School (GMHS), expected to be executed in July 2019. The FY2020 adopted budget uses $2,875,000 of these reserves to help pay for the increased debt service as a result of the issuance of GMHS construction debt. The Capital Reserve balance at the end of FY2020 is anticipated to be approximately $14.7 million including the first payment for the capitalized ground lease of the commercial development at GMHS.

The additional payments of $7 million each in FY2021, FY2022, FY2023 and FY2024, as as well any additional payments received (i.e. for the Garage option, the Community Development Authority option, or the Phase 2 payment) will be placed in Capital Reserves to cover debt service for the GMHS project and other Citywide capital investments.

Budget Guidance

In December 2018, the City Council adopted a Budget Guidance Statement for FY2020. 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.
  - ✓ *The City Procurement Officer serves the Schools for major procurement – including the high school project and the joint campus planning project.*
  - ✓ *City and School Human Resources Staff jointly procured Long Term Disability Insurance, and Employee Assistance Program resulting in savings in FY2020 budget.*
  - ✓ *City and School Finance jointly procure financial software, and conduct joint training.*
  - ✓ *The City Dept of Public Works provides fleet support for School buses, fuel and vehicle repair.*
  - ✓ *City Recreation and Parks operate under MOU for joint use of facilities.*
  - ✓ *The City Manager and Superintendent continue to meet and review areas of joint functions for efficiency.*

- It is the Council's intention to maintain appropriate discipline on operating budgets for General Governments and Schools with a vision toward reserving financial capacity for the major capital projects in the City's immediate future, including the George Mason High School and Mary Ellen Henderson Middle School projects, the Mary Riley Styles Library project, and the City Hall Public Safety project.
  - ✓ *In FY 2020 the operating budgets for General Government and Schools increase by 2.4% and 2.5% respectively over FY 2019, which is below organic revenue growth.*
  - ✓ *In prior budget, the City has dedicated 8 cents to cover increased debt service from the capital improvements program. This includes: 3.5 cents real estate tax rate increase; diverting 3 cents operating savings to debt service in FY 2019; and approximately 1.5 cents savings from return on additional investment in pensions, as previously planned. Negotiations are underway for the development of the 10-acre land, which if successful, will cover the remaining cost of the GMHS project.*

- The FY2020 General Fund operating budget, inclusive of both general government and school operations, should not exceed organic revenue growth, currently projected at 2% over FY2019 budget, and not require an increase in the real estate tax rate.
  - ✓ *The adopted budget does not require any increase in tax rates.*

- Present a FY2020 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 FY2020 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 can be 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 FY2020 Budget provides a 3.25% merit increase for City employees in order to reward talent and maintain an effective workforce. The budget provides funding for a 3% step increase for uniformed police officers, with 0.5% COLA increase. At work session, staff will provide market comparisons.*
  - ✓ *The budget restores funding for Human Resources Director position cut in FY2018*
  - ✓ *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 (NTC) program on a sustained basis. In addition, the budget should contain options to increase staffing or contracted services to the rate of delivery for these improvements.
  - ✓ *Over $600,000 funding for NTC, using grant funds.*
  - ✓ *$435,000 in grant funding for Park Avenue Great Street project in FY2020 and $6.3 million over six years.*
  - ✓ *$90,000 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 and bus shelter cleaning in the downtown area.*
  - ✓ *$100,000 for paving and sidewalks spot improvements*
  - ✓ *$75,000 for intersection signal repair and improvement.*

- The Capital Improvements Program (CIP) should meet the commitments of the City Council in the adopted FY2020 – FY2025 CIP and include a ten year planning horizon for major capital needs.
  - ✓ *The adopted CIP reflects the commitments made in the FY2020 Six year CIP.*
  - ✓ *As requested, 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.*

- ✓ *Award of NVTA 70% regional funds for West Falls Church Campus Revitalization District improvements, are included in the CIP.*

- Address funding for WMATA that does not exceed the 3% cap on annual increases to jurisdictional contributions for the operating budget.
  - ✓ *The City's locally funded subsidy to the WMATA will grow by $501,000 for a total local subsidy of $1,847,856 in FY2020. This funds the WMATA subsidy capped at 3 percent mandated subsidy growth level plus prior year obligations and capital subsidy increases. Looking ahead, if federal PRIIA funding for WMATA is not renewed this year, it could impact the City by approximately $850,000 in FY2021.*

- 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 Actuarially Required Contribution (ARC) to the pension fund. This represents a sustainable return on the $9.2 million investment of water sale proceeds in the pension fund. The Adopted FY2020 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 FY2020 budget presentation with public information that explains the budget clearly and solicits public participation and input in budget decisions.
  - ✓ *Town Hall meeting is planned for March 24 as part of a Sunday Series of information for the public on both the Campus Project and the budget.*
  - ✓ *Additionally, public will have an opportunity to provide input at various City Council meetings (March 25, April 8 and 22) and Council Work Sessions (March 18 & April 1).*
  - ✓ *The City Office of Communications will have 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 working on a comprehensive agreement with the development partnership of EYA/PNHoffman/Regency Centers for the 10 acres of high school campus property adjacent to Haycock Road and Route 7. The key financial terms of that negotiation are described above under "Capital Reserves". 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 have increased markedly (the equivalent of 3.5 cents on the real estate tax rate) over the past three fiscal years, and are subject to grow dramatically again FY2021 (another 2 cents equivalent) if Congress does not re-authorize federal support for the WMATA in the coming year.

- The City's pension funds are currently fully funded on a market value basis, as well as actuarial basis. In FY2020, the City continues to see a 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 to reinvest in aging public infrastructure. As a minimal target, the City should seek at least $50 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 Aa1. 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 is as important as ever to uphold these sound financial management policies.

Respectfully,

F. Wyatt Shields
City Manager

City Overview

FY2020 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 14,460 as of July 2018 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 14,460 (Estimate as of July 1, 2018, Weldon Cooper Center)
- $4,588,502,900 total assessed value of real estate at January 1, 2019; $4,283,466,000 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, 2019 Median Single Family Home value	$825,200[1]	$417,400[2]	$257,600[3]
Unemployment Rate, December 2018[4]	1.9%	2.9%	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 the last 16 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 nearly $4 million in net revenue for the City annually. At the end of calendar year 2018, all eight of the mixed use projects built since 2003 are all nearly 100% occupied, with less than 10,000 total SF of currently vacant commercial space in those buildings. 370,000 square feet of new commercial space has been added to the City's tax base via those eight mixed-use buildings listed above, as well as 689 multi-family residential units and 359 condominiums.

Office Trends

Office space in the City averages more than 50 years in age, according to CoStar, which also reports the average rent at $26.00 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 about 10% – lower, by comparison, to Northern Virginia's direct office vacancy rate of 25 percent.

The City trend in attracting medical practices, small professional office tenants and urgent care centers continues. And, both Kaiser and Inova Health Systems have made substantial improvements in their buildings in the last two years. Likewise, office properties at 500/510 Annandale Road are now owned by 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. Over the last few years, they have added a walk-in medical clinic and many other complimentary medical service tenants 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

Retail vacancy in the City, according to Co-Star remains low at 2.6%. Retail space that is vacated is generally quickly backfilled, and typically at higher rent. Also according to Co-Star, average retail rent in the City is at $38.68/sf (triple net), trending up significantly since last year. This average does not include the far higher rates for space at the Eden Center, which are not reflected in CoStar data.

In 2018 and thus far in 2019, the City has seen many grand openings. New restaurants led for the highest number of new commercial use types, including a diverse mix of new restaurant types. Mediterranean Chicken, Liberty BBQ, Northside Social (café), Dominion Wine & Beer (small plates section), Famille (café) in the Kensington Assisted Living facility, Audacious Aleworks, the reopening of Panjshir (Afghan), El Patron Bar & Grill, Kustard and Company (soft serve ice cream) and many new restaurant additions at the Eden Center joined the already large compliment of restaurants that have opened in the last several years such as Einstein Brothers Bagels, Pizzeria Orso, Chipotle, Paisano's, Sfizi, Honeybaked Ham, Mad Fox, Space Bar, Moby Dick's, Caribbean Plate, Subway, Dunkin' Donuts, Happy Tart, Locker Room, Plaka Grill and Lil' City Creamery, collectively all serving to further bolster

the City's meals tax revenue. There are 113 food establishments/restaurants (not including 7-11) in the City, 34 of which are located in Eden Center.

Several new food establishments (including a new bakery) are scheduled for completion and opening in 2019, such as Thompson's Italian expected in the late spring of 2019. A new Aldi grocery store also just opened in early March on Hillwood Avenue, joining existing City grocers: Giant, Harris Teeter, Troika Gastronom, Good Fortune and the large grocery section of Target. All of these grocery users have contributed to a rise in sales and meals tax receipts in the City in recent years.

The health, fitness and beauty boom continues in a big way in the City. We continue to see 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 opening in the Lincoln building in April 2018.

Pipeline Projects

Founders Row - A land entitlement application was approved in 2018 for a $200 million mixed-use project on 4.3 acres at the northeast corner of West and Broad streets. This is the largest redevelopment project the City has approved and seen through to construction. Founders Row is now under construction with an anticipated completion date in late 2021. The project will include 322 apartments, a 145-room hotel, and about 100,000 square feet of retail/restaurant space, including a 6-8 screen/800 seat, dine-in Movie Theater.

Insight/Broad and Washington - Insight Property Group gained approval from City Council for a large mixed-use project on 2.6 acres at the intersection of Routes 7 (Broad Street) and 29 (N./S. Washington Street) in the center of Falls Church in 2018. That project consists of 295 apartments, a 5,000 SF local theater, 14,000 SF of restaurant space, 12,000 SF of retail space and 67,000 SF of office space. The City is currently awaiting the submission of a site plan application for this project, once the project secures financing.

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 (34), eclectic array of shops, vendors and cultural events regularly draw chartered buses from surrounding states and Canada. The center is anchored by the 43,000 square foot Good Fortune grocery store, a New York-based Asian grocery chain. 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 have selected partners for each of two projects: 1) constructing a new high school and 2)

developing the 10 acre mixed use site located on the corner of Haycock Road and Leesburg Pike. The new high school is in the site plan review process and the schedule currently calls for construction to begin in summer 2019, and open in winter 2020. The economic development project on approximately 10 acres of the site would commence after the new school is open. The economic development project is currently in the Special Exception Entitlement process which is anticipated to receive a final action in May 2019.

Employment, Education and Household Income Trends

In December of 2018, the Virginia Employment Commission reported that the City of Falls Church had only a 1.9 percent unemployment rate, down from 2.3 percent at the end of 2017. Out of 22 Washington-area cities and counties, the City of Falls Church had the second lowest unemployment rate, behind only Arlington County at 1.7 percent. These rates compare to a state-wide Virginia rate of 2.8 percent and a nationwide rate of 3.7 percent.

According to ESRI, the City's 2018 22046 zip code data reflects that the City's population had grown to 17,486, median household income was $114,242, the median home value was $663,441 and educational attainment was 76.4 percent with bachelor's or graduate/professional degrees.

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 and be strengthened by infill development and redevelopment 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; through the successful preservation and rehabilitation of the City's historic resources; and continuing high levels of resident participation in civic groups and local governance.

- 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 educational need for a new and expanded George Mason High School, the City will offset the financial costs by partnering with private entities for the economic 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 University of Virginia and Virginia Technology Northern Virginia Center raises the potential for high quality development on the site that will create a sense of place, provide needed amenities, and become a new regional destination.

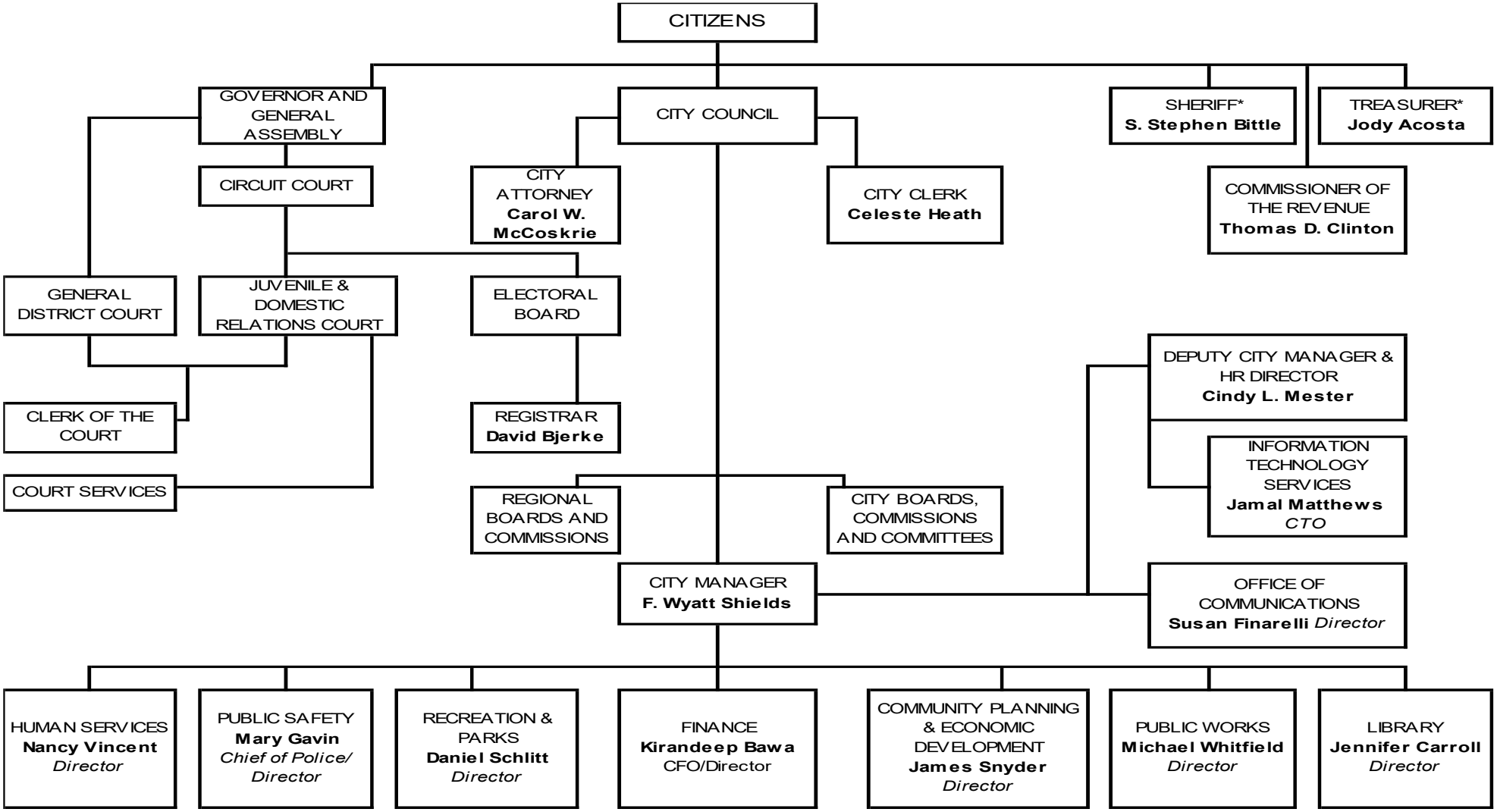
- Education will continue to be a high priority for the City. Schools will be maintained as high quality public facilities, commensurate with the continuing academic excellence for which the City is known, and will serve as an important focus for community, social, and cultural activities.

- 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.

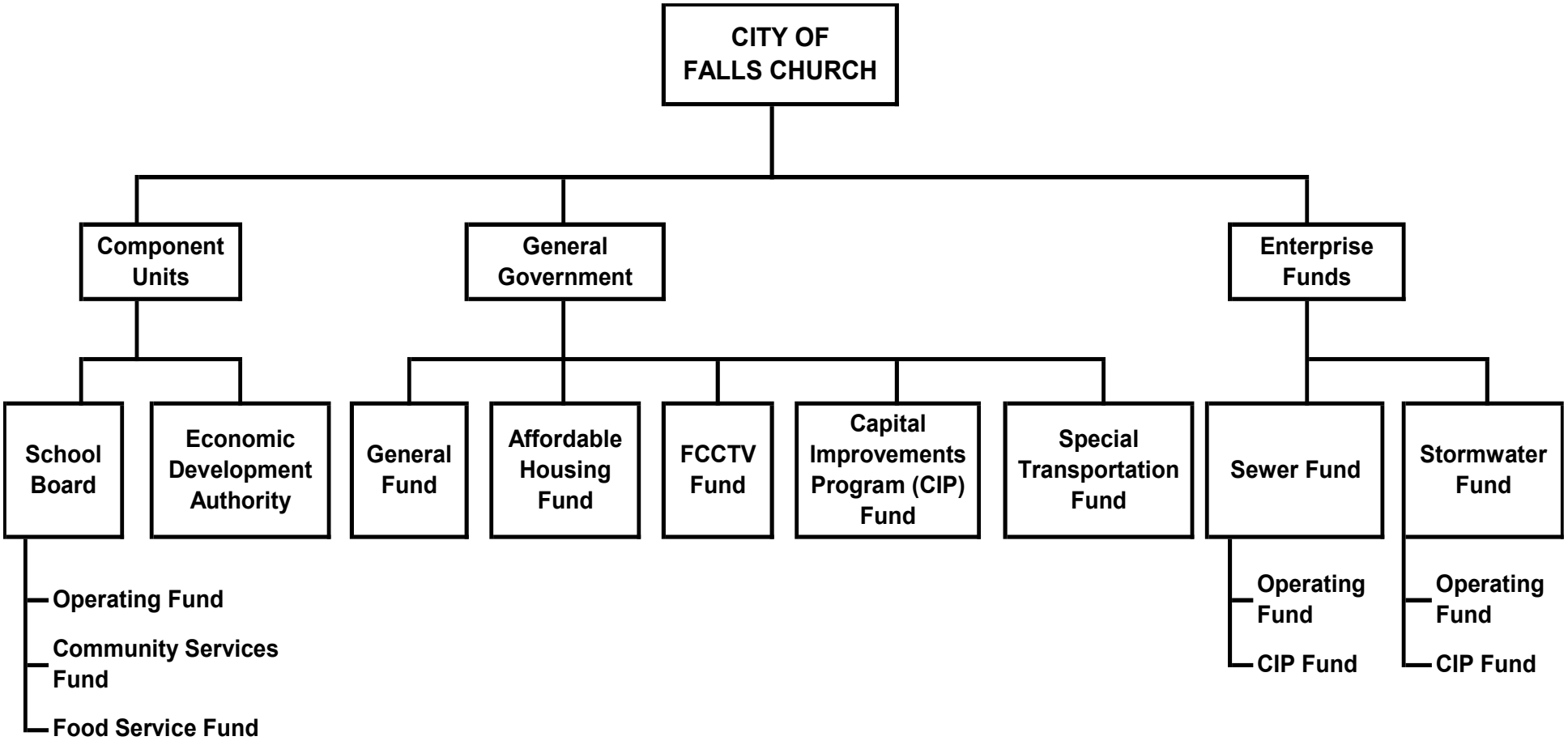
- Planning for open space will also provide for a mix of recreational and environmental needs. Recreational facilities will be provided for both active, structured activities including youth sports as well as passive, unstructured recreation, such as strolling along a restored streambed. Open spaces will be restored to improve the functioning of the city's ecosystems, improve air quality and water quality, and provide increased wildlife habitat.

  The City will remain an inclusive community that is 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 $150,000. 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 Housing Fund: The Affordable Housing 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

FY2020 Adopted Budget

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ORDINANCE 1995

ORDINANCE FIXING AND DETERMINING THE BUDGET OF EXPENDITURES AND REVENUES AND APPROPRIATING FUNDS FOR THE FISCAL YEAR 2020: 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 2020, is hereby fixed, determined and appropriated as hereinafter set forth:

a. $99,291,876 for the General Fund revenues; and

   $99,291,876 for the General Fund expenditures.

b. $52,337,505 for the School Operating Fund revenues; and

   $52,337,505 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. $223,067 for the Cable Access Fund revenues; and

   $223,067 for the Cable Access Fund expenditures.

f. $4,570,000 for the Sewer Fund revenues; and

   $4,570,000 for the Sewer Fund expenditures.

g. $1,673,000 for the Stormwater Fund revenues; and

   $1,673,000 for the Stormwater Fund expenditures.

Ord. 1995
Page 2 of 5

FY2020 APPROPRIATION OF FUNDS			
	FY2019 Adopted	FY2020 Proposed	FY2020 Adopted
General Fund - Expenditures by Department			
Legislative	1,114,577	1,143,568	1,143,568
Executive	3,084,449	3,378,579	3,378,579
Finance	1,528,307	1,597,651	1,597,651
Commissioner of the Revenue	804,790	881,110	881,110
Treasurer	910,443	959,972	959,972
Registrar	289,252	287,792	287,792
Sheriff	1,464,669	1,445,357	1,445,357
Clerk of Court	42,347	47,825	47,825
Public Safety	9,661,352	9,919,628	9,919,628
Public Works	6,182,838	6,217,223	6,127,223
Human Services	3,811,086	3,918,817	3,918,817
Recreation and Parks	3,204,438	3,266,023	3,266,023
Library	2,090,714	2,115,385	2,115,385
Community Planning & Economic Development	2,767,892	3,233,709	3,373,709
Education and Transfers to Schools	42,351,898	43,396,814	43,396,814
Non-departmental	13,238,185	17,442,423	17,432,423
Total General Fund	**92,547,237**	**99,251,876**	99,291,876
General Fund Revenue			
Property Taxes	62,429,200	64,269,200	64,269,200
Property Taxes - Non Assessed	397,000	400,000	400,000
General Sales & Use Taxes	4,742,000	4,979,000	4,979,000
Selective Sales & Use Taxes	6,533,000	6,666,000	6,666,000
Gross Receipts Business Taxes	4,439,000	4,369,000	4,369,000
Other Taxes	1,051,000	1,051,000	1,051,000
Licenses & Permits	1,410,626	1,410,626	1,410,626
Federal Grants	308,037	335,213	335,213
State Operating Grants	943,926	1,524,924	1,564,924
State Shared Revenue	3,134,027	3,160,778	3,160,778
Charges for Services	3,806,484	3,778,389	3,778,389
Fines & Forfeitures	625,000	605,200	605,200
Investment Revenues	50,000	350,000	350,000
Rental Income	232,500	274,946	274,946
Contributions Private Sources	20,400	7,000	7,000
Interfund Operating Transfers	1,061,500	1,427,000	1,427,000
Use of Assigned & Restricted Fund Balance	321,737	3,613,800	3,613,800
Dispositions & Sales	52,800	40,800	40,800
Recovered Costs	30,000	30,000	30,000
Debt Proceeds	959,000	959,000	959,000
Total General Fund Revenues	**92,547,237**	**99,251,876**	99,291,876

Ord. 1995
Page 3 of 5

FY2020 APPROPRIATION OF FUNDS			
	FY2019 Adopted	FY2020 Proposed	FY2020 Adopted
School Operating Fund - Expenditures			
Uses of Funds	51,039,858	52,337,505	52,337,505
Total School Operating Fund Expenditures	**51,039,858**	**52,337,505**	**52,337,505**
School Operating Funds - Revenues			
Use of Fund Balance	450,000	450,000	450,000
Sales Tax	2,809,038	2,863,706	2,863,706
Federal Funds	556,558	586,162	586,162
State Funds	4,040,732	4,209,875	4,209,875
Other	971,984	971,985	971,985
City Appropriation	42,211,546	43,255,777	43,255,777
Total School Operating Fund Revenues	**51,039,858**	**52,337,505**	**52,337,505**
School Community Service Fund - Expenditures			
Uses of Funds	2,819,126	2,419,126	2,419,126
Total School Community Services Fund Expenditures	**2,819,126**	**2,419,126**	**2,419,126**
School Community Services Fund - Revenue			
Use of Fund Balance	653,000	253,000	253,000
User Fees	1,879,626	1,879,626	1,879,626
Other Income	179,000	179,000	179,000
City Appropriation	107,500	107,500	107,500
Total Community Services Fund Revenues	**2,819,126**	**2,419,126**	**2,419,126**
School Food Service Fund Expenditures			
Uses of Funds	1,103,600	1,103,600	1,103,600
Total School Food Service Fund Expenditures	**1,103,600**	**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	852,100	852,100
Miscellaneous Income	2,000	1,000	1,000
School Board Transfer	30,000	30,000	30,000
Total School Food Service Fund Revenues	**1,103,600**	**1,103,600**	**1,103,600**

Ord. 1995
Page 4 of 5

FY2020 APPROPRIATION OF FUNDS			
	FY2019 Adopted	FY2020 Proposed	FY2020 Adopted
Cable Access Fund Expenditures			
TV Station Programming	237,604	223,067	223,067
Total Cable Access Fund Expenditures	**237,604**	**223,067**	**223,067**
Cable Access Fund Revenues			
Transfer from City	237,604	223,067	223,067
Total Cable Access Fund Revenue	**237,604**	**223,067**	**223,067**
Sewer Fund Expenditures			
Sewer Division	4,510,000	4,570,000	4,570,000
Total Sewer Fund Expenditures	**4,510,000**	**4,570,000**	**4,570,000**
Sewer Fund Revenues			
Charges for Services	4,380,000	4,380,000	4,380,000
Investment Income	30,000	80,000	80,000
Availability Fees	100,000	110,000	110,000
Total Sewer Revenue	**4,510,000**	**4,570,000**	**4,570,000**
Stormwater Fund Expenditures			
Stormwater Division	1,630,000	1,673,000	1,673,000
Total Stormwater Fund Expenditures	**1,630,000**	**1,673,000**	**1,673,000**
Stormwater Fund Revenues			
Charges for Services	1,620,000	1,650,500	1,650,500
Investment Income	10,000	20,000	20,000
Miscellaneous Income	-	2,500	2,500
Total Stormwater Revenue	1,630,000	**1,673,000**	**1,673,000**

1st Reading: 03-25-19
2nd Reading: 4-22-19
Adoption: 4-22-19
(TO19-02)

IN WITNESS WHEREOF, the foregoing was adopted by the City Council of the City of Falls Church, Virginia on April 22, 2019 as Ordinance 1995.

Celeste Heath

Celeste Heath
City Clerk

ORDINANCE 1996

ORDINANCE FIXING AND DETERMINING THE FY2020-FY2025 CAPITAL IMPROVEMENTS PROGRAM AND APPROPRIATING EXPENDITURE AND REVENUE FUNDS FOR FISCAL YEAR 2020

THE CITY OF FALLS CHURCH HEREBY ORDAINS THAT: Funding for the Capital Improvements Program for FY2020, as set forth below, is hereby fixed, determined, and appropriated, and the Capital Improvements Program for FY2020 through FY2025 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 shall be based on an assumed approval of the CIP for all six years.

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GENERAL GOVERNMENT AND SCHOOL BOARD

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	6YR TOTALS	FY2026-FY2029	10 YR TOTALS*
*10-year new framework under development									
PUBLIC SAFETY									
Fire Station 6 Reinvestment	$ 150,000	$ 550,000	$ -	$ -	$ 150,000	$ 150,000	$ 1,000,000	$ 600,000	$ 1,600,000
Fire Station 6 Reinvestment	$ -	$ -	$ 150,000	$ 150,000	$ -	$ -	$ 300,000	$ -	$ 300,000
Public Facility Security	$ -	$ -	$ 750,000	$ -	$ -	$ -	$ 750,000	$ -	$ 750,000
Total Public Safety	**$ 150,000**	**$ 550,000**	**$ 900,000**	**$ 150,000**	**$ 150,000**	**$ 150,000**	**$ 2,050,000**	**$ 600,000**	**$ 2,650,000**
PUBLIC FACILITIES									
Gen. Govt. Facilities Reinvestment (PayGo)	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 1,800,000	$ 1,200,000	$ 3,000,000
School Facilities Reinvestment (PayGo)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School Facilities Reinvestment (Unfunded)	$ -	$ 575,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,375,000	$ 800,000	$ 2,175,000
Thomas Jefferson Elementary (Debt)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,680,000	$ 11,680,000
Total Public Facilities	**$ 300,000**	**$ 875,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 3,175,000**	**$ 13,680,000**	**$ 16,855,000**
TRANSPORTATION (see separate special transportation fund)									
RECREATION & PARKS/FIELDS									
Fellows Property Parkland (REVISED)	$ -	$ 200,000	$ 400,000	$ -	$ -	$ -	$ 600,000	$ -	$ 600,000
Synthetic Turf Replacement	$ -	$ -	$ -	$ 450,000	$ -	$ -	$ 450,000	$ 450,000	$ 900,000
Park Master Plan Implementation	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 300,000	$ 300,000	$ 1,200,000	$ 900,000	$ 2,100,000
Park Master Plan Implementation								$ 2,000,000	$ 2,000,000
Acquisition of Open Space	$ -	$ -	$ 1,000,000	$ -	$ -	$ -	$ 1,000,000	$ -	$ 1,000,000
GMHS Practice Field Lights (NEW)	$ -	$ 200,000	$ -	$ -	$ -	$ -	$ 200,000	$ -	$ 200,000
GMHS Practice Field Lights, School transfer (NEW	$ -	$ 200,000	$ -	$ -	$ -	$ -	$ 200,000	$ -	$ 200,000
Total Recreation & Parks/Fields	**$ 150,000**	**$ 750,000**	**$ 1,550,000**	**$ 600,000**	**$ 300,000**	**$ 300,000**	**$ 3,650,000**	**$ 3,350,000**	**$ 7,000,000**
TOTAL GENERAL FUND	**$ 600,000**	**$ 2,175,000**	**$ 2,950,000**	**$ 1,250,000**	**$ 950,000**	**$ 950,000**	**$ 8,875,000**	**$ 17,630,000**	**$ 26,505,000**
SOURCES									
Total *Debt* Financed	***$ 300,000***	***$ 1,100,000***	***$ 1,300,000***	***$ 600,000***	***$ 450,000***	***$ 450,000***	***$ 4,200,000***	***$ 13,630,000***	***$ 17,830,000***
Only if grant/revenue offset	**$ -**	**$ 575,000**	**$ 1,350,000**	**$ 350,000**	**$ 200,000**	**$ 200,000**	**$ 2,675,000**	**$ 2,800,000**	**$ 5,475,000**
School Financing Plan/Referendum Approval Based	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**		**$ -**		
Total "Pay as you go"	**$ 300,000**	**$ 500,000**	**$ 300,000**	**$ 300,000**	**$ 300,000**	**$ 300,000**	**$ 2,000,000**	**$ 1,200,000**	**$ 3,200,000**
Total Sources	**$ 600,000**	**$ 2,175,000**	**$ 2,950,000**	**$ 1,250,000**	**$ 950,000**	**$ 950,000**	**$ 8,875,000**	**$ 17,630,000**	**$ 26,505,000**

Ord. 1996
Page 3 of 5

SPECIAL TRANSPORTATION FUND

	Funding Source	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	6 YR TOTALS	FY2026-FY2029	10 YR *
*10-year new framework under development										
Infrastructure Program - Bridges	Federal Grant (RSTP)	$ 398,000	$ 60,000	$ 60,000	$ 60,000	$ 60,000	$ 60,000	$ 698,000	$ 240,000	$ 938,000
Infrastructure Program - Bridges	State Grant (SGR)	$ 1,710,000	$ 185,000	$ 178,000	$ 61,000	$ -	$ -	$ 2,134,000	$ -	$ 2,134,000
Infrastructure Program - Pavement	State Grant (Revenue Sharing)	$ 440,000	$ -	$ -	$ 650,000	$ 700,000	$ -	$ 1,790,000	$ -	$ 1,790,000
Infrastructure Program - Pavement	State Grant (NVTA 30%)	$ 475,000	$ -	$ -	$ 650,000	$ 700,000	$ 600,000	$ 2,425,000	$ -	$ 2,425,000
Infrastructure Program - Pavement	State Grant (SGR)	$ 949,000	$ -	$ -	$ -	$ -	$ -	$ 949,000	$ -	$ 949,000
Infrastructure Program - Pavement	*Local (Debt)*	$ -	$ -	$ -	$ -	$ -	$ 600,000	$ 600,000	$ -	$ 600,000
Infrastructure Program - Traffic Signals	Federal Grant (HSIP)	$ 1,500,000	$ -	$ -	$ -	$ -	$ -	$ 1,500,000	$ -	$ 1,500,000
Infrastructure Program - Traffic Signals	State Grant (Revenue Sharing)	$ 62,500	$ 350,000	$ 300,000	$ -	$ -	$ -	$ 712,500	$ -	$ 712,500
Infrastructure Program - Traffic Signals	State Grant (NVTA 30%)	$ -	$ 350,000	$ 300,000	$ -	$ -	$ -	$ 650,000	$ -	$ 650,000
Infrastructure Program - Traffic Signals	Local (PAYGO)	$ 62,500	$ -	$ -	$ -	$ -	$ -	$ 62,500	$ -	$ 62,500
South Washington POA Program	Federal Grant (Smartscale)	$ 3,317,866	$ -	$ -	$ -	$ -	$ -	$ 3,317,866	$ -	$ 3,317,866
South Washington POA Program	State Grant (Revenue Share)	$ 62,500	$ -	$ -	$ -	$ -	$ -	$ 62,500	$ -	$ 62,500
South Washington POA Program	Local (PAYGO)	$ 62,500						$ 62,500	$ -	$ 62,500
Downtown Area POA Program	Federal Grant (Smart Scale)	$ 520,000	$ 538,000	$ 674,000	$ 608,000	$ -	$ -	$ 2,340,000	$ -	$ 2,340,000
Downtown Area POA Program	State Grant (NVTA 30%)	$ -	$ 240,000	$ -	$ -	$ -	$ -	$ 240,000	$ -	$ 240,000
Downtown Area POA Program	State Grant (NVTA 70%)	$ -	$ 400,000	$ -	$ -	$ -	$ -	$ 400,000	$ -	$ 400,000
Downtown Area POA Program	*Local (Debt)*	$ -	$ -	$ 500,000	$ -	$ -	$ -	$ 500,000	$ -	$ 500,000
Neighborhood Traffic Calming	Federal Grant (HSIP)	$ 636,000	$ -	$ 800,000	$ -	$ -	$ -	$ 1,436,000	$ -	$ 1,436,000
Neighborhood Traffic Calming	Local (PAYGO)	$ -	$ -	$ -	$ -	$ 200,000	$ 200,000	$ 400,000	$ -	$ 400,000
Neighborhood Traffic Calming	State Grant (NVTA 30%)	$ -	$ -	$ 100,000	$ -	$ -	$ -	$ 100,000	$ 400,000	$ 500,000
Multimodal Connectivity and Accessibility	Federal Grant (SmartScale)	$ 300,000	$ 250,000	$ -	$ -	$ -	$ -	$ 550,000	$ -	$ 550,000
Multimodal Connectivity and Accessibility	State Grant (NVTA 70%)	$ 2,420,959	$ 474,000	$ -	$ -	$ -	$ -	$ 2,894,959	$ -	$ 2,894,959
Multimodal Connectivity and Accessibility	Federal Grant (TAP)	$ -	$ 120,000	$ -	$ -	$ -	$ -	$ 120,000	$ -	$ 120,000
Multimodal Connectivity and Accessibility	Federal Grant (HSIP)	$ 71,000	$ 30,000	$ 499,000	$ -	$ -	$ -	$ 600,000	$ -	$ 600,000
Multimodal Connectivity and Accessibility	Federal Grant (RSTP)	$ -	$ -	$ -	$ 348,000	$ 490,000	$ 550,000	$ 1,388,000	$ 2,200,000	$ 3,588,000
Multimodal Connectivity and Accessibility	Unfunded	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,000,000	$ 3,000,000
Multimodal Connectivity and Accessibility	Local (PAYGO)	$ 200,000	$ 30,000	$ -	$ -	$ -	$ -	$ 230,000	$ -	$ 230,000
WMATA & NVTA Annual Cost	Local (CIE)	$ 1,050,000	$ 1,077,000	$ 1,104,000	$ 1,132,000	$ 1,161,000	$ 1,191,000	$ 6,715,000	$ 5,074,000	$ 11,789,000
WMATA & NVTA Annual Cost	Local (PAYGO)	$ 426,000	$ 398,700	$ 372,000	$ 344,000	$ 82,000	$ -	$ 1,622,700	$ 830,000	$ 2,452,700
WMATA & NVTA Annual Cost	Local (Debt)	$ -	$ -	$ -	$ 100,000	$ 600,000	$ 600,000	$ 1,300,000	$ 200,000	$ 1,500,000
WMATA & NVTA Annual Cost	State Grant (NVTA 30%)	$ 367,000	$ 293,300	$ 355,000	$ 315,000	$ 113,000	$ 231,000	$ 1,674,300	$ 2,162,000	$ 3,836,300
North Washington POA Program	Unfunded	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 18,100,000	$ 18,100,000
North Washington POA Program	State Grant (NVTC I-66)	$ -	$ -	$ -	$ -	$ 1,600,000	$ -	$ 1,600,000	$ -	$ 1,600,000
West Broad Street POA Program	Federal Grant (RSTP)	$ -	$ 361,000	$ 440,000	$ 348,000	$ -	$ -	$ 1,149,000	$ -	$ 1,149,000
West Broad Street POA Program	Federal Grant (Smart Scale)	$ 150,000	$ 900,000	$ 776,000	$ 324,000	$ -	$ -	$ 2,150,000	$ -	$ 2,150,000
West Broad Street POA Program	Unfunded	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 43,197,000	$ 43,197,000
West Falls Church and Joint Campus Revitalization District	Federal Grant (BPSP)	$ -	$ 50,000	$ 50,000	$ 650,000	$ -	$ -	$ 750,000	$ -	$ 750,000
West Falls Church and Joint Campus Revitalization District	State Grants (NVTA 70%)	$ 15,700,000	$ -	$ -	$ -	$ -	$ -	$ 15,700,000	$ -	$ 15,700,000
Transportation Project/ Grant Development	Local (PAYGO)	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 600,000	$ 400,000	$ 1,000,000
TOTAL TRANSPORATION FUND		**$ 30,980,825**	**$ 6,207,000**	**$ 6,608,000**	**$ 5,690,000**	**$ 5,806,000**	**$ 4,132,000**	**$ 59,423,825**	**$ 75,803,000**	**$ 135,226,825**
SOURCES										
Grant Funded		**$ 29,079,825**	**$ 4,601,300**	**$ 4,532,000**	**$ 4,014,000**	**$ 3,663,000**	**$ 1,441,000**	**$ 47,331,125**	**$ 5,002,000**	**$ 52,333,125**
Local Debt	***Local (Debt)***	***$ -***	***$ -***	***$ 500,000***	***$ 100,000***	***$ 600,000***	***$ 1,200,000***	***$ 2,400,000***	***$ 200,000***	***$ 2,600,000***
Unfunded	**Unfunded**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 64,297,000**	**$ 64,297,000**
Total "Pay as you go"	**Local (PAYGO & C&IE)***	**$ 1,901,000**	**$ 1,605,700**	**$ 1,576,000**	**$ 1,576,000**	**$ 1,543,000**	**$ 1,491,000**	**$ 9,692,700**	**$ 6,304,000**	**$ 15,996,700**
Total Sources		**$ 30,980,825**	**$ 6,207,000**	**$ 6,608,000**	**$ 5,690,000**	**$ 5,806,000**	**$ 4,132,000**	**$ 59,423,825**	**$ 75,803,000**	**$ 135,226,825**

Ord. 1996
Page 4 of 5

SEWER UTILITY FUND

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	6 YR TOTALS	FY2026-FY2029	10 YR TOTALS*
Arlington WPCP Non-expansion Capital	$ 209,000	$ 313,000	$ 392,000	$ 421,000	$ 657,000	$ 1,069,000	$ 3,061,000	**$ 1,346,000**	**$ 4,407,000**
Alexandria Wastewater Treatment Upgrades	$ 526,494	$ 392,188	$ 366,725	$ 461,065	$ 350,586	$ 306,015	$ 2,403,073	**$ 709,278**	**$ 3,112,351**
Alexandria Wastewater Treatment Plant Capacity	$ -	$ 1,870,000	$ 1,870,000	$ 1,860,000	$ -	$ -	$ 5,600,000	**$ -**	**$ 5,600,000**
Sanitary Sewer Rehabilitation	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 4,500,000	$ 3,000,000	$ 7,500,000
West End Sewer Capacity (NEW)	$ 3,200,000	$ 2,000,000	$ -	$ -	$ -	$ -	$ 5,200,000	$ -	$ 5,200,000
Total Sewer Utility	**$ 4,685,494**	**$ 5,325,188**	**$ 3,378,725**	**$ 3,492,065**	**$ 1,757,586**	**$ 2,125,015**	**$ 20,764,073**	**$ 5,055,278**	**$ 25,819,351**
SOURCES									
Total *Debt* Financed	$ 735,494	$ 2,575,188	$ 2,628,725	$ 2,742,065	$ 1,007,586	$ 1,375,015	$ 11,064,073	$ 2,055,278	$ 13,119,351
Total "Pay as you go" Financed	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 4,500,000	$ 3,000,000	$ 7,500,000
Sewer Availability Fees	$ 3,200,000	$ 2,000,000	$ -	$ -	$ -	$ -	$ 5,200,000	$ -	$ 5,200,000
TOTAL SOURCES	**$ 4,685,494**	**$ 5,325,188**	**$ 3,378,725**	**$ 3,492,065**	**$ 1,757,586**	**$ 2,125,015**	**$ 20,764,073**	**$ 5,055,278**	**$ 25,819,351**

STORMWATER UTILITY FUND

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	6 YR TOTALS	FY2026-FY2029	10 YR TOTALS*
Stormwater Facilities Reinvestments	$ 1,000,000	$ 1,000,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 8,000,000	$ -	$ 8,000,000
Four Mile Run	$ -	$ -	$ -	$ -	$ -	$ 10,000,000	$ 10,000,000	$ -	$ 10,000,000
TOTAL STORMWATER UTILITY	**$ 1,000,000**	**$ 1,000,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 11,500,000**	**$ 18,000,000**	**$ -**	**$ 18,000,000**
SOURCES									
Total *Debt* Financed	$ 1,000,000	$ 1,000,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 8,000,000	$ -	$ 8,000,000
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**	**$ 1,000,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 11,500,000**	**$ 18,000,000**	**$ -**	**$ 18,000,000**

1st Reading: 03-25-19
2nd Reading: 04-22-19
Adoption: 04-22-19
(TO19-03)

IN WITNESS WHEREOF, the foregoing was adopted by the City Council of the City of Falls Church, Virginia on April 22, 2019 as Ordinance 1996.

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 FY2020 budget process:

2018	
Monday, Dec 3	City Council & School Board Joint Work Session: FY2020 Budget Planning
Monday, Dec 10	City Council Regular Meeting: Adoption of Budget Guidance Resolution

2019	
Tuesday, Jan 8	School Superintendent Presents FY2020 Budget Recommendations to School Board
Monday, Feb 4	FY2020-FY2025 CIP Presented to the Planning Commission and Work Session
Tuesday, Feb 19	Planning Commission Public Hearing and Adoption of CIP Recommendations
Tuesday, Feb 19	School Board Adopts FY2020 Budget Request
Monday, March 11	City Manager Presents Proposed FY2020 Operating Budget & FY2020-2025 CIP
Friday, Mar 15	Budget Finance Committee Meeting
Sunday, Mar 24	Town Hall Meeting
Monday, Mar 25	1st Reading of Budget Ordinance & Tax Rate Ordinance
Monday, Apr 1	City Council Budget Work Session
Monday, Apr 8	Public Hearing of Budget Ordinance & Tax Rate Ordinance
Monday, Apr 15	City Council Budget Work Session: Final Mark-up
Monday, Apr 22	2nd Reading and Adoption of FY2020 Operating Budget & FY2020-2025 CIP; Public Hearing
Tuesday, May 7	School Board Adopts FY2020 School Budget
July 1, 2019	Fiscal Year 2020 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://budget.fccps.org/**

FUND SUMMARIES

GENERAL FUND

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Revenues				
Taxes	$ 75,993,790	$ 79,591,200	$ 81,734,200	2.69%
Licenses and Permits	1,264,495	1,410,626	1,410,626	0.00%
Grants & Contributions	5,157,310	4,406,390	5,067,915	15.01%
Charges for Services	3,646,709	3,806,484	3,778,389	-0.74%
Fines and Forfeitures	514,936	625,000	605,200	-3.17%
Revenue from Property and Money	722,095	282,500	624,946	121.22%
Miscellaneous	242,555	82,800	70,800	-14.49%
Transfers from Special Transportation Fund	1,114,567	1,316,005	1,427,000	8.43%
Other Financing Sources	467,751	1,280,737	4,572,800	257.04%
Total General Fund Revenues	**$ 89,124,208**	**$ 92,801,742**	**$ 99,291,876**	**6.99%**
Expenditures				
Legislative				
City Council	$ 106,183	$ 104,417	$ 107,256	2.72%
City Clerk	231,917	240,338	242,565	0.93%
City Attorney	355,328	390,035	429,061	10.01%
Judicial Services	354,846	379,787	364,686	-3.98%
Total Legislative	1,048,274	1,114,577	1,143,568	2.60%
Executive				
City Manager	568,467	544,479	592,928	8.90%
Communications	263,172	261,787	271,203	3.60%
Human Resources	324,080	369,099	499,177	35.24%
Risk Management	146,329	164,288	199,702	21.56%
Information Technology	1,573,814	1,630,989	1,701,263	4.31%
Economic Development*	265,242	-	-	0.00%
Environmental Sustainability	110,919	113,807	114,306	0.44%
Total Executive	3,252,024	3,084,449	3,378,579	9.54%
Department of Finance				
Finance	1,036,098	1,089,352	1,145,279	5.13%
Real Estate Assessment	448,682	438,955	452,372	3.06%
Total Department of Finance	1,484,780	1,528,307	1,597,651	4.54%
Commissioner of The Revenue	763,563	804,790	881,110	9.48%
Treasurer				
Treasurer	556,785	583,443	569,972	-2.31%
Property Relief Programs	-	327,000	390,000	19.27%
Total Treasurer	556,785	910,443	959,972	5.44%
Registrar	301,538	289,252	287,792	-0.50%
Sheriff				
Sheriff	865,558	804,294	832,047	3.45%
Adult Corrections	493,499	660,375	613,310	-7.13%
Total Sheriff	1,359,057	1,464,669	1,445,357	-1.32%

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

GENERAL FUND – CONTINUED

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures - Continued				
Clerk of Court	33,925	42,347	47,825	12.94%
Department of Public Safety				
Police Administration	726,512	579,296	580,420	0.19%
Police Photo Enforcement Program	265,260	242,526	257,536	6.19%
Police Operations	3,047,582	2,971,985	3,379,171	13.70%
Police Services	2,053,078	2,156,238	1,824,513	-15.38%
Police Dispatch	772,424	764,722	804,191	5.16%
Animal Control	39,659	41,377	42,794	3.42%
Emergency Management	111,786	122,899	116,668	-5.07%
Fire Marshal Services	151,416	138,568	178,159	28.57%
Fire Services	2,576,136	2,643,741	2,736,176	3.50%
Total Department of Public Safety	9,743,853	9,661,352	9,919,628	2.67%
Department of Public Works				
Administration	213,960	215,927	232,836	7.83%
Operations Engineering	1,421,840	1,126,315	578,226	-48.66%
CIP Engineering	75,633	59,827	77,893	30.20%
Public Resources	245,002	255,234	306,646	20.14%
Highways, Streets, & Sidewalks	1,168,301	1,265,248	1,184,579	-6.38%
Traffic Signal Maintenance	-	-	306,378	-
Snow & Ice Removal	128,155	186,108	188,330	1.19%
Solid Waste & Recycling	882,402	882,835	935,597	5.98%
Leaf Collection	174,814	173,345	178,817	3.16%
General Services	676,876	768,312	762,570	-0.75%
Fleet Maintenance	592,306	471,900	483,152	2.38%
Arborist	-	-	289,560	-
Urban Forestry	723,541	777,787	602,639	-22.52%
Total Department of Public Works	6,302,828	6,182,838	6,127,223	-0.90%
Department of Human Services				
Aurora House	834,904	931,205	941,316	1.09%
Juvenile & Court Services	541,387	488,881	442,400	-9.51%
Juvenile & Domestic Relations Court	6,074	6,069	6,295	3.72%
Housing and Human Services	543,734	550,571	547,880	-0.49%
Public Assistance Programs	1,042,049	712,902	800,527	12.29%
Community Services Board	805,036	840,458	887,299	5.57%
Health Department	281,381	281,000	293,100	4.31%
Total Department of Human Services	4,054,564	3,811,086	3,918,817	2.83%
Department of Recreation and Parks				
Recreation Administration	797,333	824,945	849,837	3.02%
Parks Maintenance	310,844	318,326	321,419	0.97%
Recreation Programs & Special Events	1,542,169	1,528,104	1,541,341	0.87%
Athletic Programs	486,933	467,536	487,011	4.17%
Community Cultural & Arts Programs	68,175	65,527	66,415	1.36%
Total Department of Recreation and Parks	3,205,453	3,204,438	3,266,023	1.92%
Library	2,099,269	2,090,714	2,115,385	1.18%
Community Planning & Economic Development*	2,466,908	2,767,892	3,373,709	21.89%

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

GENERAL FUND – CONTINUED

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures - Continued				
Education				
Transfer to School Board	41,148,000	42,319,046	43,363,277	2.47%
Community College Programs and Other Education	33,003	32,852	33,537	2.09%
Total Education	41,181,003	42,351,898	43,396,814	2.47%
Post-Retirement Benefits	95,339	(519,775)	(563,000)	8.32%
Regional Transportation/WMATA	959,675	1,346,861	2,269,856	68.53%
Debt Service	6,651,875	9,198,000	13,477,500	46.53%
Transfers				
Transfers to CIP	704,000	350,000	300,000	-14.29%
Transfers to CIP - Special Transportation Fund	1,010,567	1,390,000	1,475,000	6.12%
Transfers to FCCTV Fund	223,386	237,604	223,067	-6.12%
Total Transfers	1,937,953	1,977,604	1,998,067	1.03%
Reserves				
Tax Credits	-	250,000	250,000	0.00%
Reserves for Capital	-	1,240,000	-	-100.00%
Total Reserves	-	1,490,000	250,000	-83.22%
Total General Fund Expenditures	**$ 87,498,666**	**$ 92,801,742**	**$ 99,291,876**	**6.99%**

SANITARY SEWER FUND

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Revenues				
Charges for Services	$ 4,304,885	$ 4,380,000	$ 4,380,000	0.00%
Availability Fees	84,800	100,000	110,000	10.00%
Revenue from Use of Property and Money	76,018	30,000	80,000	166.67%
Total Sewer Fund Revenues	**$ 4,478,619**	**$ 4,510,000**	**$ 4,570,000**	**1.33%**
Expenditures				
Sewer Management	$ 331,450	$ 545,688	$ 599,389	9.84%
Collection and Disposal	1,579,529	1,759,694	1,767,664	0.45%
Debt Service	1,239,794	1,278,815	1,340,946	4.86%
Other Post-Employment Benefits	3,000	3,000	2,001	-33.30%
Transfers and Reserves	634,800	850,000	860,000	1.18%
Reserves	-	72,803	-	-100.00%
Total Sewer Fund Expenditures	**$ 3,788,573**	**$ 4,510,000**	**$ 4,570,000**	**1.33%**

STORMWATER FUND

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Revenues				
Charges for Services	$ 1,575,640	$ 1,620,000	$ 1,650,500	1.88%
Revenue from Use of Property and Money	20,260	10,000	20,000	100.00%
Miscellaneous	-	-	2,500	#DIV/0!
Total Stormwater Fund Revenues	**$ 1,595,900**	**$ 1,630,000**	**$ 1,673,000**	**2.64%**
Expenditures				
Stormwater Management	$ 440,874	$ 593,933	$ 618,747	4.18%
Stormwater Operations	540,207	866,107	823,971	-4.86%
Debt Service	150,547	169,960	230,282	35.49%
Total Stormwater Fund Expenditures	**$ 1,131,628**	**$ 1,630,000**	**$ 1,673,000**	**2.64%**

CABLE ACCESS FUND

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Revenues				
Transfer from City	$ 161,918	$ 172,604	$ 158,067	-8.42%
Transfer from City - PEG Fees	61,468	65,000	65,000	0.00%
Total Cable Access TV Fund Revenue	**$ 223,386**	**$ 237,604**	**$ 223,067**	**-6.12%**
Expenditures				
Cable Access TV Programming	$ 148,915	$ 237,604	$ 223,067	-6.12%
Total Cable Access TV Fund Expenditures	**$ 148,915**	**$ 237,604**	**$ 223,067**	**-6.12%**

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SCHOOL BOARD – OPERATING FUND

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Revenues				
Transfer from City	$ 41,040,500	$ 42,211,546	$ 43,255,777	2.47%
State Grants	3,831,382	4,040,732	4,209,875	4.19%
Sales Tax	2,612,062	2,809,038	2,863,706	1.95%
Federal Grants	490,621	556,558	586,162	5.32%
Other	1,355,242	971,984	971,985	0.00%
Use of Fund Balance	-	450,000	450,000	0.00%
Total School Board Operating Fund Revenue	**$ 49,329,807**	**$ 51,039,858**	**$ 52,337,505**	**2.54%**
Expenditures				
Education	$ 48,613,704	$ 51,039,858	$ 52,337,505	2.54%
Total School Board Operating Fund Expenditures	**$ 48,613,704**	**$ 51,039,858**	**$ 52,337,505**	**2.54%**

SCHOOL BOARD – COMMUNITY SERVICES FUND

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Revenues				
User Fees	$ 1,638,658	$ 1,879,626	$ 1,879,626	0.00%
Transfer from City	107,500	107,500	107,500	0.00%
Other	189,351	179,000	179,000	0.00%
Use of Fund Balance	-	253,000	253,000	0.00%
Total School Board Community Service Fund Revenue	**$ 1,935,509**	**$ 2,419,126**	**$ 2,419,126**	**0.00%**
Expenditures				
Community Services Expenditures	$ 1,907,713	$ 2,419,126	$ 2,419,126	0.00%
Total School Board Community Service Fund Expenditures	**$ 1,907,713**	**$ 2,419,126**	**$ 2,419,126**	**0.00%**

SCHOOL BOARD – FOOD SERVICES FUND

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Revenues				
User Fees	$ 685,045	$ 852,100	$ 852,100	0.00%
State and Federal Funds	77,878	120,500	120,500	0.00%
Other Miscellaneous	4,077	1,000	1,000	0.00%
Transfer from School Operating Fund	35,000	30,000	30,000	0.00%
Use of Fund Balance	-	100,000	100,000	0.00%
Total School Board Food Service Fund Revenue	**$ 802,000**	**$ 1,103,600**	**$ 1,103,600**	**0.00%**
Expenditures				
Food Service	$ 863,377	$ 1,103,600	$ 1,103,600	0.00%
Total School Board Food Service Fund Expenditures	**$ 863,377**	**$ 1,103,600**	**$ 1,103,600**	**0.00%**

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CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – GENERAL GOVERNMENT

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Revenues				
Transfer from General Fund	$ 304,000	$ 350,000	$ 300,000	-14.29%
Transfer from General Fund - Capital Reserves	400,000	-	-	-
Proceeds from issuance of bonds	22,251,104	7,880,999	300,000	-96.19%
Grants	615,426	-	-	-
Contributions	131,148	-	-	0.00%
Total CIP Fund Revenues - General Fund & School Board	**$ 23,701,678**	**$ 8,230,999**	**$ 600,000**	**-92.71%**
Expenditures				
Facilities	$ 18,706,130	$ 8,007,999	$ 300,000	-96.25%
Public Safety	601,603	223,000	150,000	-32.74%
Recreation & Parks	684,361	-	150,000	-
Transportation	782,107	-	-	-
Total CIP Fund Revenues - General Fund & School Board	**$ 20,774,201**	**$ 8,230,999**	**$ 600,000**	**-92.71%**

CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – SPECIAL TRANSPORTATION FUND

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Revenues				
Transfer from General Fund	$ 1,010,567	$ 1,416,000	$ 1,901,000	34.25%
Proceeds from Issuance of Bonds	100,000	-	-	-
Grants	1,941,853	3,435,500	29,089,825	746.74%
Total CIP Fund Revenues - Sewer Utility	**$ 3,052,420**	**$ 4,851,500**	**$ 30,990,825**	**538.79%**
Expenditures				
Capital Improvements	$ 5,405,930	$ 4,851,500	$ 30,990,825	538.79%
Total CIP Fund Expenditures - Sewer Utility	**$ 5,405,930**	**$ 4,851,500**	**$ 30,990,825**	**538.79%**

CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – SEWER UTILITY

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Revenues				
Proceeds from Bonds	$ 405,000	$ 644,000	$ 735,494	14.21%
Transfer from Sewer Fund	550,000	750,000	750,000	0.00%
Sewer Availability Fees	84,800	-	3,200,000	-
Total CIP Fund Revenues - Sewer Utility	**$ 1,039,800**	**$ 1,394,000**	**$ 4,685,494**	**236.12%**
Expenditures				
Capital Improvements	$ 556,935	$ 1,394,000	$ 4,615,297	231.08%
Total CIP Fund Expenditures - Sewer Utility	**$ 556,935**	**$ 1,394,000**	**$ 4,615,297**	**231.08%**

CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – STORMWATER UTILITY

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Revenues				
Proceeds from Bonds	$ 190,000	$ -	$ 1,000,000	-
Total CIP Fund Revenues - Sewer Utility	**$ 190,000**	**$ -**	**$ 1,000,000**	**-**
Expenditures				
Capital Improvements	$ 187,355	$ -	$ 1,000,000	-
Total CIP Fund Expenditures - Sewer Utility	**$ 187,355**	**$ -**	**$ 1,000,000**	**-**

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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

	FY2018 Adopted	FY2019 Adopted	FY2020 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	2.85	2.85	3.00
Office of Communications	2.00	2.00	2.00
Human Resources	1.85	2.35	2.50
Risk Management	0.30	0.30	0.50
Information Technology	8.40	8.40	8.40
Economic Development*	3.00	-	-
Environmental Sustainability	1.00	1.00	1.00
Total Executirve	19.40	16.90	17.40
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	2.50	2.00	2.00
Police Photo Enforcement Program	0.50	0.25	0.50
Police Operations	21.75	21.50	26.83
Police Services	13.75	14.75	11.00
Dispatch	6.00	6.00	6.00
Emergency Management	0.50	0.50	0.50
Fire Marshall	0.50	0.50	1.25
Total Department of Public Safety	45.50	45.50	48.08
Department of Public Works			
Public Works Administration	1.50	1.40	1.50
Engineering Operations	2.10	2.40	0.85
CIP Engineering	0.30	0.45	0.55
Public Resources	2.35	2.50	2.50
Highways, Streets, and Sidewalks	10.85	10.85	10.85
Recycling and Solid Waste	1.00	1.00	1.00
General Services	2.05	2.05	2.05
Fleet Maintenance	4.00	4.00	4.00
Arborist	-	-	2.00
Urban Forestry	4.00	4.00	3.00
Total Department of Public Works	28.15	28.65	28.30

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

GENERAL FUND – CONTINUED

	FY2018 Adopted	FY2019 Adopted	FY2020 Adopted
Department of Human Services			
Aurora House	8.73	8.73	9.23
Housing and Human Services Administration	4.90	4.90	4.90
Total Department of Human Services	13.63	13.63	14.13
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	6.40	6.00	6.00
Athletic Programs	1.00	1.40	1.40
Community Cultural & Arts Programs	0.20	0.20	0.20
Total Department of Recreation and Parks	16.40	16.40	16.40
Library	17.85	18.85	18.85
Community Planning & Economic Development*	19.00	21.30	23.30
Total General Fund	**197.18**	**197.98**	**203.80**

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

SEWER FUND

	FY2018 Adopted	FY2019 Adopted	FY2020 Adopted
Sewer Management & Engineering	0.85	1.05	1.60
Collection and Disposal	3.55	3.55	3.55
Total Sewer Fund	**4.40**	**4.60**	**5.15**

STORM WATER FUND

	FY2018 Adopted	FY2019 Adopted	FY2020 Adopted
Stormwater Management & Engineering	1.75	1.45	2.15
Stormwater Operations	4.55	4.55	4.55
Total Stormwater Fund	**6.30**	**6.00**	**6.70**

CABLE ACCESS FUND

	FY2018 Adopted	FY2019 Adopted	FY2020 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

	FY2018 Adopted	FY2019 Adopted	FY2020 Adopted
General & Special Transportation CIP Funds	4.15	3.45	3.45
Total Capital Improvement Program Funds	**4.15**	**3.45**	**3.45**

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TAX RATES

TAX	ADOPTED RATE*	PER
Property Taxes		
Real Estate	$1.355	$100
Personal and Business Property (effective January 1, 2019)	$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, 2019 unless otherwise indicated. All tax rates proposed for FY2020 remain the same as FY2019.*

UNFUNDED NEEDS (General Fund)

For FY2020 Budget planning, needs have been identified for future funding, should new funding become available.

Division	Description of Need	Estimated Cost
	LEGISLATIVE	
City Attorney	Part-time Attorney	85,000
		85,000
	EXECUTIVE MANAGEMENT	
City Manager	Receptionist/Office Assistant	55,000
Office of Communications	Communications Specialist	90,000
Human Resources	Wellness Program	4,000
Human Resources	Recognition Program	5,000
Human Resources	Employee Transit/Commute Subsidy	5,000
Human Resources	Recrutiment Background Checks and Screening	10,000
Human Resources	Compensation Analysis Tool	10,000
Information Technology	Help Desk / Systems Analyst	52,500
Information Technology	Sr Systems Eng / Public Safety Project Manager	120,000
Information Technology	Training	13,500
Information Technology	Audio Visual Equipment Additions	4,500
Information Technology	Computer Equipment - Replacement	62,500
Information Technology	Senior Systems Eng / DPW & DDS Project Manager	120,000
Information Technology	Computer Equipment - Replacement Servers	25,000
Information Technology	Computer Equipment - Replacement Network	25,000
		602,000
	FINANCE	
Finance	Two Budget Analysts	200,000
Real Estate Assessor's Office	Senior Real Estate Appraiser	140,000
		340,000
	REGISTRAR	
	Full Time Deputy Registrar	43,000
	Post Election Audits	10,000
		53,000

Division	Description of Need	Estimated Cost
DEPARTMENT OF PUBLIC SAFETY		
Police Services	Administrative Assistant	50,000
Police Operations	Three FTE Police Officers	240,000
Dispatch	Two Dispatchers	120,000
Police Services	One Police IT	80,000
Emergency Management	1 FTE Emergency Planner	120,000
		610,000
PUBLIC WORKS		
Public Resources	GIS Orthoimagery	6,000
Engineering Operations	Small, non-CIP projects, Traffic Signal Support	65,000
Highways, Streets & Sidewalks	Bus shelters replacement & Cleaning	17,000
Snow Removal	Sanders (2)	12,500
Arborist	Municipal Forester Institute 2020	1,000
Highways, Streets & Sidewalks	Debris Hauling & Municipal Repairs	15,000
Traffic Signal Maintenance	Pickup Truck Expenditures	2,500
Traffic Signal Maintenance	Team Training	1,750
Public Resources	Surface Tablet and related	1,500
Traffic Signal Maintenance	2 Traffic Signal Maintenance Workers	140,000
Public Resources	Contract Specialist	90,000
Engineering Operations	Surface Tablet and related	3,000
Traffic Signal Maintenance	Surface Tablet and related	1,500
Arborist	Tree Removal & Pruning and Pest Management	17,500
General Services	Elevator Repairs & Maintenance	10,000
Traffic Signal Maintenance	Labor for emergency calls	2,000
Snow Removal	Labor for snow removal	31,000
Snow Removal	Contract costs for snow removal on public lots	2,000
Leaf Collection	Labor for leaf mulcing events	4,000

Division	Description of Need	Estimated Cost
	PUBLIC WORKS	
Fleet Maintenance	Labor for emergency calls	3,000
Arborist	Agricultural Supplies	1,500
Snow Removal	Supplies for snow removal	2,000
Leaf Collection	Two Leaf Vacuums	50,000
Facilities Maintenance	Replacement work van for facility maintenance	50,000
		529,750
	DEPARTMENT OF HUMAN SERVICES	
Housing & Human Services	Part-time Contract and Grant Manager	36,580
Housing & Human Services	Professional Services	1,000
Housing & Human Services	Trave/Conference/Education	650
		38,230
	DEPARTMENT OF RECREATION AND PARKS	
Parks Maintenance	Tennis and basketball court maintenance	21,000
Parks Maintenance	Vehicle Replacement	24,000
Programs & Special Events	Support of civic and business-sponsored events and activities	20,000
Administration	Upgrade and additional Security Cameras	7,500
Athletic Programs	Education and Recreation Supplies	8,500
Administration	Man-lift for replacing tiles and lights in the gym	20,000
Administration	Banner-Hanging System	30,000
		131,000
	DEPARTMENT OF COMMUNITY PLANNING AND ECONOMIC DEVELOPMENT	
Planning	Special Activities and Demontration Projects - place making and spot improvements	50,000
		50,000
	GENERAL FUND TOTAL	**2,438,980**

FINANCIAL SUMMARY

While the budget process concentrates on activities for the upcoming year, it is necessary to understand where FY2020 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 target is 12% of general fund operating expenditures but not to exceed 15% 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:

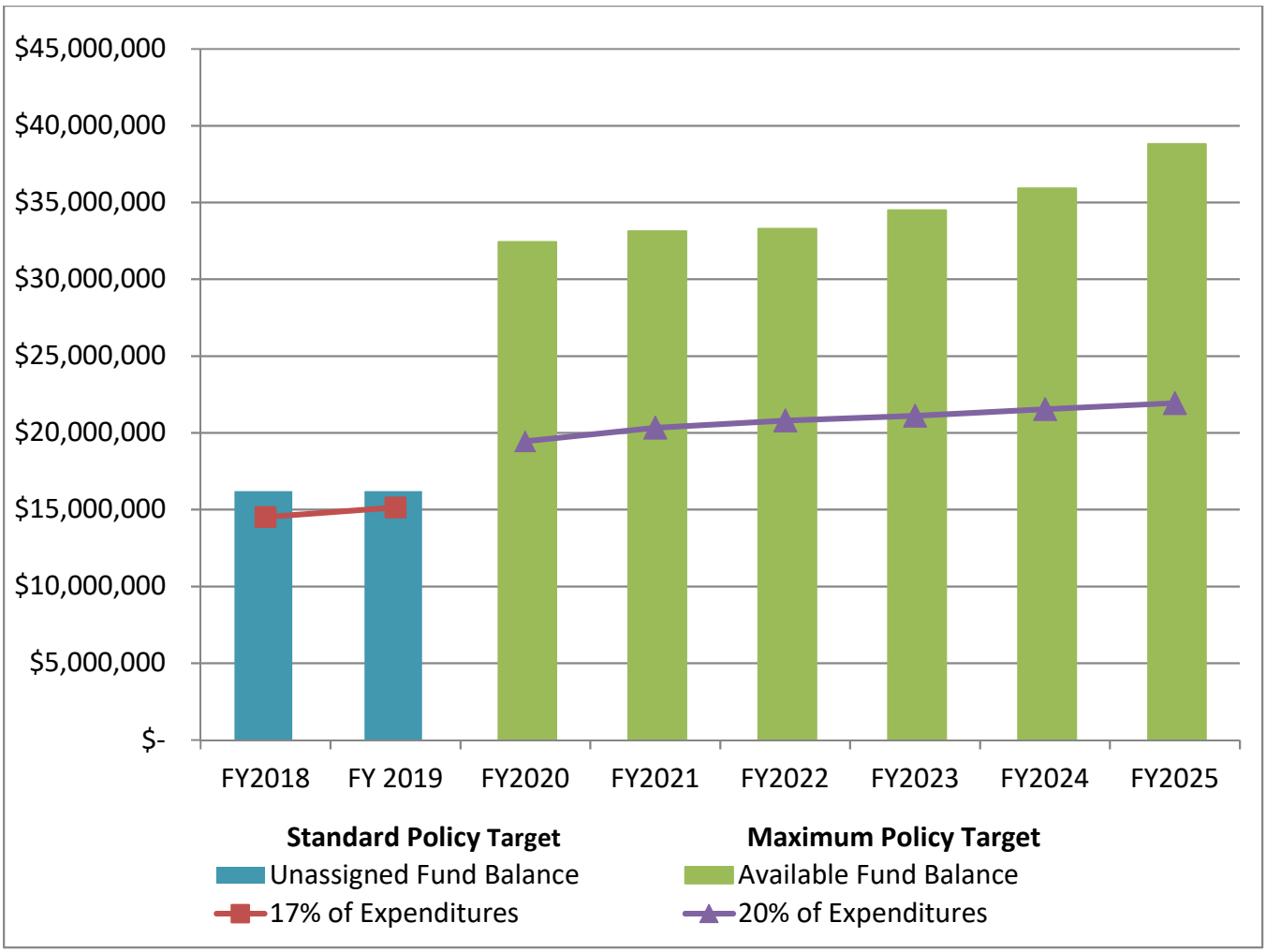
- Available Fund Balance levels (referred as Maximum Policy)
  - 20% of expenses as target
  - 15% of expenses as floor
- Available Fund Balance refers to all available reserves including both Unassigned Fund Balance and Capital Reserves
- The City shall be required to comply with this proposed policy 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.

	FY 2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Fund Balance							
Beginning Available Fund Balance	27,898,254	29,138,254	32,421,254	33,129,254	33,281,254	35,496,254	38,423,254
Addition to Available Fund Balance	1,240,000	(3,217,000)	(6,292,000)	(6,848,000)	(5,785,000)	(5,573,000)	(1,387,000)
Land Sale Proceeds	-	6,500,000	7,000,000	7,000,000	7,000,000	7,000,000	-
West Falls Church Tax Yield	-	-	-	-	1,000,000	1,500,000	2,000,000
Ending Fund Balance	**$ 29,138,254**	**$ 32,421,254**	**$ 33,129,254**	**$ 33,281,254**	**$ 35,496,254**	**$ 38,423,254**	**$ 39,036,254**
Expenditures*	$ 89,091,302	$ 97,226,876	$101,662,579	$104,035,959	$105,578,207	$107,693,199	$109,699,268
Fund balance as % of expenditures	**32.7%**	**33.3%**	**32.6%**	**32.0%**	**33.6%**	**35.7%**	**35.6%**
Policy Target (20% of Expenditures)	17,818,300	19,445,400	20,332,500	20,807,200	21,115,600	21,538,600	21,939,900

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

The following graph shows the City's Fund Balance projected through FY2025.



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, 2019 is $17.4 million. This balance includes the initial payment of $6.5 million for the ground lease of the commercial development at the George Mason High School (GMHS) expected by the end of June.

The adopted budget contemplates the use of $2,875,000 of these reserves to help pay for the increased debt service in FY2020 as a result of the issuance in late FY2019 of the second tranche of the GMHS construction debt along with approximately $12 million in General Government projects such as the Mary Riley Styles Public Library and the purchase of a property.

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:

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 total debt service budgeted in FY2020. The budget includes an estimated bond issuance of approximately $72,000,000.

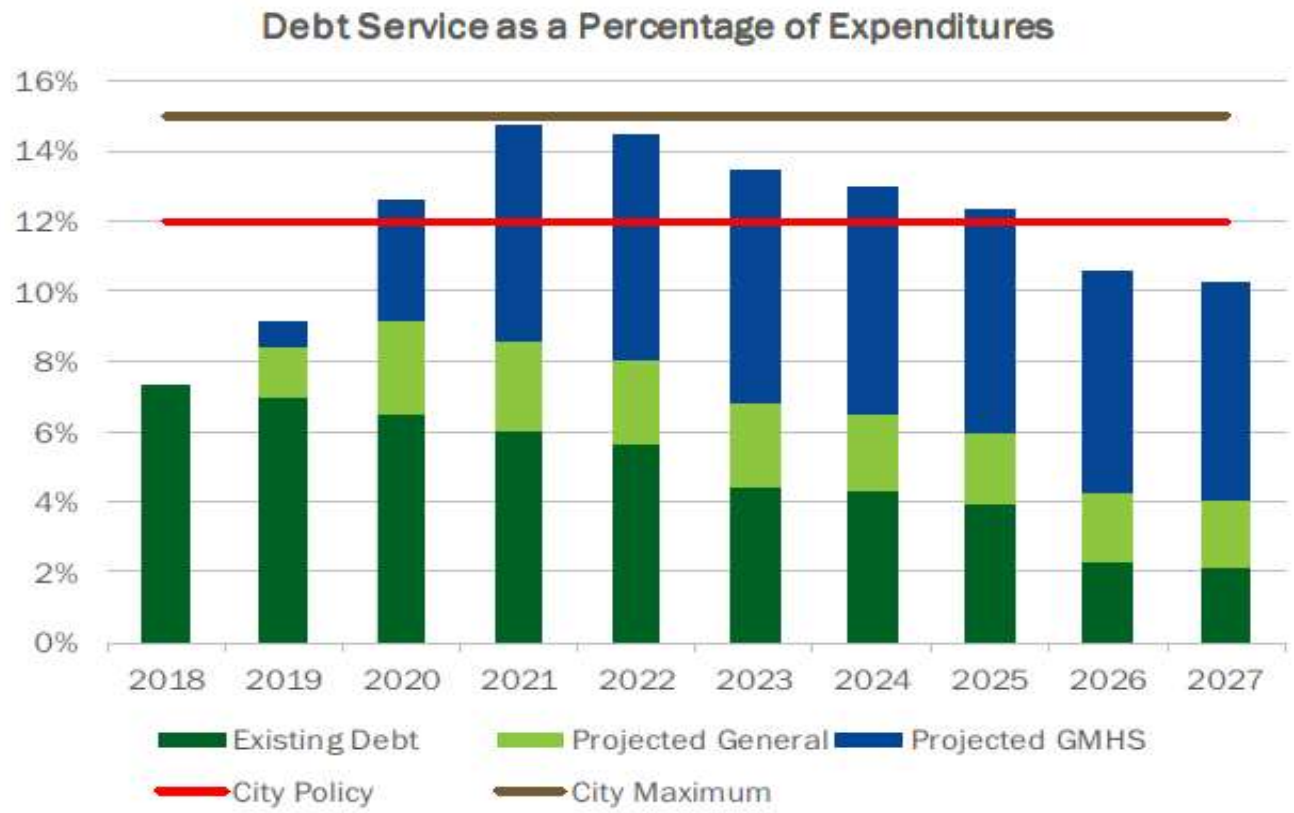
Function	Principal	Interest	Total
School	$ 4,432,704	$ 3,914,782	$ 8,347,486
General Government	2,757,664	1,334,754	4,092,418
Transportation Fund	142,632	70,464	213,096
Subtotal - General Fund	7,333,000	5,320,000	12,653,000
Sanitary Sewer	1,061,590	279,356	1,340,946
Stormwater	140,448	89,834	230,282
Total	$ 8,535,038	$ 5,689,190	$ 14,224,228

Future Debt Issuance

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

Project	Prior CIP	FY2020 CIP & General Fund	FY2021-FY2025 CIP	Total
Non-CIP: Police Cars	$ -	$ 159,000	$ -	$ 159,000
Fire Station 6 Reinvestment	223,000	150,000	850,000	1,223,000
Public Facility Security	-	-	750,000	750,000
Land Acquisition	4,700,000	-	600,000	5,300,000
City Hall Campus Renovation	350,000	-	-	350,000
Library	7,307,999	-	-	7,307,999
George Mason High School Construction	110,800,000	-	-	110,800,000
Park Master Plan Implementation	-	150,000	1,050,000	1,200,000
Synthetic Turf Replacement	-	-	450,000	450,000
Athletic Field Lights	-	-	200,000	200,000
Transportation	-	-	2,400,000	2,400,000
Total General Fund-Supported Projects	**$123,380,999**	**$ 459,000**	**$ 6,300,000**	**$130,139,999**
Sanitary Sewer Fund	$ 892,290	$ 665,297	$ 10,695,149	$ 12,252,736
Stormwater Fund	1,414,000	1,000,000	7,000,000	9,414,000
Total Utility Fund-Supported Projects	**$ 2,306,290**	**$ 1,665,297**	**$ 17,695,149**	**$ 21,666,736**

The chart below shows projected debt service through FY2027 for projects identified in the FY2020-FY2025 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 over $19 million in bonds over the next five years for these two funds. These plans necessitate a review of the current fees for the two utilities and possibly, rate adjustments in the future.

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

General Fund

FY2020 Adopted Budget

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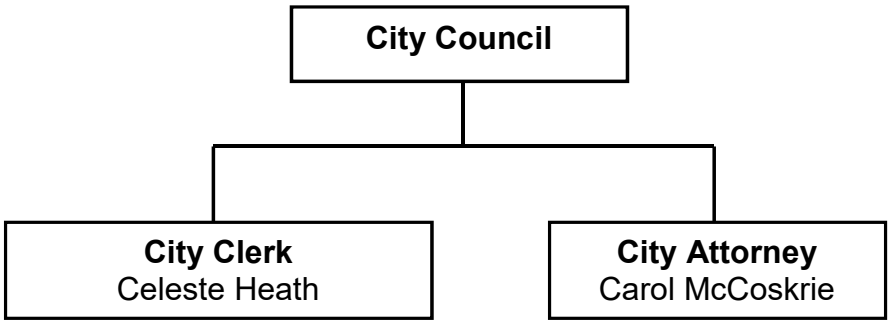
GENERAL FUND REVENUES

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Real Estate Taxes	$ 52,976,748	$ 56,151,000	$ 57,991,000	3.28%
Personal Property Taxes	6,096,832	6,278,200	6,278,200	0.00%
Non-Assessed Property Taxes	446,148	397,000	400,000	0.76%
Local Sales and Use Taxes	4,703,523	4,742,000	4,979,000	5.00%
Utility Tax	2,204,834	2,215,000	2,215,000	0.00%
Cigarette Tax	316,471	359,000	300,000	-16.43%
Meals Tax	3,342,037	3,279,000	3,496,000	6.62%
Other Sales and Use Taxes	687,695	680,000	655,000	-3.68%
Gross Receipts Business Taxes	4,159,273	4,439,000	4,369,000	-1.58%
Other Taxes	1,060,229	1,051,000	1,051,000	0.00%
Total Taxes	**75,993,790**	**79,591,200**	**81,734,200**	**2.69%**
Building and Inspection Fees	930,355	1,211,726	1,211,726	0.00%
Other Licenses, Fees & Permits	334,140	198,900	198,900	0.00%
Total Licenses, Fees & Permits	**1,264,495**	**1,410,626**	**1,410,626**	**0.00%**
Grant Revenue - Federal	384,949	308,037	335,213	8.82%
Other State CategoricalAid	1,202,620	590,126	1,207,224	104.57%
State Non-Categorical	3,134,029	3,134,027	3,160,778	0.85%
State Categorical	355,699	353,800	357,700	1.10%
Other Contributions	42,081	20,400	7,000	-65.69%
Total Grants & Contributions	**5,157,310**	**4,406,390**	**5,067,915**	**15.01%**
Charges for Services - GenGovt	17,425	21,200	17,700	-16.51%
Charges for Services - Judicial	30,582	46,892	43,292	-7.68%
Charges for Services - Public Safety	991,410	1,092,892	1,057,697	-3.22%
Charges for Services - Sanitation	41,364	52,200	52,000	-0.38%
Charges for Services - HHS	5,310	6,400	6,000	-6.25%
Charges for Services - Culture and Recreation	2,041,733	2,017,000	2,035,000	0.89%
Admin & Motor Pool Fees - Sewer Fund	132,479	158,300	158,300	0.00%
Admin & Motor Pool Fees - Stormwater Fund	134,902	161,700	161,700	0.00%
Other Charges	251,549	246,700	246,700	0.00%
Total Charges for Services	**3,646,709**	**3,806,484**	**3,778,389**	-0.74%

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Court Fines & Forfeitures	82,751	233,400	187,800	-19.54%
Red Light Violations	250,304	200,000	225,000	12.50%
Parking Fines	141,446	140,000	150,000	7.14%
Library Fines	34,135	43,200	34,000	-21.30%
Other	6,300	8,400	8,400	0.00%
Total Fines and Forfeitures	**514,936**	**625,000**	**605,200**	**-3.17%**
Investment Revenues	507,318	50,000	350,000	600.00%
Rental Income	214,777	232,500	274,946	18.26%
Total Revenue from Use of Property and Money	**722,095**	**282,500**	**624,946**	**121.22%**
Dispositions and Sales	120,420	43,900	30,800	-29.84%
Recovered Costs	29,931	30,000	30,000	0.00%
Other	92,204	8,900	10,000	12.36%
Total Miscellaneous	**242,555**	**82,800**	**70,800**	**-14.49%**
Transfer from Special Transportation Fund	1,114,567	1,316,005	1,427,000	8.43%
Total Interfund Transfers	**1,114,567**	**1,061,500**	**1,427,000**	**34.43%**
Proceeds from sale of bonds	467,751	959,000	959,000	0.00%
Use of Restricted Fund Balance	-	81,737	71,800	-0.121573
Use of Prior Year Building Permit Fees	-	-	342,000	-
Use of Capital Reserves	-	240,000	3,200,000	1233.33%
Total Other Financing Sources	**467,751**	**1,280,737**	**4,572,800**	**257.04%**
TOTAL REVENUES - GENERAL FUND	**$ 89,124,208**	**$ 92,801,742**	**$ 99,291,876**	**6.99%**

General Fund Expenditures

LEGISLATIVE



TOTAL DEPARTMENTAL BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 441,189	$ 488,132	$ 501,936	2.83%
Benefits	111,451	108,286	110,247	1.81%
Professional and Contractual	431,920	459,596	469,207	2.09%
Materials, Supplies, and Other	63,714	58,563	62,178	6.17%
Net Expenditures Supported by General Revenues	**$ 1,048,274**	**$ 1,114,577**	**$ 1,143,568**	**2.60%**
Permanent Position FTE	**4.00**	**4.00**	**4.00**	**0.00%**

CITY COUNCIL

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

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

- A flat budget since 2014 has strained resources to the maximum, Budget overages on many line items should be expected in FY2020.
- Travel, training, and materials costs are expected to increase annually.
- Regional and State organization dues are expected to continue to increase annually.

SIGNIFICANT CHANGES IN FY2020

- No change in budget.

FY2020 DELIVERABLES

- Continue to reach the City's Vision:

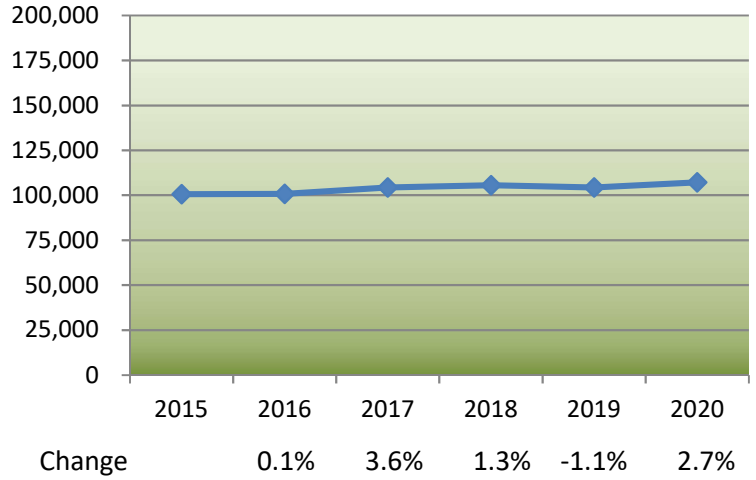
  In the year 2040, the City of Falls Church is a welcoming and inclusive community – a special place in the heart of Northern Virginia. Involved citizens are key to the City's long-term success as a leader in education, environmental sustainability, multi-modal transportation, and vibrant economic development.

  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.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 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	38,641	34,444	37,283	8.24%
Net Expenditures Supported by General Revenues	**$ 106,183**	**$ 104,417**	**$ 107,256**	**2.72%**

BUDGET TREND: FY2015 – FY2020



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

- A flat budget since 2014 has strained resources to the maximum, Budget overages on many line items should be expected in FY2020.
- Contracted services for City Code publishing, legal advertising, and agenda managements are expected to increase annually.
- Providing salary equity for the Deputy City Clerk position was funded by transferring funds from operating in FY19 and will be funded from operating in FY20. A salary review will again be conducted in July 2019 with an anticipated request for an increase.
- FOIA request rates continue to rise. 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.

SIGNIFICANT CHANGES IN FY2020

- Operating budget decreased to cover Deputy Clerk salary equity adjustment.

FY2020 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 nearly 100 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.

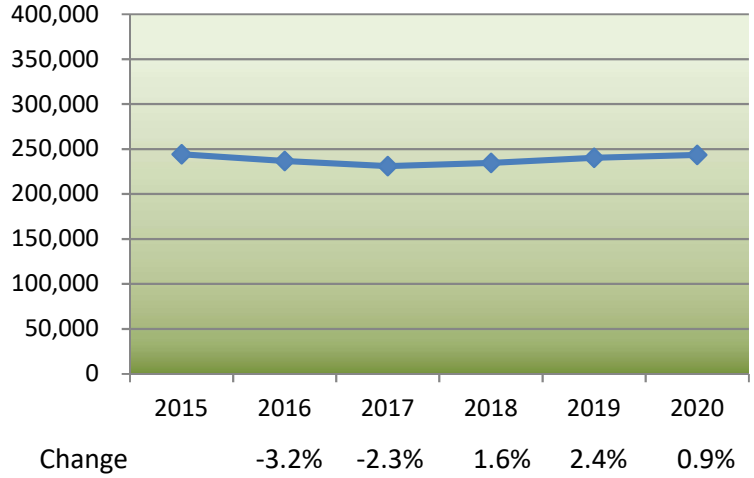
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 City Clerk
- 1.00 Deputy City Clerk

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 154,332	$ 161,783	$ 167,041	3.25%
Benefits	47,608	43,231	43,039	-0.44%
Professional and Contractual	22,247	28,159	25,320	-10.08%
Materials, Supplies, and Other	7,731	7,165	7,165	0.00%
Net Expenditures Supported by General Revenues	**$ 231,917**	**$ 240,338**	**$ 242,565**	**0.93%**
Permanent Position FTE	**2.00**	**2.00**	**2.00**	**0.00%**

BUDGET TREND: FY2015 – FY2020



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, construction 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.

SIGNIFICANT CHANGES IN FY2020

- The City Attorney's caseload has become more complicated and time-consuming over the last few years. Significant City projects require large amounts of time, increasing the need for outside counsel and additional attorney help. As budgets remain flat, while contract costs increase, it has become more and more difficult to meet these needs. These trends are expected to continue.

FY2020 DELIVERABLES

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

Matters Handled by City Attorney	CY2018	FY2020 est.
Written Legal Opinions provided in CY2017:	17	18
Ordinances/Resolutions reviewed for Council meetings:	56	65
Other assignments:	106	125
Claims and Litigation	8	10
Total	187	218

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

- Ensure FOIA compliance within all departments for governmental transparency.

PRIORITIES FOR FUTURE FUNDING

1. Part-time Assistant Attorney (20 hrs. a week) $85,000. The City Attorney needs a part-time Assistant Attorney to assist with case review and general legal services.

City Attorney

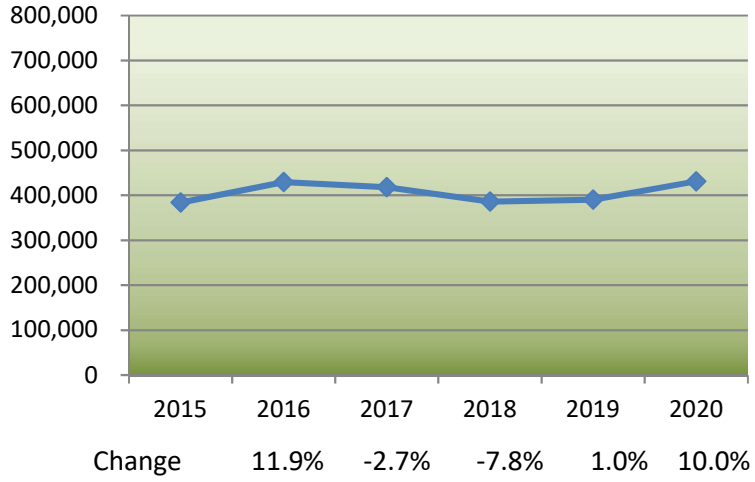
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 City Attorney
- 1.00 Paralegal

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 224,157	$ 261,349	$ 269,895	3.27%
Benefits	59,046	60,082	62,235	3.58%
Professional and Contractual	54,782	51,650	79,201	53.34%
Materials, Supplies, and Other	17,342	16,954	17,730	4.58%
Net Expenditures Supported by General Revenues	**$ 355,328**	**$ 390,035**	**$ 429,061**	**10.01%**
Permanent Position FTE	**2.00**	**2.00**	**2.00**	**0.00%**

BUDGET TREND: FY2015 – FY2020



Notes:

- Decreases from 2016-2018 are due to increasing costs of judicial services contract. To keep the overall budget "flat", the City Attorney's fund for outside professional services is being reduced.
- Increase in 2020 Adopted budget is the result of additional funding for professional services because prior year's budget was insufficient to meet City's needs.

JUDICIAL SERVICES WITH ARLINGTON COUNTY

SUMMARY OF SERVICES PROVIDED

The City contracts certain judicial services to Arlington County (County) for the Circuit Court, General District Court and Juvenile and Domestic Relations Court. In addition, we also share in the cost of the Commonwealth's Attorney. Costs are shared based on the population of the City and the County.

TRENDS AND ISSUES

- Increasing population requires increasing judicial services.

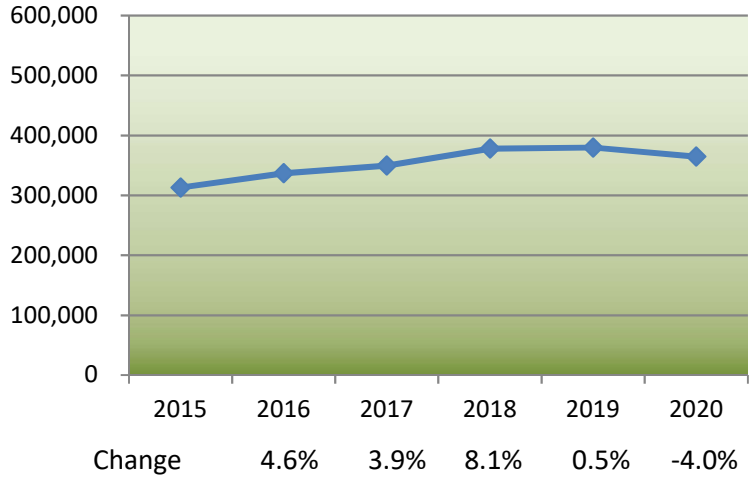
FY2020 DELIVERABLES

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

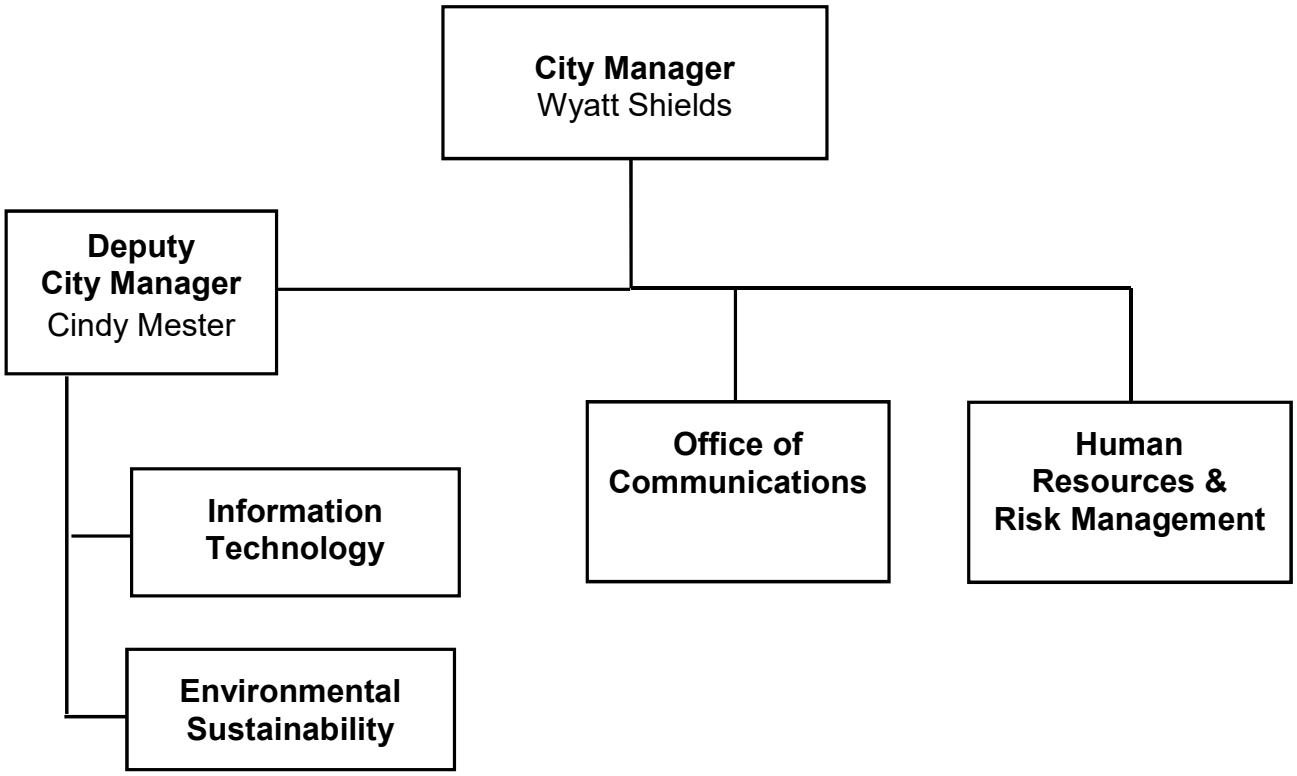
ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 354,846	$ 379,787	$ 364,686	-3.98%
Net Expenditures Supported by General Revenues	**$ 354,846**	**$ 379,787**	**$ 364,686**	**-3.98%**

BUDGET TREND: FY2015 – FY2020



EXECUTIVE MANAGEMENT



TOTAL DEPARTMENTAL BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 1,708,608	$ 1,775,028	$ 1,998,031	12.56%
Benefits	523,069	496,784	541,282	8.96%
Professional and Contractual	343,201	487,931	485,781	-0.44%
Materials, Supplies, and Other	242,715	283,324	287,103	1.33%
Capital Outlay	434,430	41,382	66,382	60.41%
Total Expenditures	3,252,024	3,084,449	3,378,579	9.54%
Revenues				
Grants & Contributions	1,975	1,800	-	-100.00%
Net Expenditures Supported by General Revenues	**$ 3,250,049**	**$ 3,407,343**	**$ 3,691,127**	**8.33%**
Permanent Position FTE	**16.40**	**16.90**	**17.90**	**5.92%**

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 FY2020

- Deputy City Manager position returned to full time assignment within this function with the funding to replace the Human Resources Director position.

FY2020 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 ($55,000) to provide phone coverage, assist citizens and visitors to the City Manager's Office and perform various office duties.

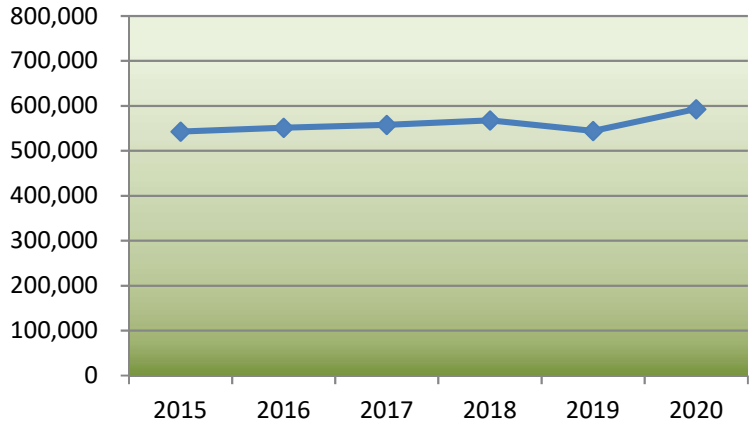
ADOPTED POSITIONS BY FTE – 3.00 TOTAL

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

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 420,816	$ 416,955	$ 458,276	9.91%
Benefits	127,997	108,885	114,934	5.56%
Materials, Supplies, and Other	19,654	18,639	19,718	5.79%
Net Expenditures Supported by General Revenues	**$ 568,467**	**$ 544,479**	**$ 592,928**	**8.90%**
Permanent Position FTE	**2.85**	**2.85**	**3.00**	**5.26%**

BUDGET TREND: FY2015 – FY2020



Change	1.5%	1.2%	1.8%	-4.1%	8.9%

Notes:

- The Office of the City Manager budget is principally personnel related.
- In FY2018 and FY2019, the Deputy City Manager also fulfilled the role of HR Director and was partially allocated to HR. In FY2020, the HR Director position is being added back to the budget.

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 120 news releases; creating over 690 posts on Facebook for over 3,700 followers; posting 914 tweets on Twitter for almost 4,600 followers; sharing Instagram photos for 1,300 followers; distributing weekly ”Focus on Falls Church eNewsletters” to almost 1,300 subscribers; and distributing monthly employee newsletters. OCOM manages the City’s public website, Falls Church Alerts, Citizen Information Line, Employee Information Line, 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.
- 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.

FY2020 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, $90,000. 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.

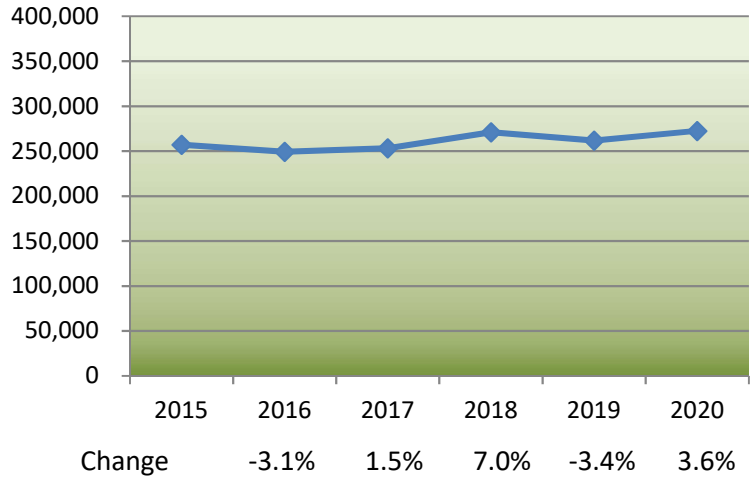
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 Communications Director
- 1.00 Senior Communications Specialist

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 181,251	$ 188,341	$ 197,077	4.64%
Benefits	58,197	51,485	52,165	1.32%
Professional and Contractual	19,251	17,431	17,431	0.00%
Materials, Supplies, and Other	4,473	4,530	4,530	0.00%
Capital Outlay	-	-	-	0.00%
Net Expenditures Supported by General Revenues	**$ 263,172**	**$ 261,787**	**$ 271,203**	**3.60%**
Permanent Position FTE	**2.00**	**2.00**	**2.00**	**0.00%**

BUDGET TREND: FY2015 – FY2020



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 coordinates with the Deputy City Manager who serves as the City's Basic and Police Pension Plans Administrator.

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. Training addresses regulatory, organizational effectiveness and career development areas. Over last 10 months 15 training sessions have been conducted with 510 participants.
- Updating all administrative personnel regulations to ensure federal, state and local code compliance and maximize operational effectiveness. This is a multi-year project.
- Enhancing employee benefits and wellness programs to be competitive with market.

SIGNIFICANT CHANGES IN FY2020

- Restore the Human Resources Director position to full time status.
- Undertaking procurement contract renewals for several benefit programs (long-term disability and employee assistance services) joint with the FCCPS

FY2020 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 Recognition Program $5,000. Opportunity to develop immediate and smaller scale recognition program as part of overall employee retention efforts.
2. Compensation Analysis Tool $10,000. To implement a 4-year cycle (25% of positions per year) to review all job descriptions and salary pay plan to ensure competitive to market and regional peers. Last full review was in 2014 and the City needs to regularly review salary ranges due to volatile and tight employment market. Maintaining competitive and equitable salaries is key to employee recruitment and retention.
3. Recruitment Background Checks and Screening $10,000. Streamline the process through one vendor which results in filling vacant positions more quickly and frees up HR staff time for critical projects such as policy updates, on-line application implementation, training, and benefit contract collaboration with FCCPS.
4. Employee Transit/Commuter Subsidy $5,000: 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.

ADOPTED POSITIONS BY FTE – 2.50 TOTAL

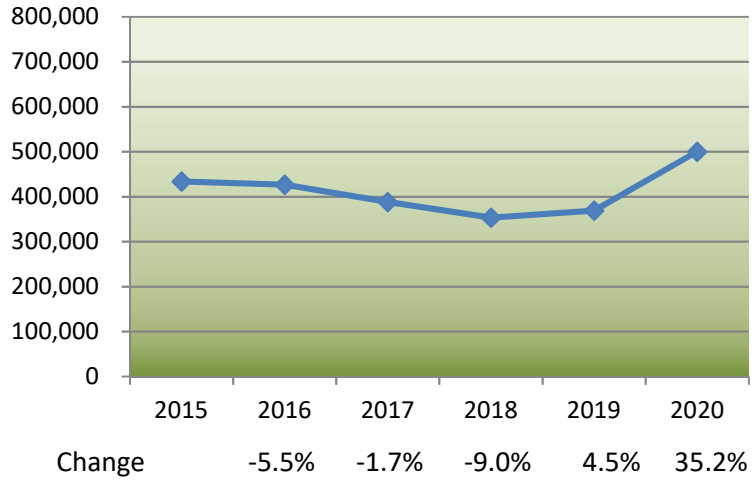
- 0.75 Human Resources Director*
- 0.75 Human Resources Generalist*
- 1.0 Human Resources Deputy Director

*Positions are allocated to other activities.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 191,389	$ 206,730	$ 317,051	53.36%
Benefits	68,546	83,319	104,626	25.57%
Professional and Contractual	35,266	33,700	32,150	-4.60%
Materials, Supplies, and Other	28,880	44,350	44,350	0.00%
Capital Outlay	-	1,000	1,000	0.00%
Net Expenditures Supported by General Revenues	**$ 324,080**	**$ 369,099**	**$ 499,177**	**35.24%**
Permanent Position FTE	**1.85**	**2.35**	**2.50**	**6.38%**

BUDGET TREND: FY2015 – FY2020



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.
- In FY2020, the position of HR Director is being restored in the budget.

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 handles all property and casualty claims through the Virginia Municipal League Liability Pool. Human Resources 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. Also 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. Under this cost center Human Resources also administers the safe driver recognition program and the insurance grant program.

SIGNIFICANT CHANGES IN FY2020

- Restored Human Resources Director to full time position which is assigned .25 FTE to risk management.
- Eliminated the Wellness Program ($4,000) that reimbursed employees physical fitness gym costs due to anticipated insurance premium increases; will restore if final renewal costs are lower than projected.

FY2020 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

PRIORITIES FOR FUTURE FUNDING

1. Wellness Program $4,000. Wellness programs are preventative in nature and reduce health and workers' compensation claims.

ADOPTED POSITIONS BY FTE – .50 TOTAL

- 0.25 HR Director*
- 0.25 Human Resources Generalist*

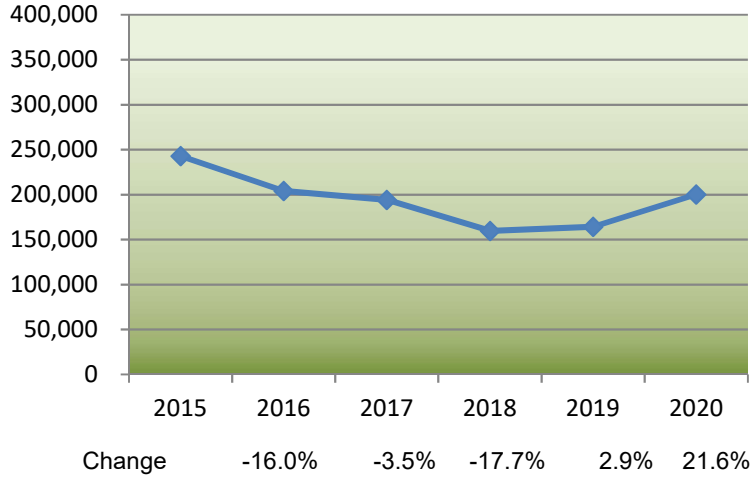
*Positions are allocated to other activities.

Risk Management

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 15,592	$ 25,739	$ 55,124	114.17%
Benefits	11,834	13,295	15,324	15.26%
Professional and Contractual	3,056	5,500	5,500	0.00%
Materials, Supplies, and Other	115,847	119,754	123,754	3.34%
Net Expenditures Supported by General Revenues	**$ 146,329**	**$ 164,288**	**$ 199,702**	**21.56%**
Permanent Position FTE	**0.30**	**0.30**	**0.50**	**66.67%**

BUDGET TREND: FY2015 – FY2020



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.
- In FY2020, the position of HR Director is being restored in the budget.

INFORMATION TECHNOLOGY

SUMMARY OF SERVICES PROVIDED

The Information Technology Services & Support (ITS) team supports City Government staff to maximize their efficiency in serving the public. IT Services 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.

IT Services 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 funding to support a refresh cycle to approximately one quarter 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 operating 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. IT Services has significantly increased the number of active projects to address and support these initiatives that exceed available resources to effectively manage.
- Significant increased risks for cyber-attacks, such as ransomware.

SIGNIFICANT CHANGES IN FY2020

- Refinement of the City's continuity of operations (COOP) and disaster recovery (DR) capabilities for all essential systems and services.
- Additional design and implementation required for the Mary Riley Styles Public Library renovation to properly accommodate the technology heavy requirements in the new building.
- Expand remote access capabilities for staff to be able to provide more efficient services.

FY2020 DELIVERABLES

- Provide complete structured cabling, security system and AV design and systems installation for the City's Public Library renovation project 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 and expanded wireless capability at all sites and expanded City Hall.
- Refinement of the continuity of operations / disaster recovery (COOP/DR) infrastructure of core systems and services for City operations and key sites.

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 / Systems Analyst $52,500 (salary & benefits). Current demand for basic 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 public safety requirements, priority needs and workload demands 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 required for IT staff training on new systems and technologies to limit downtime and ensure effective operations. The current budget provides only for very basic online self-paced study material for ITS staff.
4. Audio Visual Equipment Refresh $4,500. 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.
5. Equipment Refresh $49,500 - $62,500. Due to budget constraints, funding has been cut for equipment replacement and system enhancement. The minimum additional required for proper staggered refresh phases is ~$62,500 for base systems on be on a 4 year cycle.
6. 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 far exceeded the ITS team's support capability.

7. Computer Equipment – Replacement Servers $25,000. To provide funding to refresh server equipment on a very long 7 year cycle.
8. Computer Equipment – Replacement Network $25,000.To provide funding to refresh network equipment on a very long ~7 – 10 year cycle.

ADOPTED POSITIONS BY FTE – 8.40 TOTAL

- 1.00 Chief Technology Officer/ Security Officer
- 1.00 Senior Team Lead/IT Manager
- 1.00 Network Engineer
- 1.00 Communications/Systems Specialist

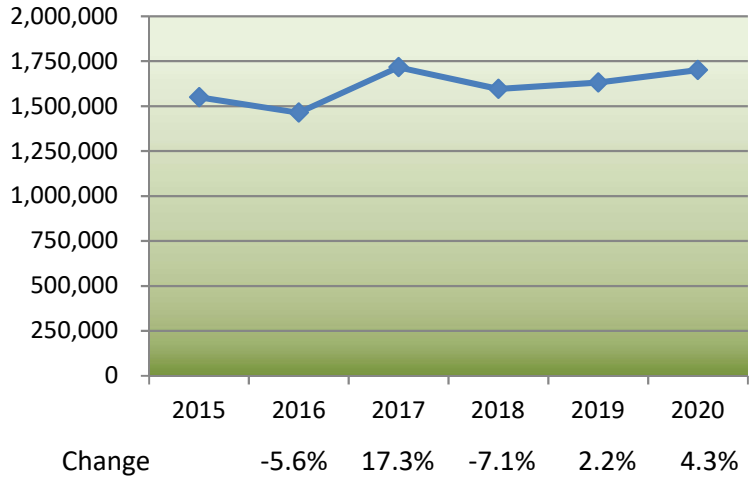
*Temporary employees are also employed to assist with projects.

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

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 674,381	$ 852,251	$ 882,728	3.58%
Benefits	193,021	220,031	234,828	6.72%
Professional and Contractual	208,511	431,200	430,500	-0.16%
Materials, Supplies, and Other	63,471	87,125	87,825	0.80%
Capital Outlay	434,430	40,382	65,382	61.91%
Net Expenditures Supported by General Revenues	**$ 1,573,814**	**$ 1,630,989**	**$ 1,701,263**	**4.31%**
Permanent Position FTE	**8.40**	**8.40**	**8.40**	**0.00%**

BUDGET TREND: FY2015 – FY2020



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.
- FY2020 only encompasses staff merit and insurance increases.

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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 continued its 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. Total emissions for the City have declined slightly over the past ten years in spite of our population growth. These reductions are chiefly as a result of lower emissions from regional utility plants producing electricity for the grid, and reduced vehicle emissions resulting from federal mandates. The current trend in emissions reductions from 2005 to 2015, both regionally and in the City of Falls Church, is insufficient to achieve our 2020 goal. The Coordinator will continue to work on developing plans for the City to achieve emissions reductions through all means at its disposal. The Coordinator leads the City's effort to gain regional, state and federal funds and collaboration to achieve meaningful progress toward these goals.

The 2017 update of the Vision Chapter of the City's Comprehensive Plan clarified the fundamental precepts of environmental harmony in the City of Falls Church. 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 has been working with CPEDS and DPW staff and with significant input from the Environmental Sustainability Council and other members of the public, on a revised "Natural Resources and the Environment" chapter of the Comprehensive Plan. The revised chapter is anticipated to be ready for Planning Commission and City Council approval by mid-2019.

TRENDS AND ISSUES

- The current US administration has changed and continues to change federal environmental policy in ways that are likely to impede the achievement of regional and local goals. However, regional and local governments are working 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, our

greenhouse gas emissions data were generated in collaboration with MWCOG, and we will once again participate in a Solarize campaign through NVRC.

- 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 Coordinator and the ESC will continue to advocate for independently certified green building and neighborhood standards.
- The Volkswagen vehicle emissions settlement has created the opportunity for public electric vehicle charging stations to be installed and operated at no cost to the City. Electrify America, funded by the federal portion of the settlement, is installing eight charging stations at City Hall at no cost to the City. EVGo, a contractor engaged by Virginia state government using their portion of the settlement, is negotiating with the City and a private property owner to install chargers, again at no cost. With charging station availability, the City should seize the opportunity to publicize and encourage electric vehicle use to reduce vehicle emissions, pollution and noise.

SIGNIFICANT CHANGES IN FY2020

- The Coordinator's work focus will shift from revision of the Comprehensive Plan "Natural Resources and Environment" chapter to the development of plans to achieve the goals it identifies. The revised chapter will include goals in areas such as climate change mitigation and adaptation, sustainability, resilience and solid waste management that were not addressed in the previous version.
- The burden on staff resources of the ESC's environmental action program for elementary school children, Operation EarthWatch, has been significantly reduced by shifting its fiscal management to the Village Preservation and Improvement Society, and engaging additional volunteers to administer the program. Operation EarthWatch continues to be a City program, with support from staff and the ESC.

FY2020 DELIVERABLES

- Action Plan for implementation of the Natural Resources and the Environment chapter of the Comprehensive Plan
- Greenhouse Gas Emission Reduction
- CPACE ordinance and program to finance energy and water efficiency in new and renovated buildings
- 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
- Raise awareness of and participation in Environmental programs through effective communication.

ADOPTED POSITIONS BY FTE – 1.00 TOTAL

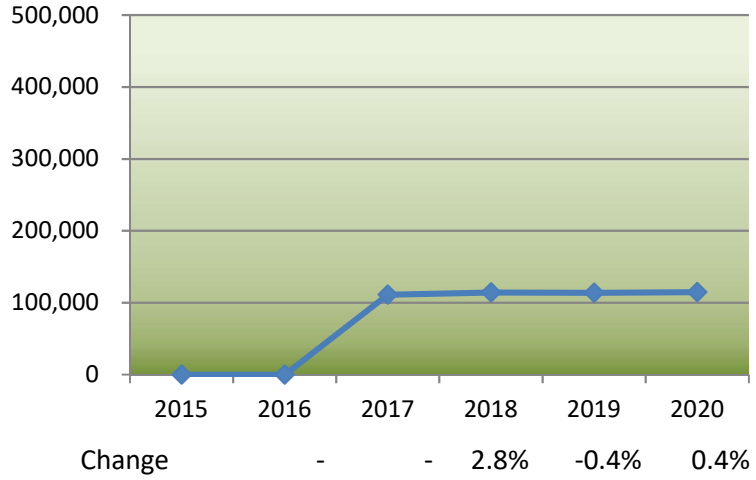
- 1.00 Environmental Program Coordinator

Environmental Sustainability

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 81,852	$ 85,012	$ 87,775	3.25%
Benefits	22,342	19,769	19,405	-1.84%
Professional and Contractual	-	100	200	100.00%
Materials, Supplies, and Other	6,725	8,926	6,926	-22.41%
Total Expenditures	110,919	113,807	114,306	0.44%
Revenues				
Grants & Contributions	1,975	1,800	-	-100.00%
Net Expenditures Supported by General Revenues	**$ 108,944**	**$ 112,007**	**$ 114,306**	**2.05%**
Permanent Position FTE	**1.00**	**1.00**	**1.00**	**0.00%**

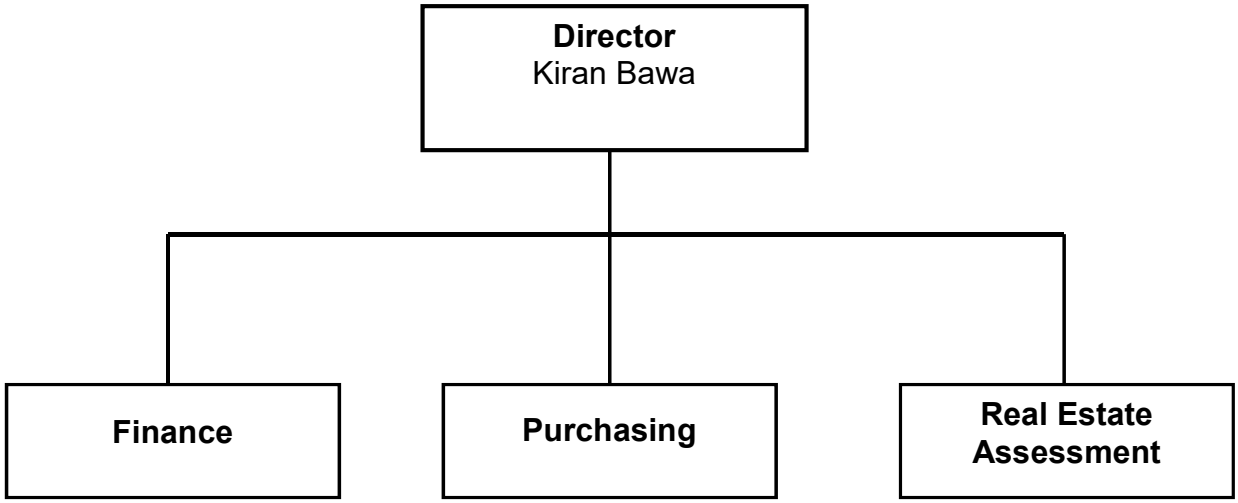
BUDGET TREND: FY2015 – FY2020



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.
- FY2020 budget remains flat; Operation EarthWatch reduced expenditures and revenues netted to zero.

DEPARTMENT OF FINANCE



TOTAL DEPARTMENTAL BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 1,031,324	$ 1,086,739	$ 1,159,715	6.72%
Benefits	304,494	298,556	296,715	-0.62%
Professional and Contractual	102,627	105,686	103,386	-2.18%
Materials, Supplies, and Other	46,336	37,326	37,835	1.36%
Capital Outlay	-	-	-	0.00%
Reserves	-	-	-	0.00%
Net Expenditures Supported by General Revenues	**$ 1,484,780**	**$ 1,528,307**	**$ 1,597,651**	**4.54%**
Permanent Position FTE	**11.00**	**11.00**	**11.00**	**0.00%**

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 to address the City's Capital Improvements Program needs. The Division pays all invoices, and process payroll for 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 and ensure compliance with Virginia Public Procurement Act.

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.

FY2020 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. There is increasing demand to provide assistance to departments with budget preparation, review, and implementation for operating budgets as well as capital improvement project budgets. In addition, changing economic environment and the proposals or enactment of new laws requires additional resources to provide data analysis for revenue and expense projections.

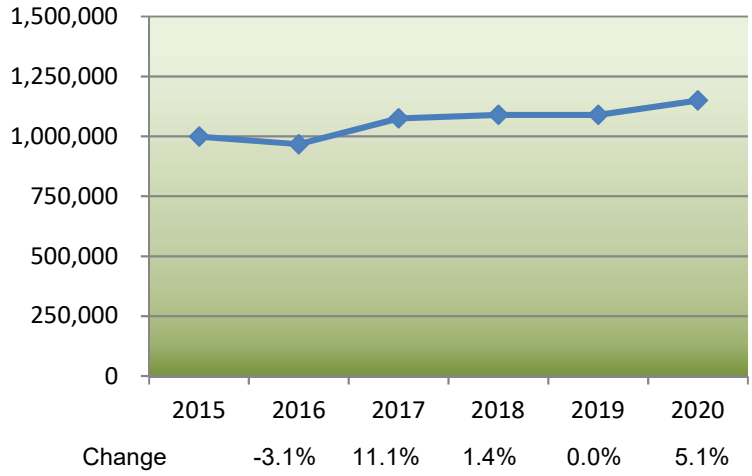
ADOPTED POSITIONS BY FTE – 8.0 TOTAL

- 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

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 728,203	$ 787,828	$ 848,290	7.67%
Benefits	208,321	206,624	203,280	-1.62%
Professional and Contractual	72,861	75,100	74,300	-1.07%
Materials, Supplies, and Other	26,714	19,800	19,409	-1.97%
Net Expenditures Supported by General Revenues	**$ 1,036,098**	**$ 1,089,352**	**$ 1,145,279**	**5.13%**
Permanent Positions FTE	**8.00**	**8.00**	**8.00**	**0.00%**

BUDGET TREND: FY2015–FY2020



Notes:

- Increase in FY2017 is due to the transfer of a senior administrative assistant position from another department.

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

FY2020 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

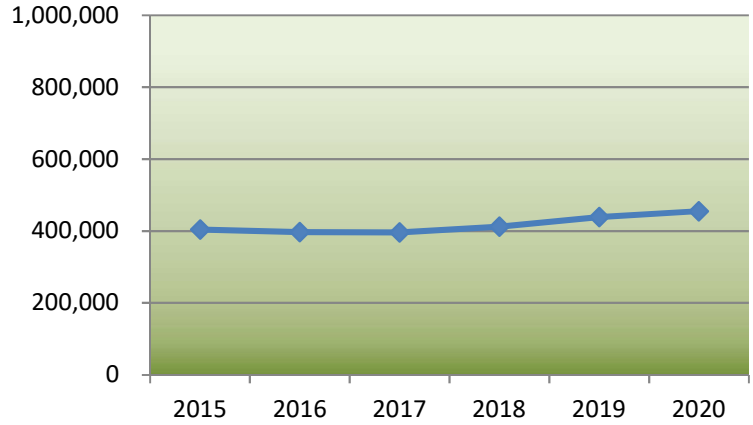
- 1.00 Real Estate Assessor
- 1.00 Real Estate Specialist
- 1.00 Senior Real Estate Appraiser

Real Estate Assessor

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 303,121	$ 298,911	$ 311,425	4.19%
Benefits	96,173	91,932	93,435	1.63%
Professional and Contractual	29,766	30,586	29,086	-4.90%
Materials, Supplies, and Other	19,622	17,526	18,426	5.14%
Net Expenditures Supported by General Revenues	**$ 448,682**	**$ 438,955**	**$ 452,372**	**3.06%**
Permanent Positions FTE	**3.00**	**3.00**	**3.00**	**0.00%**

BUDGET TREND: FY2015 – FY2020



	2015	2016	2017	2018	2019	2020
Change		4.6%	-0.1%	4.0%	6.5%	3.1%

Notes:

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

COMMISSIONER OF THE REVENUE

Thomas D. Clinton
Commissioner of Revenue

SUMMARY OF SERVICES PROVIDED

Tom Clinton is a directly elected State Constitutional Officer, and a 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 four times in 2006, 2010, 2014 and 2018. Tom was born in Falls Church, attended FCCPS 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 assessments represent 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 and it enhances the overall quality of life.

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 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 returning to City Hall in May of 2019, 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, e-mail and walk-in traffic, the highest number of phone calls and performs the most Notary requests in City Hall. The Commissioner's Office is the most 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. Five out of the six 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 <u>your</u> 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 new residential units and that are now fully occupied, and most of the commercial space is now leased, with at least 800 or more cars, numerous businesses located on the ground floor, and some located above in the residential units, and the filing of hundreds of additional state income tax returns and estimated payments.
- Founder's Row was approved in January of 2016 with 322 new residential units, and it was later amended to include 72 age-restricted apartments, and ground was broken in March of 2019

creating more future demand on the Office, even before the larger West End campus is developed. The project will start with many contractor business licenses issued from the Commissioner's Office. When completed, 750 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, and they will need to be managed by the Office, including a large dine-in style movie theatre, numerous retail stores, and restaurants. The new movie theater admissions tax assessed on each ticket will be audited by the Commissioner's Office.

- The Insight Development Project at Broad and Washington Street has been approved by the City Council and is awaiting a final site plan, possibly adding hundreds of new apartments, numerous businesses and hundreds of additional cars that will need to be registered and assessed by the Office, plus more resident tax returns and estimated tax payments filed yearly.
- Our New Resident Outreach Program has been very successful in orienting new residents to Falls Church City and getting them to register their vehicles sooner, pay their car taxes and get a City decal on their vehicles within the 60 day limit, so they can avoid getting a $50 ticket.
- Personal property assessments should continue to increase with the City's recent acquisition of a license plate tag reader, and the Office plans to get out-of-state license plate access in 2019.
- 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 near the flags.
- In 2016, Commissioner Clinton added the DMV Connect Service, which now visits Monday through Thursday, during the 2nd week of the month, at the City Hall Building, starting in May of 2019, 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. An additional day was added in 2018.
- In calendar year 2018, the Commissioner's Office tracked about 1400 construction permits issued from the Community Planning & Economic Development Services Department (CPEDS) and these represented about $25M in overall construction activity. This is done to ensure that all business licenses and waivers were properly obtained; the appropriate taxes were assessed, the property improvement information was sent on to the City Assessor, and the Workers' Compensation forms were submitted to the state, protecting employees working in the City.

FY2020 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; and errors are detected and corrected, and then entered into the state's 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 car) tax bills in September of each year.
- In June, the office mails out 11,000 Vehicle Verification Forms to all 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, saving taxpayers money.
- The office removes and applies hundreds of City decals on taxpayer's windshields every year to help residents be in compliance with the City code. No appointment is necessary.

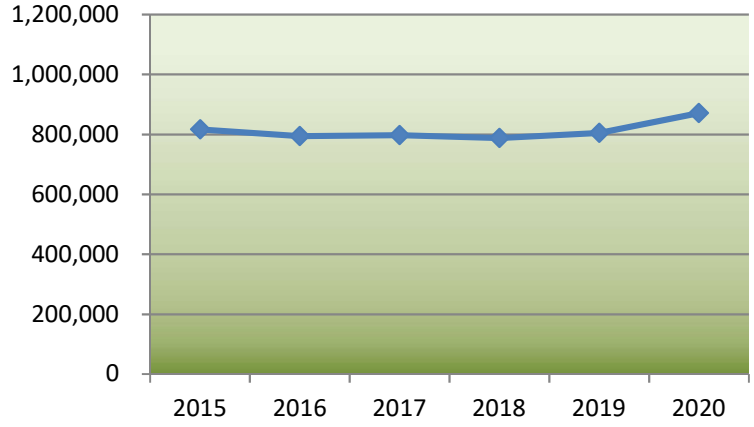
ADOPTED POSITIONS BY FTE – 8.75 TOTAL

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

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 595,263	$ 624,048	$ 672,378	7.74%
Benefits	143,401	148,733	177,307	19.21%
Professional and Contractual	5,891	10,600	9,700	-8.49%
Materials, Supplies, and Other	18,718	21,409	20,625	-3.66%
Capital Outlay	289	-	1,100	-
Reserves	-	-	-	0.00%
Total Expenditures	763,563	804,790	881,110	9.48%
Revenues				
State Grants	94,015	92,500	94,100	1.73%
Net Expenditures Supported by General Revenues	**$ 669,548**	**$ 712,290**	**$ 787,010**	**10.49%**
Permanent Positions FTE	**8.75**	**8.75**	**8.75**	**0.00%**

BUDGET TREND: FY2015 – FY2020



	2015	2016	2017	2018	2019	2020
Change		-2.8%	0.5%	-1.3%	2.1%	9.5%

Notes:

- The Commissioner's Outreach program to residents living in apartments and condos continues to be very successful in getting more vehicles registered, taxes paid sooner, and a reduction in parking tickets.
- The full-service **DMV2Go Mobile Unit** will be parked in front of **City Hall,** by the flags, on the **2nd Friday** of every month from 9 am until 4 pm. ***The DMV2Go Mobile Unit and the DMV Connect Service both now offer the more secure Real ID compliant Driver's Licenses and ID's.**
- The full-service **DMV Connect Service** (the equipment is brought in suitcases) will be back inside City Hall in the Laurel Room on the G Level, starting in May of 2019, after the City Hall renovations are completed. The Connect visits take place **Monday through Thursday in the second week of every month**.

  The DMV Connect Service does not do any new Driver's License written testing but you can get Driver License renewals and conversions from out-of-state licenses issued. Call **(703) 248-5450** or e-mail us at: **commissioner@fallschurchva.gov** for more details, or if you have any DMV related questions. The hours are from 9 am - 4 pm.
- **We mourn the loss of our colleague and good friend, Gary LaPorta, in February of 2019. He will be missed.**

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 citizens. Jody was elected in 2014, after serving the office as Chief Deputy Treasurer for 8 years prior to her election as Treasurer. She is currently serving her 2nd term in office.

Ms. Acosta earned her certification from UVA's Weldon-Cooper Center for Public Service as a Master Governmental Treasurer (MGT) in 2018. She is also proud to announce the Treasurer's Office Accreditation award for 2019, whereby the office is now an accredited treasury office meeting the established criteria for statewide standards of performance set by the Treasurer's Association of Virginia. In 2018 Ms. Acosta was re-elected to the Board of Trustees for the VACo/VML Virginia Investment Pool - a statewide governmental trust fund for Virginia localities and other political sub-divisions that has grown to over $1.3 Billion in investments. She is currently serving her 3rd 2-year term on the Board.

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

The work of the Treasurer's office is complex and varied. The office operates a busy front counter, accepting in-person payments for taxes, stormwater fees, parking tickets, business licenses, permits and other City fees. We also administer the tax relief program for senior citizens, issue vehicle decals, process permit parking applications for the City's zone parking programs, and we issue approximately 400 dog licenses per year. In addition to the front office work, we process all incoming revenue to the City in our back office operations, working closely with the Finance Department to record incoming electronic payments from the state and other agencies, grant reimbursements, incoming wires, etc.

The office also works closely with the Real Estate Assessment office and issues supplemental real estate tax bills due to new construction and tax abatements from reduced assessments due to appeals.

TRENDS AND ISSUES

- For the 2nd year in a row, the Treasurer's Office set an all-time high for Tax Collection rates. In the year ended June 30, 2018 (FY2018), the combined collection rate for Real Estate and Personal Property taxes *during the year of the Levy was 99.11%* - the highest rate in the City's history. The combined collection rate for all previous years is 99.80%, one of the highest and best in Virginia.
- The Treasurer's office has met the increased need for online support for our citizens who want to receive their bills electronically and who want to pay all City taxes, fees and fines online. In 2018, we established online payment for our School division's tuition payments and facility

rentals. Online payments now include personal property taxes, real estate taxes, special trash billing, false alarm fees, parking tickets, tuition payments and facility rental payments.

- The Treasurer's office administers the City's Residential Zone Parking Programs for Winter Hill and Founder's Row. In early 2019, in collaboration with the Department of Public Works, we implemented Zone 2 for the area surrounding Founder's Row on Park Avenue, Grove Avenue and surrounding streets. Zone 2 parking applications were mailed in February and are now being processed in the Treasurer's office. To date, we have processed over 12,000 Visitor passes and over 750 parking permits for the residents of the City's two parking zones. This is an ongoing program.
- The Treasurer's office is a member of the City's "parking study group" – a coalition between the FC Police Dept., Dept. of Public Works, the Commissioner of the Revenue and FC Sheriff's office. This inter-departmental alliance between City Hall offices is a contributing factor, along with growth from new development, of increased vehicle registrations over the prior 3 years of more than 750 cars. This translates into increased revenue from personal property taxes and an increased workload on the Treasurer's Office staff for billing and collections.

SIGNIFICANT CHANGES IN FY2020

- The City's population has grown 17.3% in the last 10 years, with 7% of that growth coming in the last 5 years. Many City Hall offices have been impacted by the increased demands of a growing population, but the smaller offices, such as the Treasurer's office with 5 people, have been impacted most severely. During our busiest time of year from September through the end of the year, which is personal property tax season and the 2nd installment billing for real estate taxes, we are especially hard hit. The staff answers over 100 emails per day and fields over 150 phone calls per day at the peak times, all while processing our regular back-office work for Finance, helping walk-in customers at the counter, processing payment batches from other departments, processing mail, etc. It is impossible to get it all done in one day with the existing staff; the Treasurer and Chief Deputy routinely put in 10-12 hour days, with staff putting in an average of 45 hours per week each. With no overtime budget, the cost must be covered within our existing budget by moving money away from other initiatives/activities. An additional staff member is on our unmet needs list. In order to address the need for additional staff in FY2020, the Treasurer has re-organized the office staff. Instead of having a dedicated Compliance Specialist (Collections), the collections work is spread throughout the office with the Treasurer and Chief Deputy taking the lead. In FY2020, a seasonal temporary part-time employee will be added to ease the workload for the busiest times of the year. This temporary position will be paid for within the treasurer's office budget by delaying other initiatives.
- The Office of Community Planning and Economic Development (CPEDS) has requested the ability to pay permit fees online for their clients. The Treasurer is currently looking at a 3rd party online payment provider that would allow the implementation of online permit payments in FY2020.
- The Treasurer is in the process of issuing a banking services RFP. The RFP process should be completed in calendar year 2019. The addition of integrated payables is a key component of the banking services contract being sought and will decrease costs and staff time associated with accounts payable processing. Other savings are anticipated for reduced banking fees as well.

FY2020 DELIVERABLES

1. Bill and collect payments on more than 9,000 real estate bills during the year.
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 400+ dog licenses each year. Maintain database for Animal Control.
7. Issue approximately 200 bank liens, 2600 delinquent tax notices, 400 DMV Registrations stops, 300 State tax refund seizures as part of the collection process each year.
8. Process and transmit to the State Department of Taxation over 500 Estimated State Income Tax payments and 500 State Tax Payments for City residents.

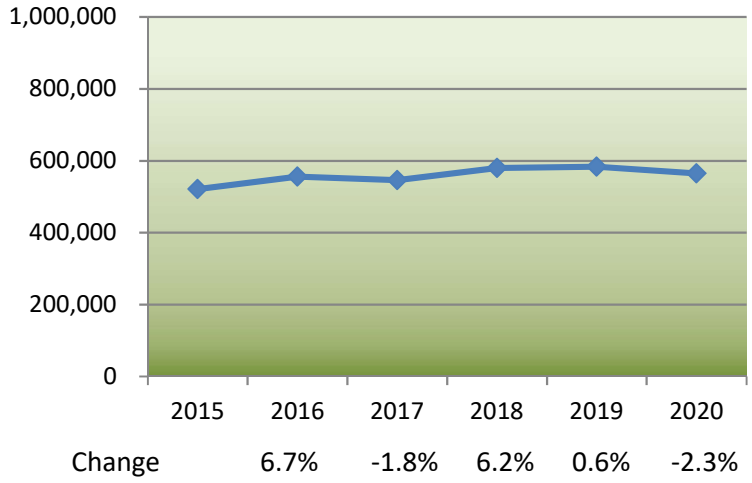
ADOPTED POSITIONS BY FTE – 5.00 TOTAL

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

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 355,248	$ 381,297	$ 387,376	1.59%
Benefits	123,056	123,312	99,452	-19.35%
Professional and Contractual	44,684	41,097	45,407	10.49%
Materials, Supplies, and Other	33,797	37,737	37,737	0.00%
Total Expenditures	556,785	583,443	569,972	-2.31%
Revenues				
State Grants	75,526	76,000	75,600	-0.53%
Charges for Services	6,002	8,100	5,000	-38.27%
Total Revenues	81,528	84,100	80,600	-4.16%
Net Expenditures Supported by General Revenues	**$ 475,257**	**$ 499,343**	**$ 489,372**	**-2.00%**
Permanent Positions FTE	**5.00**	**5.00**	**5.00**	**0.00%**

BUDGET TREND: FY2015-FY2020



Notes:

- Staff turnover in 2018 results in lower salary and benefit costs in FY2020.

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 FY2018, the Treasurer's Office received and processed 85 completed Applications, and granted Tax Relief and/or Deferral to 76 individuals. The cost for Elderly & Disabled Tax Relief was $185,277 and the cost for the Veteran's Relief Program was $97,539 for a total of $282,816.

The Treasurer's office also administers the Tax Deferral program for 9 senior citizens who deferred a total of $37,820 in real estate taxes in FY2018. Additionally, there were a total of 25 citizens receiving personal property tax relief for a total of $1,342 in relief.

In 2014, City Council unanimously approved a modification to the Senior Tax Relief Program. The modification includes increasing the qualifying income limits and the relief cap amounts from $2,000 to $4,000.

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 moved out of the City in 2017.

SIGNIFICANT CHANGES IN FY2020

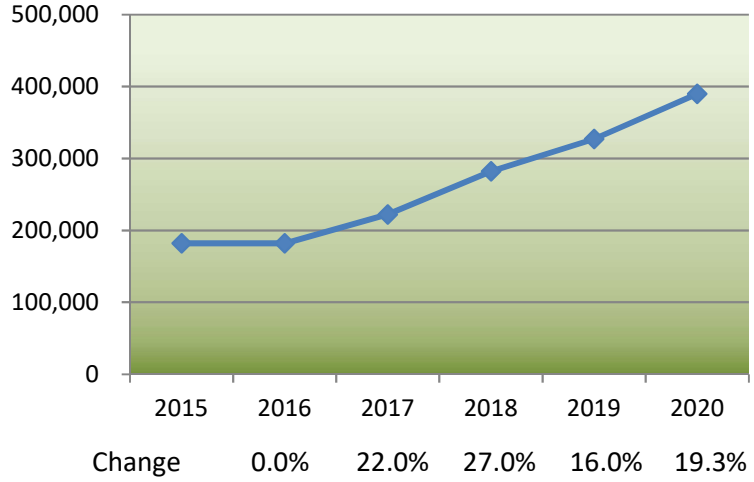
- The Tax Relief Working Group was appointed in calendar year 2018 to study the existing program and determine if we offered enough relief to our senior population. Could we increase the benefits we offered or restructure the program to make it fairer and/or enhance the benefits? Could we enhance our deferral program to make it a better option? Realizing that Falls Church City has some of the highest home values and highest incomes per capita in the country, could we do more for our most vulnerable population? The Working Group will present their recommendations to City Council as part of the budget package. Some of the recommendations include: 0% interest on deferred taxes, 100% relief to seniors in the lowest income category of 0-40% of AMI as set by HUD, a simplified application, and limit relief to deferral only for seniors whose homes are assessed at more than 125% of the average assessed value for Falls Church City homes or whose assets exceed $400,000. If approved, the recommendations would result in an increased cost for tax relief but would still be within the Adopted budget for FY2020 of $390,000.

ADOPTED BUDGET

	FY2018 Actual*	FY2019 Adopted	FY2020 Proposed	Percent Change
Expenditures				
Property Tax Relief	$ 282,816	$ 327,000	$ 390,000	19.27%
Net Expenditures Supported by General Revenues	**$ 282,816**	**$ 327,000**	**$ 390,000**	**19.27%**

*Property Tax Relief provided in FY2018 is shown here for comparative purposes but in actuality, they are treated as a reduction to tax revenues.

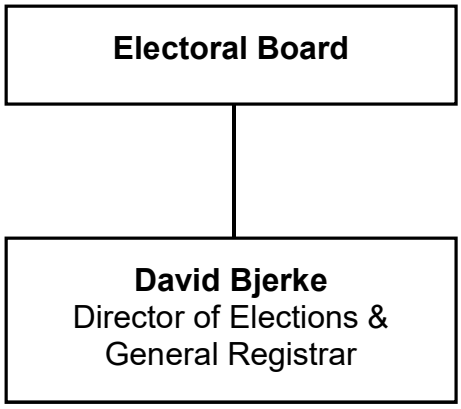
BUDGET TREND: FY2015-FY2020



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.
- A Tax Relief Working Group was established in FY2019 to study our existing program and make recommendations for enhancements to the relief program in FY2020 by offering 100% relief to those seniors in the lowest income category, and an increased benefit to other participants based on income as recommended by the working group.

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 5th, 2019
  - Primary Elections on March 3rd 2020 (Presidential Primary).
  - Primary Elections on June 9th, 2020 (Primary for all other offices).
- 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. The Electoral Board and General Registrar are requesting that the Deputy Registrar become a full-time employee due to the many increases of duties due to code changes.
- Four part-time Assistant Registrars. When the Deputy Registrar becomes full time, these Assistant Registrars will likely be needed less.

SIGNIFICANT CHANGES IN FY2020

-

FY2020 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 saw a budget decrease after implementation of a new voting system even with turnout expected to be higher than historical averages.
- FY2020 will require a budget increase with the increase in duties due to current code changes enacted by the General Assembly. We also expect continued higher than average turnout and an extra election. This year's budget increase is for a full time Deputy Registrar in order to accomplish the needs of the office.

PRIORITIES FOR FUTURE FUNDING

1. Full-time Assistant Registrar $43,000. This office requires the part-time deputy registrar position to be a full-time position in order to execute the duties of this office.
2. Post-election audit $10,000. Virginia is currently conducting random audits based on Virginia Code Section 24.2-671.1 and Falls Church should expect and be financially prepared to have a post-election audit in the next few years.
3. Fiscal Year 2021 will likely see the implementation of No-Excuse Early Voting for at least a week prior to Election Day which will have a funding impact.

ADOPTED POSITIONS BY FTE – 1.50 TOTAL

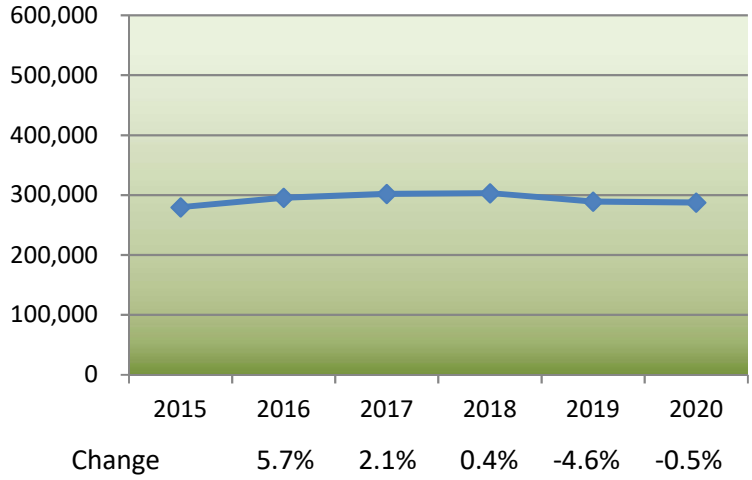
- 1.00 Registrar
- 0.50 Deputy Registrar

*On-call workers are also utilized when necessary.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 178,458	$ 183,438	$ 186,660	1.76%
Benefits	65,075	62,814	56,962	-9.32%
Professional and Contractual	2,141	10,850	10,850	0.00%
Materials, Supplies, and Other	39,368	32,150	33,320	3.64%
Total Expenditures	301,538	289,252	287,792	-0.50%
Revenues				
State Grants	42,225	43,300	44,000	1.62%
Fines	100	100	100	0.00%
Total Revenues	42,325	43,400	44,100	1.61%
Net Expenditures Supported by General Revenues	**$ 259,213**	**$ 245,852**	**$ 243,692**	**-0.88%**
Permanent Positions FTE	**1.50**	**1.50**	**1.50**	**0.00%**

BUDGET TREND: FY2015–FY2020



Notes:

- Budget changes based on the number and size of elections in each Fiscal Year (e.g. Presidential in FY2017 is the largest).
- The decrease in the FY2019 budget is a result of the implementation of a new voting system.
- The decrease in FY2020 is due to reduction in benefit costs.

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, the 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 provides assistance to the Falls Church Police Department for traffic enforcement and calming, walking patrols, crowd and traffic control and participates in regional law enforcement traffic and safety programs. The Sheriff's Office annually issues approximately 750 traffic citations which involve the enforcement of speed, safety belt and school bus statutes and also issue approximately 50 parking tickets. The Sheriff's Office receives grants from the state and regional governmental entities to conduct traffic enforcement and educational programs. Personnel of the Sheriff's Office are also trained and tasked with emergency response to serious public safety events including active shooters, fires, explosions, natural disasters and mutual-aid calls from surrounding jurisdictions.

The Sheriff's Office contributes significant numbers and often the bulk of personnel to provide security, crowd and traffic control at all major City events including the Memorial Day Parade, Fourth of July Festivities, Fall Festival and all of the City's runs/walks. The Sheriff's Office also implements and utilizes a trained reserve/auxiliary deputy program that consists of 13 trained volunteer deputies who work on court days and also assist with special events. This reserve deputy program accounts for a savings in excess of $90,000.00 in salaries alone. The current staffing of compensated deputies for the Office are insufficient to adequately and fully administer General District Court and Juvenile & Domestic Court requirements and to provide sufficient traffic and crowd control for City events without the assistance of the auxiliary/unpaid volunteer deputies.

The Sheriff's Office provides a community outreach court service 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, Boy Scout and Community Groups
- Firehouse Open House Presentation-Child Safety

TRENDS AND ISSUES

- Rising cost of housing inmates at Arlington and Alexandria Detention Centers. Anticipate increase in daily rates of housing costs from both detention centers. In particular, increase of 13% from Alexandria ADC the rate for which has not changed since 2014.
- Increase in numbers of Court Papers requiring processing.
- Increase in evictions, levies and other court process.
- Increase in City infrastructure (commercial/residential) with corresponding increase in court and departmental tasks and obligations for service.

SIGNIFICANT CHANGES IN FY2020

- Implementation of an X-ray Scanning machine and advanced metal detector to existing courtroom security protocols and adjusted and augmented training and personnel requirements.
- Modification of security protocols and personnel additions and training to accommodate new courtroom configurations and safety considerations including supplemental courtroom holding cell.

FY2020 DELIVERABLES

- Provide court and judicial security for at least 76 court days and additional arraignments.
- 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.
- Significant increase in the level of courtroom security and implementation of security instruments (X-ray Scanner, etc.)
- Significant increase in training/educational requirements of personnel to provide more sophisticated services.

ADOPTED POSITIONS BY FTE – 6.50 TOTAL

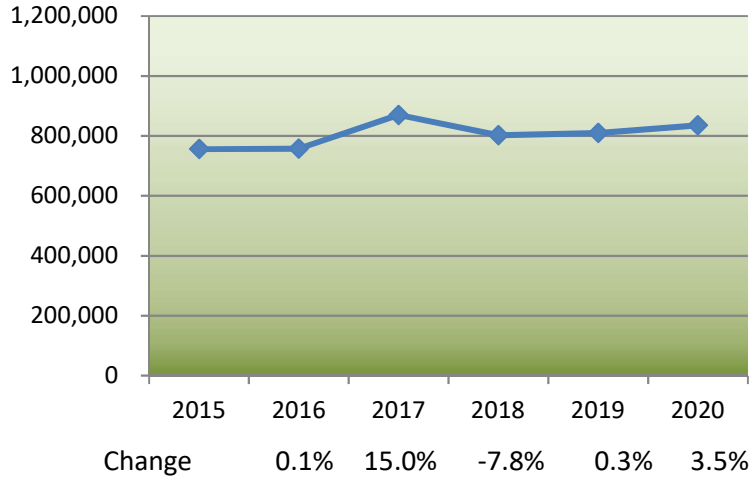
- 1.00 Sheriff (Elected)
- 3.50 Deputy Sheriffs
- 1.00 Chief Deputy Sheriff
- 1.00 Administrative Assistant

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

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 481,657	$ 579,362	$ 600,904	3.72%
Benefits	118,930	144,478	150,732	4.33%
Professional and Contractual	7,056	15,650	15,650	0.00%
Materials, Supplies, and Other	62,592	64,804	64,761	-0.07%
Capital Outlay	195,323	-	-	0.00%
Total Expenditures	865,558	804,294	832,047	3.45%
Revenues				
Federal Grants	10,597	-	-	0.00%
State Grants	143,933	142,000	144,000	1.41%
Charges for Services	29,307	45,392	41,792	-7.93%
Fines	29,818	49,662	44,927	-9.53%
Total Revenues	213,655	237,054	230,719	-2.67%
Net Expenditures Supported by General Revenues	**$ 651,902**	**$ 567,240**	**$ 601,328**	**6.01%**
Permanent Position FTE	**6.50**	**6.50**	**6.50**	**0.00%**

BUDGET TREND: FY2015 – FY2020



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. Alcohol (ASAP) programs are administered by court order for DUI and underage alcohol offenses. 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. Inmates, upon, sentencing, are transported to the Alexandria ADC which involves a significantly reduced per diem charge relative to Arlington ADC charges.

SIGNIFICANT CHANGES IN FY2020

- Transporting more inmates to Alexandria
- Facilitate the expeditious 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.
- Increased court security requirements mandated by the Virginia Supreme Court court compliance regulations and oversight procedures.

ADOPTED POSITIONS BY FTE – 0.00 TOTAL

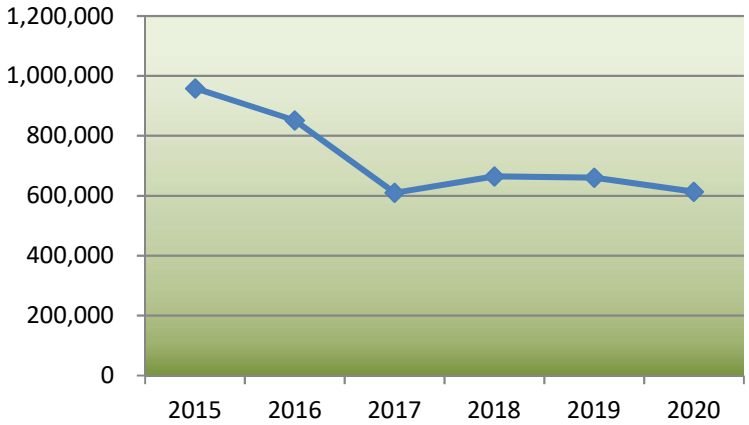
- Contract with Arlington County for ADC
- Contract with Alexandria City for ADC

*Deputy Sheriffs from the Sheriff's Office budget transport prisoners between the Arlington and Alexandria jails.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Proposed	Percent Change
Expenditures				
Professional and Contractual	$ 493,499	$ 660,375	$ 613,310	-7.13%
Net Expenditures Supported by General Revenues	**$ 493,499**	**$ 660,375**	**$ 613,310**	**-7.13%**

BUDGET TREND: FY2015 – FY2020



	2015	2016	2017	2018	2019	2020
Change		-11.2%	-22.5%	8.9%	-0.6%	-7.1%

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 2019
- 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 2018:
    - Traffic: 4,439 cases
    - Criminal: 851 cases
    - Civil: 391
    - Juvenile: 272
    - Domestic Relations: 151

SIGNIFICANT CHANGES IN FY2020

- No significant changes to report at this time
- City of Falls Church to provide a copier for the Clerk's Office and be added to the Xerox contract per assistant City Manager (Cindy Mester).

FY2020 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 (once renovation is complete, new facility will be able to accommodate mediation outside the Clerk's Office space)
  - Prepare DMV and time to pay 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 continue to be conducted in Arlington pending the completion of renovations in Falls Church Courthouse (Spring 2019).

ADOPTED POSITIONS BY FTE – 0.00 TOTAL

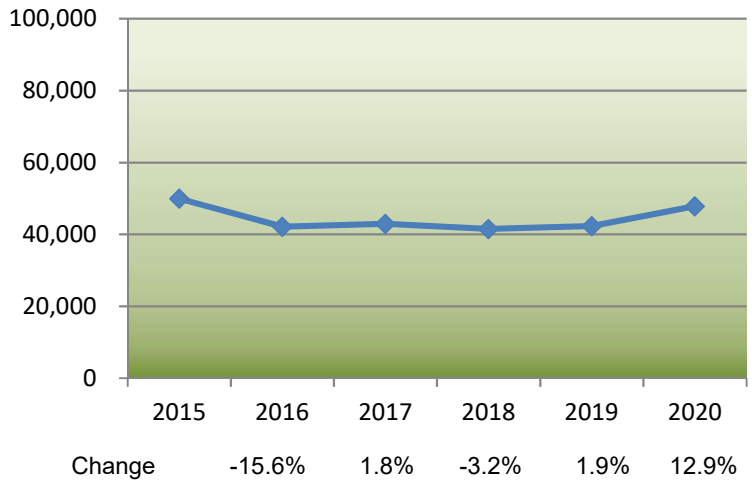
The courts have the following employees which are paid by The Supreme Court of Virginia. The City provides a supplement of 15% of salaries to the Clerk of the Court and Deputy Clerks.

- 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

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 25,218	$ 24,957	$ 30,042	20.38%
Benefits	1,950	1,931	2,324	20.35%
Professional and Contractual	2,633	7,396	7,396	0.00%
Materials, Supplies, and Other	4,124	8,063	8,063	0.00%
Net Expenditures Supported by General Revenues	**$ 33,925**	**$ 42,347**	**$ 47,825**	**12.94%**

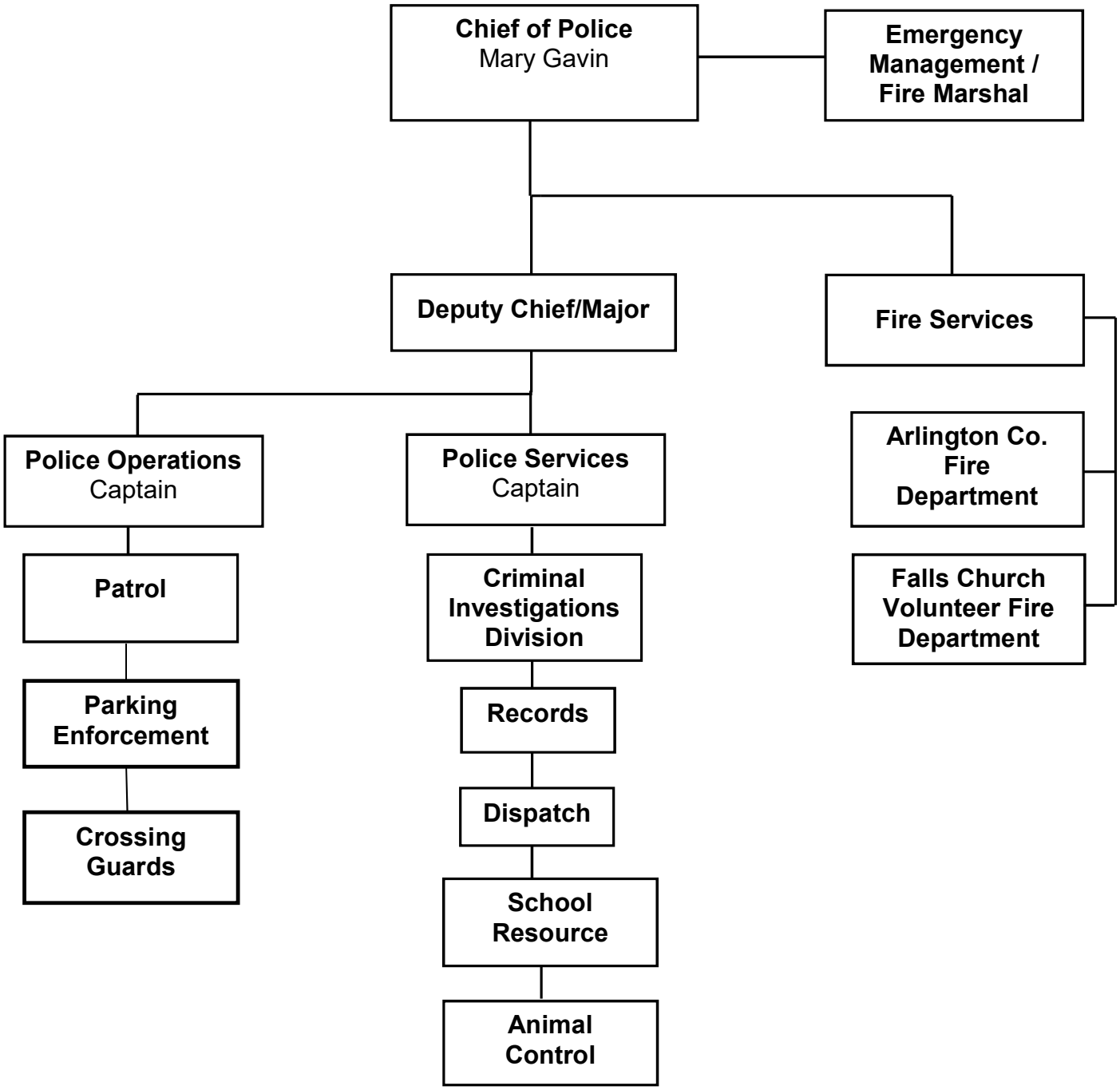
BUDGET TREND: FY2015 – FY2020



Notes:

- The increase in FY2020 reflects salary supplement increase based on the employees' state salaries.

DEPARTMENT OF PUBLIC SAFETY



TOTAL DEPARTMENTAL BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Proposed	Percent Change
Expenditures				
Salaries and Wages	$ 3,913,946	$ 3,911,809	$ 4,135,122	5.71%
Benefits	1,579,529	1,472,499	1,434,706	-2.57%
Professional and Contractual	2,873,159	2,986,305	3,068,741	2.76%
Materials, Supplies, and Other	911,120	834,790	825,110	-1.16%
Capital Outlay	466,099	455,949	455,949	0.00%
Total Expenditures	9,743,853	9,661,352	9,919,628	2.67%
Revenues				
Charges for Services	269,922	213,400	263,300	23.38%
Licenses, Fees, and Permits	7,216	8,100	8,100	0.00%
Federal Grants	177,148	107,200	108,200	0.93%
State Grants	444,082	403,912	412,724	2.18%
Fines	444,682	523,738	517,873	-1.12%
Other Grants and Contributions	110	200	-	-100.00%
Use of Inspection Reserves	-	-	30,000	-
Use of Prior Year Restricted Grants	-	81,737	71,800	-12.16%
Total Revenues	1,343,160	1,256,550	1,310,197	4.27%
Net Expenditures Supported by General Revenues	**$ 8,400,692**	**$ 8,404,802**	**$ 8,609,431**	**2.43%**
Permanent Position FTE	**45.50**	**45.50**	**48.08**	**5.67%**

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.

FY2020 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 FY2020.
  - 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.

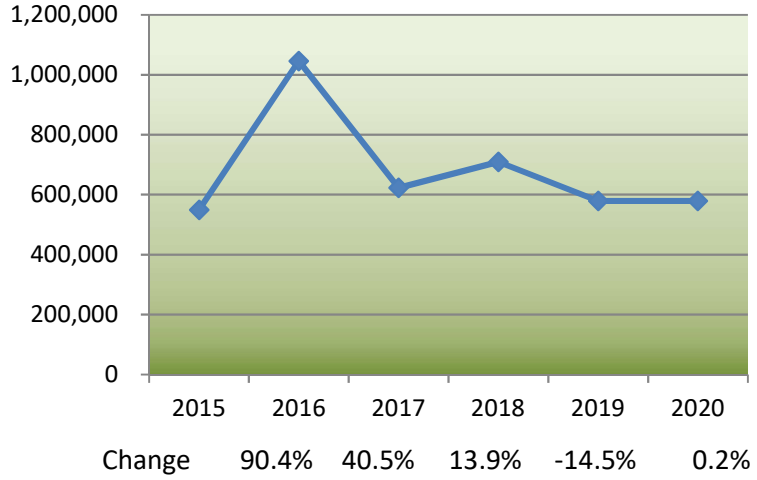
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 Chief of Police
- 1.00 Senior Administrative Assistant

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2019 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 286,955	$ 233,371	$ 234,954	0.68%
Benefits	120,816	88,417	89,219	0.91%
Professional and Contractual	7,049	7,866	13,066	66.11%
Materials, Supplies, and Other	311,691	249,642	243,181	-2.59%
Total Expenditures	726,512	579,296	580,420	0.19%
Revenues				
Licenses, Fees, and Permits	7,216	8,100	8,100	0.00%
Federal Grants	166,292	100,000	101,000	1.00%
Other Grants and Contributions	110	200	-	-100.00%
Total Revenues	173,618	108,300	109,100	0.74%
Net Expenditures Supported by General Revenues	**$ 552,893**	**$ 470,996**	**$ 471,320**	**0.07%**
Permanent Positions FTE	**2.00**	**2.00**	**2.00**	**0.00%**

BUDGET TREND: FY2015 – FY2020



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 FY2015, 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 fully operational in 2018.

TRENDS AND ISSUES

- Considering 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.
- There were no accidents at either of the participating intersections due to Red Light Violations in 2018.

FY2020 DELIVERABLES

- Continue to monitor existing photo enforcement intersections
  - 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)
  - 6,205 Summons' issued in 2018
- Continue to administer the School's Stop Arm Enforcement Program
  - 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)
  - 678 Summons' issued in 2018

PRIORITIES FOR FUTURE FUNDING

1. Expand photo enforcement to additional intersections ($174,000 annually): based on one new intersection monitoring three 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.

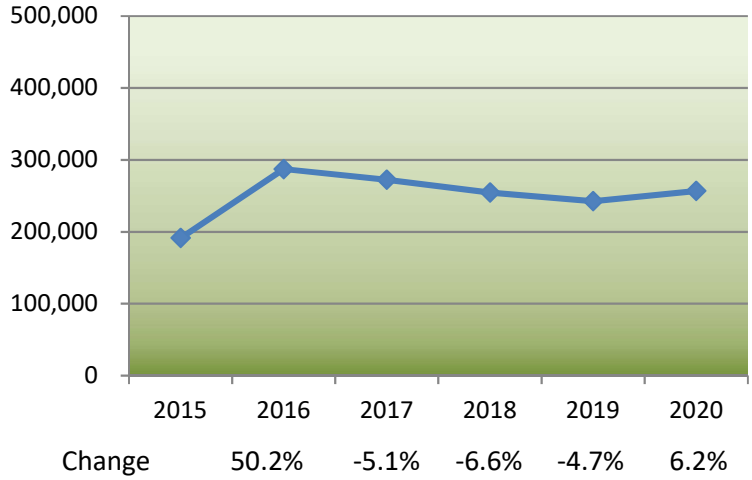
ADOPTED POSITIONS BY FTE – 0.50 TOTAL

- 0.25 Police Captain
- 0.25 Police Lieutenant

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 60,318	$ 46,405	$ 60,378	30.11%
Benefits	24,128	20,121	21,158	5.15%
Materials, Supplies, and Other	180,813	176,000	176,000	0.00%
Total Expenditures	265,260	242,526	257,536	6.19%
Revenues				
Fines	250,304	200,000	225,000	12.50%
Total Revenues	250,304	200,000	225,000	12.50%
Net Expenditures Supported by General Revenues	**$ 14,956**	**$ 42,526**	**$ 32,536**	**-23.49%**
Permanent Position FTE	**0.50**	**0.25**	**0.50**	**100.00%**

BUDGET TREND: FY2015 – FY2020



Notes:

- The program continues to have a positive effect on traffic safety 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 increase in Salaries is due to the programs being fully reinstated following the court ruling.

POLICE DEPARTMENT – OPERATIONS

SUMMARY OF SERVICES PROVIDED

The Operations Division is comprised of Uniformed Patrol, Parking Enforcement, and School Crossing Guards. 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 Operations Division also manages the Photo-Enforcement Program and is responsible for maintaining the Property and Evidence function. Parking Enforcement 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, and Women's Marches
- Increase in vehicle maintenance with aging fleet
- Relatively flat 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 FY2020

- Anticipated significant increase in traffic and parking enforcement due to construction projects in the City
- The Police Department will be adding one additional officer (FTE) to our Operations Division

FY2020 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
- Effect in excess of 720 arrests resulting from proactive patrols and calls for service
- Respond and investigate traffic accidents, approximately 200 accidents per year
- Respond and work to reduce approximately 600 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 provide mandatory in-service training, as well as, specialized training for Department personnel as needed or requested.

PRIORITIES FOR FUTURE FUNDING

1. 3 FTE Police Officers ($240,000): 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.

ADOPTED POSITIONS BY FTE – 26.83 TOTAL

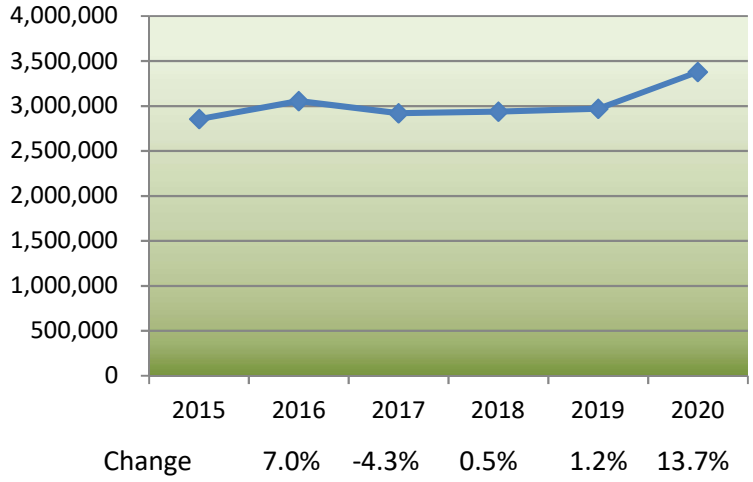
- 0.75 Captain*
- 13.00 Uniform Patrol Officers
- 1.50 Parking Enforcement Officer
- 3.75 Lieutenants*
- 5.00 Sergeants
- 2.83 Crossing Guards

*Positions are allocated to other activities.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 1,840,118	$ 1,825,841	$ 2,180,600	19.43%
Benefits	741,786	692,226	745,693	7.72%
Professional and Contractual	75,574	70,000	70,000	0.00%
Materials, Supplies, and Other	213,905	224,918	223,878	-0.46%
Capital Outlay	176,198	159,000	159,000	0.00%
Total Expenditures	3,047,582	2,971,985	3,379,171	13.70%
Revenues				
Charges for Services	1,024	2,000	2,000	0.00%
Federal Grants	10,855	7,200	7,200	0.00%
State Grants	342,207	344,712	354,524	2.85%
Fines	194,378	323,738	292,873	-9.53%
Total Revenues	548,465	677,650	656,597	-3.11%
Net Expenditures Supported by General Revenues	**$ 2,499,117**	**$ 2,294,335**	**$ 2,722,574**	**18.67%**
Permanent Positions FTE	**21.50**	**21.50**	**26.83**	**24.79%**

BUDGET TREND: FY2015 – FY2020



Notes:

- A part-time parking enforcement officer was added in FY2019.
- The increase in salaries, wages and benefits for FY2020 is due to the addition of a police officer to the department as well as a realignment of supervisory responsibilities and reassignment of personnel.

POLICE SERVICES

SUMMARY OF SERVICES PROVIDED

The Services Division is comprised of Criminal Investigations, Communications, Records, School Resources, and Animal Control. Police Services is responsible for many of the department's functions and programs, such as Accreditation and Training for both sworn and civilian employees.

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 Services Division also 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 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 vertically as opposed to horizontally.
- Advances in social media, commercial communications and technology continue to outpace available patrol and investigative technology.
- Increased educational programs for active violence preparation for schools, churches, and community groups

FY2020 DELIVERABLES

- Criminal Investigations Unit to maintain a case closure rate above 70% (77% for 2018).
- Communications Unit will answer approximately 40,000 telephone calls and dispatch over 24,000 calls for service.
    - Maintain a criminal warrant file containing approximately 200 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. 1 FTE Administrative Assistant $50,000. Due to a staff reductions in 2010 and 2011, there is currently only one Records Clerk. As a result, in calendar year 2018, 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 Officer ($80,000). A position is needed to provide IT support specific to the Department's needs and requirements.

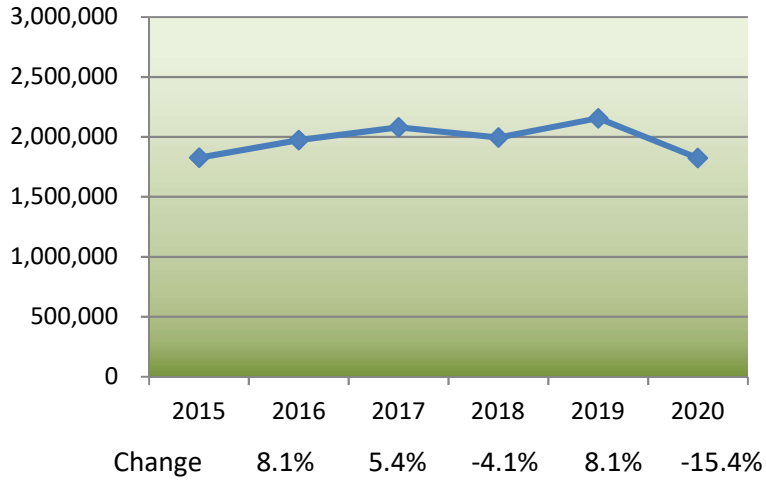
ADOPTED POSITIONS BY FTE – 11.00 TOTAL

- 1.00 Deputy Chief/Major
- 1.00 Captain
- 2.00 Investigators
- 1.00 School Resource Officer
- 1.00 Administrative Assistant
- 2.00 Lieutenant – Investigations
- 2.00 Sergeant – Investigations
- 1.00 Senior Administrative Assistant

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 1,219,989	$ 1,292,147	$ 1,078,842	-16.51%
Benefits	511,275	491,726	392,487	-20.18%
Professional and Contractual	188,031	236,305	220,200	-6.82%
Materials, Supplies, and Other	133,784	136,060	132,984	-2.26%
Total Expenditures	2,053,078	2,156,238	1,824,513	-15.38%
Revenues				
Charges for Services	1,167	1,300	1,300	0.00%
Net Expenditures Supported by General Revenues	**$ 2,031,283**	**$ 2,154,938**	**$ 1,823,213**	**-15.39%**
Permanent Position FTE	**14.50**	**14.50**	**11.00**	**-24.14%**

BUDGET TREND: FY2015 – FY2020



Notes:

- The decrease in salaries, wages and benefits for FY2020 is due to a realignment of supervisory responsibilities and reassignment of personnel.

POLICE DEPARTMENT - DISPATCH

SUMMARY OF SERVICES PROVIDED

The Falls Church Police Dispatch Center is the E-911 call transfer point for the City. The Center answers the Police Department's emergency and non-emergency phones 24/7/365, dispatches calls 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. The dispatchers also 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 40,000 emergency and non-emergency telephone calls and dispatches more than 30,000 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 regional 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 FY2020

- VITA, the Virginia Information Technology Agency, plans to implement NextGen911 and push it out to all primary and secondary PSAPs in the summer 2019. Increased monthly service costs will be absorbed by the state for the next two years to allow jurisdictions to prepare for increases in required recurring funding.

FY2020 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 shifts. Future staffing must allow for two Dispatchers per shift.

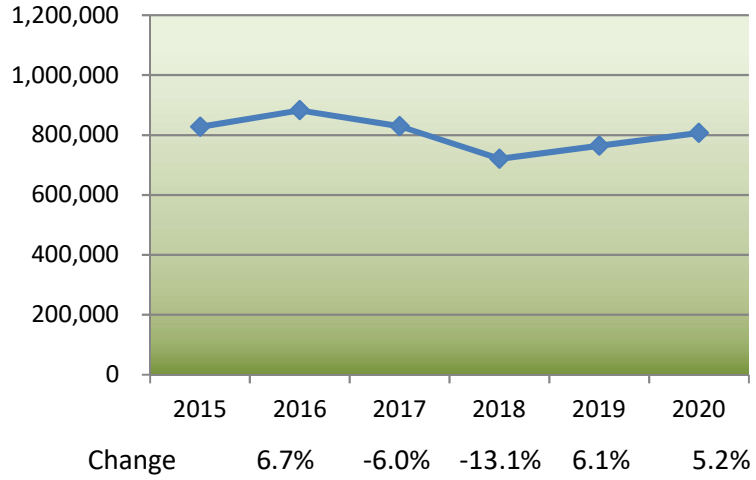
ADOPTED POSITIONS BY FTE – 6.00 TOTAL

- 6.00 Emergency Communications Technicians

ADOPTED BUDGET

	FY2018 Adopted	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 330,165	$ 319,803	$ 363,969	13.81%
Benefits	104,862	104,312	99,615	-4.50%
Professional and Contractual	335,897	340,607	340,607	0.00%
Net Expenditures Supported by General Revenues	**$ 772,424**	**$ 764,722**	**$ 804,191**	**5.16%**
Permanent Positions FTE	**6.00**	**6.00**	**6.00**	**0.00%**

BUDGET TREND: FY2015 – FY2020



Notes:

- The increase for FY20 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

FY2020 DELIVERABLES

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

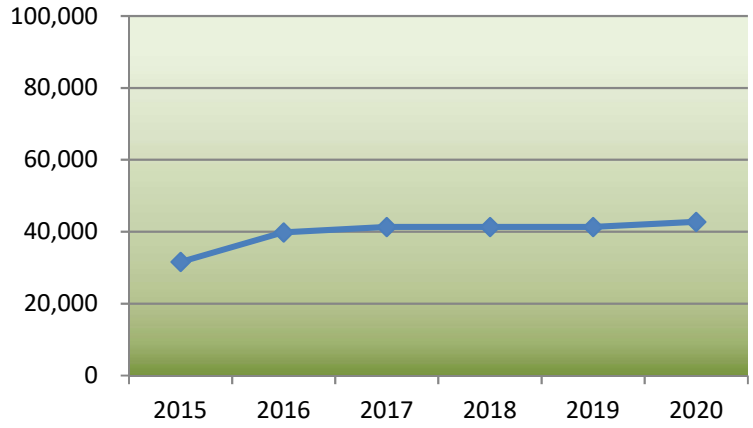
ADOPTED POSITIONS BY FTE – 0 TOTAL

- The position of 0.40 Animal Control Officer is an on-call position.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 34,458	$ 36,536	$ 37,632	3.00%
Benefits	3,079	3,316	3,432	3.50%
Professional and Contractual	2,122	1,500	1,700	13.33%
Materials, Supplies, and Other	-	25	30	20.00%
Net Expenditures Supported by General Revenues	**$ 39,659**	**$ 41,377**	**$ 42,794**	**3.42%**

BUDGET TREND: FY2015 – FY2020



	2015	2016	2017	2018	2019	2020
Change		25.9%	3.9%	-0.1%	0.1%	3.4%

Notes:

- The Adopted budget for FY2020 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.

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.
- 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-designed 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.
- 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.

FY2020 DELIVERABLES

- Completion of the following Emergency Support Plans: Regional Hazardous Mitigation Plan, Sheltering and Damage Assessment Plans.
- Review and revise the City's Emergency Operations Plan
- Continue to foster relationship with FCCPS and their need to establish Emergency Plans.
- Continue to the deliver the First Twelve Minutes Program with our Faith Based Organizations, schools and community groups.

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 administered by a ½ FTE Coordinator.

ADOPTED POSITIONS BY FTE – 0.50 TOTAL

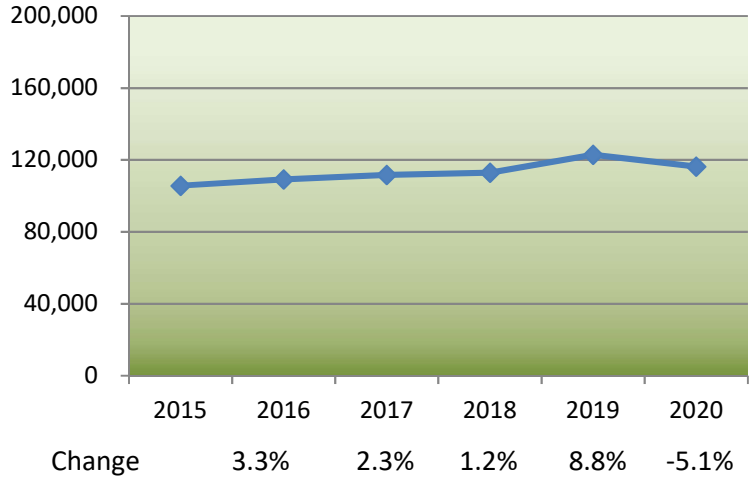
- 0.50 Emergency Management Coordinator*

*Position is allocated to another activity.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 61,603	$ 62,684	$ 64,759	3.31%
Benefits	32,495	29,872	28,174	-5.68%
Materials, Supplies, and Other	3,949	14,716	8,108	-44.90%
Capital Outlay	13,740	15,627	15,627	0.00%
Net Expenditures Supported by General Revenues	**$ 111,786**	**$ 122,899**	**$ 116,668**	**-5.07%**
Permanent Positions FTE	**0.50**	**0.50**	**0.50**	**0.00%**

BUDGET TREND: FY2015 – FY2020



Notes:

- FY2020 benefits decreased due to the reduction of pension contribution rates for the Police Plan.
- Decrease in Materials, Supplies and Other is a result of re-allocation of resources within the Department.

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 five significant fires reported with an estimated fire loss (FY2018) of over $865,000. These incidents resulted in one significant injury to a resident. 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
CY2018	305	293	823	$66,100
CY2017	281	282	810	$63,685
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 Fire Marshal's Office established a community educational Active Shooter Program called The First 12 Minutes. A cadre of instructors in the Police Department supports this community program. The program has trained over 600 participants including the FCCPS faculty and administrators, St. James School, City Employees and Houses of Worship.
- 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 FY2020

- Expect increase in Public Safety Plan reviews for construction projects throughout the City.

FY2020 DELIVERABLES

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

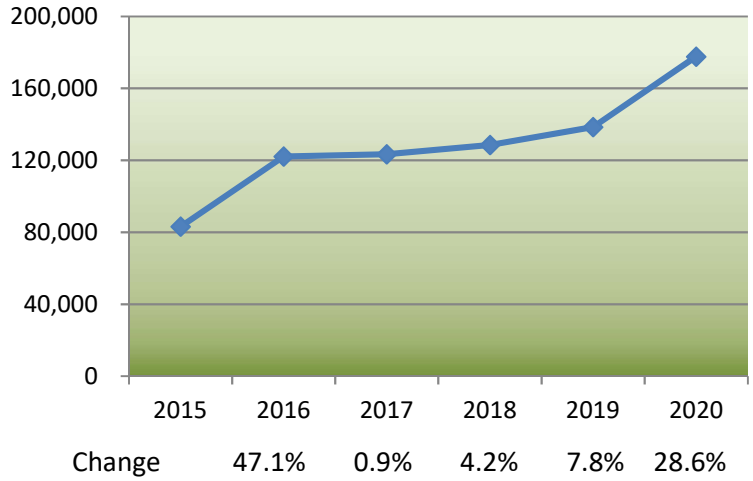
ADOPTED POSITIONS BY FTE – 1.25 TOTAL

- 0.50 Fire Marshal
- 0.75 Fire Inspector

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 80,340	$ 95,022	$ 113,988	19.96%
Benefits	34,138	33,863	46,988	38.76%
Professional and Contractual	448	-	-	0.00%
Materials, Supplies, and Other	36,490	9,683	17,183	77.46%
Total Expenditures	151,416	138,568	178,159	28.57%
Revenues				
Charges for Services	58,795	60,100	60,000	-0.17%
Use of Building Fee Reserves	-	-	30,000	-
Total Revenues	58,795	60,100	90,000	49.75%
Net Expenditures Supported by General Revenues	**$ 92,621**	**$ 78,468**	**$ 88,159**	**12.35%**
Permanent Position FTE	**0.50**	**0.50**	**1.25**	**150.00%**

BUDGET TREND: FY2015 – FY2020



Notes:

- FY2020 salaries and benefits increased due to the upgrade of the on-call fire inspector/plan reviewer without benefits to a permanent part-time position with benefits. This is funded with Building Fee reserves.
- Increase in Materials, Supplies and Other is a result of re-allocation of resources within the Department.

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.

FY2020 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)

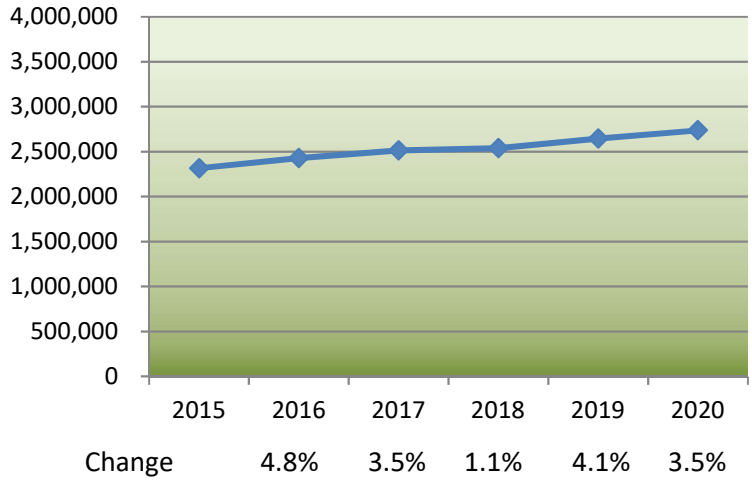
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

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

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Benefits	$ 6,950	$ 8,646	$ 7,940	-8.17%
Professional and Contractual	2,264,038	2,330,027	2,423,168	4.00%
Materials, Supplies, and Other	28,988	23,746	23,746	0.00%
Capital Outlay	276,161	281,322	281,322	0.00%
Total Expenditures	2,576,136	2,643,741	2,736,176	3.50%
Revenues				
State Grants	81,247	40,000	58,200	45.50%
Charges for Services	208,935	150,000	200,000	33.33%
Use of Prior Year Restricted Grants	-	81,737	71,800	-12.16%
Total Revenues	290,182	271,737	330,000	21.44%
Net Expenditures Supported by General Revenues	**$ 2,285,954**	**$ 2,372,004**	**$ 2,406,176**	**1.44%**

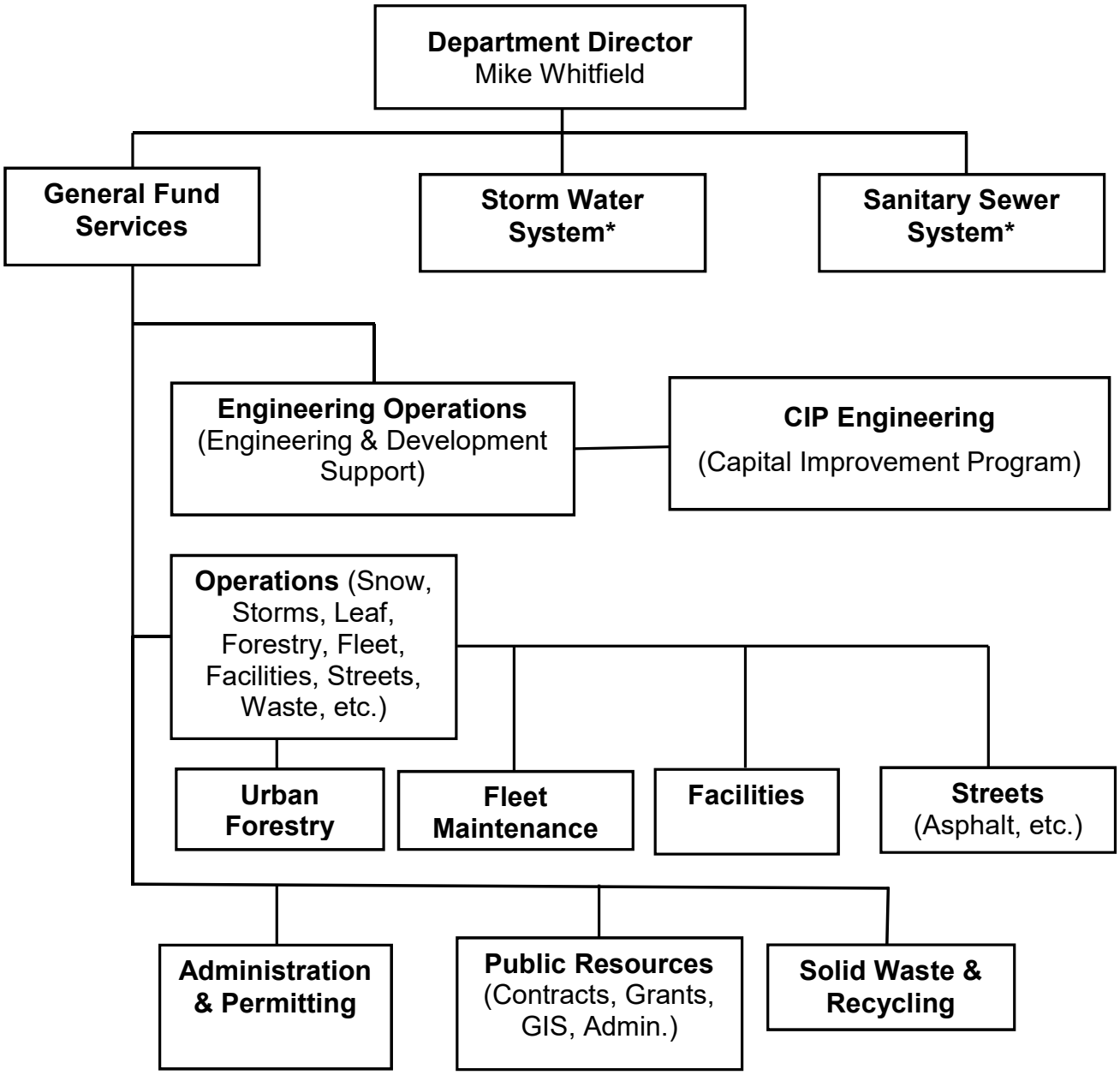
BUDGET TREND: FY2015 – FY2020



Notes:

- The increase in FY2020 reflects increases in Arlington County costs. In addition, the FCVFD requests the use of prior year restricted state grants to fund their equipment purchase with Arlington County,

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 229. The Stormwater Fund budget can be found on page 242. The CIP Funds budgets begin on page 280.

TOTAL DEPARTMENTAL BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 2,045,267	$ 2,146,716	$ 2,116,693	-1.40%
Benefits	679,315	635,390	661,583	4.12%
Professional and Contractual	2,513,923	2,288,587	2,312,529	1.05%
Materials, Supplies, and Other	907,768	961,145	955,418	-0.60%
Capital Outlay	156,555	151,000	81,000	-46.36%
Total Expenditures	6,302,828	6,182,838	6,127,223	-0.90%
Revenues				
Charges for Services	368,636	366,000	349,500	-4.51%
Licenses, Fees, and Permits	333,494	176,800	176,800	0.00%
State Grants	1,720,070	1,720,032	1,720,032	0.00%
Fines	6,200	8,300	8,300	0.00%
Total Revenues	2,428,400	2,271,132	2,254,632	-0.73%
Net Expenditures Supported by General Revenues	**$ 3,874,428**	**$ 3,911,706**	**$ 3,872,591**	**-1.00%**
Permanent Position FTE	**28.15**	**28.65**	**28.30**	**-1.22%**

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 currently at 53 in FY2019 FY2020 will remain steady and the number of permits has decreased due to blanket permit program with utility companies.
- Allocation of staff to CIP accounts has increased administrative burden

SIGNIFICANT CHANGES IN FY2020

- Beginning Jan 2019, there has been clearer language regarding notification deadline and sidewalk closure traffic control expectations.

FY2020 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

ADOPTED POSITIONS BY FTE – 1.50 TOTAL

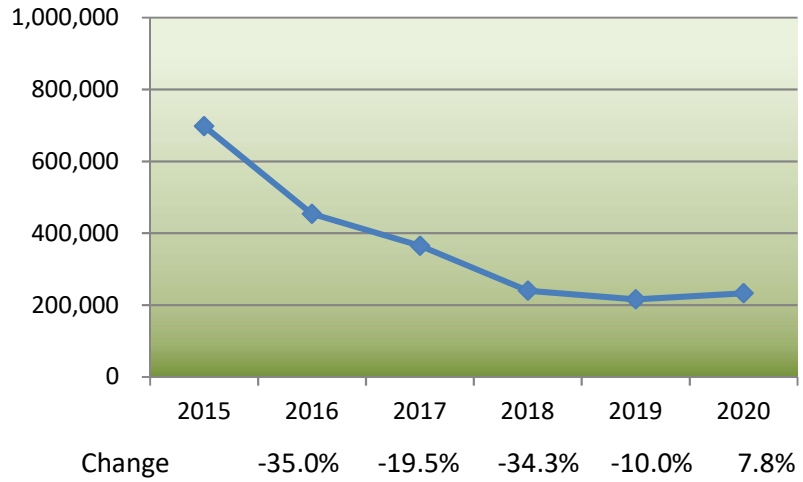
- 0.60 Director of Public Works*
- 0.90 Civil Engineering Inspector*

*Positions are allocated to other activities.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 136,202	$ 143,035	$ 159,323	11.39%
Benefits	52,475	43,235	48,006	11.04%
Professional and Contractual	3,283	550	550	0.00%
Materials, Supplies, and Other	22,000	29,107	24,957	-14.26%
Total Expenditures	213,960	215,927	232,836	7.83%
Revenues				
Licenses, Fees, and Permits	333,494	176,800	176,800	0.00%
Charges for Services	13,836	5,700	5,700	0.00%
Fines	3,700	3,700	3,700	0.00%
Total Revenues	351,029	186,200	186,200	0.00%
Net Expenditures Supported by General Revenues	**$ (137,070)**	**$ 29,727**	**$ 46,636**	**56.88%**
Permanent Position FTE	**1.50**	**1.40**	**1.50**	**7.14%**

BUDGET TREND: FY2015 – FY2020



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.
- FY2019 reflects a leveling of resources and programs.
- FY2020 reflects the continued resource management for programs.

ENGINEERING OPERATIONS

SUMMARY OF SERVICES PROVIDED

The Engineering Operations section provides general engineering support for the Department of Public Works. The City of Falls Church maintains, operates, and manages all of the roadways in the City. The Operations 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:

- 29 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 Engineering Operations 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
- Coordinating and overseeing master planning for infrastructure needs; such as traffic signals, paving, bridges, retaining walls, stormwater, and sanitary sewer
- Coordinating engineering related projects, needs and priorities within Public Works and other departments in the City
- Developing and overseeing implementation of engineering design standards for public and private development

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 FY2020

- Due to an extreme turnover within the engineering group, two groups were created to serve the program needs. The Engineering Operations group will address workload needs associated with the City's ongoing private developments, utilities, citizen inquiries and storm water management functions.

FY2020 DELIVERABLES

- Provide guidance to developers, engineers and contractors on City policies
- Identify Preventive maintenance for all traffic signals
- Develop a plan for pedestrian crossings
- Approximately 1/2 mile of milling and paving along residential streets
- 2-4 marked crosswalks with new curb ramps

PRIORITIES FOR FUTURE FUNDING

1. Professional Services $65,000. Due to the increased demand for improvements to the infrastructure, additional engineering services are required. These services range from traffic signals, signing & markings, transportation studies and asphalt management.
2. Computer Equipment $3,000. The need for on-site engineering and inspections requires additional hardware to manage the program goals.

ADOPTED POSITIONS BY FTE – 0.85 TOTAL

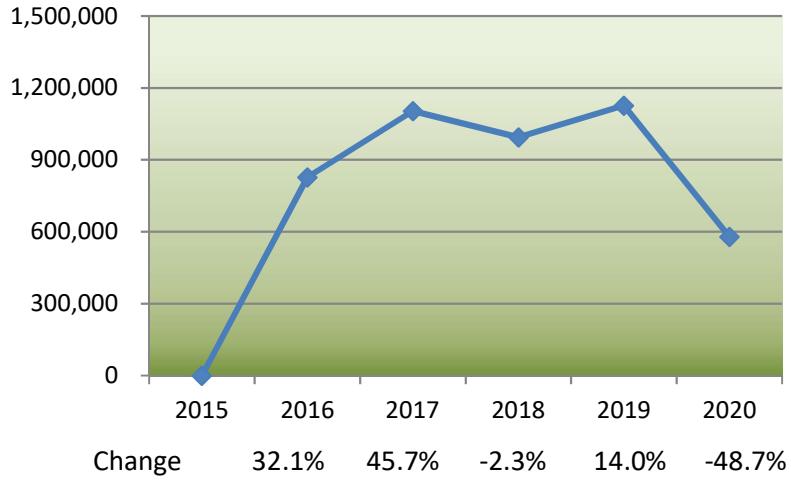
- 0.75 Senior Engineer*
- 0.05 Senior Engineer*
- 0.05 Senior Engineer*

*Positions are allocated to other activities

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 181,013	$ 247,021	$ 94,241	-61.85%
Benefits	50,643	69,011	13,455	-80.50%
Professional and Contractual	977,564	473,653	290,000	-38.77%
Materials, Supplies, and Other	168,751	191,630	180,530	-5.79%
Capital Outlay	43,868	145,000	-	-100.00%
Reserves	-	-	-	0.00%
Total Expenditures	1,421,840	1,126,315	578,226	-48.66%
Revenues				
State Grants	947,562	747,062	460,275	-38.39%
Total Revenues	947,562	747,062	460,275	-38.39%
Net Expenditures Supported by General Revenues	**$ 474,278**	**$ 379,253**	**$ 117,951**	**-68.90%**
Permanent Position Fte	**2.10**	**2.40**	**0.85**	**-64.6%**

BUDGET TREND: FY2015 – FY2020



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.
- FY2020 reflects the creation of a separate activity for the operations and maintenance of traffic signals.

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 Avenue, W & OD Park, Bike Share, Oak Street Bridge, Big Chimneys, Downtown Plaza, Neighborhood Traffic Calming, Safe Routes to School, S. Washington Street and (4) signal projects.
- Anticipated increase of federally funded projects will add to overall administrative burden. Grant applications have become more detail-oriented including need for detailed cost estimates and data collection to justify grant awards.

SIGNIFICANT CHANGES IN FY2020

- Due to an extreme turnover within the engineering group, two groups were created to serve the program needs. The CIP Engineering group consist of three FTE's and two PTE's to maintain the program goals.

FY2020 DELIVERABLES

- Master planning for CIP program. Focus on delivery of projects on a yearly basis
- Construction of Library, Bike Share, Big Chimneys, Neighborhood Traffic Calming, S. Washington St. and (4) Signal projects.

ADOPTED POSITIONS BY FTE – 0.55 TOTAL

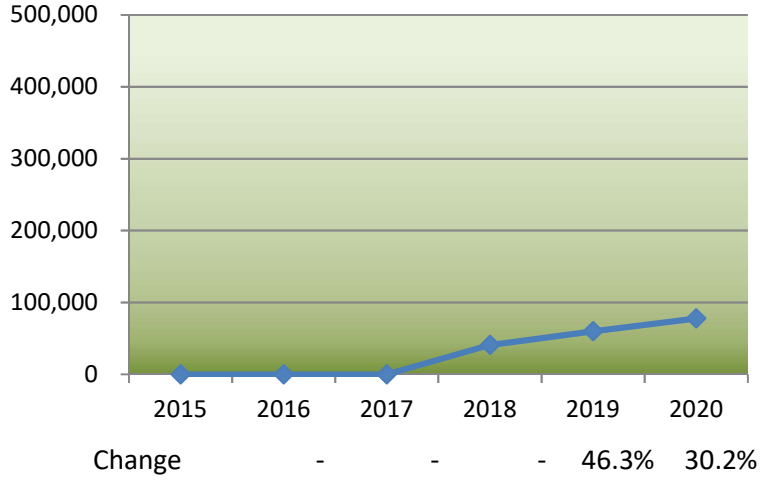
- 0.20 Principal Engineer*
- 0.15 Senior Engineer*
- 0.20 Senior Manager*

*Positions are allocated to other activities.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 58,455	$ 40,264	$ 57,606	43.07%
Benefits	15,768	12,153	12,877	5.96%
Materials, Supplies, and Other	1,409	7,410	7,410	0.00%
Net Expenditures Supported by General Revenues	**$ 75,633**	**$ 59,827**	**$ 77,893**	**30.20%**
Permanent Position FTE	**0.30**	**0.45**	**0.55**	**22.22%**

BUDGET TREND: FY2015 – FY2020



Notes:

- This is a new cost center in FY2018
- FY2019 will be the highest volume of work for the CIP group and the City
- FY20 will continue to be a very busy year for CIP projects, including over 30 transportation related projects

PUBLIC RESOURCES

SUMMARY OF SERVICES PROVIDED

The Public Resources Group synchronizes essential functions and resources for both Operating and Capital Improvement Program (CIP) activities. Staff provide services for DPW procurement, 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 125 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
- 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

- Grant reimbursement requests totaled $1.5 million in FY2017 and $2.7 million in FY2018. The first 8 months of FY2019 have resulted in $2.7 million in submitted reimbursements; over the course of two fiscal years, grant reimbursements and associated paperwork will have increased by 100%.
- Over 50% of current and near-future grant projects are now federally-funded, resulting in significant increase of requirements and administrative burden.
- Staff time is being tracked on 35-40 separate CIP projects.
- Without additional staff for contract management, the workload for operational contract demands will negatively impact timelines and procurement needs for CIP projects.

SIGNIFICANT CHANGES IN FY2020

- DPW now manages nearly 125 contracts, an increase of about 34% since late FY18
- The complexity of DPW procurement and contract management workload has been compounded by federal requirements for CIP Transportation projects, and the use of multiple funding sources. This budget includes a new position of Contract Specialist to help address these issues. This position is also being partially funded with CIP, Stormwater, and Sanitary Sewer program funds.

FY2020 DELIVERABLES

- Geospatial/GIS support related to stormwater utility and tax parcels
- Effective management of ongoing DPW contracts and new procurement efforts
- Federal and CIP construction procurement; procurement related to Library Renovation Project and Parks projects
- Grant applications as planned and presented to Council
- Continuation of close coordination with CPEDS for grants, CIP planning and project development

PRIORITIES FOR FUTURE FUNDING

1. New FTE - Contract Specialist $91,000. With the significant increase in both workload and complexity for DPW procurement and contracts, an additional full-time position is needed.
2. GIS Orthoimagery $6,000. The GIS database is currently out of date and needs to be enhanced with mapping improvements to accommodate the needs of the City.
3. Computer Equipment $1,500. A portable tablet is needed for GIS to make mapping improvements in the field.

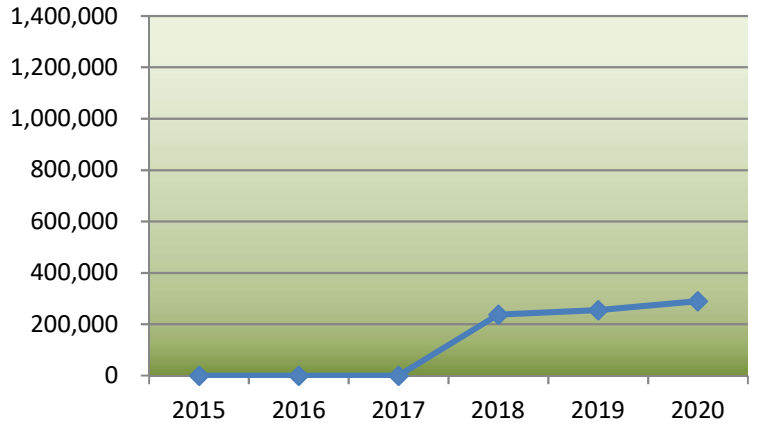
ADOPTED POSITIONS BY FTE – 2.50 TOTAL

- 0.60 Public Resources Manager
- 0.80 CIP Grants Administrator
- 0.85 Administrative Assistant
- 0.25 GIS Analyst

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 185,938	$ 195,621	$ 215,714	10.27%
Benefits	43,400	38,438	68,937	79.35%
Professional and Contractual	-	200	120	-40.00%
Materials, Supplies, and Other	13,622	20,975	21,875	4.29%
Capital Outlay	2,042	-	-	0.00%
Net Expenditures Supported by General Revenues	**$ 245,002**	**$ 255,234**	**$ 306,646**	**20.14%**
Permanent Position FTE	**2.35**	**2.50**	**2.50**	**0.00%**

BUDGET TREND: FY2015 – FY2020



	2015	2016	2017	2018	2019	2020
Change		-	-	-	7.7%	20.1%

Notes:

- FY2018 Established as a new cost center
- FY2019 reflects an increase of use by other Departments for Procurement, Contract Administration, GIS and Grant Management assistance

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 in signs, ADA ramps and pavement markings

SIGNIFICANT CHANGES IN FY2020

- New features constructed and installed throughout the City have increased and placed a burden on the resources and available funding.
- Funding of $100,000 is included in this budget to address citizen and Council request for sidewalk, brick pavers, crosswalks, signs and general enhancements.

FY2020 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 $17,000. Funding for repairs and maintenance to all City owned Bus Shelters. Current funding is $640 for all maintenance of the shelters.
2. Debris Hauling and Municipal Repairs $15,000. Fees related to disposal of debris are not currently funded.

3. Sidewalk Maintenance $25,000. Repair and maintenance of sidewalks and curb and gutter, in particular for the tripping hazards.
4. Emergency Work $21,000.

ADOPTED POSITIONS BY FTE – 10.85 TOTAL

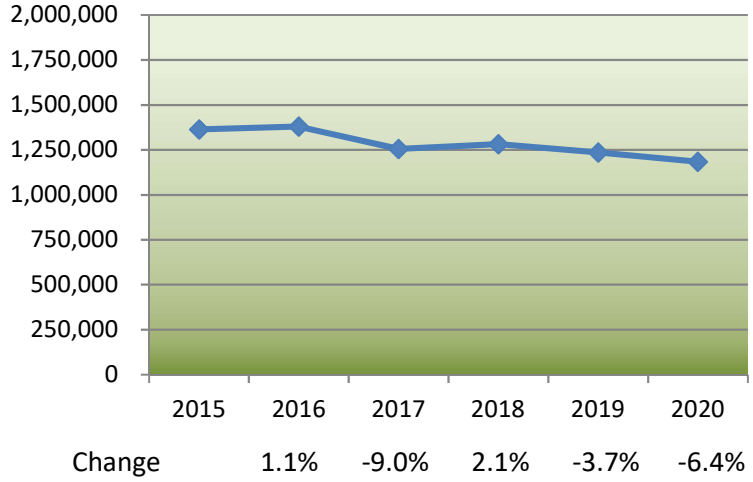
- 0.25 Superintendent of Public Works*
- 0.20 Asst. Superintendent*
- 0.40 Sr. Administrative Assistant*
- 2.00 Senior Maintenance
- 2.00 Crew Leader
- 5.00 Maintenance Worker
- 1.00 Senior Equipment Operator
- Salary from this cost center is allocated to Snow Removal, Leaf Collection, and Traffic Signal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

*Positions are allocated to other activities.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 494,927	$ 547,239	$ 466,979	-14.67%
Benefits	183,949	178,844	168,575	-6.14%
Professional and Contractual	168,323	226,340	236,200	4.36%
Materials, Supplies, and Other	216,494	312,825	312,825	0.00%
Capital Outlay	104,607	-	-	0.00%
Total Expenditures	1,168,301	1,265,248	1,184,579	-6.38%
Revenues				
Charges for Services	-	2,100	-	-100.00%
State Grants	535,291	637,717	578,170	-9.34%
Total Revenues	535,291	637,717	578,170	-9.34%
Net Expenditures Supported by General Revenues	**$ 633,010**	**$ 625,431**	**$ 606,409**	**-3.04%**
Proposed Permanent FTE	**10.85**	**10.85**	**10.85**	**0.00%**

BUDGET TREND: FY2015 – FY2020



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
- FY2020 includes the addition of $100,000 for spot improvements for walkability.
- FY2020 reduction in salaries is due to the allocation of existing manpower to perform some of the traffic signal maintenance in-house. This is now included in a new cost center Traffic Signal Maintenance.
- FY2020 reduction in Professional and Contractual expenses represent the transfer of responsibility to CPEDS over the Business/Downtown Improvement Funds that are paid for with the additional 1% transient occupancy tax.

TRAFFIC SIGNAL MAINTENANCE

SUMMARY OF SERVICES PROVIDED

The City of Falls Church maintains, operates, and manages all of the roadways in the City. The Traffic Signal Cost Center provides for the maintenance of the City's traffic signals and street lights. 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

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

- Assisting the CIP team in the development and delivery of signal and lighting projects
- Implementation of maintenance programs
- Responding to citizen inquiries for signals and lighting

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 at signalized intersections.

SIGNIFICANT CHANGES IN FY2020

- This is a new cost center moved into the Operations Division. The long term goal is to perform more in-house services and reduce contractor cost.

FY2020 DELIVERABLES

- Preventive maintenance for all traffic signals
- Rewiring of 1 signalized intersection
- Replace defective components in signal cabinets
- Train in-house staff to respond to signal malfunctions

PRIORITIES FOR FUTURE FUNDING

1. Maintenance Workers (2) $110,000. The signal and street lighting maintenance is currently performed by a contractor. With the hiring of 2 new techs, the work can be performed in-house and more cost efficient. The response times and quality will also be improved.
2. Equipment and training $6,000. With the hiring of new staff, additional training will be required to maintain the signal equipment.

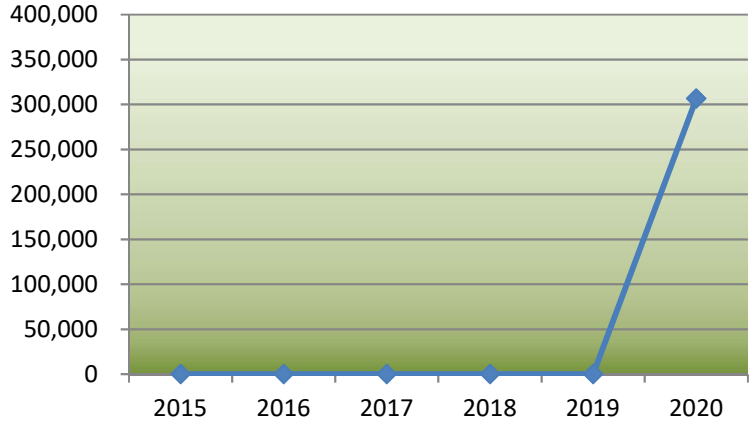
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

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

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ -	$ -	$ 55,400	-
Benefits	-	-	14,889	-
Professional and Contractual	-	-	158,589	-
Materials, Supplies, and Other	-	-	2,500	-
Capital Outlay	-	-	7,500	-
Total Expenditures	-	-	306,378	-
Revenues				
State Grants	-	-	306,378	-
Net Expenditures Supported by General Revenues	**$ -**	**$ -**	**$ -**	**-**

BUDGET TREND: FY2015 – FY2020



	2015	2016	2017	2018	2019	2020
Change	-	-	-	-	-	-

Notes:

- This is a new cost center in FY2020 established to track maintenance of traffic signals separately from other activities.

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 2019

SIGNIFICANT CHANGES IN FY2020

- The snow events have been numerous in past years and the resources have increased along with salt and material.

FY2020 DELIVERABLES

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

PRIORITIES FOR FUTURE FUNDING

1. Sanders (2) $12,500. Existing salt sanders are in very poor condition and need replacement. The units have been welded and repaired numerous times and have exceeded their life cycle.
2. Labor and materials for additional snow events $14,000. Due to the ever changing weather patterns, additional materials and staff time is required to maintain the program.

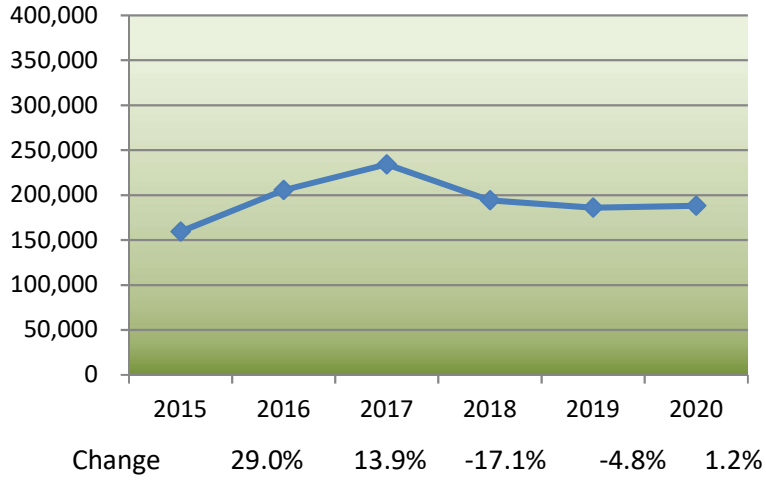
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

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

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 70,354	$ 67,052	$ 66,500	-0.82%
Benefits	14,487	14,556	15,830	8.75%
Professional and Contractual	9,560	11,500	13,000	13.04%
Materials, Supplies, and Other	33,755	93,000	93,000	0.00%
Capital Outlay	-	-	-	0.00%
Total Expenditures	128,155	186,108	188,330	1.19%
Revenues				
State Grants	69,892	177,108	179,330	1.25%
Net Expenditures Supported by General Revenues	**$ 58,263**	**$ 9,000**	**$ 9,000**	**0.00%**

BUDGET TREND: FY2015 – FY2020



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

SOLID WASTE & RECYCLING

SUMMARY OF SERVICES PROVIDED

Solid waste and recycling collection are provided for single family and townhome residents in the City. 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 Programs Coordinator performs extensive public outreach – including publication of program documents, education and outreach materials and organizes special events including:

- Recycling Extravaganza
- 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

- As a result of market changes, contract costs, and fluctuating tonnages, the City had to pay for recycling services (as opposed to receiving regular rebates) during FY19. This is a significant change since FY12, when the City's recycling revenues peaked at over $100,000. Commodity values will likely remain suppressed due to contamination standards imposed by China, a major importer of U.S. recyclables. Although the City's contamination rate is lower than industry averages, the handling of glass is a significant challenge throughout the region. Even with a complex market outlook, there is no question about the environmental benefits of the City's recycling program: education and outreach initiatives will need to focus on addressing contamination levels.
- The City's recycling rate has consistently been around 60%, among the highest in Virginia jurisdictions. The latest data, from FY 2017, revealed a recycling rate of 58.4%.
- Plans for the West End development will impact the City's leaf collection program. Leaves collected curbside each fall have historically been stored and ground on the George Mason High School campus. The DPW Leaf Mulch operation will be required to move to the City's Property Yard during FY20; impacts to the program are uncertain.
- Food waste continues to represent one of the largest components of solid waste in Falls Church. The City's food and organic waste composting programs will continue with the goal of increasing the recycling rate and acting as a catalyst for regional action.
- Solid Waste contract costs have continued to increase: in FY2019, collection and hauling fees, disposal fees, and Recycling Center hauling costs continued to increase. These key contract costs represent 85% of the program's budget.

FY2020 DELIVERABLES

- See services above.

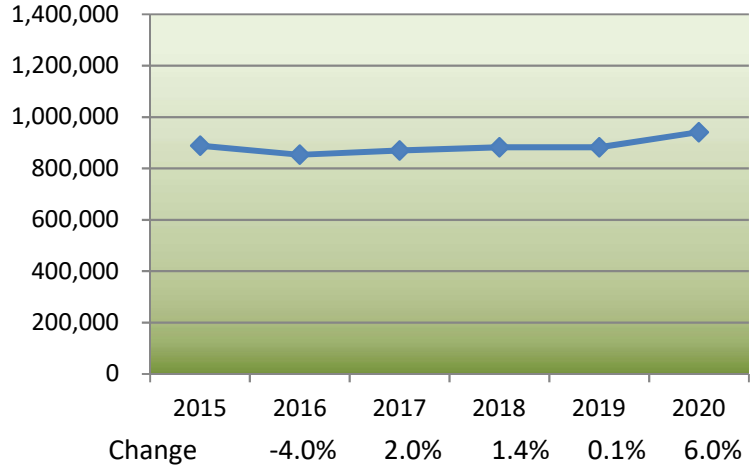
ADOPTED POSITIONS BY FTE – 1.00 TOTAL

- 1.00 Solid Waste Programs Coordinator

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 98,533	$ 92,612	$ 82,308	-11.13%
Benefits	24,298	20,101	30,181	50.15%
Professional and Contractual	727,015	749,494	801,460	6.93%
Materials, Supplies, and Other	26,517	14,628	15,648	6.97%
Capital Outlay	6,038	6,000	6,000	0.00%
Total Expenditures	882,402	882,835	935,597	5.98%
Revenues				
State Grants	6,038	6,000	6,000	0.00%
Charges for Services	65,714	80,400	67,100	-16.54%
Total Revenues	71,752	86,400	73,100	-15.39%
Net Expenditures Supported by General Revenues	**$ 810,649**	**$ 796,435**	**$ 862,497**	**8.29%**
Permanent Position FTE	**1.00**	**1.00**	**1.00**	**0.00%**

BUDGET TREND: FY2015 – FY2020



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 & collection costs increased; the City began paying for recycling services as opposed to receiving revenues
- FY2020 Increasing contract costs will begin to impact services and programming. The decrease in Salaries and Wages and increase in Benefits are due to staff turnover.

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 FY2020

- Due to late and wet fall season of FY2019, operations for leaf collection has run over the expected calendar year. This trend may continue.

FY2020 DELIVERABLES

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

PRIORITIES FOR FUTURE FUNDING

1. Labor for leaf mulching events $4,000. Increased demand for mulched material and the relocation of the stockpiling of material will demand additional labor.
2. Two leaf vacuum units $50,000. Two of our vacuum units are more than 20 years old and need to be replaced.

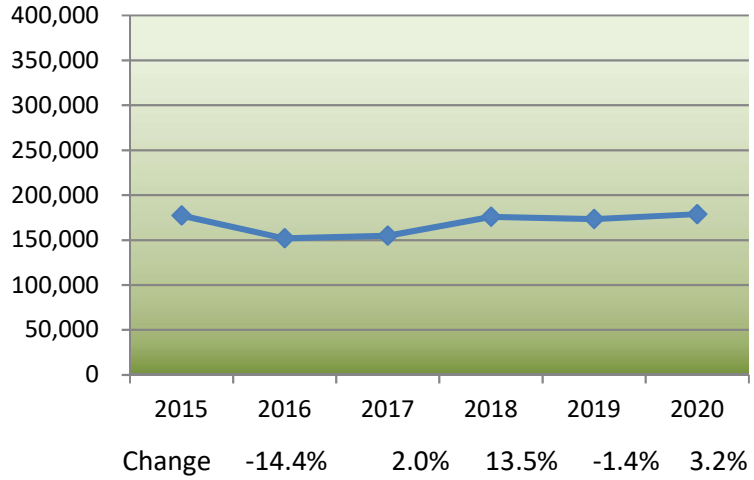
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

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

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 112,470	$ 97,500	$ 100,200	2.77%
Benefits	35,502	25,845	28,617	10.73%
Professional and Contractual	11,911	30,000	30,000	0.00%
Materials, Supplies, and Other	14,930	20,000	20,000	0.00%
Total Expenditures	174,814	173,345	178,817	3.16%
Revenues				
State Grants	161,287	152,145	139,617	-8.23%
Net Expenditures Supported by General Revenues	**$ 13,527**	**$ 21,200**	**$ 39,200**	**84.91%**

BUDGET TREND: FY2015 – FY2020



Notes:

- FY2016 reflects elimination of contracted services
- FY2018 increase for salaries to adequately perform task for leaf collection.
- FY2019 Rain during the fall has increased the resources needed.

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 FY2020

- The new City Hall facility will be operational and occupied during FY20. The new systems will require training of staff and additional finds for contracted services.

FY2020 DELIVERABLES

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

PRIORITIES FOR FUTURE FUNDING

1. Elevator maintenance $10,000. With the renovation of City Hall and the Library, the elevators will still need to be serviced. One elevator in the library will be maintained through it is expected life cycle, however it's not identified as a replacement in the project.
2. Replacement vehicle $50,000. A new work van is needed for facility maintenance, as the existing van has exceeded its life expectancy.

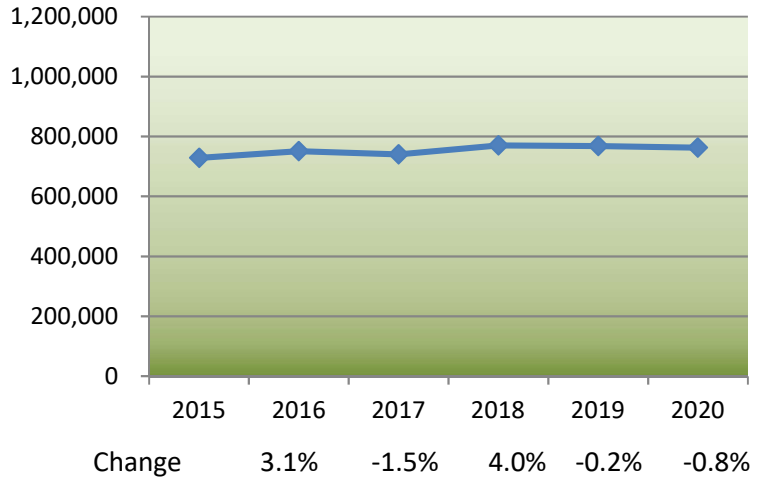
ADOPTED POSITIONS BY FTE – 2.05 TOTAL

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

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 184,190	$ 172,114	$ 179,765	4.45%
Benefits	63,903	52,948	60,795	14.82%
Professional and Contractual	280,831	377,000	355,760	-5.63%
Materials, Supplies, and Other	147,952	166,250	166,250	0.00%
Net Expenditures Supported by General Revenues	**$ 676,876**	**$ 768,312**	**$ 762,570**	**-0.75%**
Permanent Proposed FTE	**2.05**	**2.05**	**2.05**	**0.00%**

BUDGET TREND: FY2015 – FY2020



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 FY2020

- The GMHS construction will impact the fleet, as the entire fleet will be relocated to the Property Yard. This will mean the operations will be modified to accommodate.

FY2020 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. Labor for road calls and inventory $3,000. The increase of repairs and service for fleet has placed a burden on the labor and parts required to maintain the program.

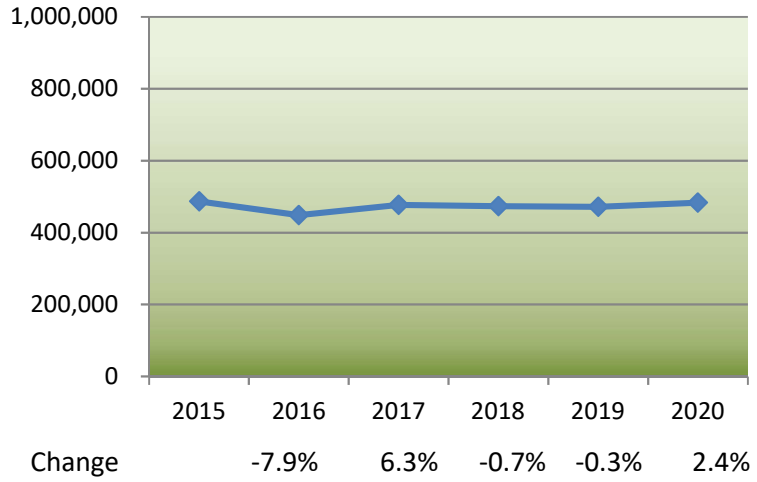
ADOPTED POSITIONS BY FTE – 4.00 TOTAL

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

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 257,985	$ 276,827	$ 285,317	3.07%
Benefits	102,470	95,223	95,625	0.42%
Professional and Contractual	103,966	104,850	109,350	4.29%
Materials, Supplies, and Other	127,885	(5,000)	(7,140)	42.80%
Total Expenditures	592,306	471,900	483,152	2.38%
Revenues				
Charges for Services	289,131	276,700	276,700	0.00%
Net Expenditures Supported by General Revenues	**$ 303,175**	**$ 195,200**	**$ 206,452**	**5.76%**
Permanent Position FTE	**4.00**	**4.00**	**4.00**	**0.00%**

BUDGET TREND: FY2015 – FY2020



Notes:

- FY2015 reflects reductions to materials and fuel cost as a result of the sale of the water system.
- FY2020 will be a banner year for maintenance efforts, with school buses being relocated.

ARBORIST

SUMMARY OF SERVICES PROVIDED

The City Arborist is responsible for the City's substantial inventory of trees. 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
  - Maintenance trees in 18 City parks 6 City facilities
- Administrative support and management of the following programs:
  - Tree City USA
  - Neighborhood Tree Program
- 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

- Continued commercial development, city park enhancements (West End Park and Howard Herman Stream Valley Park), and new 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 tree infrastructure

SIGNIFICANT CHANGES IN FY2020

- The Arborist group has introduced a new position to properly evaluate and manage the tree inventory in the City.

FY2020 DELIVERABLES

- Provide services to identify and maintain the 7000+ trees within the City.

PRIORITIES FOR FUTURE FUNDING

1. Staff training $1,000. Additional and ongoing training is required to keep abreast of the latest methods and to maintain certifications.
2. Tree removal and pruning $17,500. The program is behind and additional tree maintenance is required to get the program on track for the year.
3. Agricultural supplies $1,500. The additional supplies are related to the growing program to maintain the expected level of success for the trees.

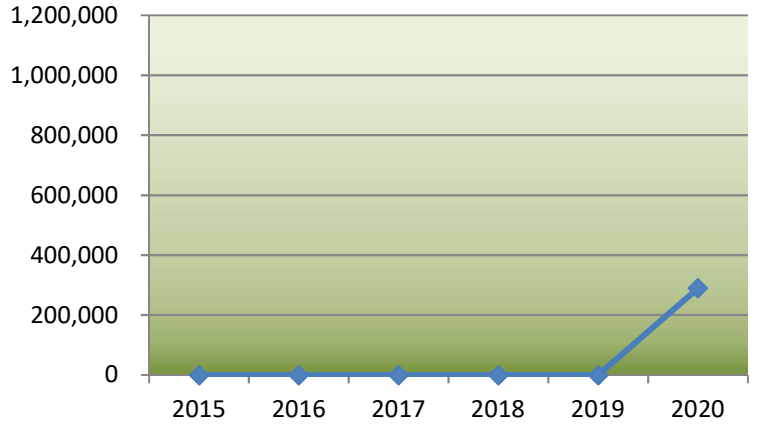
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 Arborist
- 1.00 Urban Forester

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ -	$ -	$ 162,061	-
Benefits	-	-	39,694	-
Professional and Contractual	-	-	72,500	-
Materials, Supplies, and Other	-	-	15,305	-
Total Expenditures	-	-	289,560	-
Net Expenditures Supported by General Revenues	**$ -**	**$ -**	**$ 289,560**	**-**
Permanent Position FTE	**-**	**-**	**2.00**	**-**

BUDGET TREND: FY2015 – FY2020



	2015	2016	2017	2018	2019	2020
Change	-	-	-	-	-	-

Notes:

- This is a new cost center in FY2020 established to track separately the expenditures for the arborist.

URBAN FORESTRY

SUMMARY OF SERVICES PROVIDED

Urban Forestry is responsible for the City's substantial inventory of vegetation. Specific responsibilities include:

- Maintenance
  - Planting, pruning, care, for vegetation 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:
  - Habitat Restoration Program (removal of invasive and restoration of native plants)

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

SIGNIFICANT CHANGES IN FY2020

- Maintenance of trees has been moved to Arborist

FY2020 DELIVERABLES

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

PRIORITIES FOR FUTURE FUNDING

1. Streetscape Landscape Bed Revitalization $25,000. This cost is to replace landscape areas along W. Broad St.
2. Mowing Services $10,000. Service contracts have increased and the areas of mowing have been consistently growing.

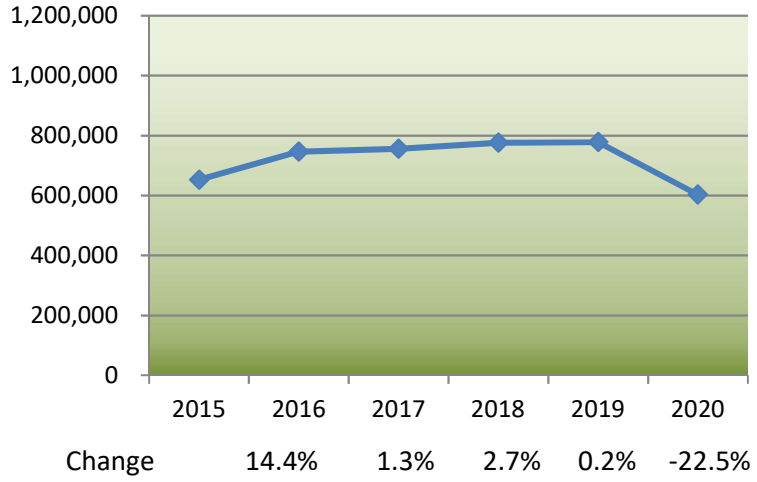
ADOPTED POSITIONS BY FTE – 3.00 TOTAL

- 1.00 Green Space Manager
- 1.00 Green Space Worker
- 1.00 Maintenance Worker

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 265,198	$ 267,431	$ 189,328	-29.20%
Benefits	92,420	85,036	66,053	-22.32%
Professional and Contractual	231,469	315,000	245,000	-22.22%
Materials, Supplies, and Other	134,453	110,320	102,258	-7.31%
Total Expenditures	723,541	777,787	602,639	-22.52%
Revenues				
Charges for Services	(45)	1,100	-	-100.00%
Fines	2,500	4,600	4,600	0.00%
Net Expenditures Supported by General Revenues	**$ 721,041**	**$ 773,187**	**$ 598,039**	**-22.65%**
Permanent Position FTE	**4.00**	**4.00**	**3.00**	**-25.00%**

BUDGET TREND: FY2015 – FY2020



Notes:

- FY2016 reflects anticipated increases in maintenance contracts coupled with a recommended increase in Level of Service for the commercial corridors.
- FY2020 decrease reflects the allocation of arborist expenditures to a different cost center.
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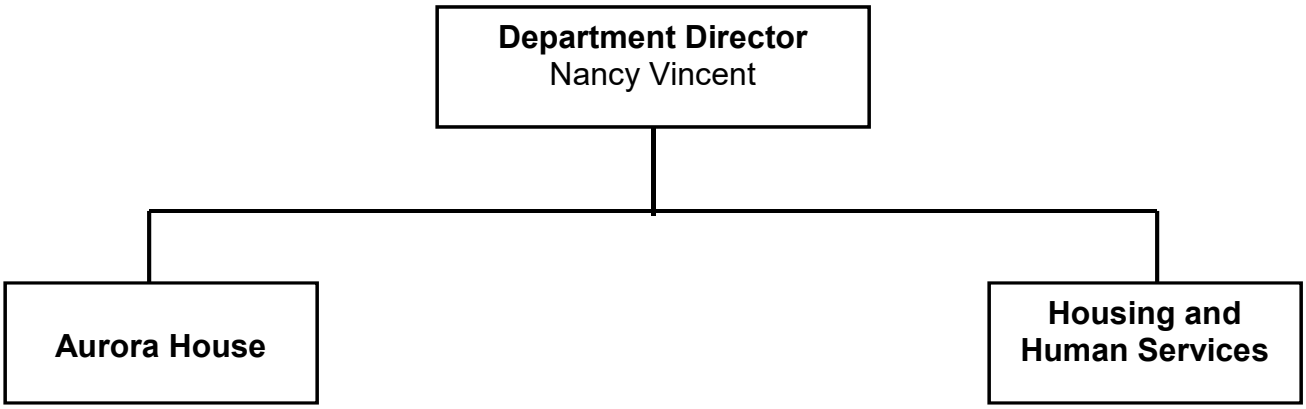
DEPARTMENT OF HUMAN SERVICES



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.

TOTAL DEPARTMENTAL BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 983,367	$ 1,079,540	$ 1,103,167	2.19%
Benefits	262,176	256,260	258,248	0.78%
Professional and Contractual	2,197,604	2,148,416	2,179,757	1.46%
Materials, Supplies, and Other	608,674	321,870	374,645	16.40%
Capital Outlay	2,743	5,000	3,000	-40.00%
Total Expenditures	4,054,564	3,811,086	3,918,817	2.83%
Revenues				
Charges for Services	782,876	942,392	856,155	-9.15%
Federal Grants	78,119	81,752	107,928	32.02%
Other Grants and Contributions	11,800	11,800	1,800	-84.75%
Total Revenues	872,795	1,035,944	965,883	-6.76%
Net Expenditures Supported by General Revenues	**$ 3,181,769**	**$ 2,775,142**	**$ 2,952,934**	**6.41%**
Permanent Position FTE	**13.63**	**13.63**	**14.13**	**3.67%**

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 Children's 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 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 Independent Living Program (ILP). The ILP provides a unique opportunity for young women, ages 16-20, 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 skills sessions. Other 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 Citizen's Advisory Committee manages the Olom-Porzel Scholarship Fund 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 a decrease in delinquency cases
- Aurora house continues to provide transitional/step down and reintegration services for children leaving treatment centers

SIGNIFICANT CHANGES IN FY2020

- Due to increasing demand, the Independent Living Program will expand from its current two beds.

FY2020 DELIVERABLES

- Maintain or exceed an annual utilization rate of 75%
- Maintain or exceed a 90% successful discharge rate
- Maintain or reduce recidivism rate by 5%

ADOPTED POSITIONS BY FTE – 8.73 TOTAL

- 0.10 Director of Human Services*
- 1.00 Group Home Manager
- 1.00 Residential Supervisor
- 0.50 Mental Health Clinician

*Position is allocated to other activities.

- 5.00 Group Home Counselors
- 0.63 Food Services Coordinator
- 1.00 Senior Administrative Assistant

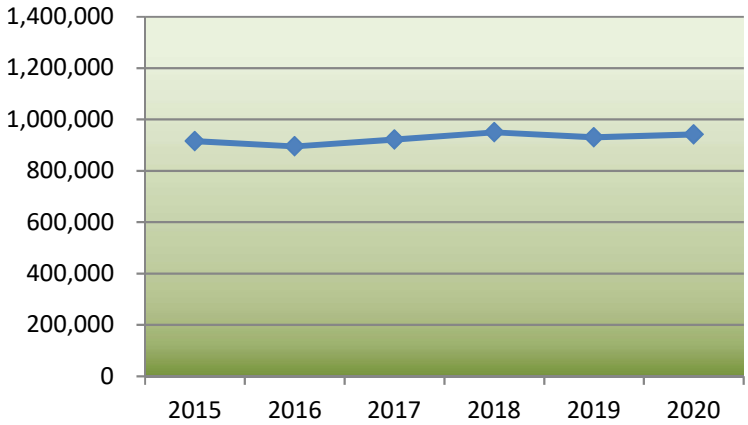
Part-time employees are also employed as relief counselors in addition to the employees listed above.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 577,902	$ 659,146	$ 678,327	2.91%
Benefits	142,615	148,289	156,664	5.65%
Professional and Contractual	17,080	21,670	6,750	-68.85%
Materials, Supplies, and Other	94,563	97,100	96,575	-0.54%
Capital Outlay	2,743	5,000	3,000	-40.00%
Total Expenditures	834,904	931,205	941,316	1.09%
Revenues				
Federal Grants	3,499	2,300	3,000	30.43%
Charges for Services	777,566	935,992	850,155	-9.17%
Other Grants and Contributions	1,800	1,800	1,800	0.00%
Total Revenues	782,864	940,092	854,955	-9.06%
Net Expenditures Supported by General Revenues	**$ 52,040**	**$ (8,887)**	**$ 86,361**	**-1071.77%**
Permanent Position FTE	**8.73**	**8.73**	**9.23**	**5.73%**

Aurora House

BUDGET TREND: FY2015 – FY2020



	2015	2016	2017	2018	2019	2020
Change		-2.2%	3.0%	3.1%	-2.0%	1.1%

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:	105	54	115

- Overall utilization of the Northern Virginia Juvenile Detention Center has declined from 16,338 child care days in FY 2009 to 7,836 in FY 2018.

SIGNIFICANT CHANGES IN FY2020

- A study will be conducted to determine if alternatives to incarceration at NVJDC would provide a better use of resources.

FY2020 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.
- 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 Children's 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
- At least 80 percent of all juvenile cases will successfully complete probation

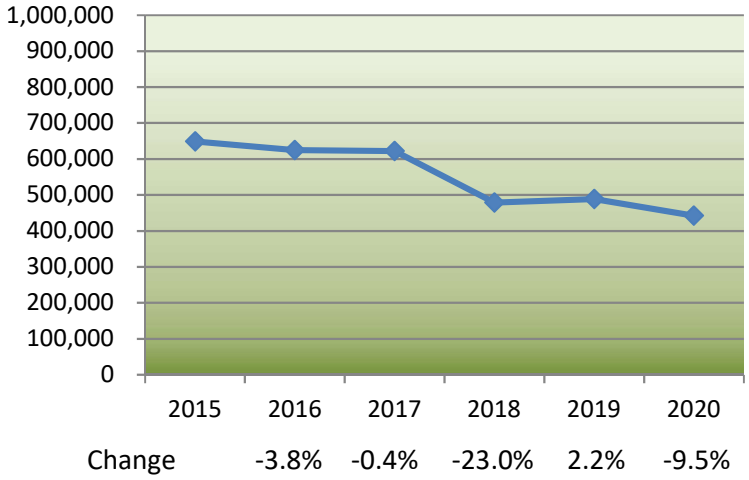
- Recidivism rates, within one year among juveniles, will be no greater than 10 percent
- Work with the Falls Church City Public Schools to identify those juveniles involved with substance abuse and provide services prior to any court involvement.
- At least 75 percent of all adult cases will successfully complete probation
- Recidivism rate, within one year among adults, will be no greater than 20 percent

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

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 77	$ -	$ -	0.00%
Benefits	35	-	-	0.00%
Professional and Contractual	541,274	488,881	442,400	-9.51%
Net Expenditures Supported by General Revenues	**$ 541,387**	**$ 488,881**	**$ 442,400**	**-9.51%**

BUDGET TREND: FY2015 – FY2020



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.
- The decrease in FY2020 is a result of the lower utilization of the Argus House program at Arlington.

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.

FY2020 DELIVERABLES

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

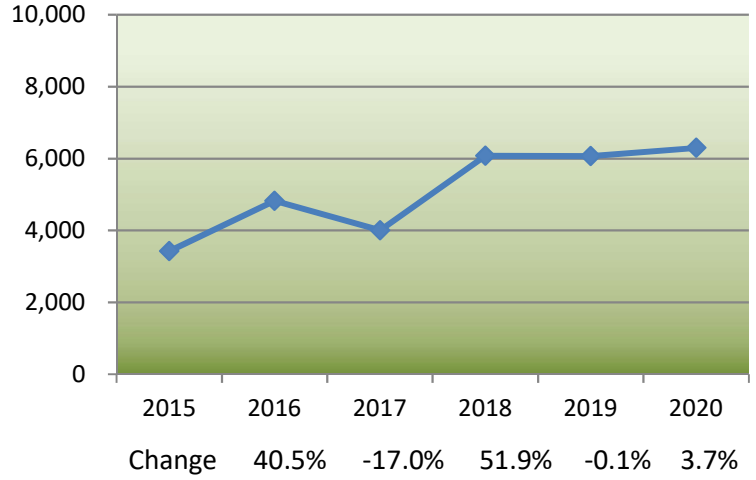
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contractual services provided through agreement with Arlington County.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 6,074	$ 6,069	$ 6,295	3.72%
Net Expenditures				
Supported by General Revenues	**$ 6,074**	**$ 6,069**	**$ 6,295**	**3.72%**

BUDGET TREND: FY2015 – FY2020



Notes:

- The City pays Arlington a proportionate share of costs for Judicial Services based on population. For FY2020, this will be 5.61%.
- The increase in FY2020 is due to increase in Arlington personnel salary and benefit costs.

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

- The number of Affordable Dwelling Rental Units remained consistent at 54 while the number of ADU homeowners decreased from 23 to 21 due to the conversion to market rate.
- Rental –The median rents in the City have seen a 22% increase from $1,453 to $1,775 since 2010. The percentage of City renters paying greater than 30% of monthly income towards rent has increased from 46.8% to 50.5% since 2010.
- Homeownership – From 2008 to 2017, the median cost of detached single family homes has increased by 16%.
- Despite increasing population, the number of households earning under $50,000 decreased from 973 in 2013 to 885 in 2017.
- The poverty level decreased from 4% in 2013 to 2.9% in 2017.
- The percentage of individuals identifying as white rose from 77% in 2013 to 79% in 2017.
- The number of referrals for food was consistent with last year at 34.

SIGNIFICANT CHANGES IN FY2020

- A group home for individuals with disabilities will be open and serving five adults on land transferred from the City to a nonprofit.
- Increasing housing costs continue to reduce affordability in the City.
- Income and racial diversity continues to decline.

FY2020 DELIVERABLES

- Provide 2,000 responses to information and referral requests
- Provide housing information in response to 200 requests
- Provide landlord/tenant counseling to 30 residents
- Provide eviction prevention information to 10 residents
- Administer 58 Affordable Dwelling Units (rental and homeownership)
- Make 35 referrals for food
- Make 36 referrals for dental services
- Monitor contracted services with Fairfax Department of Family Services, Fairfax-Falls Church Community Services Board, and Fairfax County Health Department, Arlington Court Services Unit

PRIORITIES FOR FUTURE FUNDING

1. Part-time grant administrator: $37,000
2. Northern Virginia Housing Expo will be held in Falls Church in 2020: $1,000
3. City Committed Affordable Unit program to provide Affordable Dwelling Units to low income City households: $18,000 for three apartments

ADOPTED POSITIONS BY FTE – 4.90 TOTAL

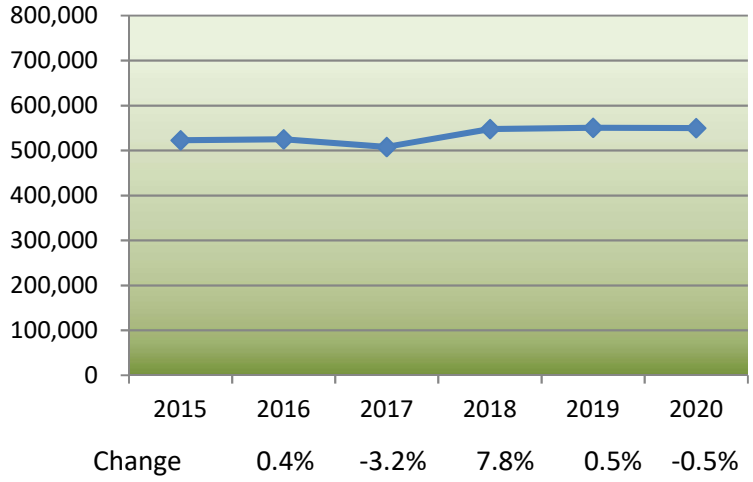
- 0.90 Director of Human Services/HHS Manager*
- 1.00 Human Services Specialist
- 1.00 Housing Program Analyst
- 1.00 Housing Specialist I
- 1.00 Management Specialist

*Position is allocated to other activities.

ADOPTED BUDGET

	FY2018 Adopted	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 405,388	$ 420,394	$ 424,840	1.06%
Benefits	119,525	107,971	101,584	-5.92%
Professional and Contractual	4,550	4,396	4,396	0.00%
Materials, Supplies, and Other	14,271	17,810	17,060	-4.21%
Total Expenditures	543,734	550,571	547,880	-0.49%
Revenues				
Other Grants and Contributions	10,000	10,000	-	-100.00%
Total Revenues	10,000	10,000	-	-100.00%
Net Expenditures Supported by General Revenues	**$ 533,734**	**$ 540,571**	**$ 547,880**	**1.35%**
Permanent Position FTE	**4.90**	**4.90**	**4.90**	**0.00%**

BUDGET TREND: FY2015 – FY2020



Notes:

- HHS budget has remained essentially flat.
- The slight decrease in FY2020 reflects the elimination of $10,000 private donation used for a housing intern.

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; provide early intervention services for infants and toddlers who have developmental delays; 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 38% when compared to the previous year
- Families receiving supplemental nutrition assistance (food stamps) increased from last year 32%
- Child Protective Services and Adult Protective Services investigations remained consistent 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 from FY 2017-FY 2018
- Rent Relief is provided to 6 income eligible seniors and /or disabled households to offset the burden of increasing rents.
- Community Services Funds provided grants to nonprofit organizations to meet the basic needs of residents such as:
    - Emergency homeless shelter served 35 individuals; legal services served 15 households; reading services or dial-in information services for 13 visually impaired residents; monthly rental assistance to 3 households, mostly victims of domestic violence; and emergency assistance to meet basic needs was provided to 67 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 12 households; repairs to senior housing apartment 80 residents
    - Funding has remained consistent for CDBG funding over the past 4 years

SIGNIFICANT CHANGES IN FY2020

- With rising rents, the amount of emergency assistance requests will increase.

FY2020 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, help with medical care, and food security
- 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, at least 335 households or individuals will be served.
- Provide Adult English Language classes and HUGS program, transitional housing, emergency rent and utilities, and aging property rehab to 106 low to moderate income residents through the Community Development Block Grant/ HOME funding.

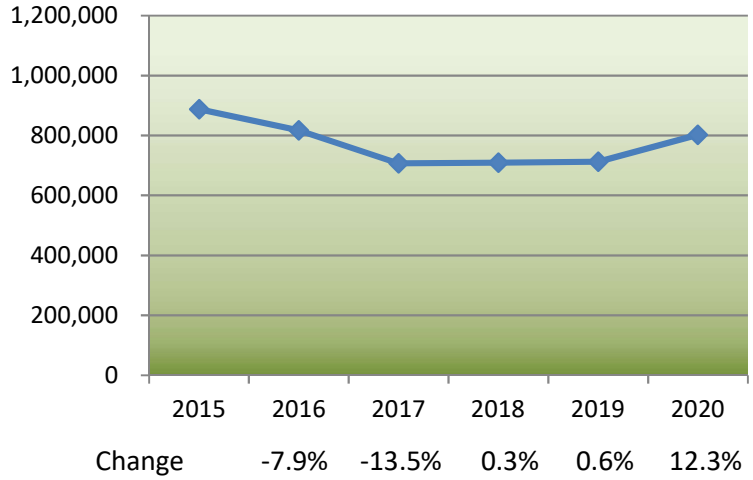
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

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

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 542,209	$ 505,942	$ 539,517	6.64%
Materials, Supplies, and Other	499,839	206,960	261,010	26.12%
Total Expenditures	1,042,049	712,902	800,527	12.29%
Revenues				
Federal Grants	74,621	79,452	104,928	32.06%
Charges for Services	5,310	6,400	6,000	-6.25%
Total Revenues	79,931	85,852	110,928	29.21%
Net Expenditures Supported by General Revenues	**$ 962,118**	**$ 627,050**	**$ 689,599**	**9.98%**

BUDGET TREND: FY2015 – FY2020



Notes:

- Costs are determined by contractual agreement with Fairfax County, based on population and actual service.
- Grant programs are locally or federally funded.

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 developmental disabilities. The goals of these programs are 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

SIGNIFICANT CHANGES IN FY2020

- New state mandates are increasing resource requirements
- Services provided through the Infant and Toddler Connection were moved to the Department of Family Services

FY2020 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 to 28 residents
- Intellectual disabilities services provided to 23 residents
- Alcohol and drug services provided to 9 residents

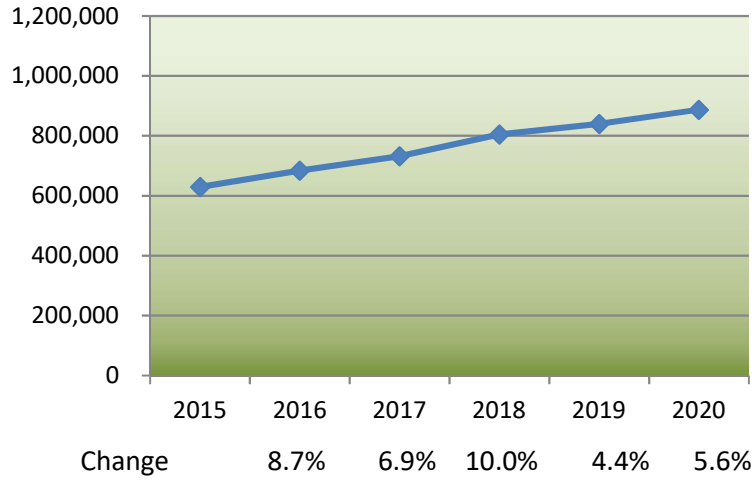
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contractual services provided through agreement with Fairfax County

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 805,036	$ 840,458	$ 887,299	5.57%
Net Expenditures Supported by General Revenues	**$ 805,036**	**$ 840,458**	**$ 887,299**	**5.57%**

BUDGET TREND: FY2015 – FY2020



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 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

- 29% decrease in health clinic visits from the previous year
- Environmental health inspections remained consistent with the previous year
- The number of enrollees in primary health care services has remained consistent

FY2020 DELIVERABLES

- 183 health clinic visits
- 337 environmental health inspections
- 230 days of adult day care and 414 Fastran rides for 1 resident
- Primary health care services to 34 (86 visits) low-income, uninsured residents. 70 residents are currently enrolled.

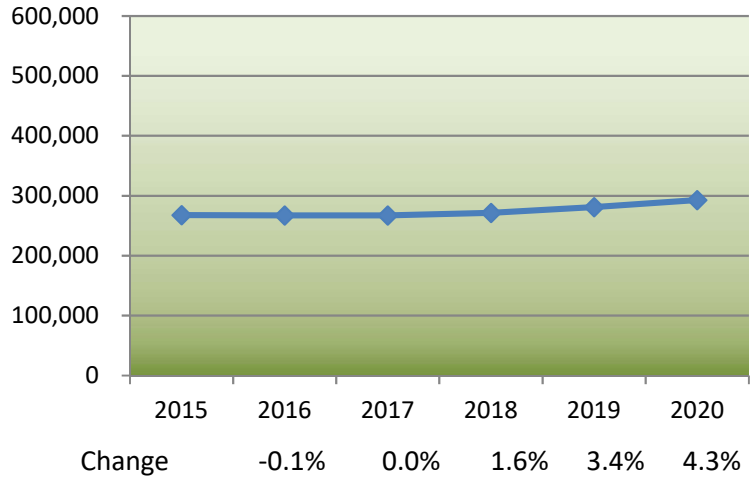
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contractual services provided through agreement with Fairfax County

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 281,381	$ 281,000	$ 293,100	4.31%
Net Expenditures Supported by General Revenues	**$ 281,381**	**$ 281,000**	**$ 293,100**	**4.31%**

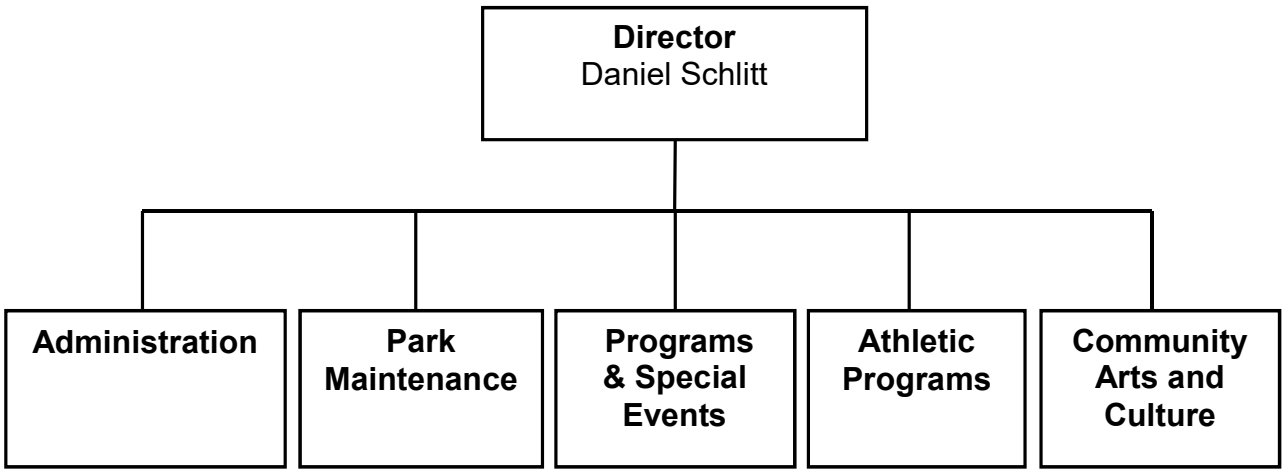
BUDGET TREND: FY2015 – FY2020



Notes:

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

DEPARTMENT OF RECREATION & PARKS



TOTAL DEPARTMENTAL BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 1,193,913	$ 1,237,502	$ 1,273,964	2.95%
Benefits	302,418	290,104	313,414	8.04%
Professional and Contractual	973,447	949,125	949,850	0.08%
Materials, Supplies, and Other	735,675	727,707	728,795	0.15%
Total Expenditures	3,205,453	3,204,438	3,266,023	1.92%
Revenues				
Charges for Services	2,041,733	2,017,000	2,035,000	0.89%
State Grants	4,500	4,500	4,500	0.00%
Other Grants and Contributions	4,179	-	3,700	-
Total Revenues	2,050,412	2,021,500	2,043,200	1.07%
Net Expenditures Supported by General Revenues	**$ 1,155,041**	**$ 1,182,938**	**$ 1,222,823**	**3.37%**
Permanent Position FTE	**16.40**	**16.40**	**16.40**	**0.00%**

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 1,700 room rental requests for the Community Center, 380 picnic shelter reservations, and 1,400 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 over 1,500 new household accounts each year.

SIGNIFICANT CHANGES IN FY2020

- Administrative staff will conduct a price comparison of rental rates in the region and adjust our rental fees accordingly.
- The department's Fee Reduction program will be examined and updated in FY20.

FY2020 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. Man-lift $20,000: Single year expense of equipment to be shared with public works. Would be used for repairs and cleaning of the gymnasium to include replacing ceiling tiles, lights, etc.

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.

ADOPTED POSITIONS BY FTE – 5.80 TOTAL

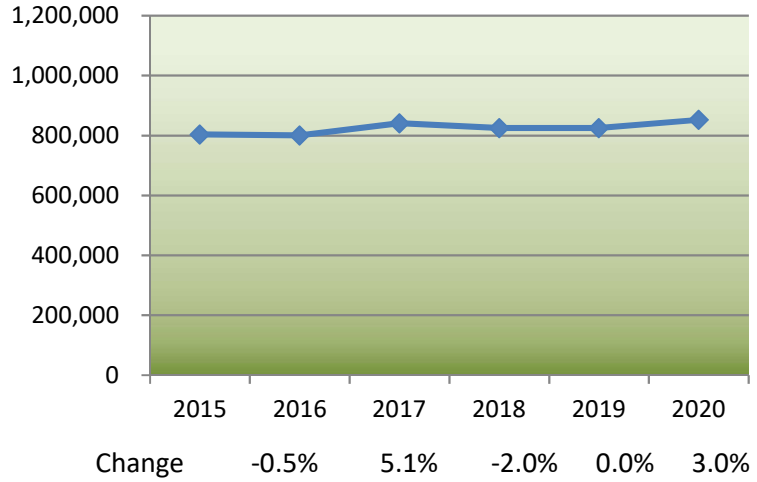
- 1.00 Director of Recreation and Parks
- 1.00 Senior Administrative Assistant
- 1.00 Administrative Assistant
- 2.80 Maintenance Workers

*Temporary and seasonal labor is also used as needed.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 403,512	$ 439,209	$ 441,871	0.61%
Benefits	111,059	102,034	122,021	19.59%
Professional and Contractual	47,670	43,125	44,850	4.00%
Materials, Supplies, and Other	235,092	240,577	241,095	0.22%
Total Expenditures	797,333	824,945	849,837	3.02%
Revenues				
Charges for Services	34,517	35,000	38,000	8.57%
Other Grants and Contributions	3,154	-	3,000	-
Total Revenues	37,671	35,000	41,000	17.14%
Net Expenditures Supported by General Revenues	**$ 759,662**	**$ 789,945**	**$ 808,837**	**2.39%**
Permanent Position FTE	**5.80**	**5.80**	**5.80**	**0.00%**

BUDGET TREND: FY2015 – FY2020



Notes:

- 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.
- Contracted expenses such as our registration software and Nova Parks agreements continue to rise, causing us to decrease funding for items such as repair and maintenance supplies and education and recreation supplies.

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

- The City's outdoor sport court surfaces were all renovated or repaired in 2014. Preventative maintenance is needed to prevent cracks from worsening to the point where they cannot be filled.
- The Recreation Department continues to coordinate park projects with non-profit groups, Eagle Scouts and other interested parties.
- 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.
- New maintenance standards should be created and implemented which will require additional funding.
- City park renovations continue 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 will continue with major improvements to Big Chimneys and the installation of the synthetic turf field at Larry Graves Park in FY20. Operating costs will remain relatively flat for both parks.

SIGNIFICANT CHANGES IN FY2020

- A renovated Downtown Plaza park will require additional maintenance that was not previously required.

FY2020 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. Preventative Maintenance needs such as resurfacing of outdoor tennis and basketball courts is a high priority item that is currently unfunded. Procrastinating these preventative maintenance items results in a need to completely renovate these courts at a much higher cost. This line item also funds annual replacement of smaller playground equipment and the repair and or replacement of smaller park amenities such as picnic benches, grills, table, etc. Large overhauls and or full master park implementations will continue to be CIP funded.
2. Replacement of Truck - $24,000. One-time expense to replace the truck used by the Recreation & Parks maintenance crew. The truck is critical to maintaining our parks.

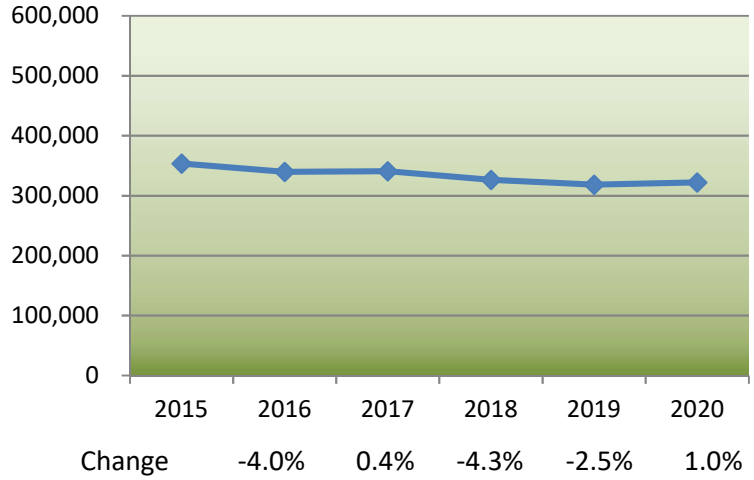
ADOPTED POSITIONS BY FTE – 3.00 TOTAL

- 1.00 Senior Crew Leader
- 2.00 Maintenance Workers

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 132,200	$ 142,559	$ 151,149	6.03%
Benefits	46,862	44,817	44,770	-0.10%
Professional and Contractual	107,713	98,000	94,000	-4.08%
Materials, Supplies, and Other	24,070	32,950	31,500	-4.40%
Total Expenditures	310,844	318,326	321,419	0.97%
Revenues				
Other Grants and Contributions	325	-	-	0.00%
Net Expenditures Supported by General Revenues	**$ 310,519**	**$ 318,326**	**$ 321,419**	**0.97%**
Permanent Position FTE	**3.00**	**3.00**	**3.00**	**0.00%**

BUDGET TREND: FY2015 – FY2020



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 FY2019, 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 $900,000 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 and events held at the Cherry Hill Farmhouse.

TRENDS AND ISSUES

- This cost center generates over 1.6 million dollars annually.
- The Recreation Department will continue to bring recreation programs out into the community by bringing back our pop up programs in parks.
- Health and wellness continues to be a priority. Our Fit at the Farmers Market was awarded Best Health and Wellness Initiative in Virginia for our population category and will continue to expand in FY2020.
- Maintaining the quality of our camps which are held at the George Mason High School/Mary Ellen Henderson Campus during construction is a priority.

SIGNIFICANT CHANGES IN FY2020

- Legislative changes to daycare programs are set to go into effect July 1, 2019. These changes require additional administrative tasks that will be an added work load to our programming staff to maintain compliance.

FY2020 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 5,200 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. Support for community sponsored events - $20,000 annually: 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

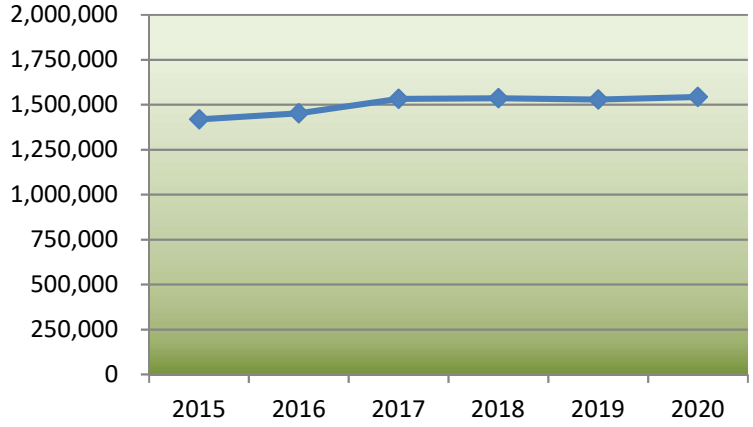
- 1.00 Deputy Director
- 2.00 Program Supervisors
- 0.40 Recreation Specialists*
- 1.80 Senior Recreation Specialist
- 0.80 Preschool Teacher

*Position is allocated to other activities.
Temporary and seasonal labor is also used as needed.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 536,300	$ 534,087	$ 543,207	1.71%
Benefits	122,270	123,037	125,634	2.11%
Professional and Contractual	695,667	696,000	696,000	0.00%
Materials, Supplies, and Other	187,932	174,980	176,500	0.87%
Total Expenditures	1,542,169	1,528,104	1,541,341	0.87%
Revenues				
Charges for Services	1,612,790	1,584,000	1,595,000	0.69%
Other Grants and Contributions	700	-	700	-
Total Revenues	1,613,490	1,584,000	1,595,700	0.74%
Net Expenditures Supported by General Revenues	**$ (71,321)**	**$ (55,896)**	**$ (54,359)**	**-2.75%**
Permanent Position FTE	**6.40**	**6.00**	**6.00**	**0.00%**

BUDGET TREND: FY2015 – FY2020



Change	2.4%	5.5%	0.3%	-0.6%	0.9%

Notes:

- The upcoming renovation/build of George Mason High School will have a significant impact on summer camp programming and revenues. For the summer of 2019, we are still offering the same number of camps as years past.

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.

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 over 1000 participants each year. The spring and fall soccer programs feature more than 700 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.
- With the increase in registrations, we are less reliant on contracting local athletic associations to offer our sports programs. With franchise fees continuing to rise, we will continue to bring all teams we can into a house program.
- Our youth sport programs continue to grow every year.
- Contracted costs for referees continue to increase.
- Maintaining our quality athletic programs during the construction to the George Mason High School/Mary Ellen Henderson Campus is a priority.

SIGNIFICANT CHANGES IN FY2020

- There are no significant changes for FY20.

FY2020 DELIVERABLES

- In FY2020, 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 - $8,500: Franchise fees and referee costs continue to rise. Maintaining a zero operating increase demanded a decrease in athletic supplies for FY19 and for FY20, we were only able to restore a small portion of funding. 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.

ADOPTED POSITIONS BY FTE – 1.40 TOTAL

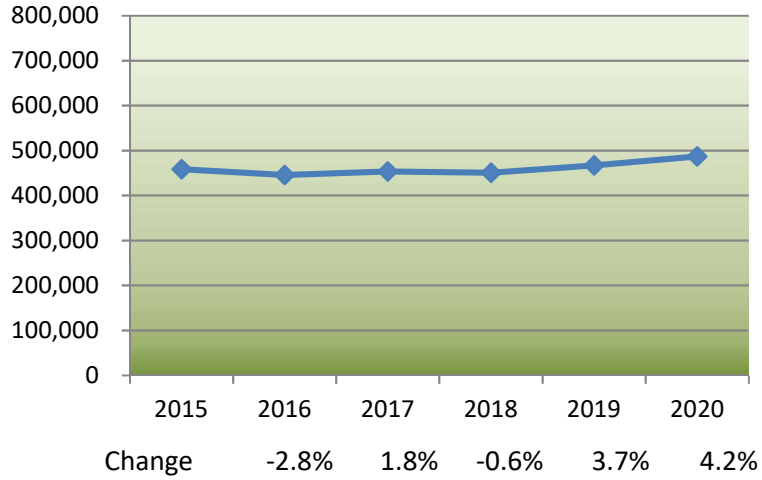
- 1.00 Senior Program Supervisor
- 0.40 Recreation Specialist*

*This position is allocated to other activities.
Temporary seasonal labor is also used as needed.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 109,801	$ 109,142	$ 124,180	13.78%
Benefits	18,151	16,694	17,631	5.61%
Professional and Contractual	122,398	112,000	115,000	2.68%
Materials, Supplies, and Other	236,583	229,700	230,200	0.22%
Total Expenditures	486,933	467,536	487,011	4.17%
Revenues				
Charges for Services	428,943	433,000	440,000	1.62%
Net Expenditures Supported by General Revenues	**$ 57,990**	**$ 34,536**	**$ 47,011**	**36.12%**
Permanent Position FTE	**1.00**	**1.40**	**1.40**	**0.00%**

BUDGET TREND: FY2015 – FY2020



Notes:

- 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
- In FY2019, the significant change in salaries is because we have reallocated half of a Recreation Specialist, .8FTE from 7109 to 7110.
- Also in FY2019, due to rising contractual services, and maintaining a zero operating increase, funding was taken from athletic supplies.
- Registration fees for youth and adult sports have increased for FY2020 to help decrease the net expenditures supported by revenue.

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.
- With the high volume of construction projects in the City, the Arts and Humanities Council remains engaged and continues to provide comments on these projects.
- The Arts and Humanities Council advises City Council on public policy promoting activities, programs, events and strategies that encourage arts, theatre, culture and history.

SIGNIFICANT CHANGES IN FY2020

- A public art policy, which is expected to be finalized for FY20, will be a proud accomplishment of a long-time goal. Once approved, the policy will need to be upheld which will require resources.
- Upon request, the grant program managed from this cost center is under review and will be presented to council for edits to the guidelines and eligibility.

FY2020 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.

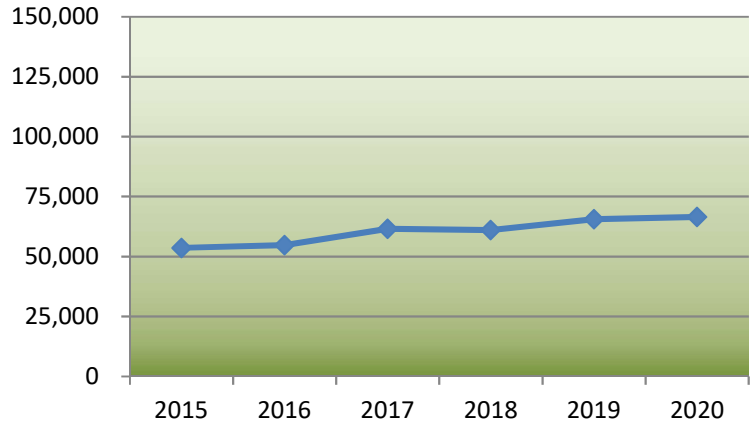
ADOPTED POSITIONS BY FTE – 0.20 TOTAL

- 0.20 Senior Recreation Specialist (Position is allocated to other activities)

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 12,101	$ 12,505	$ 13,557	8.41%
Benefits	4,076	3,522	3,358	-4.66%
Materials, Supplies, and Other	51,998	49,500	49,500	0.00%
Total Expenditures	68,175	65,527	66,415	1.36%
Revenues				
State Grants	4,500	4,500	4,500	0.00%
Total Revenues	4,500	4,500	4,500	0.00%
Net Expenditures Supported by General Revenues	**$ 63,675**	**$ 61,027**	**$ 61,915**	**1.46%**
Permanent Position FTE	**0.20**	**0.20**	**0.20**	**0.00%**

BUDGET TREND: FY2015 – FY2020

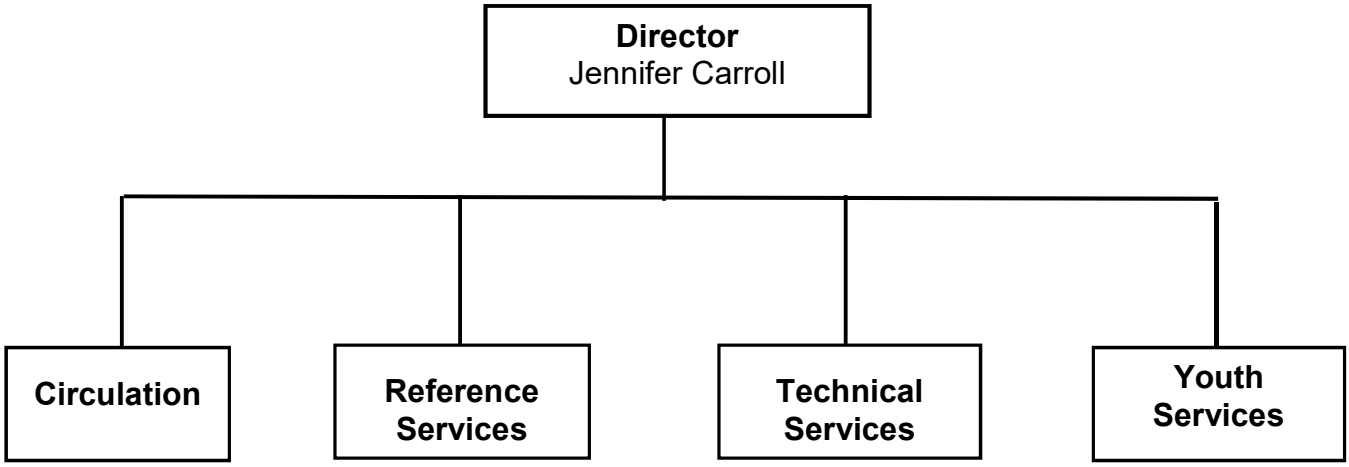


	2015	2016	2017	2018	2019	2020
Change		2.3%	12.3%	-0.8%	7.3%	1.4%

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.
- The majority of expenditure changes for FY2020 are due to a staff reclassification.

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 eleventh year won the Star Library national award—one of two libraries in Virginia and the **only** library in the state that has been selected all eleven years the award has been given

TRENDS AND ISSUES

- 802 programs last year, 36,267 people attended
- Summer Reading Program for children, teens, and adults: over 2,400 participated last year. Over the three month summer vacation, the library circulated 98,355 items
- 30,152 registered borrowers and 11,949 are Falls Church citizens (83% of the population)
- Circulation of over 475,000 items annually
- Over 313,000 visits annually by patrons
- Collection is being reduced for the new building
- 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 significant ADA issues
- Digital format use is increasing every year and the print collection remains very popular, 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 increased from the previous year (FY2019), this is a year to year calculation and based on the Legislature’s willingness to fund it (see note on last page of narrative)

SIGNIFICANT CHANGES IN FY2020

- The library will be moving to the temporary location, Thomas Jefferson ES trailers, in late summer/early fall.
- The services listed above will be impacted by the relocation to the trailers due to space restrictions.
- The library building at 120 N. Virginia Ave will be under construction for a majority of FY2020.
- While some indicators have plateaued (circulation, visits, program attendance), use for the size of the library makes us an outlier. We enjoy high use by the public with no significant increase in staff, hours of operation, or operating budget.

FY2020 DELIVERABLES

- Guaranteed Maximum Price (GMP) process completed and construction of the renovation/expansion of the library
- Provide approximately 650-700 programs a year for all ages; lowered number due to space restrictions
- Answer approximately 50,000 reference questions per year
- Circulate over 350,000 items a year; lowered number due to reduced collection size in temporary location
- Maintain an 83% to 85% of the city population with active library cards
- Continue to provide eResources and implement additional resources during the relocation to account for a reduced physical collection size

ADOPTED POSITIONS BY FTE –18.85 TOTAL

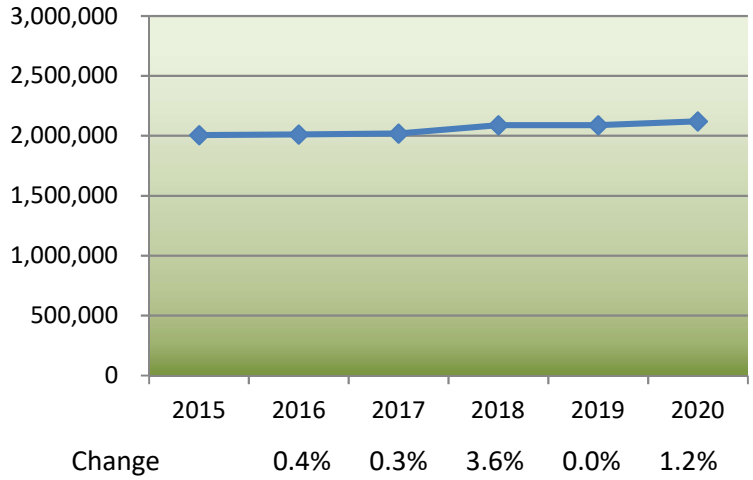
- 1.00 Library Director
- 1.00 Youth Services Supervisor
- 4.60 Librarians
- 6.05 Library Assistants
- 1.00 Circulation Supervisor
- 1.00 Technical Services Supervisor
- 1.00 Reference Services Supervisor
- 1.00 Senior Administrative Assistant
- 0.60 Systems Engineer
- 1.00 Custodian
- 0.60 Senior Library Page

Temporary workers are also used as Pages and Library Assistant I substitutes.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 1,118,987	$ 1,191,668	$ 1,218,276	2.23%
Benefits	346,202	356,036	348,930	-2.00%
Professional and Contractual	1,029	1,050	1,250	19.05%
Materials, Supplies, and Other	606,475	541,960	546,929	0.92%
Total Expenditures	2,099,269	2,090,714	2,115,385	1.18%
Revenues				
State Grants	144,430	143,714	152,000	5.77%
Charges for Services	6,254	8,800	8,800	0.00%
Fines	34,135	43,200	34,000	-21.30%
Other Grants and Contributions	24,017	-	-	0.00%
Total Revenues	208,835	195,714	194,800	-0.47%
Net Expenditures Supported by General Revenues	**$ 1,890,434**	**$ 1,895,000**	**$ 1,920,585**	**1.35%**
Permanent Positions FTE	**17.85**	**18.85**	**18.85**	**9.40%**

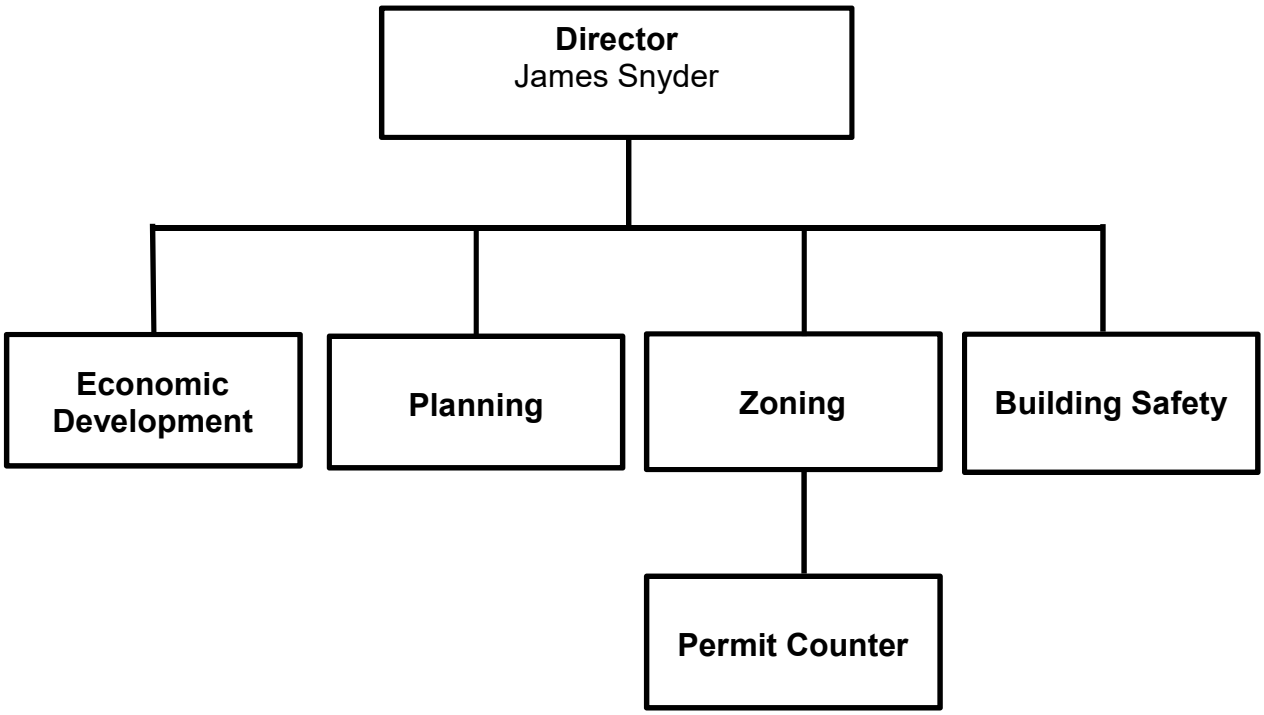
BUDGET TREND: FY2015 – FY2020



Notes:
For FY2020, the following are the major changes in the library's budget:

- State Aid monies have increased due to the General Assembly's appropriation for public libraries moving from 57.3% of full funding to 60.2% of full funding.

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 adopted 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, Architecture Advisory Board (AAB), 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).

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 and issues permits for commercial and residential construction.
2. Enforces the Virginia Maintenance Code for existing buildings.
3. Reviews all building, electrical, mechanical, plumbing, fuel/gas, energy, accessibility, and fire protection permit plans for compliance with the Virginia State codes.
4. Conducts field inspections of building 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 on building construction and use.
7. Participates as part of the emergency management response team.
8. Stay up-to-date with code changes, new and emerging materials, technologies and methods of construction.

TRENDS AND ISSUES

1. Permits: Permits issued have remained relatively constant, varying between 2,500 and 2,700 permits annually.
    - 2014 – 2,524
    - 2015 – 2,681
    - 2016 – 2,672
    - 2017 – 2,594
    - 2018 – 2,529
2. Certificates of Occupancy: Certificates of Occupancy issues over the last five-years have varied between 200 and 300.
    - 2014 – 202
    - 2015 – 242
    - 2016 – 276
    - 2017 – 231
    - 2018 - 209

3. Permit Fees: Permit fees include both a typical baseline of activity and one-time collections resulting from larger redevelopment projects.
    - 2014 - $1,705,565
    - 2015 - $1,156,794
    - 2016 - $671,063
    - 2017 – $625,599
    - 2018 - $1,031,368
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).
    - 2014 – 37 permits, net 6
    - 2015 – 33 permits, net 7
    - 2016 – 20 permits, net 6
    - 2017 – 22 permits, net 1
    - 2018 – 36 permits, net 3

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		
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
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	26,860 sq ft commercial	Opened 2017

Building"		
205 Park Ave "Northside Social"	7,183 sq ft commercial	Opened 2018
Projects Under Construction		
Cottage Housing	10 households	Expected 2019
Founders Row	394 units 30,000-35,000 sq ft movie theater 63,946 sq ft commercial	Expected 2021
Projects Approved		
Broad & Washington	295 units 99,200 sq ft commercial	Approved 2018
Project Applications		
Park & Lee	Pending	
West Falls Church Economic Development Project	875,375 sq ft residential 588,900 sq ft commercial	

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	
Downtown Small Area Plan	2014
Schools Area ULI-TAP	2015
Gordon Road Mini-TAP	2015
W Broad Street Small Area Plan	2016
East End ULI-TAP	2018
Master Planning	
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
Neighborhood Traffic Calming, Winter Hill, light solution	2018
Neighborhood Traffic Calming, N West St	2018
Neighborhood Traffic Calming, Lincoln Ave	2018
Residential Parking District, Grove Ave and Park Ave	2019

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

FY2020 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 2020 Deliverables
Development Applications
1. West Falls Church – Special Exception Entitlement 2. George Mason High School – Site Plan 3. Mary Riley Styles Library – Site Plan
Building Safety
1. Founders Row – plan review and field inspection 2. West Falls Church – plan review and field inspection 3. George Mason High School – plan review and field inspection 4. Mary Riley Styles Library – plan review and field inspection

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. Comprehensive Plan Updates a. Demographics Chapter b. Natural Resources / Environment Chapter c. Housing Chapter
Plan Implementation
1. Bike-Share 2. W&OD Dual Trails and Crossings 3. Neighborhood Traffic Calming 4. Transportation Demand Management 5. Berman Park Greenway
Zoning and Land Use Updates
1. Greenway Downs Zoning Code Amendment 2. Paper Streets/Greenways recognized on Future Land Use Maps 3. Residential Parking Update
Regional Coordination
1. NVTA 2. NVTC 3. COG 4. WMATA (staffing available for monitoring)
Grant Applications
1. Transportation Alternatives Program (TAP) 2. SmartScale 3. NVTA 70% Funds 4. Bicycle Pedestrian Safety Program (BPSP) 5. Department of Rail and Public Transportation (DRPT) 6. Council of Governments (COG) Transportation-Land Use Connections TLC 7. Office of Intermodal Planning and Investment (OIPI) Urban development Area (UDA)

PRIORITIES FOR FUTURE FUNDING

1. 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 – 23.30 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 Deputy Planning Director
0.50 Principal Planner/Deputy Zoning Administrator
1.00 Senior Planner
2.00 Planner
1.30 Planner, Transportation*

Zoning Division (4.5)
1.00 Zoning Administrator
0.50 Principal Planner/Deputy Zoning Administrator
1.00 Development Services Inspector/Zoning Technician

1.00 Planner, Planning Commission Clerk

Economic Development (2.00)
1.00 Economic Development Division Chief
1.00 Principal Planner/West Falls Church Project Manager

Counter Services Team (2.0)
1.00 Senior Development Process Specialists / Team Leader
1.00 Senior Development Process Specialists

Building Safety Division (7.0)
1.00 Building Official
1.00 Deputy Building Official /Electrical Plan Reviewer Inspector
3.00 Multi Code Plan Reviewer and Inspector
1.00 Structural Engineer/Plan Reviewer
1.00 Building Inspector

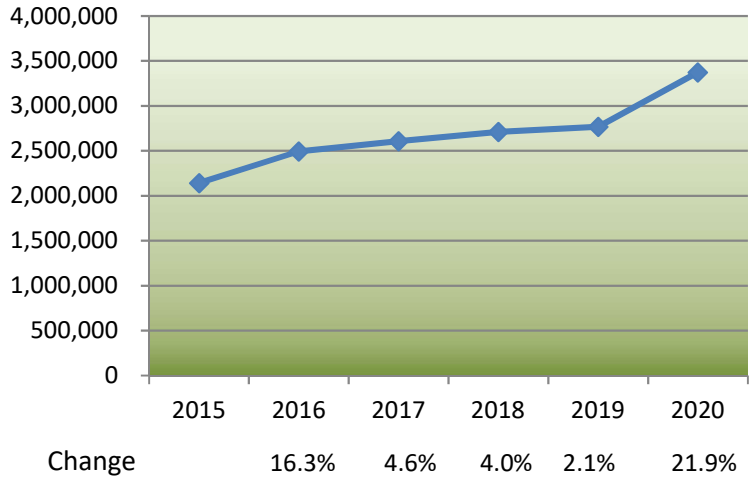
*0.70 of a Transportation Planner position is being funded with grants under the Capital Improvements Program (CIP) Funds.

**Temporary employees and consultants are also utilized by the department on an as needed basis.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 1,855,932	$ 2,005,290	$ 2,364,926	17.93%
Benefits	554,179	487,598	555,990	14.03%
Professional and Contractual	135,127	150,200	270,904	80.36%
Materials, Supplies, and Other	122,721	104,304	116,889	12.07%
Capital Outlay	64,192	20,500	65,000	217.07%
Total Expenditures	2,732,150	2,767,892	3,373,709	21.89%
Revenues				
Licenses, Fees, and Permits	864,990	1,165,726	1,165,726	0.00%
Federal Grants	-	-	130,000	-
Use of Inspection Fee Reserves	-	-	312,000	-
Total Revenues	864,990	1,165,726	1,607,726	37.92%
Net Expenditures Supported by General Revenues	**1,867,160**	**1,602,166**	**1,765,983**	**10.22%**
Permanent Position FTE	**19.00**	**21.30**	**23.30**	**9.39%**

BUDGET TREND: FY2015 – FY2020



The budget for the Economic Development Office (EDO) is included in the above chart for comparability. Prior to FY2019, EDO was part of Executive Management.

Notes:

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 adopted budget.

FY2020
- Two new inspectors are added to the FY2020 budget, funded with Building Permit Fee Reserves.
- Bike share maintenance costs are included in the FY2020 budget, funded with grants.

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

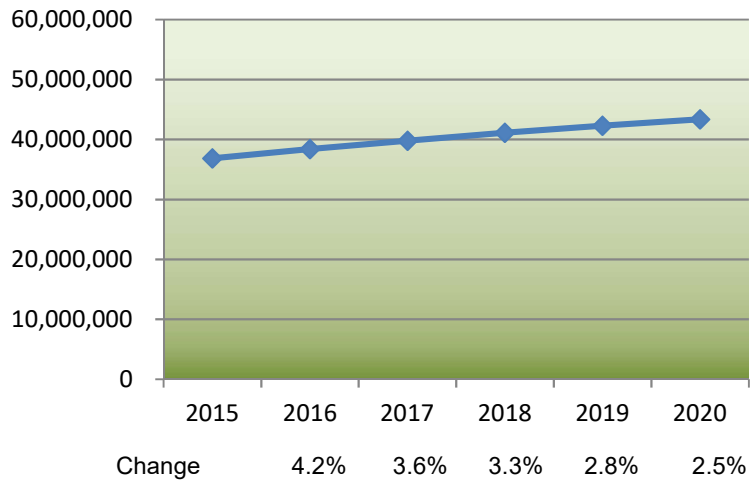
TRANSFER TO SCHOOL BOARD

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 263. The City's General Fund also pays for debt service on school capital projects. These are not reflected here but are shown on page 221.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Transfer to School Board - Operating	$ 41,040,500	$ 42,211,546	$ 43,255,777	2.47%
Transfer to School Board - Community Services	107,500	107,500	107,500	0.00%
Net Expenditures Supported by General Revenues	**$ 41,148,000**	**$ 42,319,046**	**$ 43,363,277**	**2.47%**

BUDGET TREND: FY2015 – FY2020



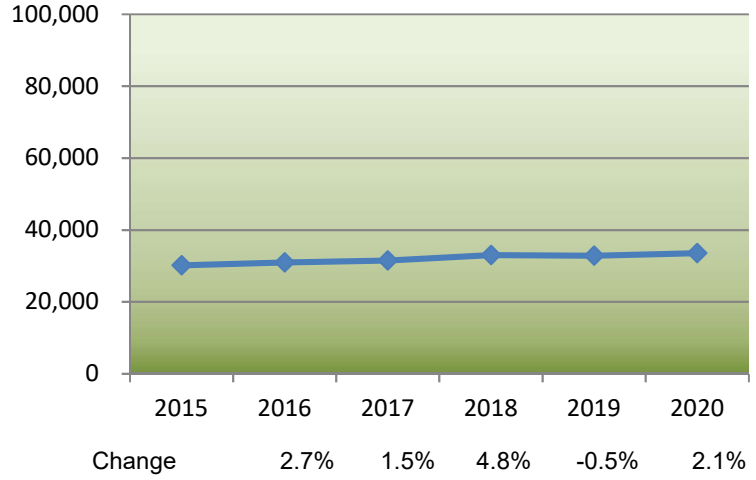
OTHER EDUCATION EXPENDITURES

The City and other local jurisdictions contribute to subsidize Northern Virginia Community College's (NVCC) operating and capital expenditures. The amounts below reflect the City's contribution as requested by NVCC.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Northern Virginia Community College Contribution	$ 33,003	$ 32,852	$ 33,537	2.09%
Net Expenditures Supported by General Revenues	**$ 33,003**	**$ 32,852**	**$ 33,537**	**2.09%**

BUDGET TREND: FY2015 – FY2020



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 City's actuary calculates the amount that should be contributed to the plan. In total for the General Fund, the City will contribute $223 thousand in FY2020 and contributed $365 thousand in FY2019. The following table shows the portion of the FY2020 Actuarially-Determined Contribution (ADC) that is allocable to current retirees. The departmental budgets include a portion of the ADC that is allocable to active employees.

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

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Benefits	$ 95,339	$ 120,225	$ 77,000	-35.95%
Pension Return on Investment	-	(640,000)	(640,000)	0.00%
Net Expenditures Supported by General Revenues	**$ 95,339**	**$ (519,775)**	**$ (563,000)**	**8.32%**

REGIONAL TRANSPORTATION/WMATA

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 FY2020, the City's direct subsidy to WMATA is currently estimated at around $4.0 million.

In addition to the direct subsidy to WMATA, local participating jurisdictions are also required by Virginia legislation to contribute $27.12 million to Virginia's WMATA Capital Fund per Code Section 33.2-3404. This Fund was established to provide dedicated capital funds to WMATA and is administered by the Department of Rail and Public Transportation (DRPT). DRPT receives funding from sources identified in Virginia Code Section 33.2-3404 and then remits them to WMATA. The $27.12 million is allocated among the local participating jurisdictions based on each jurisdiction's share of the WMATA Capital Budget. The City's share in FY2020 is $256,000.

The City also contracted with WMATA to provide bus service during rush hours between the West Falls Church Metro Station and the East Falls Church Metro Station. The annual cost is approximately $422,000. The City received a grant from the Northern Virginia Transportation Commission (NVTC) I-66 Commuter Choice Program Fund to pay for this service until December 31, 2020. At the end of the two years, the City may apply for an extension of the grant, or fund it with local funds, or discontinue the service.

The City funds its share of the costs using four different sources of funds:

1. Local Funding sources:
    a. C&IE: $1,050,000. The City is required to provide this Commercial and Industrial Equivalency (C&IE) tax in order to receive its NVTA Funds 30% allocation.
    b. Other local funds: $426,000.
    c. Northern Virginia Transportation Authority (NVTA) 30% funds: $367,000.
2. NVTC Trust Funds:
    a. Fuel taxes: $1,288,000. 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.
    b. State grants from DRPT: $1,160,000. 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.
3. NVTC I-66 Commuter Choice Program Fund: $422,000. This pays for the extension of service of the 3T Bus.

OTHER

Prior to FY2020, the City paid NVTA for its share of NVTA's administration costs, using the 30% NVTA funds. Beginning in FY2020, a legislative action allowed NVTA to pay for its administration cost "off-the-top" of tax revenues received by them rather than passing the cost to jurisdictions.

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

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Northern Virginia Transportation District	$ 4,856	$ 4,856	$ 4,856	0.00%
Northern Virginia Transportation Authority	11,149	11,500	-	-100.00%
WMATA Obligations	943,670	1,330,505	1,843,000	38.52%
WMATA 3T Bus	-	-	422,000	-
Total Expenditures	959,675	1,346,861	2,269,856	68.53%
Revenues				
NVTA 30% Funds	115,149	266,005	367,000	37.97%
NVTC I-66 Toll Revenue Grant	-	-	422,000	-
Total Revenues	115,149	266,005	789,000	196.61%
Net Expenditures Supported by General Revenues	**$ 844,526**	**$ 1,080,856**	**$ 1,480,856**	37.01%

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.

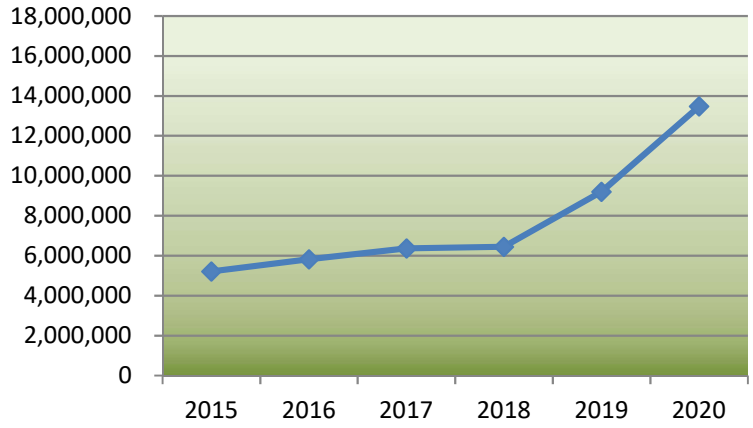
New debt is expected to be issued in late FY2019 for the Library and GMHS projects and Fellowes property acquisition for approximately $72 million. The related debt service for this debt is expected to begin in FY2020 and is included in the budget below. As previously planned, a portion of this expected new debt service will be paid for using capital reserves. The Adopted budget includes a drawdown of $2,875,000 from capital reserves for this purpose.

Additional information on the City's debt can be found on pages 69-71.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 27,125	$ 17,000	$ 24,500	44.12%
Bond Issuance Costs	244,841	800,000	800,000	0.00%
Principal	4,790,694	5,940,000	7,333,000	23.45%
Interest	1,589,215	2,441,000	5,320,000	117.94%
Total Expenditures	6,651,875	9,198,000	13,477,500	46.53%
Revenues				
Other Grants and Contributions	118,703	119,085	119,085	0.00%
Total Revenues	118,703	119,085	119,085	0.00%
Net Expenditures Supported by General Revenues	**$ 6,533,172**	**$ 9,078,915**	**$ 13,358,415**	**47.14%**

BUDGET TREND: FY2015-2020



Change	11.8%	9.2%	1.2%	49.1%	46.5%

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 FY2020, a total of $1,998,067 is being transferred to three funds:

- FCCTV Fund: $223,067. These transfers are funded with general revenues and Public, Education, and Government grants (PEG).

- General Government and School Capital Project Fund: $300,000. The projects funded are:
  - City Facilities Reinvestment: $300,000

- Special Transportation Fund: $1,475,000. These funds will be used to pay for the following expenditures:
  - C&I Equivalent: $1,050,000
  - Infrastructure Program – Traffic Signals: $62,500*
  - South Washington Planning Opportunity Area (POA) Program: $62,500*
  - Multimodal Connectivity & Accessibility: $200,000*
  - Transportation Project Development: $100,000

  **These are funded with proceeds from the sale of the Hillwood Avenue property in FY2018.*

  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[1]. 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 FY2020 is approximately $1,050,000.

Additional information regarding the CIP and the Special Transportation Fund can be found beginning on page 282.

[1] This was later changed by VA Code Section 33.2-3404 so that the Transient Occupancy Tax and the Grantor's Tax now get deposited with the State WMATA Capital Fund rather than NVTA.

Transfers to Other Funds

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Transfer to CIP	704,000	350,000	300,000	-14.29%
Transfer to Special Transportation Fund - C&IE	1,010,567	1,390,000	1,475,000	6.12%
Transfer to FCCTV Fund	223,386	237,604	223,067	-6.12%
Total Expenditures	1,937,953	1,977,604	1,998,067	1.03%
Revenues				
PEG	65,000	65,000	65,000	0.00%
Total Revenues	65,000	65,000	65,000	0.00%
Net Expenditures Supported by General Revenues	**1,872,953**	**1,912,604**	**1,933,067**	1.07%

CONTINGENCIES, TAX CREDITS, & RESERVES

$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.

The FY2019 budget included 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 payment of future debt service or other capital uses. In FY2020, no additions to reserves are budgeted but will instead be the first year that reserves will be drawn to cover part of debt service as a result of the anticipated issuance of new debt later in FY2019.

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.

PROPOSED BUDGET

	FY2018 Actual*	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Capital Reserve	$ 600,000	$ 1,240,000	$ -	-100.00%
Tax Credit - BJ's	250,000	250,000	250,000	0.00%
Net Expenditures Supported by General Revenues	**$ 850,000**	**$ 1,490,000**	**$ 250,000**	**-83.22%**

*Budgetary amounts are shown here for comparative purposes. Tax credits for BJ in reality are shown as a reduction of Revenues and the contributions to Capital Reserve increase Fund Balance.

Note: The above numbers do not include $390,000 in tax relief which is included instead in the treasurer's budget as they administer the program.

Sanitary Sewer Fund

FY2020 Adopted Budget

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The Sewer Fund's programs are managed by the Department of Public Works.

The Sewer Fund's FY2020 budget includes the following:

- Rates remain flat at $9.87 per 1,000 gallons
- An allocation of $750,000 has been made to continue the City's sanitary sewer rehabilitation efforts using cured-in-place lining

SEWER FUND REVENUES

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Service Charges	$ 4,084,117	$ 4,165,000	$ 4,165,000	0.00%
Other Charges	220,769	215,000	215,000	0.00%
Total Charges for Services	**4,304,886**	**4,380,000**	**4,380,000**	**0.00%**
Availability Fees	84,800	100,000	110,000	10.00%
Investment Revenues	76,018	30,000	80,000	166.67%
Miscellaneous	12,916	-	-	-
TOTAL REVENUE - SEWER FUND	**$ 4,478,620**	**$ 4,510,000**	**$ 4,570,000**	**1.33%**

SEWER FUND EXPENDITURES

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Sewer Management	$ 331,450	$ 545,688	$ 599,389	9.84%
Collection and Disposal	1,579,529	1,759,694	1,767,664	0.45%
Debt Service	1,239,794	1,278,815	1,340,946	4.86%
Other Post-Employment Benefits	3,000	3,000	2,001	-33.30%
Transfers to CIP	634,800	850,000	860,000	1.18%
Reserves	-	72,803	-	-100.00%
TOTAL EXPENDITURES - SEWER FUND	**$ 3,788,573**	**$ 4,510,000**	**$ 4,570,000**	**1.33%**
Permanent Position FTE	**4.40**	**4.60**	**5.15**	**11.96%**

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 FY2020

- 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. Some of these have been identified and will be implemented in FY2020.

FY2020 DELIVERABLES

- The City is updating the Sewer System Rate Study, last updated in 2012
- Construction of the West End Sewer Capacity project.

ADOPTED POSITIONS BY FTE – 1.55 TOTAL

- 0.10 Director, Public Works
- 0.80 Senior Engineers
- 0.20 Public Resources Manager
- 0.25 GIS Analyst
- 0.10 Customer Support Services Mgr.
- 0.10 Civil Engineering Inspector

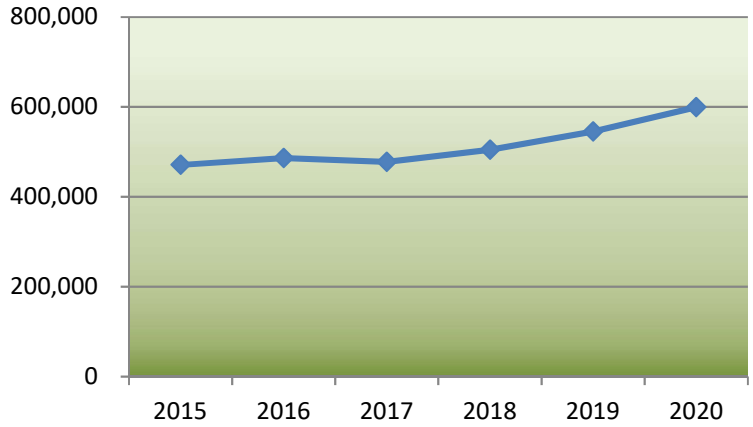
*Temporary on-call personnel are also utilized when necessary.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 76,291	$ 121,300	$ 151,874	25.21%
Benefits	1,117	24,505	48,515	97.98%
Professional and Contractual	132,871	229,933	230,050	0.05%
Materials, Supplies, and Other	5,590	34,950	38,950	11.44%
Admin Fees to General Fund	115,582	135,000	130,000	-3.70%
Net Expenditures Supported by General Revenues	**$ 331,450**	**$ 545,688**	**$ 599,389**	**9.84%**
Permanent Position FTE	**0.85**	**1.05**	**1.60**	**52.38%**

Sewer Management

BUDGET TREND: FY2015 – FY2020



	2015	2016	2017	2018	2019	2020
Change		3.2%	-1.7%	5.6%	8.2%	9.8%

Notes:

- The increase in salaries for FY2019 and FY2020 is due to an adjustment in staffing allocations. This was done to reflect anticipated staff workloads related to the sanitary sewer program.

COLLECTION & 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 FY2020

- 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 FY2019 due to a vacancy in staffing.

FY2020 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

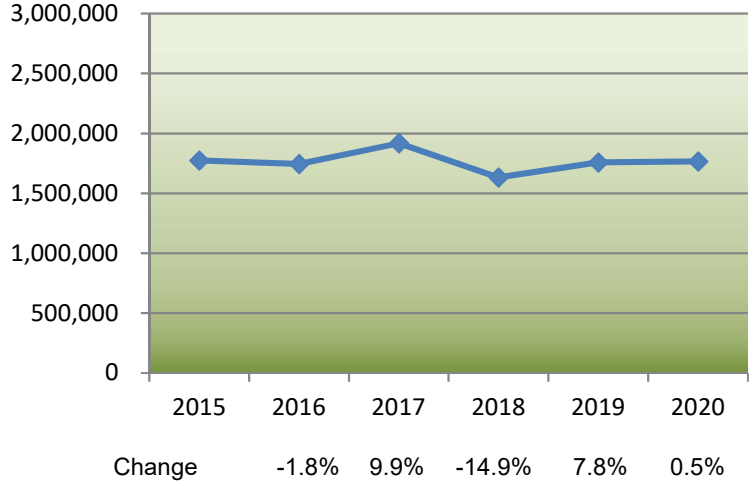
ADOPTED POSITIONS BY FTE – 3.55 TOTAL

- 0.25 Public Works Superintendent
- 0.20 Asst. Public Works Superintendent
- 0.10 Sr. Administrative Assistant
- 1.00 Crew Leader
- 2.00 Maintenance Workers

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 242,555	$ 249,344	$ 256,740	2.97%
Benefits	98,013	83,891	84,465	0.68%
Professional and Contractual	1,196,993	1,315,859	1,325,859	0.76%
Materials, Supplies, and Other	41,967	70,600	70,600	0.00%
Capital Outlay	-	40,000	30,000	-25.00%
Net Expenditures Supported by General Revenues	**$ 1,579,529**	**$ 1,759,694**	**$ 1,767,664**	**0.45%**
Permanent Position FTE	**3.55**	**3.55**	**3.55**	**0.00%**

BUDGET TREND: FY2015 – FY2020



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

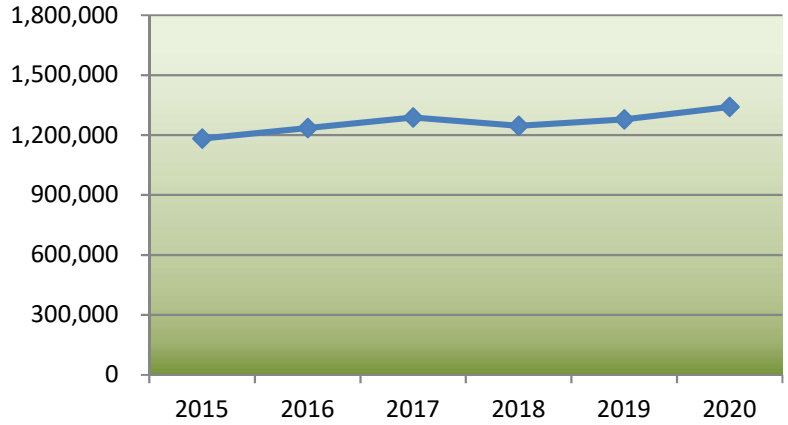
In prior years, debt was issued by the Sewer Fund to finance its share of the cost of Arlington County's and the Alexandria Renew wastewater treatment plants improvement.

In FY2019, the Fund expects to issue $600,000 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 FY2020 Adopted budget.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Professional and Contractual	$ 19,985	$ -	$ -	0.00%
Principal	951,968	1,006,480	1,061,590	5.48%
Interest	267,841	272,335	279,356	2.58%
Net Expenditures Supported by General Revenues	**$ 1,239,794**	**$ 1,278,815**	**$ 1,340,946**	**4.86%**

BUDGET TREND: FY2015 – FY2020



Change	4.4%	4.3%	-3.2%	2.5%	4.9%

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
FY2020	1,061,590	279,356	1,340,946
FY2021	1,110,863	283,209	1,394,072
FY2022	1,258,325	384,175	1,642,500
FY2023	1,422,043	491,496	1,913,539
FY2024	1,575,806	568,455	2,144,261
FY2025-FY2029	6,711,243	2,628,237	9,339,480
FY2030-FY2034	4,673,038	1,664,027	6,337,065
FY2035-FY2039	3,302,545	864,702	4,167,247
FY2040-FY2044	1,600,709	179,234	1,779,943
Total	**22,716,161**	**7,342,892**	**30,059,053**

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

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Benefits	$ 3,000	$ 3,000	$ 2,001	-33.30%
Net Expenditures Supported by General Revenues	**$ 3,000**	**$ 3,000**	**$ 2,001**	**-33.30%**

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. These improvements are being funded out of current year revenues. An additional $110,000 is transferred for estimated receipt of availability fees. These fees are designated for system expansion costs.

Due to the reduction in debt service as a result of refinancing, the Sewer Fund was able to set aside $73,000 towards future capital expenditures in FY2019. Additional debt issuances expected in FY2019 necessitates the use of those funds for debt service in FY2020.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Transfer to CIP	$ 634,800	$ 850,000	$ 860,000	1.18%
Reserves:				
Repairs, Replacement & Rehabilitation	-	72,803	-	-100.00%
Net Expenditures Supported by General Revenues	**$ 634,800**	**$ 922,803**	**$ 860,000**	**-6.81%**

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Storm Water Fund

FY2020 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

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Service Charges	$ 1,575,640	$ 1,620,000	$ 1,653,000	2.04%
Revenue from Use of Money and Property	20,260	10,000	20,000	100.00%
TOTAL REVENUE - STORMWATER FUND	**$ 1,595,900**	**$ 1,630,000**	**$ 1,673,000**	**2.64%**

The FY2020 budget includes the fee of $18.36 per 200 square feet of impervious coverage, the same as the FY2018 fee. Other charges in FY2020 represents fees estimated to be collected for erosion and siltation inspections.

STORMWATER FUND EXPENDITURES

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Management	$ 440,874	$ 593,933	$ 618,747	4.18%
Operantions & Maintenance	540,207	866,107	823,971	-4.86%
Debt Service	150,547	169,960	230,282	35.49%
TOTAL EXPENDITURES - STORMWATER FUND	**$ 1,131,628**	**$ 1,630,000**	**$ 1,673,000**	**2.64%**
Permanent Position FTE	**6.30**	**6.00**	**6.70**	**11.67%**

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 FY2020

- Staff time allocations were adjusted from 1.45 FTE to 2.10 FTE 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.

FY2020 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 – 2.10 TOTAL

- 0.10 Director of Public Works
- 1.15 Senior Engineers
- 0.10 Civil Engineering Inspector
- 0.10 Public Resources Manager
- 0.05 Customer Support Services Mgr.
- 0.50 GIS Analyst
- 0.10 Grants Manager

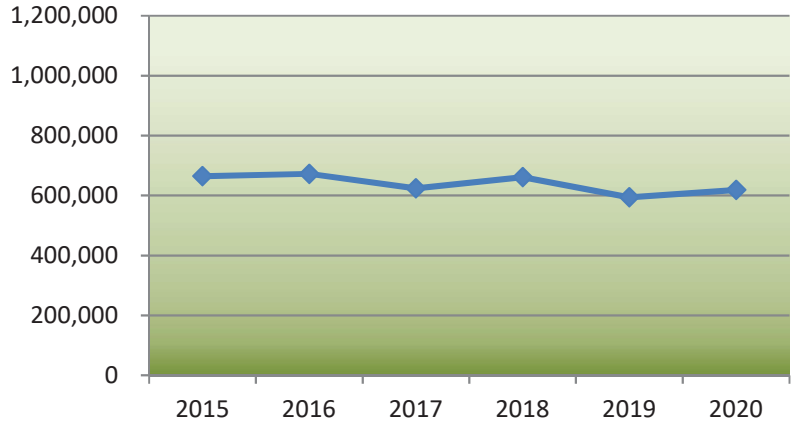
*Temporary on-call personnel are also utilized when necessary.

Stormwater Management

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 148,677	$ 151,054	$ 205,384	35.97%
Benefits	31,005	30,860	62,013	100.95%
Professional and Contractual	124,833	243,919	185,500	-23.95%
Materials, Supplies, and Other	20,580	34,600	29,350	-15.17%
Capital Outlay	1,863	3,500	6,500	85.71%
Admin Fees to General Fund	113,916	130,000	130,000	0.00%
Total Expenditures	**$ 440,874**	**$ 593,933**	**$ 618,747**	**4.18%**
Proposed Permanent FTE	**1.75**	**1.45**	**2.15**	**48.28%**

BUDGET TREND: FY2015 – FY2020



	2015	2016	2017	2018	2019	2020
Change		1.2%	-7.2%	3.9%	-10.2%	4.2%

Notes:

- FY2014 reflects the beginning of the stormwater enterprise fund when more funding was received as a result of the fees established for stormwater.
- FY2020 reflects the increasing demand for improvements.

OPERATIONS & 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 FY2020

- None anticipated

FY2020 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

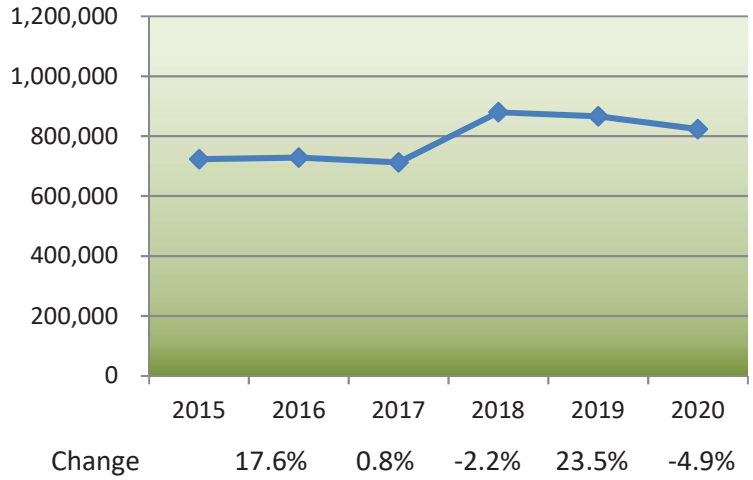
- 0.25 Superintendent of Public Works
- 0.20 Asst. Superintendent of Public Works
- 0.10 Sr. Administrative Assistant
- 1.00 Crew Leader
- 3.00 Maintenance Worker

Operations & Maintenance

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries and Wages	$ 214,333	$ 284,105	$ 283,887	-0.08%
Benefits	99,026	119,702	85,474	-28.59%
Professional and Contractual	127,991	315,000	315,000	0.00%
Materials, Supplies, and Other	58,758	144,300	139,610	-3.25%
Capital Outlay	40,100	3,000	-	-100.00%
Total Expenditures	**$ 540,207**	**$ 866,107**	**$ 823,971**	**-4.86%**
Permanent Positions FTE	**4.55**	**4.55**	**4.55**	**0.00%**

BUDGET TREND: FY2015 – FY2020



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

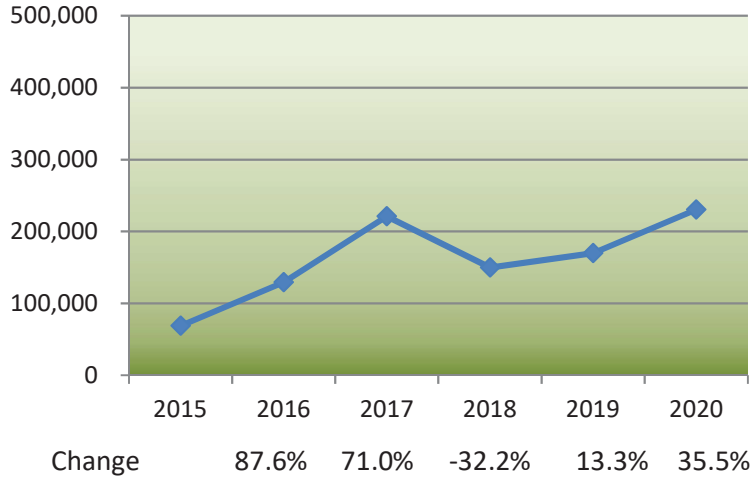
Over the past three years, the City issued General Obligation Bonds to fund the capital projects for the Stormwater Fund.

In June 2019, the fund expects issued $600,000 in new debt in order to pay for capital projects that are currently underway. The expected debt service on this is included in the FY2020 Adopted budget.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Principal	$ 92,478	$ 102,478	$ 140,448	37.05%
Interest	58,069	67,482	89,834	33.12%
Net Expenditures Supported by General Revenues	**$ 150,547**	**$ 169,960**	**$ 230,282**	**35.49%**

BUDGET TREND: FY2015 – FY2020



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
FY2020	$ 138,078	$ 92,204	$ 230,282
FY2021	189,078	132,751	321,829
FY2022	240,078	175,580	415,658
FY2023	316,578	241,185	557,763
FY2024	393,078	287,663	680,741
FY2025-FY2029	2,656,642	1,680,866	4,337,508
FY2030-FY2034	2,726,230	1,167,903	3,894,133
FY2035-FY2039	2,310,876	623,396	2,934,272
FY2040-FY2044	1,229,000	143,225	1,372,225
Total	**$ 10,199,638**	**$ 4,544,773**	**$ 14,744,411**

Affordable Housing Fund

FY2020 Adopted Budget

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AFFORDABLE HOUSING FUND

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. Contributions to the Fund have come from developers.

ELIGIBLE ACTIVITIES

- Acquisition, rehabilitation, and/or development of multi-family or single family 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

There is a lack of housing in the City affordable to households earning under 120% of the Area Median Income. This includes people who work in health care, for City schools and government, and recent graduates, among others. This fund would support projects geared to providing safe affordable housing for these families.

Tax credits for The Fields of Falls Church are due to expire in 2026. The non-profit Wesley Housing Inc. has indicated that they would apply to the Affordable Housing Fund for a loan to preserve affordability of The Fields. As background, Kettler-Scott originally developed the property 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 Virginia Housing Development Authority 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 by acquiring 100% of the property from the two equity partners - Kettler-Scott & Sun America. In order for Wesley Housing, Inc., or any non-profit developer, to preserve these 96 units with tax credits, a matching contribution from the City will be required as part of the tax credit application.

Loans previously granted through the Affordable Housing Fund for the First Time Homebuyer Program will be repaid to the Fund in the event of a sale.

Approximately $308,000 is available through the Affordable Housing Fund for eligible activities.

PRIORITIES FOR FUTURE FUNDING

The Affordable Living Policy requires dedicated annual revenue to the Affordable Housing Fund to promote the acquisition and preservation of permanently affordable homes.

In order to preserve the long term affordability of The Fields of Falls Church, an annual contribution from the General Fund to the Affordable Housing Fund would be needed 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.

ADOPTED POSITIONS BY FTE – 0.0 TOTAL

This program is managed and staffed by the Department of Housing and Human Services.

ADOPTED BUDGET

There are currently no planned expenditures from this fund in FY2020.

Cable Access Fund

FY2020 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.

FY2020 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. Closed Captioning Service $10,000.

ADOPTED POSITIONS BY FTE – 2.00 TOTAL

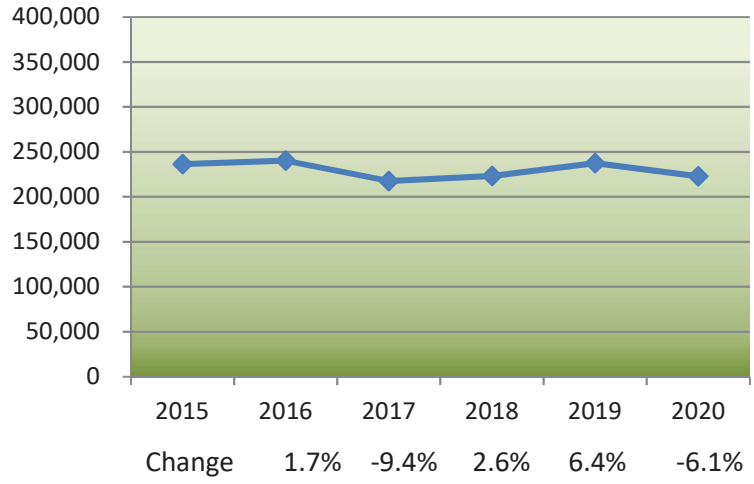
- 2.00 Cable TV Videographer

*On-call employees are also employed on as needed basis.

ADOPTED BUDGET

	Actual	Adopted	Adopted	Change
Expenditures				
Salaries and Wages	$ 104,567	$ 133,220	$ 128,923	-3.23%
Benefits	26,921	36,585	23,345	-36.19%
Materials, Supplies, and Other	3,373	2,799	2,799	0.00%
Capital Outlay	14,055	65,000	65,000	0.00%
Total Expenditures	**148,915**	**237,604**	**223,067**	**-6.12%**
Revenues				
Transfer from City	$ 161,918	$ 172,604	$ 158,067	-8.42%
PEG Grants	61,468	65,000	65,000	0.00%
Total Revenues	**223,386**	**237,604**	**223,067**	**-6.12%**
Revenues Over Expenditures	**$ 74,471**	**$ -**	**$ -**	**-**
Permanent Position FTE	**2.00**	**2.00**	**2.00**	**0.00%**

BUDGET TREND: FY2015 – FY2020



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

FY2020 Adopted Budget

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FALLS CHURCH CITY SCHOOL BOARD

SCHOOL BOARD MEMBERS

Erin Gill
Chair
Greg Anderson
Vice Chair

Justin Castillo
Shannon Litton
Phil Reitinger
Shawna Russell
Lawrence Webb

Acacia Wyckoff, *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*
William Bates, *Chief Academic Officer*
Lisa High, *Assistant Superintendent*
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

	FY2019 STUDENTS	FY2020 PROJECTED STUDENTS	CHANGE FROM CURRENT
Jessie Thackrey Preschool (PK)	71	71	0
Mt. Daniel Elementary (K-1) to (K-2)	346	536	190*
Thomas Jefferson Elementary (2-5) to (3-5)	784	566	(218)*
M.E. Henderson Middle School (6-8)	600	641	41
George Mason High School (9-12)	844	855	35
TOTAL STUDENT ENROLLMENT	2,645	2,669	24

*Reflecting the 2nd Grade move to Mt. Daniel

REFLECTING OUR TRIENNIAL PLAN

The School Board's FY2020 Budget request reflects the priorities of our school system outlined in the Triennial Plan adopted in FY 2018. Each new request aligns 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.

ONGOING FISCAL RESTRAINT

Falls Church City Public Schools continues to be very grateful for the community's support of the George Mason High School project. With that fiscal commitment in mind, this budget focuses primarily on Employee Compensation, which aligns with Priority #2, Excellent Staff. The FY 2020 FCCPS Approved Budget met the budget guidance from the City and included reductions and realignments that allowed FCCPS to provide compensation increases and continue our excellent PreK-12 education program.

FY 2020 FCCPS BUDGET HIGHLIGHTS

The FY 2020 Budget anticipates revenue growth of $1,260,259. Falls Church City Public Schools relies on Falls Church City for 82.7% of operating revenue. FY 2020 City Council Budget Guidance was 2% growth, which equates to $844,231, which increased to $1,044,231 due to increased City revenue. The remaining revenue is comprised of State Funding (13.5%), Federal Funding (1.1%), Fees/Other (1.9%), and Beginning Balance (0.9%). The FY 2020 budget anticipates an additional $186,426 from State Programs, and an additional $29,603 from Federal Programs.

Employee Compensation is the focus of the FY 2020 Budget, providing a Step Increase for all eligible employees, a 1% Cost of Living Adjustment for all employees, and a $2/hour increase for a Substitute Teacher categories. The budget for these actions, and the projected increase in health insurance rates, is $1,621,971. An additional $230,896 is required to meet current contractual obligations.

Expenditure Reductions of $592,609 were required to meet the revenue forecast. This will be accomplished through the measures listed in "Reductions and Realignments" listed below. The Position Alignment is achieved primarily through applying established planning factors throughout the school system to meet the needs of the FY 2020 projected student body.

Revenue Increases		Amount
FY 2019 Budget for Funds Available	**$**	**51,039,860**
State	**$**	**186,426**
State Aid	$	131,758
Sales Tax	$	54,668
Federal	**$**	**29,603**
IDEA	$	7,664
All Others	$	21,939
Local	**$**	**1,044,231**
Transfer from City	$	1,044,231
FY 2020 Approved Budget Total Funds Available	**$**	**52,300,119**

Expenditure Adjustments		Amount
FY 2019 Expenditure Budget	**$**	**51,039,860**
Employee Compensation	**$**	**1,621,971**
Step for Eligible Employees	$	971,909
1% Cost of Living Adjustment	$	387,422
Substitute Pay Increase of $2 Per Hour	$	51,406
Employer Share of Health Rate Increase	$	211,234
Contractual Adjustments	**$**	**230,896**
Professional Services (Fairfax and Facilities)	$	230,896
Reductions and Realignments	**$**	**(592,609)**
Compensation Lapse (Turnover Savings)	$	(185,000)
Position Alignment Through Attrition	$	(419,476)
Staffing Reserve	$	225,000
Other Retirement Benefits	$	(71,262)
Early Retirement Stipends	$	(33,348)
Employee Assistance Program	$	(8,523)
Logistics	$	(100,000)
FY 2020 Approved Budget Total Expenditures	**$**	**52,300,119**

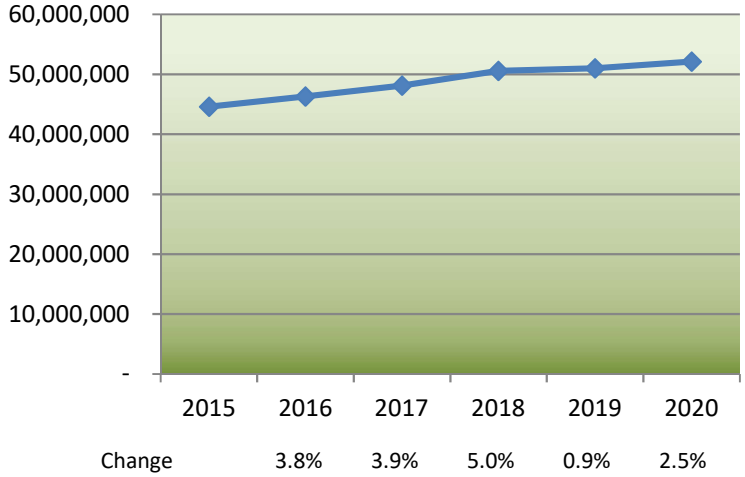
The Falls Church City School Board believes that their employees are their greatest asset, and competitive compensation is required to attract, hire and retain the best of the best. The new initiatives of FY 2019 are proving to be very effective and the FY 2020 budget continues to support the new staff and programming while abiding by the fiscal restraint recommended during this time of capital expansion.

ADOPTED BUDGET

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted*	Percent Change
Expenditures				
Salaries	$ 30,748,581	$ 32,393,174	$ 33,178,574	2.42%
Benefits	10,903,269	11,164,738	11,504,204	3.04%
Professional and Contractual	4,138,674	4,543,769	4,679,280	2.98%
Conferences, Travel, & Memberships	196,022	228,560	223,200	-2.35%
Materials, Supplies, and Other	1,117,668	1,478,411	1,444,155	-2.32%
Capital Outlay	1,474,489	579,706	614,706	6.04%
Transfers to Other Funds	35,000	30,000	30,000	0.00%
Reserves		621,500	626,000	0.72%
Total Expenditures	**48,613,704**	**51,039,858**	**52,300,119**	**2.47%**
Revenues				
Transfer from City	$ 41,040,500	$ 42,211,546	$ 43,255,777	2.47%
State Grants	3,831,382	4,236,475	4,172,489	-1.51%
Sales Tax	2,612,062	2,613,294	2,863,706	9.58%
Federal Grants	490,621	556,558	586,162	5.32%
Other	1,355,242	971,985	971,985	0.00%
Use of Fund Balance		450,000	450,000	0.00%
Total Revenues	**49,329,807**	**51,039,858**	**52,300,119**	**2.47%**
Revenues Over Expenditures	**$ 716,103**	**$ -**	**$ -**	**-**

*This represents the budget adopted by the School Board in May 2019 which is approximately $37,000 less than the budget adopted by the City Council in April 2019 due to the revision of state grant estimates.

BUDGET TREND: FY2015 – FY2020



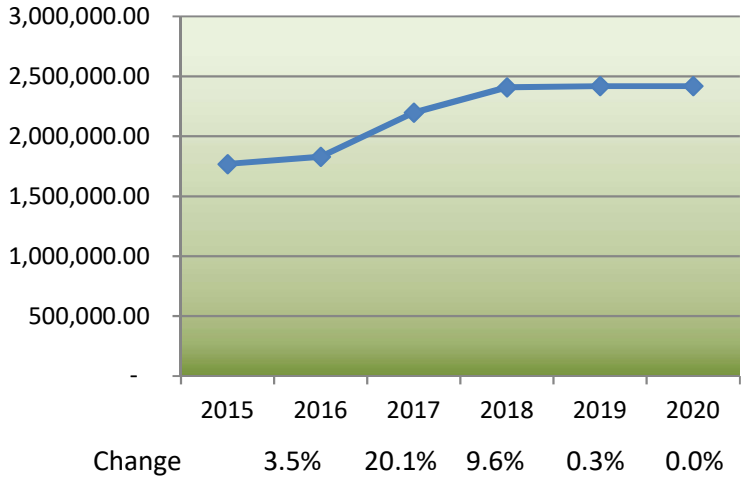
COMMUNITY SERVICES FUND

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.

ADOPTED BUDGET

	FY 2018 Actual	FY 2019 Adopted	FY 2020 Adopted	Percent Change
Expenditures				
Salaries	$ 1,005,457	$ 1,220,796	$ 1,254,735	2.78%
Benefits	275,579	331,880	337,241	1.62%
Professional and Contractual	126,614	164,450	166,150	1.03%
Conferences, Travel, & Memberships	45,693	34,900	32,400	-7.16%
Materials and Supplies	223,822	227,100	224,100	-1.32%
Capital Outlay	160,547	135,000	96,500	-28.52%
Reserves	-	175,000	175,000	0.00%
Transfer to Operating Fund	70,000	130,000	133,000	2.31%
Total Expenditures	**1,907,713**	**2,419,126**	**2,419,126**	**0.00%**
Revenues				
User Fees	1,638,658	1,879,626	1,879,626	0.00%
Transfer from City	107,500	107,500	107,500	0.00%
Other	189,351	179,000	179,000	0.00%
Use of Fund Balance		253,000	253,000	0.00%
Total Revenues	**1,935,509**	**2,419,126**	**2,419,126**	**0.00%**
Expenditures Over Revenues	**$ 27,797**	**$ -**	**$ -**	**-**

BUDGET TREND: FY2015– FY2020



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 tied to the IB Learner Profile and examples of this work is shared in our monthly newsletter.

The Day Care program also provides a full summer program and school holiday programs.

~ Katie Clinton, Director

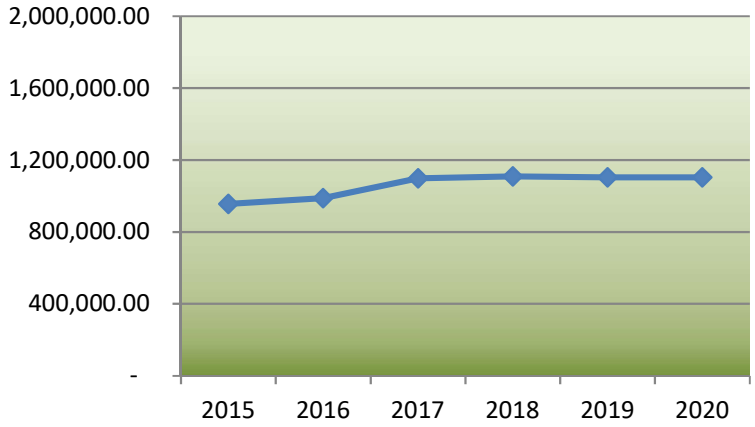
FOOD SERVICE FUND

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

	FY2018 Actual	FY2019 Adopted	FY2020 Adopted	Percent Change
Expenditures				
Salaries	$ 361,109	$ 400,170	$ 412,724	3.14%
Benefits	$ 114,320	$ 133,830	$ 136,476	1.98%
Professional and Contractual	$ 3,562	$ 21,650	$ 22,150	2.31%
Materials, Supplies, and Other	$ 384,387	$ 447,950	$ 432,250	-3.50%
Reserves		$ 100,000	$ 100,000	0.00%
Total Expenditures	**$ 863,377**	**$ 1,103,600**	**$ 1,103,600**	**0.00%**
Revenues				
User Fees	$ 685,045	$ 852,100	$ 852,100	0.00%
State and Federal Funds	$ 77,878	$ 120,500	$ 120,500	0.00%
Other Miscellaneous	$ 4,077	$ 1,000	$ 1,000	0.00%
Transfer from School Operating Fund	$ 35,000	$ 30,000	$ 30,000	0.00%
Use of Fund Balance		$ 100,000	$ 100,000	0.00%
Total Revenues	**$ 802,000**	**$ 1,103,600**	**$ 1,103,600**	**0.00%**
Revenues Over Expenditures	**$ (61,377)**	**$ -**	**$ -**	**-**

BUDGET TREND: FY2015– FY2020



	2015	2016	2017	2018	2019	2020
Change		3.4%	11.2%	0.9%	-0.5%	0.0%

Falls Church City Public Schools Food Services department is a nationally award winning program; recognized with the prestigious Magna Award by the National School Board Association as an exemplary program in the United States.

FCCPS believes that healthy meals are essential to student learning, and the School Board has demonstrated a long-standing commitment to making sure every child in FCCPS has nutritional food.

Food Services Director Richard Kane takes great pride in making sure that 90% of the menu is made from fresh food, and 90% is also prepared from scratch every day.

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Six-Year Capital Improvements Program

FY2020 Adopted Budget

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6-YEAR CAPITAL IMPROVEMENTS PROGRAM

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.

Although FY2020 is an even numbered year, the intent remained focused minimal updates but due to situational changes and identified needs there are new projects under facilities, transportation and parks. However, the project needs, funding constraints and staff allocation resources were seriously considered in the development of this six-year plan to ensure manageable workload as well as financially sustainable.

<u>CIP Projects versus Maintenance Projects</u>
CIP projects generally are for new assets, replacement of assets, or improvements to assets and require significant engineering design and construction. These may be funded with cash or debt and the debt maturity is no longer than the life of the asset. Maintenance projects (like roadway milling and re-paving, crosswalk painting, sidewalk section replacement, carpet replacement, repainting, etc.) are generally items that are routine and required to be done in order to keep assets in original condition. The CIP does include a facility reinvestment projects designed to maintain buildings owned by the City. They are included here to provide flexibility for planning and spending (i.e., funds roll-forward from year to year). These are funded with cash, not debt.

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 new construction or acquisition of, improvements to, or replacements of:

- roads, sidewalks, crosswalks, bus shelters, traffic signals
- stormwater detention and retention systems, sewer treatment plants, stormwater and sewer pipes, stream banks
- parks, tennis and basketball courts, athletic fields, park trails, park play equipment
- public buildings (schools, City Hall, community center, library, police station, courts)
- Information Technology (IT) infrastructure such as fiber, radio towers, enterprise resource planning (ERP) applications

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 19, 2019, to recommend approval of the CIP for inclusion in the City Manager's FY2020 adopted operating budget and six-year Capital Improvements Program.

The Commission conducted public hearings on February 4 and 19, 2019. Additionally, held work session on February 4, 2019, 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 current active projects, the six-year capital needs, the Pay As You Go funding constraints, local match for transportation grants and the need to retain the long view of regular reinvestment.

The Commission ultimately requested no changes to the six-year CIP as presented on February 4, 2019 and approved with staff recommended modification to the schools facility reinvestments for Pay Go funding.

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 FY2020-2025 Capital Improvements Program (CIP) as presented on February 4 and 19, 2019, 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 fiscally responsive and compliance with adopted financial policies in context of pending amendment for large debt issuance;
> 5. The CIP must address long-term dedicated and sustainable funding for Pay As You Go local funding for facility reinvestment and other capital needs to provide for fiscal balance of cash and debt financing; and
> 6. The CIP provides sufficient match funding to leverage grants to address significant transportation needs.

CITY MANAGER RECOMMENDATION

The March 2019 City Manager's FY2020-2025 recommended CIP is consistent with the Commission's recommendation with the following five modifications:

1) Sanitary Sewer Rehabilitation: recommended appropriation increased to $750,000 for each of the fiscal years to reflect funding availability to address aging infrastructure needs;
2) Alexandria Wastewater Treatment Upgrades: annual appropriations adjusted to meet actual project cash flow assigned to the City;
3) West Falls Church and Joint Campus Revitalization District: the $15.7M grant award allocated to FY20 versus over three fiscal years to better coincide with overall project redevelopment;
4) General Government Facility Reinvestment: increased from $200,000 to $300,000 per fiscal year due to continuation of operating funds redirected to capital in FY19; and
5) School Facility Reinvestment: project remains unfunded as the School Board's final approved budget retained the option to determine later if additional revenue from the City would be utilized for capital or operating needs.

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 FY2020 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;
- Assessing the appropriate level of staff resources given the complexity of projects;
- Establishing the priority and timing of projects for affordability and manageable debt levels;
- Determining the proper balance between capital and operating needs;
- Assessing the use of debt versus cash reserves to fund projects;
- Determining desired level of local Pay As You Go funding; and
- Determining the level of dedicated funding to grow Capital Reserves.

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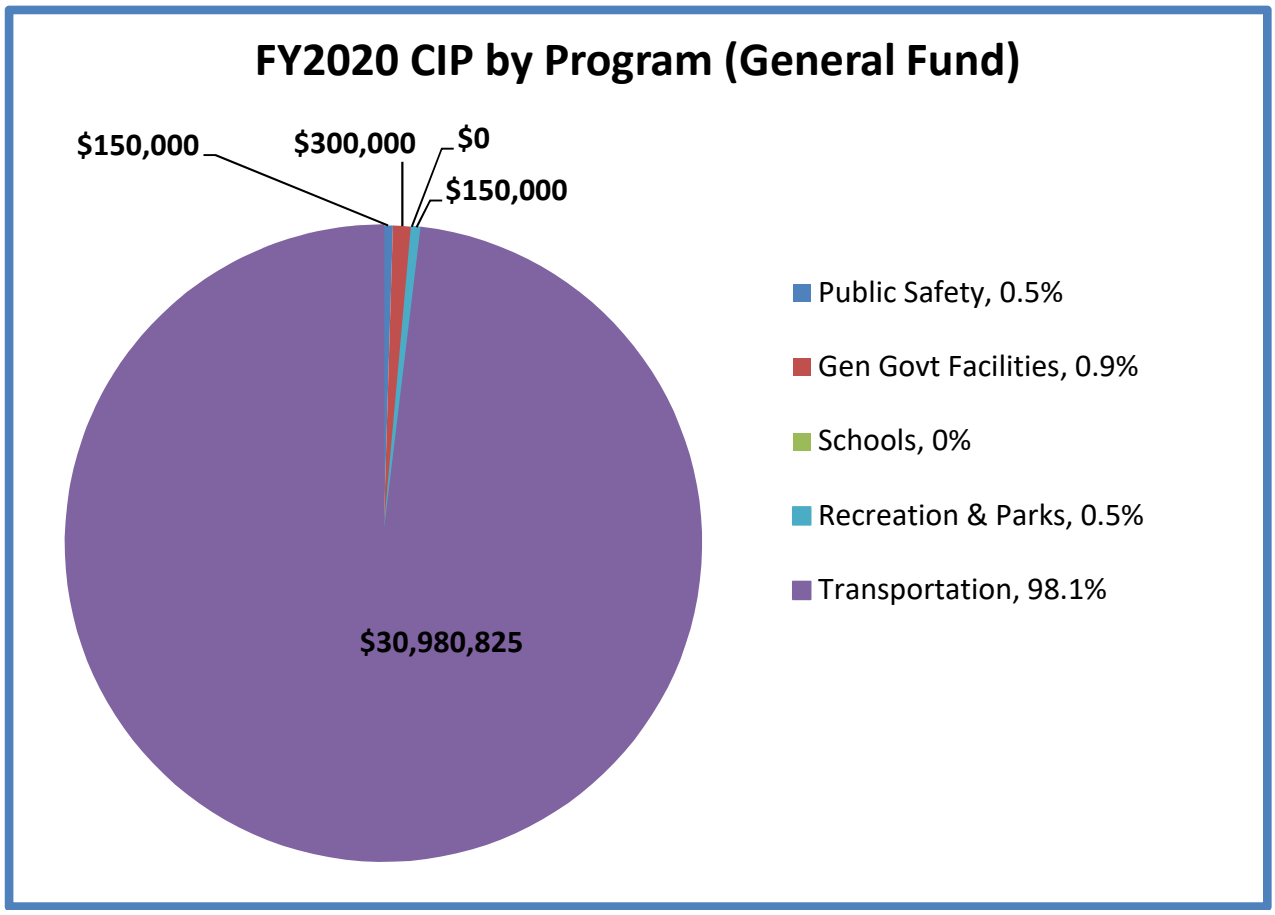
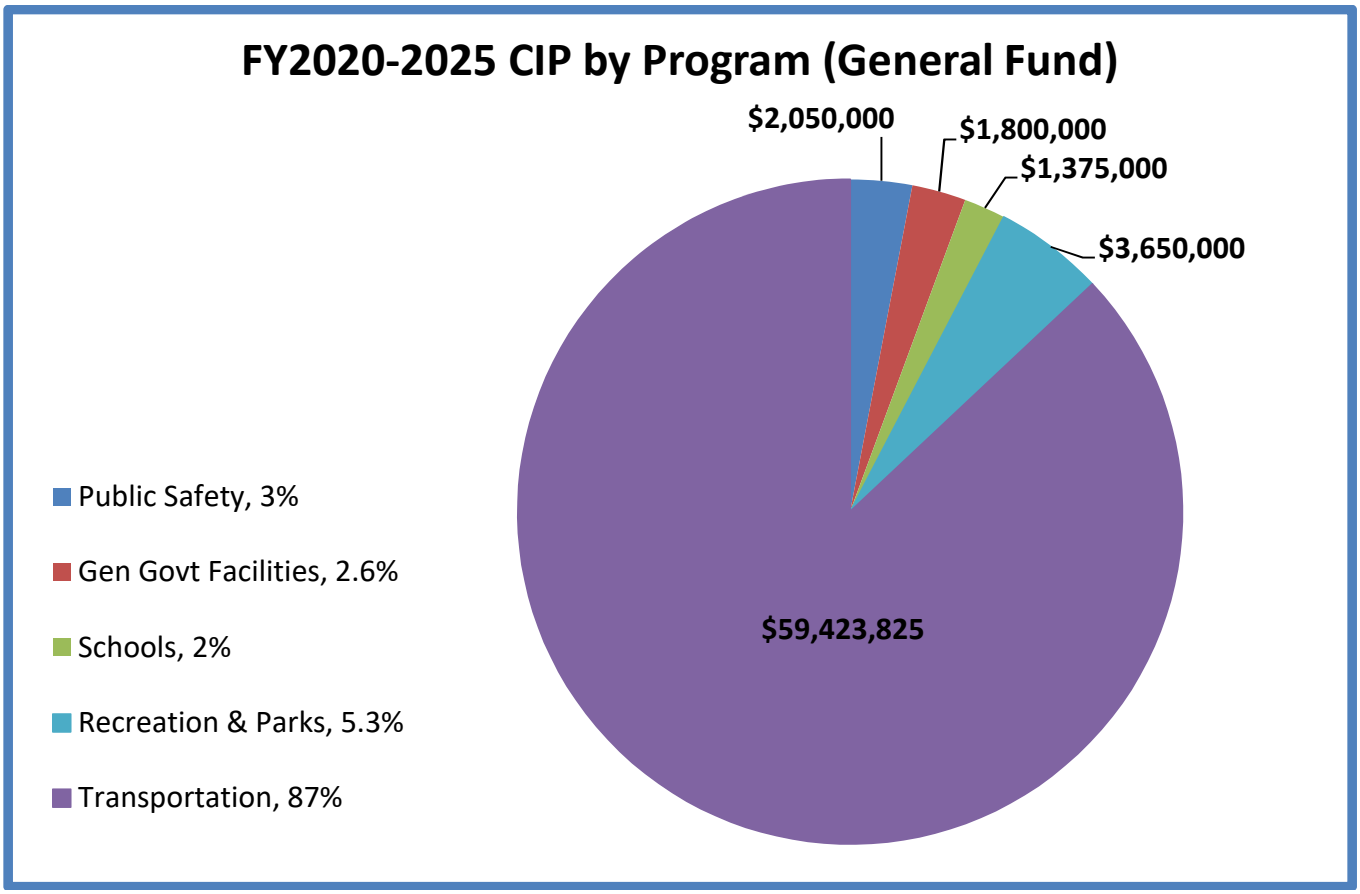
CIP PROJECT IMPLEMENTATION

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 completing the Mt. Daniel Expansion and Renovation project in FY2019 as well as in design phase for the new high school. New projects proposed within the FY2020-2025 CIP have taken constrained staff as well as funding resources in mind and therefore phased, this is especially true in the area of transportation and parks.

The following pie charts provide a visual look at how CIP projects are allocated by functional areas for the General Fund for FY2020 and for FY2020-FY2025, excluding utilities.





Proposed Projects by Functional Areas *(full project descriptions on the website at:* www.fallschurchva.gov/CIP

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 the Fellows Parkland. The practice field light project is new and is a joint initiative between general government and schools, timed for new high school delivery. The open space funding is delayed by one-year, from the Recreation and Advisory Board recommendation and no funding source is identified. These projects are spaced out to implement one significant effort per year. The Recreation and Parks Advisory Board reviewed project submissions.

Information Technology

No projects are included in FY2020-2025 due to focus on implementing current CIP projects primarily City Hall and Library Renovations full IT infrastructure replacement and redundancy.

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 citywide scale and may not be confined to a single Planning Opportunity Area. The Infrastructure Programs are examples of citywide 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 enables staff to better plan for future expenditures for a 10-year window, 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.

The 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 to allocate funding.

Schools

The School Board adopted CIP is available under Tab 6. The initial adoption was on December 11, 2018, and was readopted on February 11, 2019 to accommodate subsequent staff recommendations for facility reinvestment project as noted below.

The School Board continues their long-term planning for school facility with the George Mason High School (GMHS) and Mary Ellen Henderson Middle School (MEHMS) new construction project. To address projected elementary school enrollment the CIP reflects an expansion project for Thomas Jefferson Elementary School in the out years of the CIP.

For school facility needs in FY2020 to FY2029 the recommended funding need is $2,175,000 for Mary Ellen Henderson Middle School security, end of lift flooring and construction tie in to new high school, roof replacements and preschool HVAC humidity controls. School staff are continuing to develop a full facility assessment and implementation plan. No funding source has been determined for the school facility reinvestment needs.

General Government Facility Reinvestment/ School Facility Reinvestment

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 FY2020 and each fiscal year thereafter there is $300,000 Pay Go local funding for general government facility reinvestment provided which is allowing for a strategic plan to address numerous and critical facility needs.

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 6 for further details.

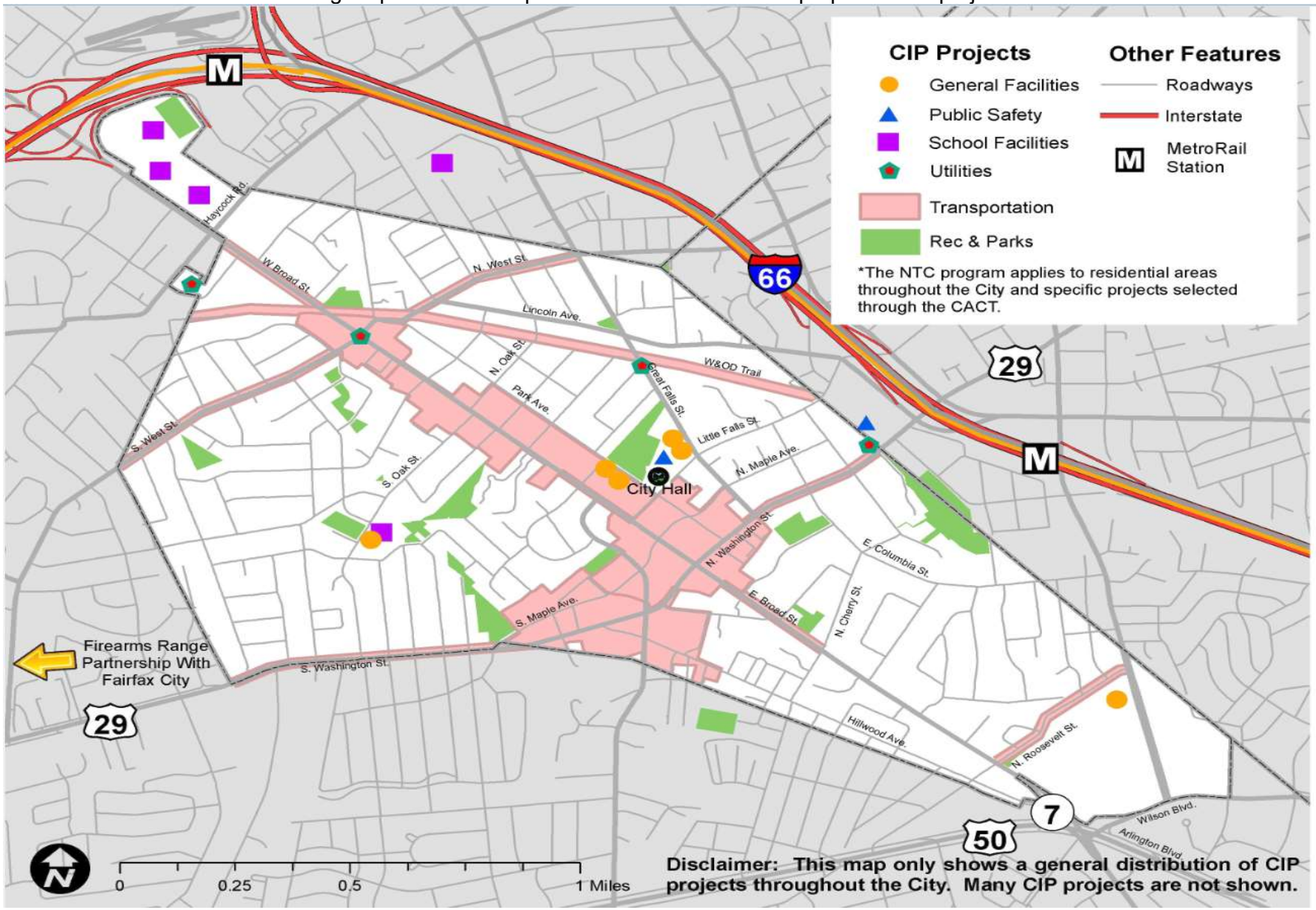
Storm Water Infrastructure

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 may impact the Fund in FY2020, 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 the West Falls Church Economic Development Project.

The following map is a visual depiction of the location of the proposed CIP projects:



SUMMARY OF ALL FUNDS

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	6 YR TOTALS	FY2026-FY2029	10 YR TOTALS
GENERAL/SCHOOL FUND	$ 600,000	$ 2,175,000	$ 2,950,000	$ 1,250,000	$ 950,000	$ 950,000	$ 8,875,000	$ 17,630,000	$ 26,505,000
TRANSPORTATION	$ 30,980,825	$ 6,207,000	$ 6,608,000	$ 5,690,000	$ 5,806,000	$ 4,132,000	$ 59,423,825	$ 75,803,000	$ 135,226,825
TOTAL	**$ 31,580,825**	**$ 8,382,000**	**$ 9,558,000**	**$ 6,940,000**	**$ 6,756,000**	**$ 5,082,000**	**$ 68,298,825**	**$ 93,433,000**	**$ 161,731,825**
SOURCES									
Grant/Other Funded	29,079,825	4,601,300	4,532,000	4,014,000	3,663,000	1,441,000	47,331,125	5,002,000	52,333,125
Total *Debt* Financed	*$ 300,000*	*$ 1,100,000*	*$ 1,800,000*	*$ 700,000*	*$ 1,050,000*	*$ 1,650,000*	*$ 6,600,000*	*$ 13,830,000*	*$ 20,430,000*
Unfunded	$ -	$ 575,000	$ 1,350,000	$ 350,000	$ 200,000	$ 200,000	$ 2,675,000	$ 67,097,000	$ 69,772,000
"Pay as you go"/Capital Reserve Financed	$ 2,201,000	$ 2,105,700	$ 1,876,000	$ 1,876,000	$ 1,843,000	$ 1,791,000	$ 11,692,700	$ 7,504,000	$ 19,196,700
Total Sources	**$ 31,580,825**	**$ 8,382,000**	**$ 9,558,000**	**$ 6,940,000**	**$ 6,756,000**	**$ 5,082,000**	**$ 68,298,825**	**$ 93,433,000**	**$ 161,731,825**

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	6 Yr Project Totals	FY2026-FY2029	10 YR TOTALS
TOTAL SEWER UTILITY	**$ 4,685,494**	**$ 5,325,188**	**$ 3,378,725**	**$ 3,492,065**	**$ 1,757,586**	**$ 2,125,015**	**$ 20,764,073**	**$ 5,055,278**	**$ 25,819,351**
SOURCES									
Total *Debt* Financed	*$ 735,494*	*$ 2,575,188*	*$ 2,628,725*	*$ 2,742,065*	*$ 1,007,586*	*$ 1,375,015*	*$ 11,064,073*	*$ 2,055,278*	*$ 13,119,351*
Sewer Availability Fees	$ 3,200,000	$ 2,000,000	**$ -**	**$ -**	**$ -**	**$ -**	$ 5,200,000	$ -	$ 5,200,000
Total "Pay as you go" Financed	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 4,500,000	$ 3,000,000	$ 7,500,000
Total Sources	**$ 4,685,494**	**$ 5,325,188**	**$ 3,378,725**	**$ 3,492,065**	**$ 1,757,586**	**$ 2,125,015**	**$ 20,764,073**	**$ 5,055,278**	**$ 25,819,351**

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	6 Yr Project Totals	FY2026-FY2029	10 YR TOTALS
TOTAL STORMWATER UTILITY	**$ 1,000,000**	**$ 1,000,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 11,500,000**	**$ 18,000,000**	**$ -**	**$ 18,000,000**
SOURCES									
Total *Debt* Financed	*$ 1,000,000*	*$ 1,000,000*	*$ 1,500,000*	*$ 1,500,000*	*$ 1,500,000*	*$ 1,500,000*	*$ 8,000,000*	*$ -*	*$ 8,000,000*
Unfunded	$ -	$ -	$ -	$ -	$ -	$ 10,000,000	$ 10,000,000	$ -	$ 10,000,000
Total Sources	**$ 1,000,000**	**$ 1,000,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 11,500,000**	**$ 18,000,000**	**$ -**	**$ 18,000,000**

GENERAL FUND AND SCHOOL BOARD

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	6YR TOTALS	FY2026-FY2029	10 YR TOTALS*
*10-year new framework under development									
PUBLIC SAFETY									
Fire Station 6 Reinvestment	$ 150,000	$ 550,000	$ -	$ -	$ 150,000	$ 150,000	$ 1,000,000	$ 600,000	$ 1,600,000
Fire Station 6 Reinvestment	$ -	$ -	$ 150,000	$ 150,000	$ -	$ -	$ 300,000	$ -	$ 300,000
Public Facility Security	$ -	$ -	$ 750,000	$ -	$ -	$ -	$ 750,000	$ -	$ 750,000
Total Public Safety	**$ 150,000**	**$ 550,000**	**$ 900,000**	**$ 150,000**	**$ 150,000**	**$ 150,000**	**$ 2,050,000**	**$ 600,000**	**$ 2,650,000**
PUBLIC FACILITIES									
Gen. Govt. Facilities Reinvestment (PayGo)	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 1,800,000	$ 1,200,000	$ 3,000,000
School Facilities Reinvestment (PayGo)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School Facilities Reinvestment (Unfunded)	$ -	$ 575,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,375,000	$ 800,000	$ 2,175,000
Thomas Jefferson Elementary (Debt)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,680,000	$ 11,680,000
Total Public Facilities	**$ 300,000**	**$ 875,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 3,175,000**	**$ 13,680,000**	**$ 16,855,000**
TRANSPORTATION (see separate special transportation fund)									
RECREATION & PARKS/FIELDS									
Fellows Property Parkland (REVISED)	$ -	$ 200,000	$ 400,000	$ -	$ -	$ -	$ 600,000	$ -	$ 600,000
Synthetic Turf Replacement	$ -	$ -	$ -	$ 450,000	$ -	$ -	$ 450,000	$ 450,000	$ 900,000
Park Master Plan Implementation	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 300,000	$ 300,000	$ 1,200,000	$ 900,000	$ 2,100,000
Park Master Plan Implementation								$ 2,000,000	$ 2,000,000
Acquisition of Open Space	$ -	$ -	$ 1,000,000	$ -	$ -	$ -	$ 1,000,000	$ -	$ 1,000,000
GMHS Practice Field Lights (NEW)	$ -	$ 200,000	$ -	$ -	$ -	$ -	$ 200,000	$ -	$ 200,000
GMHS Practice Field Lights, School transfer (NEW)	$ -	$ 200,000	$ -	$ -	$ -	$ -	$ 200,000	$ -	$ 200,000
Total Recreation & Parks/Fields	**$ 150,000**	**$ 750,000**	**$ 1,550,000**	**$ 600,000**	**$ 300,000**	**$ 300,000**	**$ 3,650,000**	**$ 3,350,000**	**$ 7,000,000**
TOTAL GENERAL FUND	**$ 600,000**	**$ 2,175,000**	**$ 2,950,000**	**$ 1,250,000**	**$ 950,000**	**$ 950,000**	**$ 8,875,000**	**$ 17,630,000**	**$ 26,505,000**
SOURCES									
Total *Debt* Financed	***$ 300,000***	***$ 1,100,000***	***$ 1,300,000***	***$ 600,000***	***$ 450,000***	***$ 450,000***	***$ 4,200,000***	***$ 13,630,000***	***$ 17,830,000***
Only if grant/revenue offset	**$ -**	**$ 575,000**	**$ 1,350,000**	**$ 350,000**	**$ 200,000**	**$ 200,000**	**$ 2,675,000**	**$ 2,800,000**	**$ 5,475,000**
School Financing Plan/Referendum Approval Based	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**		**$ -**		
Total "Pay as you go"	**$ 300,000**	**$ 500,000**	**$ 300,000**	**$ 300,000**	**$ 300,000**	**$ 300,000**	**$ 2,000,000**	**$ 1,200,000**	**$ 3,200,000**
Total Sources	**$ 600,000**	**$ 2,175,000**	**$ 2,950,000**	**$ 1,250,000**	**$ 950,000**	**$ 950,000**	**$ 8,875,000**	**$ 17,630,000**	**$ 26,505,000**

277

SPECIAL TRANSPORTATION FUND

	Funding Source	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	6 YR TOTALS	FY2026-FY2029	10 YR *
*10-year new framework under development										
Infrastructure Program - Bridges	Federal Grant (RSTP)	$ 398,000	$ 60,000	$ 60,000	$ 60,000	$ 60,000	$ 60,000	$ 698,000	$ 240,000	$ 938,000
Infrastructure Program - Bridges	State Grant (SGR)	$ 1,710,000	$ 185,000	$ 178,000	$ 61,000	$ -	$ -	$ 2,134,000	$ -	$ 2,134,000
Infrastructure Program - Pavement	State Grant (Revenue Sharing)	$ 440,000	$ -	$ -	$ 650,000	$ 700,000	$ -	$ 1,790,000	$ -	$ 1,790,000
Infrastructure Program - Pavement	State Grant (NVTA 30%)	$ 475,000	$ -	$ -	$ 650,000	$ 700,000	$ 600,000	$ 2,425,000	$ -	$ 2,425,000
Infrastructure Program - Pavement	State Grant (SGR)	$ 949,000	$ -	$ -	$ -	$ -	$ -	$ 949,000	$ -	$ 949,000
Infrastructure Program - Pavement	*Local (Debt)*	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*$ 600,000*	*$ 600,000*	*$ -*	*$ 600,000*
Infrastructure Program - Traffic Signals	Federal Grant (HSIP)	$ 1,500,000	$ -	$ -	$ -	$ -	$ -	$ 1,500,000	$ -	$ 1,500,000
Infrastructure Program - Traffic Signals	State Grant (Revenue Sharing)	$ 62,500	$ 350,000	$ 300,000	$ -	$ -	$ -	$ 712,500	$ -	$ 712,500
Infrastructure Program - Traffic Signals	State Grant (NVTA 30%)	$ -	$ 350,000	$ 300,000	$ -	$ -	$ -	$ 650,000	$ -	$ 650,000
Infrastructure Program - Traffic Signals	Local (PAYGO)	$ 62,500	$ -	$ -	$ -	$ -	$ -	$ 62,500	$ -	$ 62,500
South Washington POA Program	Federal Grant (Smartscale)	$ 3,317,866	$ -	$ -	$ -	$ -	$ -	$ 3,317,866	$ -	$ 3,317,866
South Washington POA Program	State Grant (Revenue Share)	$ 62,500	$ -	$ -	$ -	$ -	$ -	$ 62,500	$ -	$ 62,500
South Washington POA Program	State Grant (NVTA 30%)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
South Washington POA Program	Local (PAYGO)	$ 62,500						$ 62,500	$ -	$ 62,500
Downtown Area POA Program	Federal Grant (Smart Scale)	$ 520,000	$ 538,000	$ 674,000	$ 608,000	$ -	$ -	$ 2,340,000	$ -	$ 2,340,000
Downtown Area POA Program	State Grant (NVTA 30%)	$ -	$ 240,000	$ -	$ -	$ -	$ -	$ 240,000	$ -	$ 240,000
Downtown Area POA Program	State Grant (NVTA 70%)	$ -	$ 400,000	$ -	$ -	$ -	$ -	$ 400,000	$ -	$ 400,000
Downtown Area POA Program	*Local (Debt)*	*$ -*	*$ -*	*$ 500,000*	*$ -*	*$ -*	*$ -*	*$ 500,000*	*$ -*	*$ 500,000*
Neighborhood Traffic Calming	Federal Grant (HSIP)	$ 636,000	$ -	$ 800,000	$ -	$ -	$ -	$ 1,436,000	$ -	$ 1,436,000
Neighborhood Traffic Calming	Local (PAYGO)	$ -	$ -	$ -	$ -	$ 200,000	$ 200,000	$ 400,000	$ -	$ 400,000
Neighborhood Traffic Calming	State Grant (NVTA 30%)	$ -	$ -	$ 100,000	$ -	$ -	$ -	$ 100,000	$ 400,000	$ 500,000
Multimodal Connectivity and Accessibility	Federal Grant (SmartScale)	$ 300,000	$ 250,000	$ -	$ -	$ -	$ -	$ 550,000	$ -	$ 550,000
Multimodal Connectivity and Accessibility	State Grant (NVTA 70%)	$ 2,420,959	$ 474,000	$ -	$ -	$ -	$ -	$ 2,894,959	$ -	$ 2,894,959
Multimodal Connectivity and Accessibility	Federal Grant (TAP)	$ -	$ 120,000	$ -	$ -	$ -	$ -	$ 120,000	$ -	$ 120,000
Multimodal Connectivity and Accessibility	Federal Grant (HSIP)	$ 71,000	$ 30,000	$ 499,000	$ -	$ -	$ -	$ 600,000	$ -	$ 600,000
Multimodal Connectivity and Accessibility	Federal Grant (RSTP)	$ -	$ -	$ -	$ 348,000	$ 490,000	$ 550,000	$ 1,388,000	$ 2,200,000	$ 3,588,000
Multimodal Connectivity and Accessibility	Unfunded	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,000,000	$ 3,000,000
Multimodal Connectivity and Accessibility	Local (PAYGO)	$ 200,000	$ 30,000	$ -	$ -	$ -	$ -	$ 230,000	$ -	$ 230,000
WMATA & NVTA Annual Cost	Local (CIE)	$ 1,050,000	$ 1,077,000	$ 1,104,000	$ 1,132,000	$ 1,161,000	$ 1,191,000	$ 6,715,000	$ 5,074,000	$ 11,789,000
WMATA & NVTA Annual Cost	Local (PAYGO)	$ 426,000	$ 398,700	$ 372,000	$ 344,000	$ 82,000	$ -	$ 1,622,700	$ 830,000	$ 2,452,700
WMATA & NVTA Annual Cost	Local (Debt)	*$ -*	*$ -*	*$ -*	*$ 100,000*	*$ 600,000*	*$ 600,000*	*$ 1,300,000*	*$ 200,000*	*$ 1,500,000*
WMATA & NVTA Annual Cost	State Grant (NVTA 30%)	$ 367,000	$ 293,300	$ 355,000	$ 315,000	$ 113,000	$ 231,000	$ 1,674,300	$ 2,162,000	$ 3,836,300
North Washington POA Program	Unfunded	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 18,100,000	$ 18,100,000
North Washington POA Program	State Grant (NVTC I-66)	$ -	$ -	$ -	$ -	$ 1,600,000	$ -	$ 1,600,000	$ -	$ 1,600,000
West Broad Street POA Program	Federal Grant (RSTP)	$ -	$ 361,000	$ 440,000	$ 348,000	$ -	$ -	$ 1,149,000	$ -	$ 1,149,000
West Broad Street POA Program	Federal Grant (Smart Scale)	$ 150,000	$ 900,000	$ 776,000	$ 324,000	$ -	$ -	$ 2,150,000	$ -	$ 2,150,000
West Broad Street POA Program	Unfunded	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 43,197,000	$ 43,197,000
Revitalization District	Federal Grant (BPSP)	$ -	$ 50,000	$ 50,000	$ 650,000	$ -	$ -	$ 750,000	$ -	$ 750,000
Revitalization District	State Grants (NVTA 70%)	$15,700,000	$ -	$ -	$ -	$ -	$ -	$ 15,700,000	$ -	$ 15,700,000
Transportation Project/ Grant Development	Local (PAYGO)	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 600,000	$ 400,000	$ 1,000,000
TOTAL TRANSPORATION FUND		**$30,980,825**	**$ 6,207,000**	**$ 6,608,000**	**$ 5,690,000**	**$ 5,806,000**	**$ 4,132,000**	**$59,423,825**	**$ 75,803,000**	**$135,226,825**
				SOURCES						
Grant Funded		**$29,079,825**	**$ 4,601,300**	**$ 4,532,000**	**$ 4,014,000**	**$ 3,663,000**	**$ 1,441,000**	**$47,331,125**	**$ 5,002,000**	**$ 52,333,125**
Local Debt	***Local (Debt)***	***$ -***	***$ -***	***$ 500,000***	***$ 100,000***	***$ 600,000***	***$ 1,200,000***	***$ 2,400,000***	***$ 200,000***	***$ 2,600,000***
WMATA Opt-In Debt	***WMATA Opt-In Debt***	***$ -***	***$ -***	***$ -***	***$ -***	***$ -***	***$ -***	***$ -***	***$ -***	***$ -***
Unfunded	**Unfunded**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 64,297,000**	**$ 64,297,000**
Total "Pay as you go"	**Local (PAYGO & C&IE)***	**$ 1,901,000**	**$ 1,605,700**	**$ 1,576,000**	**$ 1,576,000**	**$ 1,543,000**	**$ 1,491,000**	**$ 9,692,700**	**$ 6,304,000**	**$ 15,996,700**
Total Sources		**$30,980,825**	**$ 6,207,000**	**$ 6,608,000**	**$ 5,690,000**	**$ 5,806,000**	**$ 4,132,000**	**$59,423,825**	**$ 75,803,000**	**$135,226,825**

278

SOURCE OF FUNDING FOR GENERAL FUND, SCHOOL BOARD & SPECIAL TRANSPORTATION – FY2020

	FUNDING SOURCE- FY2020 ONLY					
	FY2020	DEBT	PAUG	GRANTS	TBD	FY2020 PCT
GENERAL FUND						
Fire Station 6 Reinvestment	$ 150,000	$ 150,000	$ -	$ -	$ -	25.00%
Public Facility Security	$ -	$ -	$ -	$ -		0.00%
Gen. Govt Facilities Reinvestment	$ 300,000	$ -	$ 300,000	$ -	$ -	50.00%
School Facilities Reinvestment	$ -	$ -	$ -	$ -	$ -	0.00%
Thomas Jefferson Elementary	$ -	$ -	$ -	$ -	$ -	0.00%
Fellows Property	$ -	$ -	$ -	$ -	$ -	0.00%
Synthetic Turf Replacement	$ -	$ -	$ -	$ -	$ -	0.00%
Park Master Plan Implementation	$ 150,000	$ 150,000	$ -	$ -	$ -	25.00%
Acquisition of Open Space	$ -	$ -	$ -	$ -	$ -	0.00%
GMHS Practice Field Lighting	$ -	$ -	$ -	$ -	$ -	0.00%
General Gov. and School Subtotal	**$ 600,000**	**$ 300,000**	**$ 300,000**	**$ -**	**$ -**	100.00%
TRANSPORTATION						
Infrastructure Program - Bridges	$ 2,108,000	$ -	$ -	$ 2,108,000	$ -	6.80%
Infrastructure Program - Pavement	$ 1,864,000	$ -	$ -	$ 1,864,000	$ -	6.02%
Infrastructure Program - Traffic Signals	$ 1,625,000	$ -	$ 62,500	$ 1,562,500	$ -	5.25%
South Washington POA Program	$ 3,442,866	$ -	$ 62,500	$ 3,380,366	$ -	11.11%
Downtown Area POA Program	$ 520,000	$ -	$ -	$ 520,000	$ -	1.68%
Neighborhood Traffic Calming	$ 636,000	$ -	$ -	$ 636,000	$ -	2.05%
Multimodal Connectivity and Accessibility	$ 2,991,959	$ -	$ 200,000	$ 2,791,959	$ -	9.66%
WMATA & NVTA Annual Cost	$ 1,843,000	$ -	$ 1,476,000	$ 367,000	$ -	5.95%
North Washington POA Program	$ -	$ -	$ -	$ -	$ -	0.00%
West Broad Street POA Program	$ 150,000	$ -	$ -	$ 150,000	$ -	0.48%
West Falls Church and Joint Campus Revitalization District	$ 15,700,000	$ -	$ -	$ 15,700,000	$ -	50.68%
Transportation Project/ Grant Development	$ 100,000	$ -	$ 100,000	$ -	$ -	0.32%
Transportation Subtotal	**$ 30,980,825**	**$ -**	**$ 1,901,000**	**$ 29,079,825**	**$ -**	100.00%
TOTAL	**$ 31,580,825**	**$ 300,000**	**$ 2,201,000**	**$ 29,079,825**	**$ -**	

279

SOURCE OF FUNDING FOR GENERAL FUND, SCHOOL BOARD & SPECIAL TRANSPORTATION – FY2020-FY2025

	FUNDING SOURCE- 6-YEAR PERIOD FY2021-FY2026				
	6YR TOTALS	DEBT	PAUG	GRANTS	TBD
GENERAL FUND					
Fire Station 6 Reinvestment	$ 1,300,000	$ 1,000,000	$ -	$ -	$ 300,000
Public Facility Security	$ 750,000	$ 750,000	$ -	$ -	$ -
Gen. Govt Facilities Reinvestment	$ 1,800,000	$ -	$ 1,800,000	$ -	$ -
School Facilities Reinvestment	$ 1,375,000	$ -	$ -	$ -	$ 1,375,000
Thomas Jefferson Elementary	$ -	$ -	$ -	$ -	$ -
Fellows Property	$ 600,000	$ 600,000	$ -	$ -	$ -
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
GMHS Practice Field Lighting	$ 400,000	$ 200,000	$ 200,000	$ -	$ -
General Gov. and School Subtotal	**$ 8,875,000**	**$ 4,200,000**	**$ 2,000,000**	**$ -**	**$ 2,675,000**
TRANSPORTATION					
Infrastructure Program - Bridges	$ 2,832,000	$ -	$ -	$ 2,832,000	$ -
Infrastructure Program - Pavement	$ 5,764,000	$ 600,000	$ -	$ 5,164,000	$ -
Infrastructure Program - Traffic Signals	$ 2,925,000	$ -	$ 62,500	$ 2,862,500	$ -
South Washington POA Program	$ 3,442,866	$ -	$ 62,500	$ 3,380,366	$ -
Downtown Area POA Program	$ 3,480,000	$ 500,000	$ -	$ 2,980,000	$ -
Neighborhood Traffic Calming	$ 1,936,000	$ -	$ 400,000	$ 1,536,000	$ -
Multimodal Connectivity and Accessibility	$ 5,782,959	$ -	$ 230,000	$ 5,552,959	$ -
WMATA & NVTA Annual Cost	$ 11,312,000	$ 1,300,000	$ 8,337,700	$ 1,674,300	$ -
North Washington POA Program	$ 1,600,000	$ -	$ -	$ 1,600,000	$ -
West Broad Street POA Program	$ 3,299,000	$ -	$ -	$ 3,299,000	$ -
West Falls Church and Joint Campus Revitalization District	$ 16,450,000	$ -	$ -	$ 750,000	$ -
Transportation Project/ Grant Development	$ 600,000	$ -	$ 600,000	$ 15,700,000	$ -
Transportation Subtotal	**$ 59,423,825**	**$ 2,400,000**	**$ 9,692,700**	**$ 47,331,125**	**$ -**
TOTAL	**$ 68,298,825**	**$ 6,600,000**	**$ 11,692,700**	**$ 47,331,125**	**$ 2,675,000**

6-YEAR PROJECTION GENERAL FUND – POLICY COMPLIANCE

	FY 2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Fund Balance							
Beginning Available Fund Balance	27,898,254	29,138,254	32,421,254	33,129,254	33,281,254	35,496,254	38,423,254
Addition to Available Fund Balance	1,240,000	(3,217,000)	(6,292,000)	(6,848,000)	(5,785,000)	(5,573,000)	(1,387,000)
Land Sale Proceeds	-	6,500,000	7,000,000	7,000,000	7,000,000	7,000,000	-
West Falls Church Tax Yield	-	-	-	-	1,000,000	1,500,000	2,000,000
Ending Fund Balance	**$ 29,138,254**	**$ 32,421,254**	**$ 33,129,254**	**$ 33,281,254**	**$ 35,496,254**	**$ 38,423,254**	**$ 39,036,254**
Expenditures*	$ 89,091,302	$ 97,226,876	$101,662,579	$104,035,959	$105,578,207	$107,693,199	$109,699,268
Fund balance as % of expenditures	**32.7%**	**33.3%**	**32.6%**	**32.0%**	**33.6%**	**35.7%**	**35.6%**
Policy Target (20% of Expenditures)	17,818,300	19,445,400	20,332,500	20,807,200	21,115,600	21,538,600	21,939,900
Debt Service							
Existing	$ 8,155,065	$ 7,957,579	$ 7,824,579	$ 7,465,959	$ 6,287,207	$ 6,084,199	$ 5,686,268
New**	-	4,695,421	7,150,000	7,715,000	8,215,000	8,256,000	8,326,000
Total Debt Service	**$ 8,155,065**	**$ 12,653,000**	**$ 14,974,579**	**$ 15,180,959**	**$ 14,502,207**	**$ 14,340,199**	**$ 14,012,268**
Debt service as % of expenditures	**9.2%**	**13.0%**	**14.7%**	**14.6%**	**13.7%**	**13.3%**	**12.8%**
Standard Policy Limit (12% of Expenditures)	10,690,956	11,667,225	12,199,509	12,484,315	12,669,385	12,923,184	13,163,912
Maximum Policy (15% of Expenditures)	13,363,695	14,584,031	15,249,387	15,605,394	15,836,731	16,153,980	16,454,890

*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.

281

UTILITY FUNDS – SANITARY SEWER AND STORMWATER

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	6 YR TOTALS	FY2026-FY2029	10 YR TOTALS*
SEWER UTILITY									
Arlington WPCP Non-expansion Capital	$ 209,000	$ 313,000	$ 392,000	$ 421,000	$ 657,000	$ 1,069,000	$ 3,061,000	**$ 1,346,000**	**$ 4,407,000**
Alexandria Wastewater Treatment Upgrades	$ 526,494	$ 392,188	$ 366,725	$ 461,065	$ 350,586	$ 306,015	$ 2,403,073	**$ 709,278**	**$ 3,112,351**
Alexandria Wastewater Treatment Plant Capacity	$ -	$ 1,870,000	$ 1,870,000	$ 1,860,000	$ -	$ -	$ 5,600,000	**$ -**	**$ 5,600,000**
Sanitary Sewer Rehabilitation	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 4,500,000	$ 3,000,000	$ 7,500,000
West End Sewer Capacity (NEW)	$ 3,200,000	$ 2,000,000	$ -	$ -	$ -	$ -	$ 5,200,000	$ -	$ 5,200,000
Total Sewer Utility	**$ 4,685,494**	**$ 5,325,188**	**$ 3,378,725**	**$ 3,492,065**	**$ 1,757,586**	**$ 2,125,015**	**$ 20,764,073**	**$ 5,055,278**	**$ 25,819,351**
SOURCES									
Total *Debt* Financed	$ 735,494	$ 2,575,188	$ 2,628,725	$ 2,742,065	$ 1,007,586	$ 1,375,015	$ 11,064,073	$ 2,055,278	$ 13,119,351
Total "Pay as you go" Financed	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 750,000	$ 4,500,000	$ 3,000,000	$ 7,500,000
Sewer Availability Fees	$ 3,200,000	$ 2,000,000	$ -	$ -	$ -	$ -	$ 5,200,000	$ -	$ 5,200,000
TOTAL SOURCES	**$ 4,685,494**	**$ 5,325,188**	**$ 3,378,725**	**$ 3,492,065**	**$ 1,757,586**	**$ 2,125,015**	**$ 20,764,073**	**$ 5,055,278**	**$ 25,819,351**
STORMWATER UTILITY									
Stormwater Facilities Reinvestments	$ 1,000,000	$ 1,000,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 8,000,000	$ -	$ 8,000,000
Four Mile Run	$ -	$ -	$ -	$ -	$ -	$ 10,000,000	$ 10,000,000	$ -	$ 10,000,000
TOTAL STORMWATER UTILITY	**$ 1,000,000**	**$ 1,000,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 11,500,000**	**$ 18,000,000**	**$ -**	**$ 18,000,000**
SOURCES									
Total *Debt* Financed	$ 1,000,000	$ 1,000,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 8,000,000	$ -	$ 8,000,000
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**	**$ 1,000,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 1,500,000**	**$ 11,500,000**	**$ 18,000,000**	**$ -**	**$ 18,000,000**
TOTAL UTILITIES	**$ 5,685,494**	**$ 6,325,188**	**$ 4,878,725**	**$ 4,992,065**	**$ 3,257,586**	**$ 13,625,015**	**$ 38,764,073**	**$ 5,055,278**	**$ 43,819,351**

PROJECT STATUS SNAPSHOT

The following provides an update on current CIP projects, as of December 2018, authorized for FY2019 and prior.

A SNAPSHOT: General Government CIP Projects December 2018 Update

Interactive Project map: www.fallschurchva.gov/CIPmap

Category	Project Name	Description/Schedule	Progress
Parks			
	HEH Stream Valley Park Daylighting & Improvements	Daylighting COMPLETE; Construction work on the Entrance project which includes entrance sign, benches, bike rack and other amenities will begin in January 2019 with completion scheduled May 2019.	
	Berman Park Daylighting & Trail Restoration	Daylighting and adjacent trail COMPLETE; 2nd half of trail in 2020 CIP along with other parks.	
	Cherry Hill Park	Project completed summer 2018. *[Project to be removed on next report]*	
	Downtown Public Plaza	The EDA voted to proceed with a smaller scale renovation of the existing park area. The goals of the reduced scope project are to restore the existing area and make it more accessible and functional. Project is now scheduled for completion in spring 2019.	
	Larry Graves Synthetic Turf Project	MOU finalized and executed by Falls Church and Fairfax County; construction scheduled to June 2019. Completion scheduled for fall 2019.	
	Big Chimneys Park	Second submission Site Plan has been submitted with approval expected February 2019; construction start is scheduled for spring 2019 pending 1/28/19 budget amendment approval by Council.	
	Open Space Acquisition	Council authorized eminent domain January 2018 and required process is ongoing; Council briefed in Nov.	

283

Facilities			
	City Hall Public Space & Safety Improvements	Construction Notice to Proceed issued January 2018; All City Hall functions/offices fully relocated in April 2018; interior framing completed; exterior excavations and footings completed; masonry work and steel framing is underway; mechanical, electrical, plumbing work are in progress; wall-in, millwork, low-voltage installation started; 80% overall completion; monitoring budget; move in re-scheduled to late February to March 2019.	
	Library Renovation & Expansion	Centennial Contractors selected as the CMAR for pre-construction services. Schematic Design is COMPLETE and Design Development (30%) documents are scheduled for completion January 2019. Variance approvals are scheduled for December 2018, and Site Plan submission is scheduled for February 2019. Construction is scheduled to begin late summer 2019.	
	Facility Reinvestment	Ongoing equipment replacements (end of life), roof replacements (end of life), and repairs for all facilities, especially in ADA compliance; security improvements, equipment failure, and structural repairs. COMPLETE. City Hall: Installed new domestic and fire water lines.	
Stormwater			
	Wren Branch Drainage	Project design 90% complete; final engineering pushed back to winter 2018/19 due to utility conflicts; project completion changed to spring/summer of 2019.	
	Harrison Branch Daylighting	Naturalizing stream channel between E. Jefferson and Harrison Branch that meets Four Mile Run to correct pipe failure and erosion; construction underway, expected completion by end of 2018, a slight delay.	
	Dorchester and Great Falls	Construction complete; new pipe installed and	

	Pipe Bursting	inspections underway. Close-out expected mid-December 2018.	
Technology			
	Telecommunications & Infrastructure	City phone system upgrade contract was awarded to Norstan Communications (dba Black Box Network Services) in November 2018. Upgrade delayed to be completed in coordination with final phase of City Hall renovation, prior to move-in.	
Public Safety			
	Firearms Training Center	Construction ongoing with plumbing and electrical lines installed; project completion delayed due to rain, anticipated opening in January 2019. See link for more updates: https://youtu.be/pO4bu-27ZeE	
	Fire Station #6	Arlington in procurement phase for full HVAC replacement and working through phases issues for installation, while remaining operational for fire and emergency calls; FY18 CIP provided last phase of funding; project completion changed from Summer 2018 to Spring 2019 due to procurement costs and scheduling to avoid no HVAC in hot or cold seasons.	
	Park Ave Great Streets/ Missing Sidewalk Links	Full scoping of the Park Avenue Great Streets project is still underway. Specific Missing Sidewalk Links project expedited; funding secured and currently in design; Construction expected to begin in Spring 2019.	
Transportation			
	S. Washington St Transit Plaza and Streetscape Improvements	ROW acquisition complete. Conduit installed and utility undergrounding is nearly finished. Design of transit plaza and streetscape improvements is final and ready for VDOT review; IFB preparations are underway. Repaving is complete.	
	S. Maple Intersection and Traffic Signal	90% design plans submitted for VDOT review and comment; scope of work has changed significantly since Fairfax County is not able to fund their portion;	

285

		project now limited to 3-leg crosswalk with traffic and pedestrian signals; design phase will now be completed Summer 2019.	
	N. Van Buren St Bridge	Bridge complete; ready for close-out; final acceptance letter pending approval. *[Project to be removed on next report]*	
	Oak Street Bridge	A decision has been made about the most efficient design option for a replacement bridge. The project is on hold until funds can be found to fill a gap in budget due to increased cost estimates.	
	E. Broad and Cherry St Traffic Signal	ROW easements are completed; contract was awarded to Ardent Company. Construction will begin in January 2019, expected completion in June 2019.	
	N. West and Great Falls St Traffic Signal	Final design plans currently being reviewed. MOU has been finalized and signed by the City, waiting on County signature. Construction scheduled to start Spring 2019. Estimated construction duration of 4 months.	
	N. Washington and Columbia St Traffic Signal	Final design plans received and ready to be reviewed. Project on hold; delivery schedule delayed due to staff workload.	
	N. West and Lincoln Ave	Reprioritized with other signal projects due to funding gaps resulting from bid costs; project still in CIP for FY20 completion. Delivery schedule delayed 2 years due to funding gap. HSIP grant application submitted November 2018; award to be known in June 2019.	
	Bus Shelters	Fifteen shelters have been installed; finalizing lettering on the sides of the bus shelters; project completed August 2018. Final after-action report prepared. *[Project to be removed on next report]*	
	Neighborhood Traffic Calming	Little Falls/Great Falls to resume early 2019. COMPLETE. N Maple Ave construction; Lincoln Ave and N West Street striping completed in October 2017.	

286

		W Annandale Rd/Gundry Dr light solutions completed in November 2017. Data collected to determine impact on speeds. Neighborhood requested pursuing heavy solutions in 2019 for above light solutions.	
	Bike-Share	2018- Invitation for Bid released in May; Public Bid Opening in June; Authorization to Award, contracts executed, and equipment ordered in October; first installation estimated for spring 2019.	
	Roosevelt Blvd & Roosevelt St Pedestrian Improvements	The roadway is complete and the project has reached substantial completion. Final punch list items are being worked on now. Final completion expected after a pedestrian signal post, which had an unexpected long lead time, is replaced in December 2018 due to being hit by a vehicle.	
	Broad St Ped Crossings (HAWK signals)	Pre-scoping completed and submitted to VDOT. Design is currently underway and on track.	

287

Legend: = complete; = active/on schedule; = active/some challenges; = not active/critical issue

Interactive Project map: www.fallschurchva.gov/CIPmap

IMPACT ON OPERATING COSTS

The following describes impacts on operating costs of the proposed FY2020-2025 six-year program:

A. GENERAL FUND AND SCHOOL BOARD

1. **Information Technology**: no new projects in this six-year CIP.
2. **Public Safety**: Improved Fire Station 6 facility reinvestment will reduce maintenance and utility costs. Security systems will have minimal operating cost increase for maintenance support contracts but there is vital safety improvements achieved.
3. **Schools Construction/Facility Reinvestment:** 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.
4. **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.
5. **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 but amount has not been estimated to date.

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

FY2020 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, among other things, health insurance, Virginia Retirement System, and the City retirement system, post-retirement health benefits, life insurance, long-term disability.

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.

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