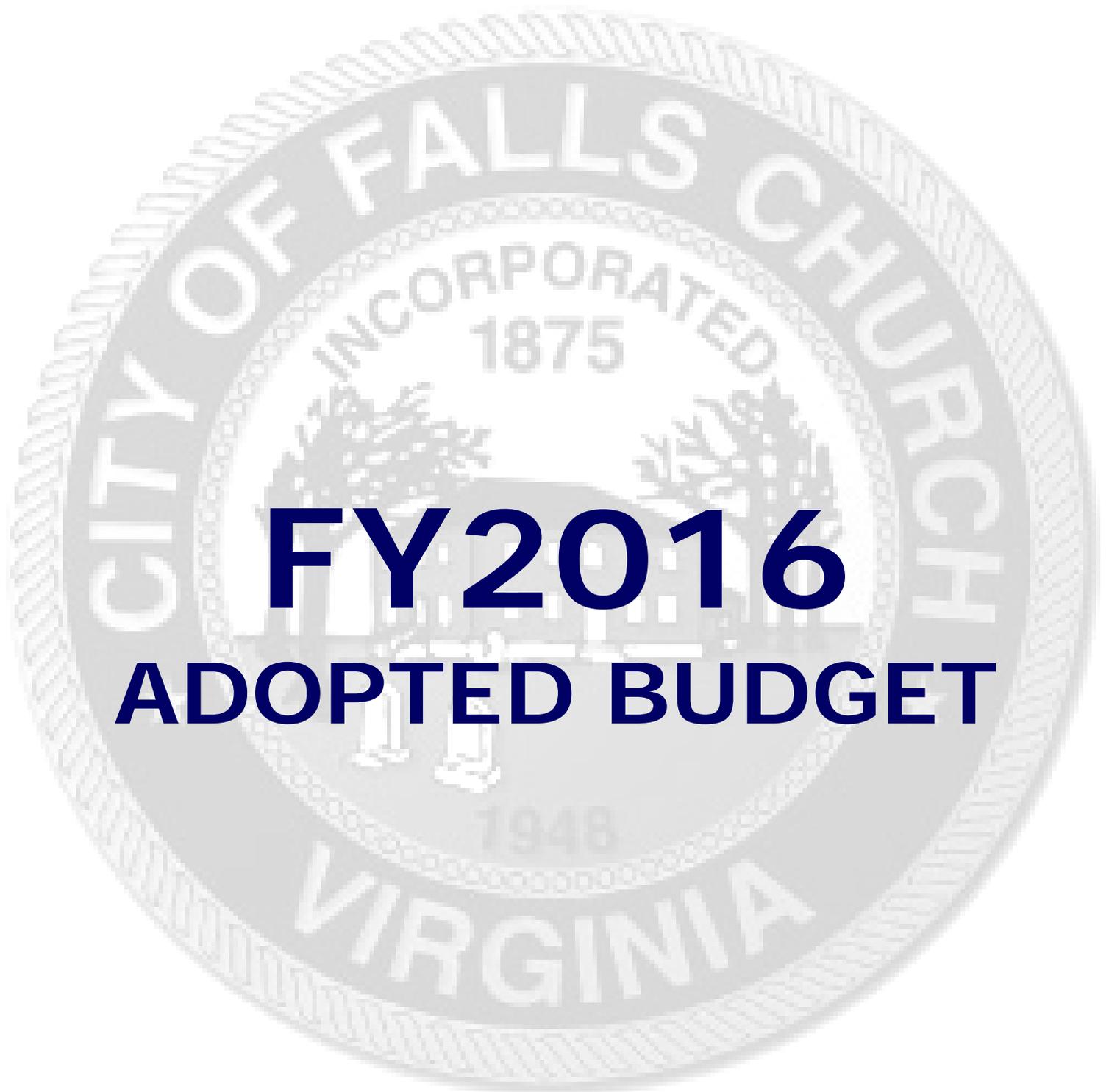


FY2016 ADOPTED BUDGET

**Annual Expenditures
& Revenues
& Five-Year Capital
Improvements Program**



FY2016 ADOPTED BUDGET

Policy of Non-Discrimination on the Basis of Disability

The City of Falls Church does not discriminate on the basis of disability in its employment practices or in the admission to, access to, or operations of its services, programs, or activities. Cindy Mester, 300 Park Avenue, Falls Church, VA 22046 has been designated to coordinate compliance with the ADA non-discrimination requirement.

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CITY OF FALLS CHURCH

Harry E. Wells Building
 300 Park Avenue
 Falls Church, VA 22046
 Tel: 703-248-5004 (TTY 711)
 Fax: 703-248-5146

F. Wyatt Shields
 City Manager

April 27, 2015

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

The adopted FY2016 Budget and Five Year Capital Improvements Program (CIP) is a plan for City services and capital investment over the coming fiscal year. The annual budget development process allows the City to allocate limited resources to meet the priorities of the community, as expressed in the City Council Work Plan, adopted policies, and the Council Budget Guidance Statement. The budget process is also one of our best opportunities for extensive public input on our City services and how we deliver them. The City held three public hearings, two town hall meetings, a Budget and CIP Open House, and numerous work sessions over the seven weeks of public deliberation. With the benefit of that public input, the City Council adopted the FY2016 Budget and CIP on April 27, 2015, which goes into effect July 1, 2015.

The following chart summarizes the changes to expenditures from FY2015 to FY2016:

	Adopted FY2015	Adopted FY2016	\$ Change	% Change
General Government	\$ 35,326,010	\$ 35,588,125	\$ 262,115	0.7%
School Transfer	36,859,530	38,327,900	1,468,370	4.0%
Debt Service*	5,214,124	5,830,730	616,606	11.8%
CIP (Pay as you Go)	952,000	1,122,000	170,000	17.9%
Special Transportation Fund & WMATA	2,200,000	967,514	(1,232,486)	-56.0%
Debt-Financed Expenditures	-	834,000	834,000	-
Building Safety (Permit Fee Reserve)	-	356,881	356,881	-
Total	\$ 80,551,664	\$ 83,027,150	\$ 2,475,486	3.1%

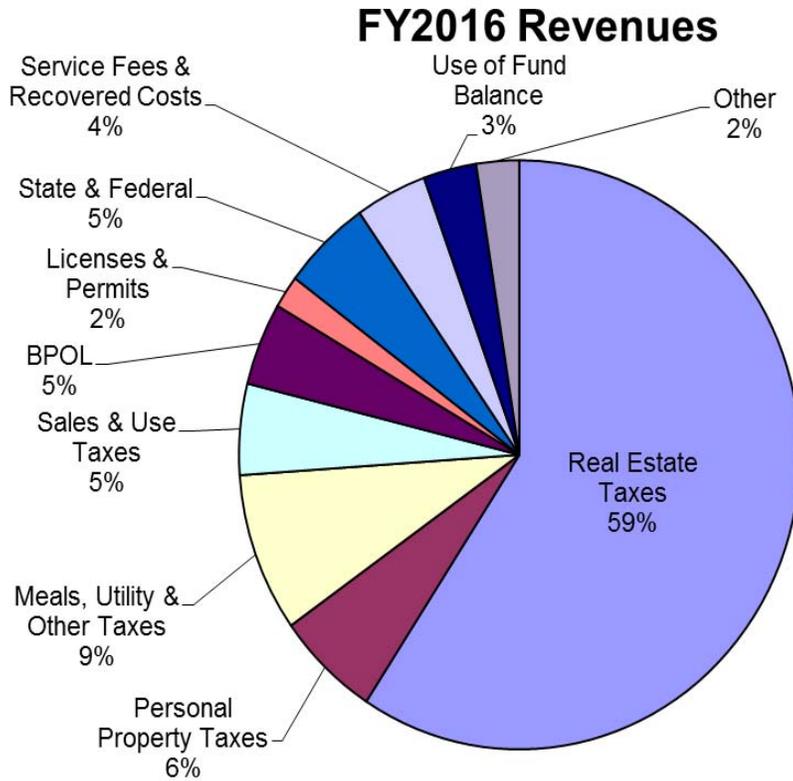
*Includes \$200k in debt issuance costs in FY15, which are not needed in FY16.

The FY2016 General Government operating budget, not including debt service and “pay as you go” capital projects, provides for operating expenditures of \$35,588,125. This is a \$421,115 (1.2%) increase over FY2015.

The School Board transfer is \$38,327,900, which represents a \$1,468,370 (4.0%) increase over FY2015. The total School Division operating budget, including state and federal revenues, is \$46,720,700 which is a 3.8% increase over FY2015.

FY2016 Revenue Projections

The Chart below provides a summary of the relative size of various sources of revenues for the City Budget.



A breakdown of key revenue projections for FY2016 as compared to FY2015 is provided in the table on the following page. The real estate revenue projection includes an increase in assessed value of 4.85% plus an increase in tax rates of four cents.

Comparative Summary of Estimated Revenues

	Adopted FY2015	Adopted FY2016	\$ Change	% Change
Real Estate Taxes	\$ 46,307,000	\$ 49,151,896	\$ 2,844,896	6.1%
Personal Property	4,809,700	4,948,000	138,300	2.9%
Meals, Utility & Other Taxes	7,429,500	7,253,000	(176,500)	-2.4%
Sales Tax	4,083,000	4,150,000	67,000	1.6%
Business Licenses	3,565,500	3,775,000	209,500	5.9%
Building Permits	1,019,000	1,484,412	465,412	45.7%
State & Federal	5,407,134	4,233,251	(1,173,883)	-21.7%
Service Charges	3,574,830	3,432,231	(142,599)	-4.0%
Other	1,376,000	2,066,360	690,360	50.2%
Use of Fund Balance	2,980,000	2,533,000	(447,000)	-15.0%
Total	\$ 80,551,664	\$ 83,027,150	\$ 2,475,486	3.1%

Reductions in federal contracting and federal spending have slowed the local economy, with Virginia, Maryland, and DC all trailing the nation in economic growth in 2013 and 2014. The forecast for relatively flat sales, meals, and personal property taxes reflect this trend, and is similar to other Northern Virginia localities.

The total assessed value of the City is approximately \$3.7 billion as of January 1, 2015, an increase of \$177 million in the past year. The growth in assessed value reflects market appreciation and approximately \$87.8 million in new construction in the City. Over 50% of the total growth in assessed value is due to new construction activity.

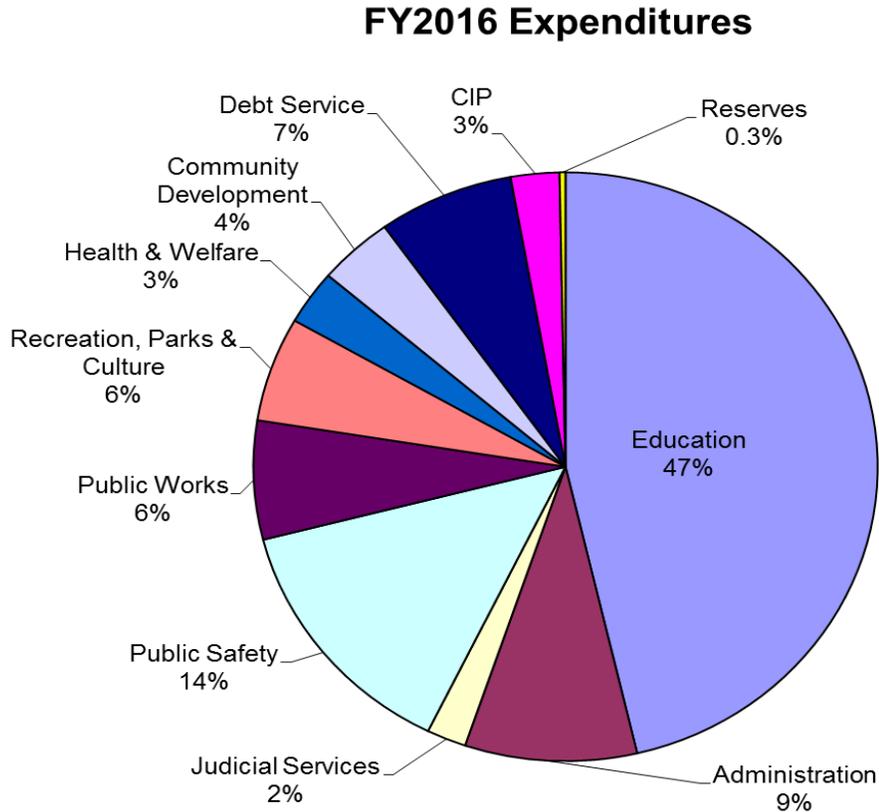
Of the \$87.8 million in new construction, approximately \$65 million is in the commercial sector (notably the Hilton Garden Inn, Northgate, and Good Fortune) and reflects the concerted efforts by the City to promote and grow the commercial tax base of the City. The ongoing additions and teardown/rebuilds of single family homes in the City amounted to \$23 million in new construction.

The following chart summarizes changes to assessed value by property class over the past two calendar years:

	<u>CY2014</u>	<u>CY2015</u>
Single Family:	up 7.8%	up 3.7%
Townhouses:	up 3.4%	up 5.8%
Condominiums:	up 5.0%	up 5.7%
Commercial:	up 2.4%	down 1.2%
Apartments:	<u>up 26.0%</u>	<u>up 34.9%</u>
Overall:	up 6.8%	up 4.8%

FY2016 Summary of Expenditures

The Chart below provides an overview of the distribution of General Fund expenditures across City operations.



Staffing Levels

The FY2016 Budget funds 197 permanent positions in the General Fund, which remains below typical staffing levels for the period between 2000 and 2010.

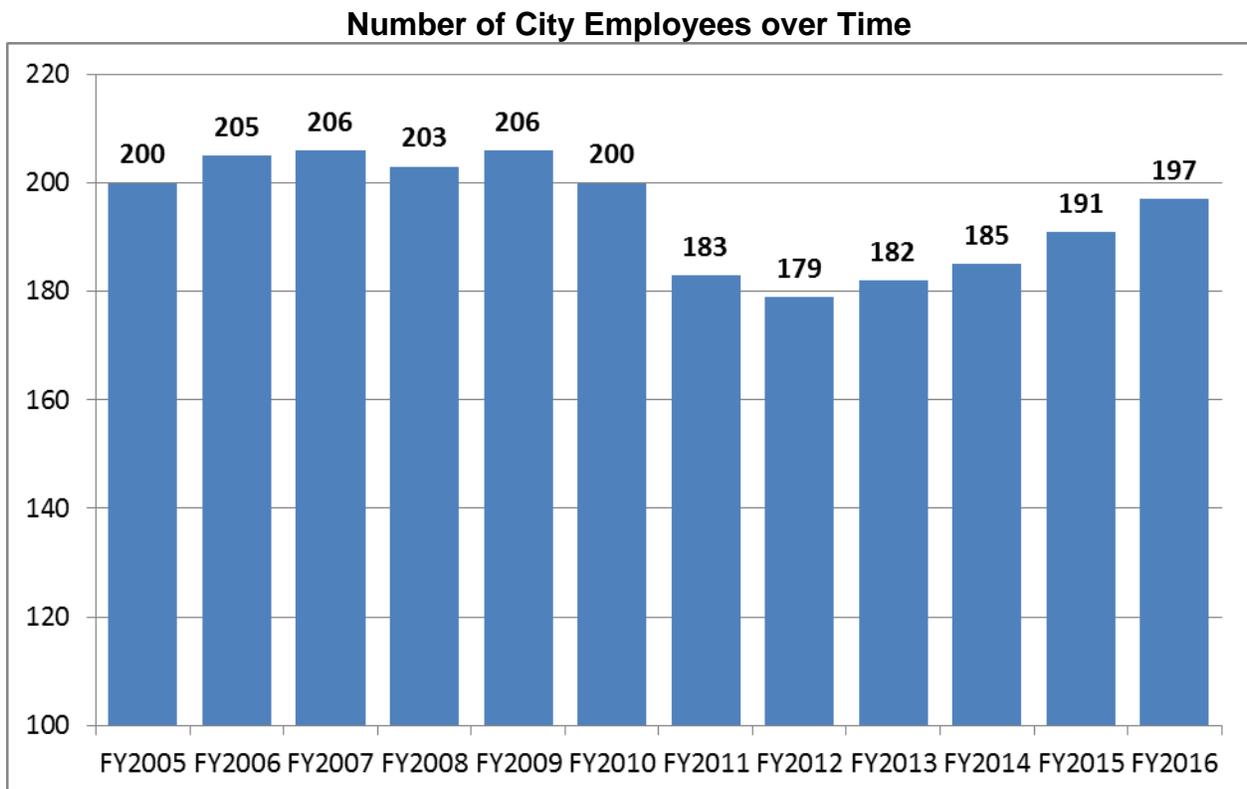
The 3.5 new positions in the Department of Development Services (DDS) and are paid for exclusively through permit fees. Due to the high workload associated with major new mixed use and commercial projects this year, two of the new positions were filled in FY2015. Earlier in FY2015, the City Council committed \$900,000 in building permit fees from FY2014 into a special reserve specifically to ensure that the City had the plan review and inspection capacity FY2016 and FY2017 for the major projects.

- **Structural Engineer/Building Plan Reviewer \$135,000:** A structural engineer/building plan reviewer is urgently needed to keep up with the increased volume of building permits and the complexity of plan review work. The Chief Building official is currently the only building plan and structural plan reviewer in the City. He has focused on building and structural plan review and inspections of major mixed use projects such as the Tinner Hill and Harris Teeter projects as well as the Kensington Assisted Living. The additional position will provide needed backup and capacity and will help staff to

provide timely service to homeowners, builders and commercial infill projects. Funding for this position is covered by building and permit fees collected by DDS for this purpose.

- *Senior Plans Reviewer and Inspector.* This position was added mid-year in FY2015, and is funded in the FY2016 Budget. This position added was critically important to review trades permits and to inspect ongoing work in the field last year as major mixed use projects were getting permits, and beginning excavation, sheeting and shoring, foundations and concrete garages and podium construction. Funding for this position is derived from the building and trades permit fees collected by DDS for this purpose and used to support plan review and inspections.
- *Administrative Assistant.* This position is to support office automation and the building safety and counter staff. This position is funded by means of the 10% DDS permit tech fee approved in last year’s budget. Hired mid-year, this position has culled through old and inactive plans, archived completed permits and plans that may be destroyed in the future, identified approximately 1000 stale inactive plans and is following up to close them out and collect any fees due to the City. This position will continue to be funded through the permit tech fee and is necessary to keep the office organized improve office automation and City web interface, and to improve customer service.

Collection Officer: The budget provides funding to allow a temporary employee in the Treasurer’s Office assigned to the collection of water bills to continue as a full time employee assigned to tax collections. It is expected that the cost of this position will be covered by increased collections of parking tickets, and past due taxes, and the like.



Note: General Fund supported only (does not include CIP and Enterprise Funded positions).

Employee Compensation: The FY2016 Budget provides a 2.5% merit increase in compensation for City employees, and a 3% increase for uniformed police officers. This increase is necessary to maintain competitiveness in the region, and to reward employees for productive work in providing City services.

The City undertook a compensation survey this year to assess both internal equity (comparing pay for similar positions across the organization) and external competitiveness (comparing pay for similar positions in local governments in the region). For the competitiveness, the City assessed its pay and classification plan with that of the nine counties and cities and towns in our region: City of Alexandria; Fairfax County; Prince William County; Town of Leesburg; Town of Vienna; City of Fairfax; City of Manassas; Town of Herndon; and Arlington County.

The study found that City compensation trailed the average for this basket of regional local governments by between 1% percent and 7%.

At the market minimum, the City lagged the market by 1.14%
At the market midpoint the City lagged the market by 3.74%
At the market maximum the City lagged the market by 6.85%

The FY2016 Budget provides funding to address compensation for 33 employees who were below the market range for their work. Of these 33 employees, 17 are police officers who will have a compensation adjustment to bring them in line with the step plan that is in effect for the Police Department as a whole. The study identified one position above the market range, and compensation for that position will be frozen until that is no longer the case. The fiscal impact of making these adjustments totaled \$65,000 (the equivalent to .5% of total payroll) and is incorporated into the FY2016 Budget.

Budget Guidance: The City Council adopted a Budget Guidance Statement for the City Manager on January 12, 2015 after a review of preliminary revenue forecasts and the City's overall financial condition in a joint session with the School Board. Budget Guidance is a very useful way for Council to provide broad parameters for budget development and set expectations for key priorities and initiatives. What follows is a summary of Council guidance and how it is met in the adopted Budget.

- Review all City government programs and operations to achieve the most cost effective delivery of community services possible, and present alternatives that reduce costs through consolidation of services and programs with other agencies and the school division, mergers, contracting, partnerships, and other means.
 - ✓ *The City operates with fewer staff than the 10 year norm prior to 2010.*
 - ✓ *The Fire Services contract transfers responsibility for the routine maintenance of Station 6 to Arlington County DES, to gain the benefit of the County's efficiencies of scale that come from maintaining 10 stations across the County.*

- ✓ *The Department of Development Services and Department of Public Works continue to move toward electronic plan review, to shorten review times, lower cost, and encourage private economic development in the City.*
- Present a budget in which general government expenditures (not including the school division) do not require an increase in the real estate tax rate. The budget should also provide prioritized items for funding, should additional funds become available over the course of the fiscal year.
 - ✓ *We forecast a 3.7% growth in revenue due to economic growth alone. In order to have a balanced budget within this revenue growth constraint, actual expenditures can grow by only 1.1% growth after accounting for FY2015 use of non-recurring funds for operations and additional debt service for Mount Daniel School.*
- 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 actuarially required contribution.
 - ✓ *The FY2016 Budget provides 2.5% merit increase in compensation for City employees. This increase is necessary to maintain competitiveness in the region, and to reward employees for productive work in providing City services.*
- Present a budget that appropriates building permit fee revenue collected in FY2014 and committed for the purpose of building plan review and inspections to ensure safe and attractive development in the City.
 - ✓ *The FY2016 Budget provides funding for three positions in the building inspection division which are paid for exclusively through permit fees and are not paid for through local taxes. These positions, along with other improved technology for customer service, will allow us to accomplish two goals: First, keep up with existing permit activity associated with major projects in the City, and second, shorten permit review times, allow a walk thru permit approval for certain simple permits, and allow customers to more easily track their permit status.*
- Develop the Capital Improvements Program (CIP) with additional community input for meeting the City's critical needs, including general government and school facilities, parks, buildings, transportation, public safety, sewer and storm water infrastructure.
 - ✓ *The Assistant City Manager and Planning Commission gathered public input through a survey instrument that had (900 responses) and a CIP Open House. In addition, we have an enhanced CIP web page that includes videos of adopted projects, and status of current projects that are under construction. These have been very well received.*

- The CIP should include effective and strategic use of the NVTA 30% and 70% as well as other state and federal sources of funds for transportation improvements for all modes of transportation, including walking, cycling, transit, and vehicles.

- ✓ *Staff continues to implement current NVTA funding and develop long-term implementation strategies.*

- As set forth in Council Ordinance 1930 (TO14-30); the budget should provide recommendations for immediate improvements using up to 15% of water utility sale proceeds, and long range improvements using 85% of water utility sale proceeds.

- ✓ *The CIP proposes \$3.5M of 85% funds for public parking starting in FY17.*

- ✓ *The Budget and CIP include adopted uses of the 15% funds, and the 85% long range funds. In summary, the FY2016 \$1.7 million in 15% funds are allocated as follows:*

- \$200k: neighborhood traffic calming*
 - \$600k: Downtown Reinvestment*
 - \$20k: Downtown POA (grant match/year 1)*
 - \$672k: GMHS synthetic turf field and track replacement*
 - \$100k: Park master plan improvements*
 - \$100k: Howard Herman Steam Valley Park*
 - \$1.692M Total*

- Present revenue and expenditure projections for FY2017 and more general projections for FY2018 through FY2020, so that FY2016 budget decisions can be assessed in the context of long term sustainability.

- ✓ *The budget document provides multi year forecasts in the financial summary section. We will discuss these during Council work sessions.*

- Present a plan for funding a vehicle fleet replacement schedule on a sustained and regular basis as part of the annual budget process.

- ✓ *Due to lack of capital reserves currently for fleet replacement, the FY2016 Budget proposes to use debt financing for the replacement of one dump truck and four police vehicles. A similar approach can be used for school buses.*

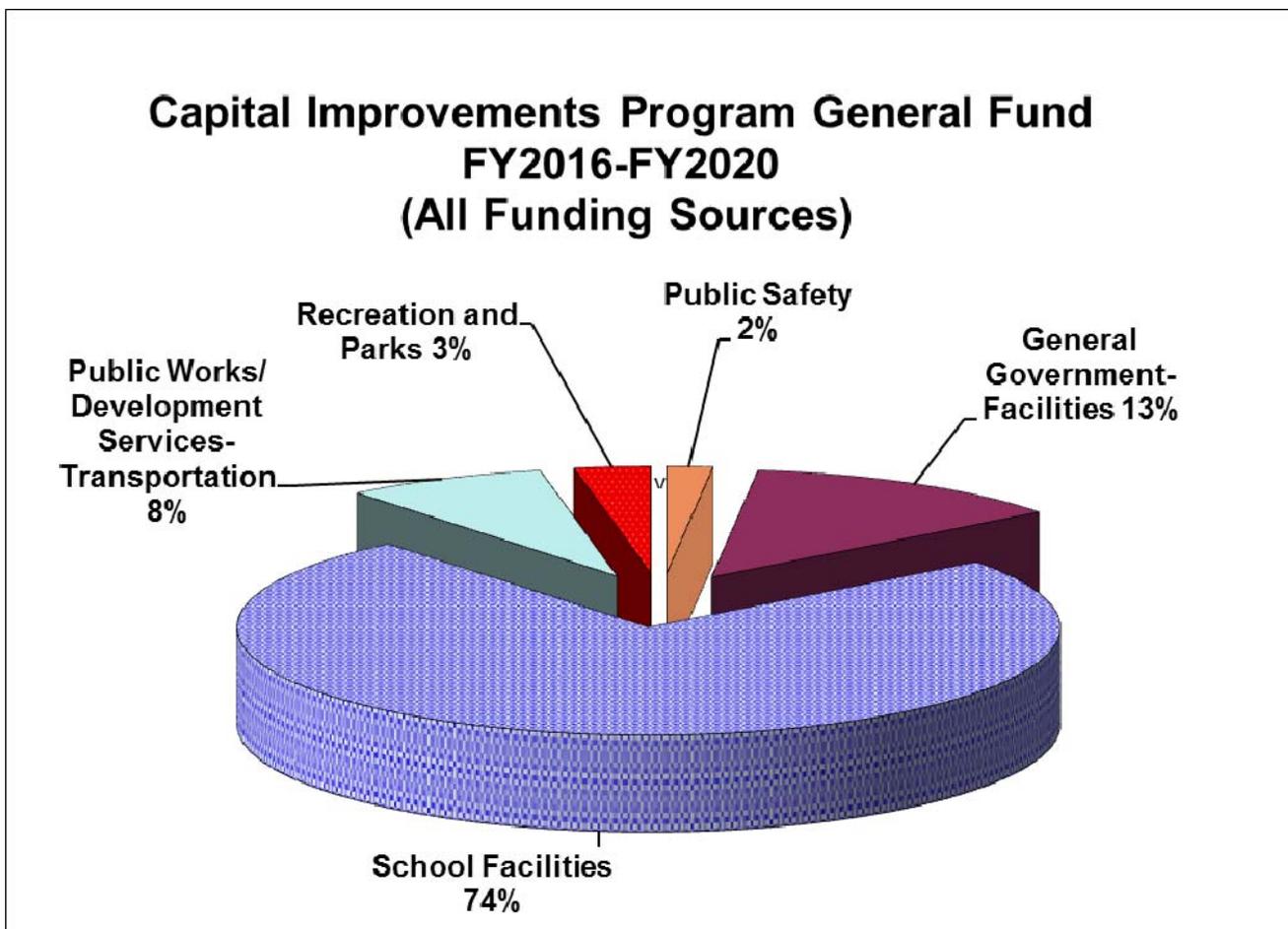
- Present an FY2016 operating budget and five year capital financial plan that is in accordance with the City's adopted financial policies.

- ✓ *The FY2016 Budget and CIP are in accordance with adopted financial policies. There is no use of fund balance for operating expenses and the budget plan stays within debt limits and fund balance targets as set forth by policy. The budget fails to fund capital reserves and pay as you go capital projects, and this will be a challenge for future budget years.*

- Accompany the FY2016 budget presentation with a public information campaign that explains the budget clearly and solicits public participation and input in budget decisions.
 - ✓ *The City used all modes of communication, including local newspapers, civic forums, social media, and the City web page to encourage and solicit public involvement and participation in the budget process.*

CAPITAL IMPROVEMENTS PROGRAM (CIP)

The CIP contains significant projects in FY2016 and the subsequent four year planning period. Major funding is provided for City public facility improvements, public safety, transportation improvements on the primary corridors, stormwater mitigation and park improvements. The allocation by percentage is depicted below:



PROJECT	FY2016	FY2016-FY2020
PUBLIC SAFETY	\$ 600,000	\$ 2,600,760
PUBLIC FACILITIES (includes general govt, library & schools)	7,500,000	125,541,610
PARKS & RECREATION	872,000	4,320,000
TOTAL GENERAL GOVERNMENT & SCHOOLS	\$ 8,972,000	\$ 132,462,370
TRANSPORTATION FUND- Special	\$ 4,217,514	\$ 11,372,514
SEWER FUND- Utility Enterprise	1,496,000	11,888,387
STORMWATER FUND- Utility Enterprise	-	5,120,000
TOTAL OTHER FUNDS	\$ 5,713,514	\$ 28,380,901

The projects are described in the Capital Improvements Program section of this Budget. Key projects are in the areas of:

School facilities: Mount Daniel Elementary School expansion, GMHS, and MEHMS (the large high and middle schools facility projects will be planned in concert with potential economic development on a portion of the school campus).

Library: possible expansion in 2016.

Transportation: expanding pedestrian accessibility along South Washington and West Broad Streets commercial districts, maintaining bridges, traffic signals, and roadbed reconstruction.

Parks: Howard Herman Stream Valley Park Master Plan; Open Space; Big Chimney's Park Master Plan.

Stormwater: Great Falls/Little Falls flooding mitigation; Coe and Pearson Branch Stream Restoration; Cherry Street Pre-School stormwater facility.

Sanitary Sewer: improvements in the collection and treatment of wastewater.

Downtown Commercial District Reinvestment: \$600,000 in water sale proceeds for sidewalk improvements on N. Washington Street to State Theater, improved pedestrian street crossings, and new LED lighting for all commercial districts.

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, the FY2016 Budget Guidance and the 2011 Financial Policies. The adopted CIP for FY2016-FY2020 is consistent with these policies. In a budget amendment to FY2014, City Council adopted to fund the Capital Reserve with proceeds from the sale of the Post Office land, the Mailboxes land, and surplus revenues.

SEWER AND STORMWATER FUNDS

Sanitary Sewer: Due to the increased cost of sanitary sewer treatment facilities required by the Environmental Protection Agency, the Sewer Utility commodity rate will increase to \$9.73 per 1,000 gallons. The increases are needed to pay for Chesapeake Bay mandates for nitrogen and phosphate removal at the sewer treatment plants that serve the City as well as

continued reinvestment in aging infrastructure. The rates are in keeping with the financial plan laid out in a rate study of March 2012. This budget funds the Sewer Fund Operating and Maintenance Reserves and the Repairs, Replacement, and Rehabilitation Reserve, while continuing to fully fund our obligations with regards to EPA regulations.

Stormwater: Last year, the City created a Stormwater Utility Fund to meet the rising costs of regulatory compliance, replacement of aging infrastructure, reducing flooding, and improving water quality. The stormwater capital and operating costs were moved out of the General Fund to the new Stormwater Fund, and a fee based on impervious coverage was adopted to fund all stormwater related activities. This allows for greater accountability to the rate payer, distributes the costs more equitably, and allows rate payers to reduce their costs if they take actions to reduce their impervious coverage (such as asphalt parking areas, and the like).

	FY2015	FY2016
Sanitary Sewer Fund		
Expenditures	\$4,048,200	\$4,119,000
Rate	\$9.40/1000 gal.	\$9.73/1000 gal. (3.5% increase)
Stormwater Fund		
Expenditures	\$1,456,000	
Rate	\$18 / 200 sq ft. of impervious surface	\$18 / 200 sq ft. of impervious surface

*These numbers include operating expenditures and exclude capital projects.

LOOKING AHEAD

The FY2016 Budget is influenced by continuing turbulence in the economic forecast for the Washington Metropolitan Region. The City uses a multi-year budget model to test assumptions and scenarios for future costs and revenue trends. By understanding the assumptions behind financial forecasts, we are able to think more clearly about our long term objectives for infrastructure improvement, effective operations, and workforce development, and options for achieving them.

Significant issues for the future include:

- City debt levels are within adopted policy limits and historical norms at the present time. However, projected capital spending for new facilities, as planned in the Capital Improvements Program, will present the City Council with difficult choices involving additional revenues from existing or new sources or spending reductions to provide room for debt service. The cost of debt service from the CIP as a whole over the coming five years would require an increase in the tax rate of well over 21 cents, assuming operating budgets required no tax increases at all. The City must a) continue to prioritize its capital projects and b) plan for the fact that tax payers will likely be unwilling to support both operating increases that outstrip economic growth and new debt service for schools and other facilities planned over the coming five years.

- The City's staffing level was reduced by 14% between 2009 and 2011. Since 2012, new staff positions have been added in the areas of Development Services (with a focus on economic development) and Public Works (with a focus on executing capital projects). There has been a significant realignment of staff resources in the City government toward the priorities of economic development and infrastructure, which is appropriate. Overall staffing levels remain below 2010 levels, without cuts to vital services or programs.
- The City's pension fund benefitted from investment gains in the FY2014 and is currently fully funded on a market value basis, and over 90% funded from an actuarial basis. If current actuarial assumptions hold, City retirement contributions can be expected to decline over the coming five years. In addition, the City placed a one-time investment of \$9.2 million in the pension fund in December 2014. This long term investment can be expected to further reduce city pension costs beginning in FY2017, and provide a perpetual benefit in meeting pension benefits for employees at a lower cost for tax payers.
- Virginia Retirement System costs will increase in FY2015 and each biennium thereafter, as the statewide public teacher pension fund is currently significantly under-funded. The next increase in the VRS pension contribution rate for teachers is scheduled for FY2017.
- Continued economic development in the City will provide additional resources for the City government to meet long term obligations. In FY2017, the mixed use projects currently under construction will be completed and are forecast to have a net positive fiscal impact of approximately \$2 million recurring revenue each year.
- With the budget constraints in government expenditures, there are important infrastructure, service, and workforce investments that await for future funding. In developing the FY2016 budget recommendations, the City identified over \$5.2 million in priorities for future funding.

There are many reasons to remain confident that the capital planning challenges faced by the City of Falls Church will be met in a financially sound manner. The City's highly educated citizens will shape and guide public decisions for reinvestment in school, library, public safety, and infrastructure to support the continued success of the City. Property values are supported by the City's strategic location, as well as our abundant economic, cultural and educational resources. Developer interest in the City's key commercial areas continues, and presents the City with an opportunity to grow its tax base and bring attractive new commercial and retail activity to the City.

All this helps explain why the City of Falls Church continues to enjoy strong credit ratings: Moody's Aa1; Standard & Poor's AAA; and Fitch AAA. The City Council has adopted financial policies on fund balance and debt levels that reflect a prudent approach to fiscal management while still allowing for a targeted use of borrowing and pay-as-you-go funding to meet community needs.

The FY2016 Budget reflects many hard decisions to close the gap between expenditure growth and economic growth. As the Council and community works through future budget decisions, it will continue to be important to uphold the sound management policies adopted in 2001 and reaffirmed many times since: keeping debt within manageable levels; maintaining adequate fund balances; setting aside reserves for future capital needs; and voiding the use of one time money, such as fund balance, for ongoing expenses. Sound financial management is at the core of community trust, and sets the stage for accomplishing our most important community goals.

Respectfully,

A handwritten signature in cursive script that reads "F. Wyatt Shields".

F. Wyatt Shields
City Manager

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**FY2016 ADOPTED BUDGET
CITY
INTRODUCTION**



CITY COUNCIL

David Tarter

Mayor

David F. Snyder

Vice Mayor

Nader Baroukh

Marybeth Connelly

Phil Duncan

Karen Oliver

Dan Sze

CITY OFFICIALS

F. Wyatt Shields, *City Manager*

Cindy L. Mester, *Assistant City Manager*

Richard A. La Condre, MPA, *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*

Dr. Toni Jones, *Superintendent of Schools*

In 2025, Falls Church is an independent city that respects its citizens and provides personal attention to meeting their needs. It is a unique place to live, work, and shop, offering diversity in housing, amenities, and services. Its historic charm reflects the stewardship of residents and their local government. It is built on a human scale, where visitors and residents alike can find everything they need while experiencing the fabric of life in a friendly, close-knit community. Falls Church is celebrated as a city that offers the benefits of small town life in a 21st century urban village. The City is financially sound, environmentally sustainable, and a leader in one of our nation’s most dynamic metropolitan areas.

The people of the City of Falls Church have built a community that expresses their belief in certain unifying principles:



WORLD CLASS PUBLIC SCHOOLS

The Falls Church City public school system is at the heart of our identity as a community. Public schools are why the City was established and have always been central to its success. The people of Falls Church are committed to providing all children with the tools and skills necessary to achieve personal and professional success in a fast-changing and highly competitive world economy. This requires a continuing focus on outstanding staff, up-to-date facilities, innovative leadership, and the efficient use of resources.



OUTSTANDING GOVERNMENT AND PUBLIC OUTREACH

City Staff provide first-class, professional services to all citizens. The City Council and City Manager actively reach out to assure that the whole community is engaged in decisions affecting the City’s well-being and sustainability. In this pursuit, the Council and City Staff are guided by the core values of accountability, transparency, and responsiveness. Citizens receive accurate and timely information and have the opportunity to be heard and influence the outcome of the deliberative process. The City Council demonstrates bold leadership in setting priorities and making decisions as necessary to sustain the City's viability and unique small-town quality of life.



SOUND FINANCES

Sound finances are a key benchmark of efficient and effective government in Falls Church. City staff and elected officials use fiscal policies, budget procedures, and investment strategies that incorporate best practices in support of prudent decision-making. The budget is balanced every year and current and future liabilities and expenditures are covered by identified revenue sources. The City adheres to all statutory and policy requirements regarding debt funding limits and always meets its short- and long-term financial obligations. It has long maintained a strong bond rating and responsibly managed its finances to achieve optimal value for its citizens and minimize the burden on taxpayers.



SUCCESSFUL DEVELOPMENT

Falls Church City offers a harmonious mix of residential, commercial, and retail venues due to the community’s focus on smart design, walkability, and human scale. Innovative, clear, and enforceable standards are in place that reflect attention to historic preservation, environmental sensitivity, and long-term sustainability. New development is compatible with existing neighborhood

aesthetics, density, and scale. The City government works with regional counterparts to share this vision and ensure that Falls Church retains its distinctiveness and competitiveness in the region. Falls Church's City Center is a focal point where residents and visitors gather to work and play, helping to sustain the City's special sense of community and place.



NEIGHBORHOOD PRESERVATION AND COMMUNITY LIFE

Falls Church welcomes the participation of its citizens in creating an environment where everyone is a neighbor. City neighborhoods are attractive, pleasant, safe, and welcoming places to live. In Falls Church, people join together to shape their streets, sidewalks, and public spaces. City streets and thoroughfares are tree-lined, pedestrian-friendly, and offer visitors and passersby a true window into our community and its values.



DIVERSITY

Falls Church is a place where people of all means and backgrounds are welcomed and encouraged to participate in all aspects of community life. Racial, ethnic, economic, and other facets of human experience enrich the community by providing it with a diverse mix of outlooks and views on world, national, and local issues and problems. Falls Church is a vibrant and successful community because it welcomes and promotes diversity.



ENVIRONMENTAL HARMONY

The people of Falls Church believe protecting and nurturing a healthy natural environment is one of their highest callings. The City's public and private development reflect this belief in tangible ways. Parks, open spaces, and clean waterways are valued as recreational, ecological, and economic resources. Environmentally friendly residential and commercial buildings throughout the City incorporate nationally accepted benchmarks for the design, construction, and operation of high performance green-buildings. The City integrates sustainability into all of its operations, including a strong emphasis on reducing dependence on fossil fuels.



INNOVATION

The people of Falls Church are leaders and innovators in many areas of human endeavor. The City capitalizes on this resource by finding and nurturing emerging ideas and bringing them together with public and private capital. Falls Church is one of the leaders among area jurisdictions in evolving and promoting forward-thinking businesses that combine capital investment with stewardship of our natural resources. The City has a variety of special enterprise zones serving the "green technology entrepreneur" as well as the basic needs of its residents.



A SPECIAL PLACE

Falls Church is a place where people enjoy doing everyday tasks, as well as experiencing diverse cultural, recreational, and civic opportunities. The Falls Church, Tinner Hill, Cherry Hill Farm, the State Theatre, residential neighborhoods, and quaint 19th century homes are alive with historical meaning and testify to the City's rich heritage, which is both respected and enhanced by the 21st century redevelopment of City Center. The City is a magnet for artists, artisans, and musicians, with many venues for performances and exhibits. Its dozens of fine restaurants and other eateries make it a destination of choice for residents and countless people from elsewhere in the metropolitan area. The City's vibrant, pedestrian-friendly commercial corridor and City Center include attractive shops and boutiques, as well as retail stores that respond to every shopper's interests and pocketbook. There is always something going on in Falls Church, whether it be the Saturday Farmers Market, the famous Memorial Day Parade, concerts in the park, or one of many other events.

Adopted by City Council January 12, 2009

Resolution 2009-04



WORLD CLASS PUBLIC SCHOOLS

GOAL 1 City Council/School Board Collaboration - Facilitate collaboration between the City Council and School Board, and between the professional staff of General Government and Schools so that City resources are shared and put to their best and fullest use.

OBJECTIVE 1 - Establish regular meetings between the City Council and School Board to communicate key issues and coordinate budget and policies.

OBJECTIVE 2 - Ensure efficient organization of Human Resources by fostering closer functional collaboration between the general government and non-instructional school staffs, to improve service delivery and promote the best allocation of City resources.

OBJECTIVE 3 - Ensure efficient use of facilities by maximizing the public use of general government and school recreation facilities, such as gyms, playing fields, parks, and public buildings, for the use and enjoyment of the whole community.



OUTSTANDING GOVERNMENT AND PUBLIC OUTREACH

GOAL 1 Civic Engagement - Provide citizens with meaningful, relevant, and convenient ways to participate in local government.

OBJECTIVE 1 - Provide opportunities for groups and individuals to share ideas, inform government decisions, and actively participate in civic life.

GOAL 2 Government Accessibility - Provide City services in form and function in a manner that is responsive to citizen needs.

OBJECTIVE 1 - Provide simple and intuitive access to public services and information.

OBJECTIVE 2 - Adopt best practices to ensure a positive customer experience

GOAL 3 High Performance - Cultivate a customer driven focus for the City organization, in which leadership, initiative, diversity, and teamwork are celebrated, and high performance is expected and rewarded.

OBJECTIVE 1 - Cultivate a customer driven focus for the City organization, in which leadership, initiative, diversity, and teamwork are celebrated, and high performance is expected and rewarded.

OBJECTIVE 2 - Provide systematic and ongoing opportunities for professional development, training, ethical cultural development and promotion.

OBJECTIVE 3 - Ensure accountable, transparent, and responsive service by achieving work plan goals and objectives.

GOAL 4 City Hall - Reshape City Hall to make it more accessible and “user friendly” for the public, and enhance its visual appeal in a way that reflects its position at the center of civic life of the City.

OBJECTIVE 1 - Lead an effective public decision making process for the redesign/relocation of City Hall.

GOAL 5 High Performing Water Utility - Maintain a high performing Water and Sewer Utility that supports the economic growth within its service territory in the County and City, and provides responsive customer service.

OBJECTIVE 1 - Adopt performance measures to track our progress in reducing costs and improving service to our customers.

GOAL 6 Strengthen Children and Families - Provide a comprehensive system of human services that promotes health, independence, and personal growth for all City residents.

OBJECTIVE 1 - Create a structure that promotes collaboration among all prevention and intervention service providers.

OBJECTIVE 2 - Promote the personal growth and well-being of youth and families through a comprehensive and coordinated array of community and school-based services.



SOUND FINANCES

The long-term strategic plan for this vision is currently being developed.



SUCCESSFUL DEVELOPMENT

GOAL 1 City Center Development - Facilitate mixed use development plans and a review process that provides new goods and services, enhances revenue, and is compatible with the Comprehensive Plan and community values.

OBJECTIVE 1 - Leverage market opportunities and forge public/private partnerships for phased City Center development that creates a vibrant, distinct, sustainable, great place.

GOAL 2 Mixed Use Development - Facilitate mixed use development plans and a review process that provides new goods and services, enhances revenue, and is compatible with the Comprehensive Plan and community values.

OBJECTIVE 1 - Seek and encourage redevelopment for areas identified in the Comprehensive Plan.

GOAL 3 Infrastructure to Support Redevelopment - Build infrastructure that supports citywide redevelopment that creates a vibrant, distinct, sustainable, great place.

OBJECTIVE 1 - Meet current and future needs for sanitary sewer, water, and storm water facilities.

OBJECTIVE 2 - Plan and implement street improvements- Plan and implement street improvements to promote pedestrian safety and commercial vitality as well as addressing multi-modal transportation and parking.

GOAL 4 Land Use Tools - Create new land use tools that encourage creative, compatible and sustainable development

OBJECTIVE 1 - Develop user-friendly, Web-based, uniform development code that contains innovative zoning tools and community design standards with integration of all development

regulations including green building, affordable housing, historic preservation and transportation.



NEIGHBORHOOD PRESERVATION AND COMMUNITY LIFE

GOAL 1 Traffic Calming - Preserve the quiet, residential character of neighborhood streets, through traffic calming measures, sidewalks, and effective parking regulations.

OBJECTIVE 1 - Install new traffic calming features and pedestrian connections in City neighborhoods.

OBJECTIVE 2 - Protect neighborhoods from parking impacts, through the development, implementation, and consistent enforcement of neighborhood parking regulations.

GOAL 2 Neighborhood Based Programs - Improve safety and security in neighborhoods through closer collaboration with police and citizens.

OBJECTIVE 1 - Actively promote citizen volunteer involvement and partnership with Police to reduce property crime in neighborhoods.

GOAL 3 Zoning - Preserve neighborhood character and quality of life through effective zoning regulations.

OBJECTIVE 1 - Create better tools for neighborhood preservation through a comprehensive update of City Zoning Codes.



DIVERSITY

GOAL 1 Affordable Housing - Preserve and develop affordable housing as a means to ensure economic diversity in the City.

OBJECTIVE 1 - Implement the city wide affordable housing strategy that includes investment, acquisition, and building/development.

OBJECTIVE 2 - Expand housing choices by increasing the number of new affordable housing units and housing and services for low, moderate, and middle income households through inclusionary zoning.

GOAL 2 Attract and Celebrate Diverse Populations - Provide public activities, programs, and events that promote and celebrate the City's diversity.

OBJECTIVE 1 - Use City efforts to improve the business climate, reach out to all businesses and ensure that the full community is engaged in the civic and business life of the City

OBJECTIVE 2 - Promote the community's diversity through citywide events, and festivals so that the City is perceived as welcoming to all people.

GOAL 3 Employment and Civic Volunteerism - Recruit people from diverse backgrounds for employment and civic volunteerism.

OBJECTIVE 1 - Ensure that membership on City boards and commissions reflects the full diversity of the community.

OBJECTIVE 2 - Ensure that City workforce and staff leadership reflects the diversity of the community, and that the culture of the City Organization is one that embraces and celebrates that strength that comes through diversity.



ENVIRONMENTAL HARMONY

GOAL 1 Expand Parklands - Implement plans and sustain resources to expand and improve City parklands, walking trails, and athletic fields.

OBJECTIVE 1 - Create the policies for advance planning and acquisition to provide the linkage.

GOAL 2 Regulatory Tools - Protect and improve natural resources through the enforcement of existing regulations, and through the development of appropriate new regulatory tools.

OBJECTIVE 1 - Adopt and implement best practices in watershed management to improve community water quality.

OBJECTIVE 2 - Incorporate “Green” Building Practices into City building permit process.

GOAL 3 Community Education - Create and implement community education programs on best management practices that achieve environmental harmony.

OBJECTIVE 1 - Develop, implement, and sustain community education and environmental programs to include addressing energy management/reduction/production.

GOAL 4 Green City Facilities - Implement best management practices at City facilities to promote a healthy environment and be more efficient in our use of natural resources.

OBJECTIVE 1 - Use the opportunities of new purchases and construction of new facilities or major renovations of existing facilities to implement green technology.



INNOVATION

GOAL 1 IT Infrastructure - Build and upgrade Citywide IT infrastructure to support innovation.

OBJECTIVE 1 - Create an environment where IT enhances the delivery of governmental services.

OBJECTIVE 2 - Undertake cooperative ventures with the private sector that are scalable for the future, to facilitate expansion and growth and new technologies such as WiFi.



A SPECIAL PLACE

GOAL 1 Visual Aesthetic Identity - Create a clear and distinct visual aesthetic identity that differentiates the City.

OBJECTIVE 1 - Create and maintain an attractive and distinct entrance ways and commercial corridors to the City.

GOAL 2 Artistic Venues - Increase the number of venues for artistic performance display.

OBJECTIVE 1 - Encourage the development of public/private venues for artisans and artists to work and to showcase their work.

GOAL 3 Festivals and Events - Develop, promote, and maintain festivals and special events that celebrate the City's unique character

OBJECTIVE 1 - Plan, organize and support a variety of quality community wide special events each year.

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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 (2.2 square miles) and population (12,332 in 2010 Census), 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). By 1875 it gained township status. 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 31 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 2006, 75 percent of the persons 25 years of age or older living in Falls Church had at least a bachelor's degree. Approximately 40.7 percent of the population had a Master's, professional, or doctorate degree, which is almost four times the national average. Only one location in the United States had a higher percentage of persons with advanced degrees in 2000: Los Alamos, New Mexico, which is a major scientific research community.

- 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. From left to right are: Phil Duncan, Marybeth Connelly, Nader Baroukh, Mayor Dave Tarter, Vice Mayor David Snyder, Karen Oliver, and Dan Sze.

CITY OF FALLS CHURCH, VIRGINIA
DIRECTORY OF OFFICIALS

- F. Wyatt Shields, City Manager
- Cindy Mester, Assistant City Manager
- Richard A. La Condre, MPA, 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
- Dr. Toni Jones, Superintendent of Schools

CITY STATISTICS

- 2 square miles
- Population of 13,508 (Estimate for July 1, 2013, US Census Bureau)
- \$3,907,188,800 total assessed value of real estate at January 1, 2015; \$3,726,389,100 taxable assessed value
- Percentage of population with a bachelor’s degree or higher is 71% (US Census Bureau 2010 census data)

	FALLS CHURCH	WASHINGTON METRO	U.S.
January 1, 2015 Median Single Family Home value	\$729,500 ¹	\$372,800 ²	\$208,700 ³
Unemployment Rate, December 2014 ⁴	5.8%	5.2%	7.8%

RACE AND ETHNICITY, 2010

White	80.0%
African American	4.3%
Asian	9.4%
Other, unknown	2.4%
Two or more races	4.0%
Total	100.0%
<i>Hispanic (any race)</i>	<i>9.0%</i>

Source: U.S. Census Bureau

AGE DISTRIBUTION, 2010

0-19	26.4%
20-44	32.9%
45-64	30.2%
65+	10.5%
Total	100.0%
Median Age	39

Source: US Census Bureau

OCCUPATIONS OF CITY RESIDENTS

Construction	469	5.0%
Manufacturing	78	0.8%
Transportation	111	1.2%
Information	406	4.3%
Wholesale Trade	129	1.4%
Retail Trade	1,092	11.5%
Finance, insurance, and real estate	193	2.0%
Real estate and rental and leasing	95	1.0%
Professional, scientific, management	1,009	10.7%
Management of companies and enterprises	65	0.7%
Administrative and Support and Waste Management and Remediation	1,068	11.3%
Health care and social assistance	1,839	19.4%
Educational, health, and social services	820	8.7%
Arts, entertainment and recreation	161	1.7%
Accommodation and food services	887	9.4%
Other services (except Public Administration)	875	9.2%
Public administration	169	1.8%
Total Employed	9,466	100.0%

Source: Virginia Employment Commission, as of December 2010

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 to other localities:

Aurora House (residential group home for girls)

Services provided by contract by other localities:

- | | |
|---|--|
| Arlington County | Fairfax County |
| <ul style="list-style-type: none"> • Jails • Commonwealth Attorney • Circuit Court • Fire • E-911 • Boys residential home (Argus House) | <ul style="list-style-type: none"> • Health • Area Agency for Aging • Social Services |

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 \$500 million in new development and investment along its primary commercial corridors over the past decade. The Broadway (2003), Byron (2006), Read Building (2007), Pearson Square (2007), Spectrum (2008), and Northgate (2014) have followed a pattern of higher-density, mixed-use and other development on underutilized infill sites. Collectively these projects produce about \$6.1 million in gross revenue and \$2.9 million in net revenue for the city annually.

Commercial space in the six mixed-use buildings is 93 percent occupied and each is at or approaching full residential occupancy. The Spectrum, with 32,000 square feet of condo office space, recently sold its final available suite. The Tax Analysts Building, a physically detached component of the Pearson Square project on South Maple Avenue, contains 85,000 square feet of Class A office and retail space that is 95 percent occupied. Financed by an Industrial Revenue Bond issued by the Falls Church Economic Development Authority, it was the largest office building constructed in the city in 20 years when it was delivered to market in 2008. A nonprofit publisher of printed and online material, Tax Analysts is also one of the city's largest employers.

Other notable commercial tenants in the mixed-use buildings are Mad Fox (a craft microbrewery and restaurant), Body Dynamics (a regional physical therapy and wellness center), Creative Cauldron/Falls Church ArtSpace, Pizzeria Orso, PNC Bank, Café Kindred, and Penzey's Spices. Mad Fox is the highest tax revenue producer among the city's 100-plus restaurants.

Office Trends

Office space in the City of Falls Church is more than 50 years old, on average, according to CoStar, which also reports the average rent at \$21.74 per square foot (full service). Newer space, which is scarce, averages about \$30 per square foot, full service. The low cost of office space in the city explains, in part, a low vacancy rate – 7.7 percent – through the fourth quarter of 2014. By comparison, the closest Northern Virginia submarkets in Fairfax County and Arlington average 11 – 15 percent vacancy, with rents ranging from \$23 – 28 per square foot.

The city's convenient location also contributes to a high occupancy rate. Developers consistently advise, however, that the Falls Church submarket does not support full-service rent of \$40 per square foot, a threshold amount they say would justify construction of new office space with structured parking. Whether this dynamic would change for Class A office space built close to the West Falls Church Metro station is an unanswered question.

The city is experiencing a significant trend in attracting medical practices and has long supported a strong market for small professional office tenants. In 2013, office property at 510 N. Washington Street was purchased by a proxy for Inova Health Systems as a mid-range real estate 'hold' and long-term health facility development opportunity. Properties at 500/501 Annandale Road were sold to Pulmonary and Medical Associates, one of Northern Virginia's largest medical practices, with 20,000 patients; the group moved to Falls Church from a location in Arlington and rehabilitated two buildings for their use and to sublease. Two professional sports care practices have opened at 502 W. Broad Street and a primary care medical practice has leased space at 513 W. Broad. The Kerns Group of architects purchased and renovated the former Odd Fellows Building on N. Maple Avenue in 2013 for their headquarters with space available for retail or office sublease. An experienced Arlington restaurateur purchased the former Blue and Grey Building at 205 W. Park Avenue to renovate as an upscale café.

The “Flower Building,” located in the 800 block of W. Broad Street, was completed in 2009 and is fully occupied with a mix of all-commercial uses. The 44,000-square-foot office and retail building houses the Falls Church U.S. Postal Service customer center, two restaurants, and multiple office tenants. This building is an example of infill development made possible by the spinoff effect of larger mixed-use projects that have created density, as well as greater consumer and office tenant interest throughout the city’s commercial districts.

Retail Trends

Scarcer than available office space in the City of Falls Church is vacant space for retail. As it occasionally becomes available, this space is quickly backfilled, and at higher rent. The vacancy rate for retail space in the city is estimated at 3 – 5 percent. CoStar reports average retail rent in the city at \$21.58 (triple net) through the fourth quarter of 2014. This does not include far higher rates for space at the Eden Center, which is not reflected in CoStar data.

Restaurants have been the source of greatest demand for space in Falls Church. In the past few years Einstein Brothers Bagels, Pizzeria Orso, Chipotle, Paisano’s, Sfizi, Famous Dave’s Barbeque, Honeybaked Ham, Mad Fox, Space Bar, Moby Dick’s, Caribbean Plate, Native Foods, Subway, Dunkin’ Donuts, four frozen yogurt shops, and others have opened, bolstering the city’s meals tax revenue. The city is seeing some popular existing restaurants expand to offer outdoor and rooftop dining, with others planning to follow suit.

In 2012, California-based 24-Hour Fitness opened its second facility in the Washington, DC region in Falls Church. The company invested more than \$7 million to convert a former Syms clothing store into a state-of-the-art fitness and training center. Falls Church Cross Fit backfilled empty light industrial space on the city’s north side and Five Rings Fitness has opened on S. Washington Street. Dominion Jewelers has transitioned from tenant to owner/operator in a building recently completed on W. Broad Street that functions as its headquarters and store, with additional office space available for lease.

A two-story building at 101 Annandale Road, damaged by fire in 2010, has been rebuilt and filled with a variety of new office, retail and restaurant tenants. Across the street, at 300 S. Washington, a blighted set of commercial buildings has been rehabilitated by a new owner, who has leased space to Smashburger as well as other restaurant and retail tenants.

Other New Development

In August 2014, Hilton Garden Inn opened on Broad Street, the city’s first new hotel since 1999. The hotel has 110 rooms, a conference center, restaurant, and numerous amenities for an extended stay clientele. Management reports that the Hilton is performing No. 1 in the greater Falls Church market for room occupancy. Next door, a Burger King restaurant will be replaced by a five-story assisted living facility with ground level retail. The “Kensington” was approved by City Council in May 2014. On Hunton Avenue, Easter Seals Child Development Center completed renovation of a light industrial building to serve preschoolers, including children with disabilities and families of armed service veterans. The stunning new facility also was financed with an Industrial Revenue Bond issued by the Falls Church Economic Development Authority.

Pipeline Projects

Two major mixed-use projects were approved by the city in 2013. Rushmark Development Company is building a \$106 million mixed-use development featuring a 60,000 square foot Harris Teeter grocery store, 288 small apartments, and underground parking at 301 W. Broad Street. Lincoln Property Company is building a \$78 million mixed-use project in the 500 block of S. Washington Street featuring 224 small apartments, 40,000 square feet of commercial space, including a Fresh Market grocery store, and underground parking. Both projects will be completed in 2016.

An application has been filed for a large mixed-use project on four acres at the northeast corner of West and Broad streets. "Mason Row" would consist of more than 300 apartments, a 150-room Hilton Home2 extended stay hotel, and about 105,000 square feet of retail space, including a multi-screen, dine-in movie theater.

The owner of a small and aging office building at 400 N. Washington Street has filed an application to replace the existing structure with a \$34 million, 110,000-square-foot office and retail building with underground parking as soon as market conditions support the investment. The site is within easy walking distance of the East Falls Church Metro Station, where the new Silver Line now connects with the Orange Line.

Post-recession years have brought intense activity from investors pursuing land assembly and higher density development opportunities in Falls Church. 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 is very strong for new rental housing, especially smaller units targeted to young professionals in the Washington, DC area. In January 2015 the investment/development team of KiddarMetz and Insight Property Group purchased 2.7 acres of land at the City's premier commercial intersection: Broad Street and Washington Street through which more than a million vehicles travel every month.

The Eden Center

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

The BJ's Success Story

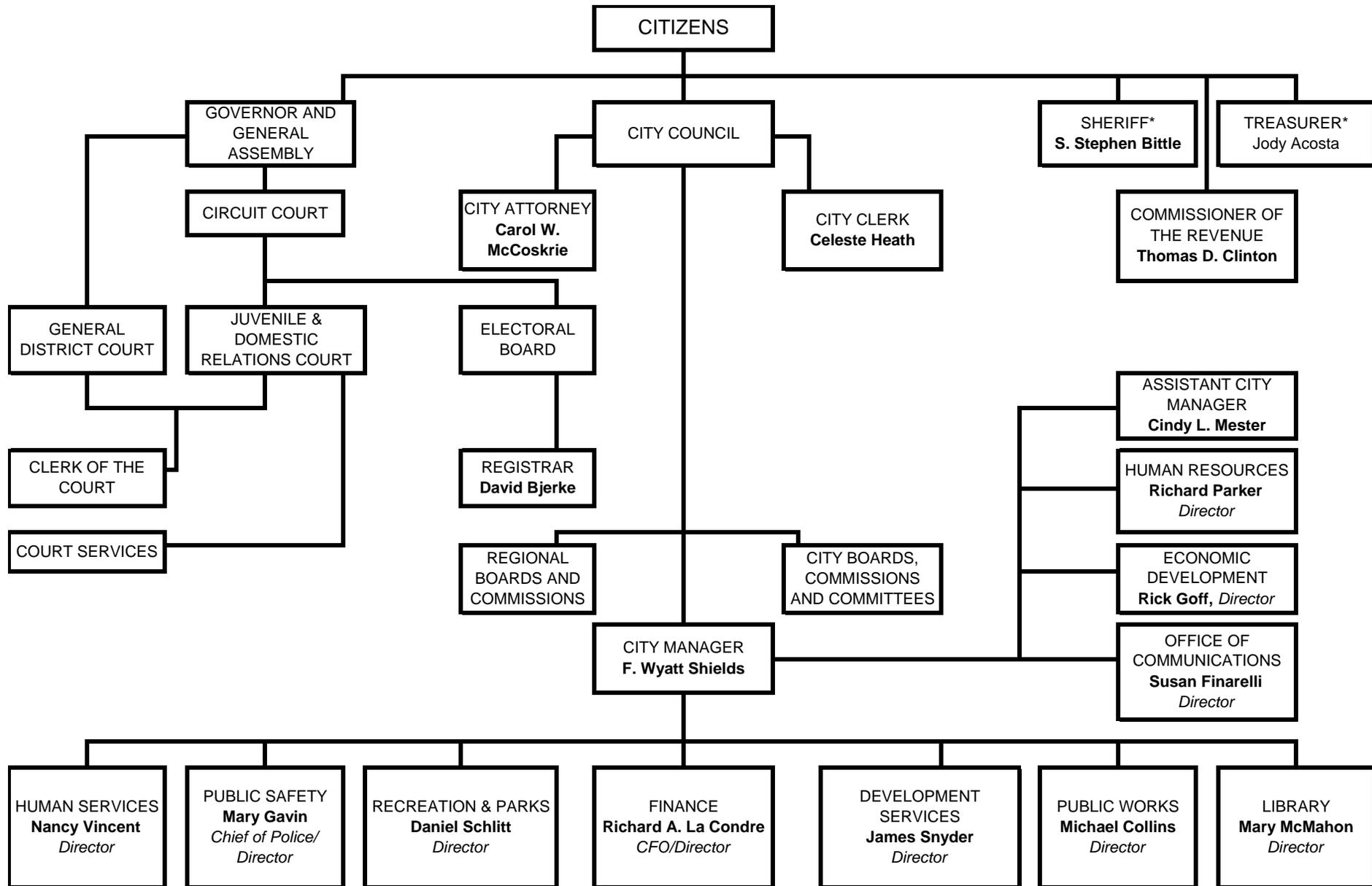
BJ's Wholesale Club opened its 87,000-square-foot Falls Church store in fall 2010. It signed a 20-year lease on an eight-acre former light industrial site on Wilson Boulevard. This deal was facilitated by an agreement between the city and developer JBG Rosenfeld Retail to share a portion of taxes generated by the new store over a 12-year period. It was the second largest retail lease signed in the entire Washington, DC region in 2009. Sales performance through June 2014 has been closely followed and the Falls Church BJ's store now ranks second only to Giant grocery in sales tax revenue for the city.

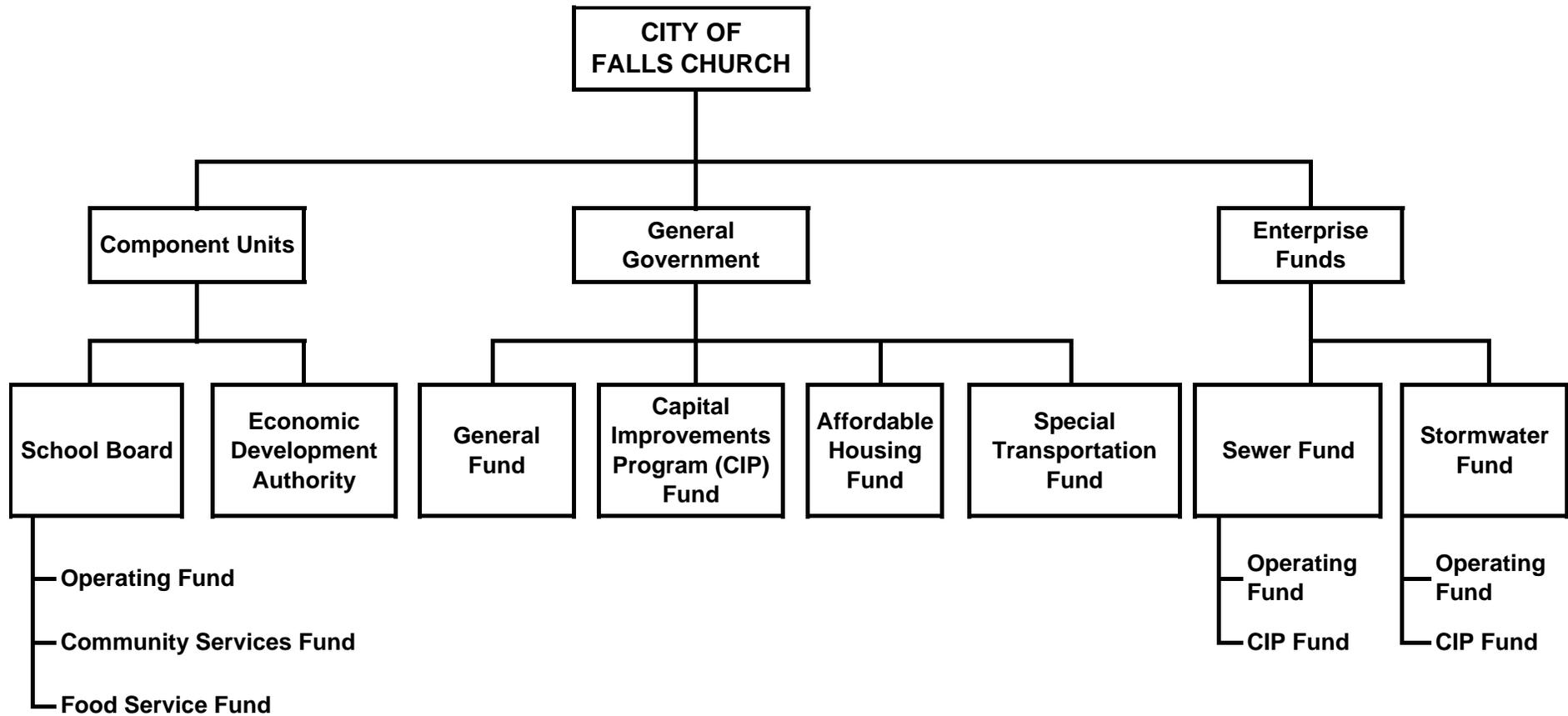
Employment and Household Income Trends

The Bureau of Labor Statistics reported at year-end 2014 that the City of Falls Church has the lowest unemployment rate in Virginia at 3.7 percent. Forbes reported in 2014 that Falls Church has an annual median household income of \$121,250, the highest in the nation.

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 continue to be recognized as a predominantly residential community, and will retain its small-town character. This character will be conveyed visually through the cohesive architecture and urban design of the commercial districts, which complement the residential neighborhoods, and through the successful preservation and rehabilitation of the City's historic resources.
- The City's commercial base will be strong and serve the greater Falls Church community, while also attracting people from throughout the region to eat, shop, and conduct business in the commercial centers. The City will have attractive office spaces located within walking distance of restaurants and shops. Public-private collaboration will result in the creation of public gathering places for cultural events and meetings.
- Education will continue to be a high priority for the City. Schools will be maintained as high quality public facilities, commensurate with the continuing academic excellence for which the City is known, and will serve as an important focus for community, social, and cultural activities.
- Local educational services will expand to include institutes of higher education and an extension of educational opportunities to all City residents. The addition of these higher education resources will draw new ideas from the region and perhaps from beyond, from which the entire community will benefit. The City's library will remain an integral component of the excellent educational system.
- Planning for open space will also provide for active recreation and sports.
- The City will remain attractive to a wide range of family types, cultures, and generations, including single-person households, those with children, and citizens in retirement, embracing the City's varied ethnic and cultural diversity. A diverse housing stock will provide opportunities to all income levels and family types.





GENERAL GOVERNMENT

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

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

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

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

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 new enterprise fund that is established in 2013 with funding beginning in FY2014. This fund will account 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.

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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 Improvements Program (CIP), equipment, special studies, debt reduction, and 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 Improvements 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 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.

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-required contributions (defined as City and employee contributions, if any, that when expressed as a percent of annual covered payroll are sufficient to accumulate assets to pay benefits when due).

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-required contribution (defined as City and employee contributions, if any, that when expressed as a percent of annual covered payroll are sufficient to accumulate assets to pay benefits when due).

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. Annual debt service expenditures for all General Fund supported debt shall not exceed twelve percent (12%) of total General Fund operating expenditures, including school board transfer and debt service.
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.
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 water, 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 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 operating income by the bonds' total 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.
3. 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.
4. The City shall establish a capital reserve fund balance and it shall be a committed fund balance. The balance shall be maintained at 5% of General Fund fixed assets OR \$3,750,000, whichever is lower. The City shall meet this goal by FY2021 through annual appropriations of \$500,000, and thereafter appropriate no less than \$375,000 per annum to capital reserve. The capital reserve fund balance shall be used to pay for projects in the Capital Improvements Program or for debt service for those projects. The use of this fund balance 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.

B. 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.
4. The City shall establish a capital reserve for the Water Fund. The balance shall be maintained at 2% of fixed assets OR \$2,500,000, whichever is lower. The City shall meet this goal by FY2016 through annual appropriations, and thereafter appropriations of \$500,000 per annum. 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.
5. The City shall establish a capital reserve for the Sewer Fund. The balance shall be maintained at 2% of fixed assets OR \$400,000, whichever is lower. The City shall meet this goal by FY2022.

6. Through appropriation of \$50,000 per annum commencing in FY2014. The capital reserve shall be used to pay for projects in the Capital Improvements 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 Council December 12, 2011
Resolution 2011-45*

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**FY2016 ADOPTED BUDGET
BUDGET
OVERVIEW**

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 StormWater 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 FY2016 budget process:

2014

Monday, Dec 1 FY2016 Budget Planning Session
 City Council & School Board Joint Work Session

2015

Monday, Jan 12 City Council Adopts FY2016 Budget Guidance Resolution for City Manager

Tuesday, Jan 13 School Superintendent Presents FY2016 Budget Recommendations to School Board

Tuesday, Jan 20 FY2016-FY2020 CIP Draft Presentation and Policy Discussion with
 Planning Commission

Friday, Jan 24 Departmental Budget Requests due to City Manager

Monday, Feb 2 FY2016-FY2020 CIP Presented to the Planning Commission

Sunday, Feb 8 CIP Open House for Community Input

Monday, Feb 9 CIP Public Hearing and Work Session with Planning Commission

Tuesday, Feb 17 CIP Public Hearing and Work Session with Planning Commission

Monday, Feb 23 Planning Commission Adopts CIP Recommendations

Tuesday, Feb 24 School Board Adopts FY2016 Budget Request

Monday, March 9 City Manager Presents FY2016 Operating Budget and FY2016-2020 CIP

Saturday, March 14 Town Hall Meeting #1

Monday, March 16 Work Session

Monday, March 23 Public Hearing #1, 1st Reading of Budget Ordinance & Tax Rate Ordinance

Monday, April 6 Work Session

Saturday, April 11 Town Hall Meeting #2

Monday, April 13 Public Hearing #2, 2nd Reading of Budget Ordinance & Tax Rate Ordinance

Monday, April 20 Work Session: Final Mark-up

Monday, April 27 Public Hearing #3 and Adoption of FY2016 Operating Budget and FY2016-2020 CIP

Tuesday, May 5 School Board Adopts FY2016 School Budget

July 1, 2015 Fiscal Year 2016 Commences

NOTE: Please check the City website for the most up-to-date information regarding budget meetings. <http://www.fallschurchva.gov/Budget>

ORDINANCE 1934

ORDINANCE FIXING AND DETERMINING THE BUDGET OF EXPENDITURES AND REVENUES, APPROPRIATING FUNDS FOR THE FISCAL YEAR 2016: GENERAL FUND; SCHOOL OPERATING FUND; SCHOOL COMMUNITY SERVICE FUND; AND SCHOOL FOOD SERVICE FUND; SEWER FUND; AND STORMWATER FUND

THE CITY OF FALLS CHURCH HEREBY ORDAINS THAT:

SECTION 1: The annual budget of the City of Falls Church, Virginia, for the General Fund, School Operating Fund, School Community Service Fund, and School Food Service Fund, Sewer Fund, Stormwater Fund, and Affordable Housing Fund for the Fiscal Year 2016, is hereby fixed, determined and appropriated as hereinafter set forth:

- a. \$83,027,150 for the General Fund revenues; and
\$83,027,150 for the General Fund expenditures.
- b. \$46,323,200 for the School Operating Fund revenues; and
\$46,323,200 for the School Operating Fund expenditures.
- c. \$1,831,100 for the School Community Service Fund revenues; and
\$1,831,100 for the School Community Service Fund expenditures.
- d. \$988,700 for the School Food Service Fund revenues; and
\$988,700 for the School Food Service Fund expenditures.
- e. \$4,119,000 for the Sewer Fund revenues; and
\$4,119,000 for the Sewer Fund expenditures.
- f. \$1,530,000 for the Stormwater Fund revenues; and
\$1,530,000 for the Stormwater Fund expenditures.

FY2016 APPROPRIATION OF FUNDS				
		FY2015 Adopted	FY2016 Proposed	FY2016 Adopted
1	General Fund - Expenditures by Department			
2				
3	Legislative	1,041,866	1,117,175	1,103,609
4	Executive	3,737,021	3,636,662	3,597,435
5	Finance	1,401,888	1,380,306	1,363,923
6	Commissioner of the Revenue	816,773	807,747	793,913
7	Treasurer	703,347	673,140	738,158
8	Registrar	279,818	299,384	295,812
9	Sheriff	1,714,508	1,621,230	1,608,191
10	Clerk of Court	49,947	42,140	42,140
11	Public Safety	8,784,992	9,385,662	9,943,097
12	Public Works	5,630,865	6,070,612	5,816,432
13	Human Services	3,875,884	3,825,433	3,818,425
14	Recreation and Parks	3,088,144	3,079,935	3,092,531
15	Library	2,005,805	2,024,955	2,013,299
16	Development Services	1,669,001	2,044,430	2,030,042
17	Education and Transfers to Schools	36,889,734	38,844,113	38,448,913
18	Non-departmental	8,862,071	8,215,230	8,321,230
19				
20	Total General Fund	80,551,664	83,068,154	83,027,150
21				
22	General Fund Revenue			
23				
24	Property Taxes	51,116,700	55,120,000	54,099,896
25	Property Taxes - Non Assessed	300,000	300,000	300,000
26	General Sales & Use Taxes	4,083,000	4,150,000	4,150,000
27	Selective Sales & Use Taxes	5,931,500	5,976,000	5,976,000
28	Gross Receipts Business Taxes	3,565,500	3,775,000	3,775,000
29	Other Taxes	1,198,000	977,000	977,000
30	Licenses & Permits	1,019,000	1,484,412	1,484,412
31	Federal Grants	232,501	246,632	246,632
32	State Operating Grants	2,189,756	980,742	980,742
33	State Shared Revenue	2,970,877	3,005,877	3,005,877
34	Charges for Services	3,574,830	3,570,231	3,432,231
35	Fines & Forfeitures	734,000	721,000	769,000
36	Investment Revenues	-	100,000	139,100
37	Rental Income	212,000	193,260	193,260
38	Contributions Private Sources	14,000	13,000	13,000
39	Interfund Operating Transfers	-	-	-
40	Use of Fund Balance	2,980,000	1,978,000	2,533,000
41	Miscellaneous Income	31,000	63,000	88,000
42	Recovered Costs	30,000	30,000	30,000
43	Debt Proceeds	359,000	384,000	834,000
44				
45	Total General Fund Revenues	80,541,664	83,068,154	83,027,150
46				

FY2016 APPROPRIATION OF FUNDS				
		FY2015 Adopted	FY2016 Proposed	FY2016 Adopted
47	School Operating Fund - Expenditures			
48				
49	Uses of Funds	44,618,600	46,718,400	46,323,200
50				
51	Total School Operating Fund Expenditures	44,618,600	46,718,400	46,323,200
52				
53	School Operating Funds - Revenues			
54				
55	Use of Fund Balance	590,000	650,000	650,000
56	Sales Tax	2,233,600	2,435,500	2,435,500
57	Federal Funds	471,500	499,800	499,800
58	State Funds	3,626,800	3,509,700	3,509,700
59	Other	950,500	929,500	929,500
60	City Appropriation	36,746,200	38,693,900	38,298,700
61				
62	Total School Operating Fund Revenues	44,618,600	46,718,400	46,323,200
63				
64	School Community Service Fund - Expenditures			
65				
66	Uses of Funds	1,769,800	1,831,100	1,831,100
67				
68	Total School Community Services Fund Expenditures	1,769,800	1,831,100	1,831,100
69				
70	School Community Services Fund - Revenue			
71				
72	Use of Fund Balance	179,500	178,000	188,000
73	User Fees	1,426,970	1,483,900	1,473,900
74	Other Income	50,000	50,000	50,000
75	City Appropriation	113,330	119,200	119,200
76				
77	Total Community Services Fund Revenues	1,769,800	1,831,100	1,831,100
78				
79	School Food Service Fund Expenditures			
80				
81	Non-Instructional	956,400	988,700	988,700
82				
83	Total School Food Service Fund Expenditures	956,400	988,700	988,700
84				
85	School Food Service Fund Revenues			
86				
87	Use of Fund Balance	60,000	75,000	75,000
88	Federal and State Grants	93,300	93,300	118,200
89	Cafeteria Sales	786,400	771,600	746,000
90	Miscellaneous Income	700	1,300	2,000
91	School Board Transfer	16,000	47,500	47,500
92				
93	Total School Food Service Fund Revenues	956,400	988,700	988,700

FY2016 APPROPRIATION OF FUNDS				
		FY2015 Adopted	FY2016 Proposed	FY2016 Adopted
94	Sewer Fund Expenditures			
95				
96	Sewer Division	4,048,200	4,119,000	4,119,000
97				
98	Total Sewer Fund Expenditures	4,048,200	4,119,000	4,119,000
99				
100	Sewer Fund Revenues			
101				
102	Charges for Services	4,038,200	4,109,000	4,109,000
103	Investment Income	10,000	10,000	10,000
104				
105	Total Sewer Revenue	4,048,200	4,119,000	4,119,000
106				
107	Stormwater Fund Expenditures			
108				
109	Stormwater Division	1,456,000	1,530,000	1,530,000
110				
111	Total Stormwater Fund Expenditures	1,456,000	1,530,000	1,530,000
112				
113	Stormwater Fund Revenues			
114				
115	Charges for Services	1,425,000	1,529,000	1,529,000
116	Investment Income	1,000	1,000	1,000
117	Borrowings and Use of Fund Balance	30,000	-	-
118				
119	Total Stormwater Revenue	1,456,000	1,530,000	1,530,000
120				

1st Reading: 3-23-15
 2nd Reading: 4-27-15
 Adoption: 4-27-15
 (TO15-04, Option 2)

IN WITNESS WHEREOF, the foregoing was adopted by the City Council of the City of Falls Church, Virginia on April 27, 2015 as Ordinance 1934.



 Celeste Heath
 City Clerk

ORDINANCE 1935

ORDINANCE FIXING AND DETERMINING THE FY2016-FY2020 CAPITAL IMPROVEMENTS PROGRAM AND APPROPRIATING EXPENDITURE AND REVENUE FUNDS FOR FISCAL YEAR 2016

THE CITY COUNCIL OF THE CITY OF FALLS CHURCH HEREBY ORDAINS THAT: The Capital Improvements Program for FY2016 is hereby fixed, determined, and appropriated, and the Capital Improvements Program for FY2016 through FY2020 is hereby adopted, as follows:

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Capital Improvements Program (CIP) for FY2016-FY2020

	FY2016	FY2017	FY2018	FY2019	FY2020
PUBLIC SAFETY					
Public Safety Firearms Range	300,000	300,000	300,000	-	-
Fire Station 6 Facility Reinvestment	300,000	223,255	709,799	223,203	244,503
Total Public Safety	600,000	523,255	1,009,799	223,203	244,503
PUBLIC FACILITIES					
City Hall & Public Safety Renovations and HVAC	3,000,000	-	-	-	-
City Hall & Public Safety Rear Expansion	1,500,000	-	-	-	-
City Hall & Public Safety Parking Deck 2 nd Level	750,000	-	-	-	-
General Gov't Facility Reinvestment	-	321,930	350,000	350,000	350,000
Library New Constructed Building	-	-	1,000,000	7,381,605	-
Public Parking Structure	-	1,000,000	2,466,146	-	-
Schools Replacement/Modernization	-	321,929	-	-	-
BLA Planning & Design	250,000	-	-	-	-
GMHS Construction	-	5,000,000	94,500,000	-	-
TJES HVAC	2,000,000	-	-	-	-
MEH School Construction	-	-	5,000,000	-	-
Total Public Facilities	7,500,000	6,643,859	103,316,146	7,731,605	350,000
RECREATION & PARKS					
Park Master Plan Implementation	100,000	100,000	300,000	200,000	600,000
Howard E. Herman Stream Valley Park	100,000	248,000	-	-	-
Open Space Fund	-	-	1,000,000	-	-
Big Chimney Park & Transportation Improvements	-	-	1,000,000	-	-
GM Synthetic Turf Replacement	450,000	-	-	-	-
GMHS Field Track Rebuild	222,000	-	-	-	-
Total Recreation & Parks	872,000	348,000	2,300,000	200,000	600,000
TOTAL GENERAL FUND	8,972,000	7,515,114	106,625,945	8,154,808	1,194,503
GENERAL FUND SOURCES					
Total Debt Financed	7,850,000	771,255	2,009,799	7,604,808	844,503
Only if grant/revenue offset	-	100,000	1,650,000	550,000	350,000
School Financing Plan/Referendum Approval Based	-	5,000,000	99,500,000	-	-
Total "Pay as you go" Financed (Includes Land Sale Proceeds)	-	643,859	1,000,000	-	-
Total "Pay as you go" Financed Water Sale Proceeds	1,122,000	1,000,000	2,466,146	-	-
TOTAL SOURCES	8,972,000	7,515,114	106,625,945	8,154,808	1,194,503

	FY2016	FY2017	FY2018	FY2019	FY2020
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SPECIAL TRANSPORTATION FUND

Downtown Reinvestment Infrastructure Program – Bridges RSTP	600,000	-	-	-	-
Infrastructure Programs – Signals Revenue-Sharing grant	350,000	350,000	350,000	350,000	350,000
Infrastructure Program – Signals Local Match/C&I Equivalent	400,000	-	-	-	-
Downtown POA – Federal TAP Grant	-	240,000	800,000	800,000	800,000
Downtown POA – Local TAP Match	20,000	40,000	200,000	200,000	200,000
Downtown POA	-	-	50,000	75,000	650,000
Neighborhood Traffic Calming	200,000	200,000	200,000	200,000	200,000
W&OD Trail Improvements – Local Match	-	120,000	90,000	180,000	75,000
W&OD Trail Improvements – Grant	-	90,000	90,000	180,000	75,000
WMATA Annual Obligation – Local funds/C&I Equivalent	147,514	-	-	-	-
WMATA Annual Obligation – 30% NVTA Funds	700,000	-	-	-	-
WMATA Capital Funding Program	1,400,000				
TOTAL SPECIAL TRANSPORTATION FUND	4,219,514	1,040,000	1,780,000	1,985,000	2,350,000

TRANSPORTATION FUND SOURCES

Total Grants	750,000	350,000	350,000	350,000	350,000
Total Debt Financed	1,800,000	-	-	-	-
Only if grant/revenue offset	-	690,000	1,430,000	1,635,000	2,000,000
NVTA 30%	700,000	-	-	-	-
Total “Pay as you go”	147,514	-	-	-	-
Total “Pay as you go” Water Sale Proceeds	820,000	-	-	-	-
TOTAL SOURCES	4,219,514	1,040,000	1,780,000	1,985,000	2,350,000

	FY2016	FY2017	FY2018	FY2019	FY2020
SEWER UTILITY					
Arlington WPCP Non-expansion Capital	190,000	291,000	284,000	92,000	95,000
Alexandria/Fairfax Wastewater Treatment Plant Upgrades	756,000	375,030	306,378	335,430	313,549
WWTP Capacity Expansion	-	1,870,000	1,870,000	1,860,000	-
Falls Church Sewer Rehabilitation	550,000	600,000	650,000	700,000	750,000
TOTAL SEWER UTILITY	1,496,000	3,136,030	3,110,378	2,987,430	1,158,549

SEWER UTILITY SOURCES					
Debt Funded	946,000	2,536,030	2,460,378	2,287,430	408,549
"Pay as you go"	550,000	600,000	650,000	700,000	750,000
TOTAL SOURCES	1,496,000	3,136,030	3,110,378	2,987,430	1,158,549

STORMWATER UTILITY					
Four Mile Run Retaining Wall	-	-	-	220,000	900,000
Stormwater Facility Reinvestment	-	1,000,000	1,000,000	1,000,000	1,000,000
TOTAL STORMWATER UTILITY	-	1,000,000	1,000,000	1,220,000	1,900,000

STORMWATER SOURCES					
Debt Funded	-	1,000,000	1,000,000	1,220,000	1,900,000
TOTAL SOURCES	-	1,000,000	1,000,000	1,220,000	1,900,000

The following programs/projects are also hereby reprogrammed in FY2016

FUND/Program/Project	Transfer In	Transfer Out
SPECIAL TRANSPORTATION FUND		
S Washington POA NVTA 30%		320,000
Infrastructure Program – Bridges NVTA 30%	125,000	
Pedestrian Access Program – NVTA 30%	195,000	
Infrastructure Program – Pavement C&I Equivalent		400,000
S Washington POA C&I Equivalent	400,000	
Pedestrian Access Program C&I Equivalent		100,000
Non-Commercial Program – C&I Equivalent	100,000	
S Washington POA Program VDOT SYIP		2,321,360
Pedestrian Access Program	2,321,360	
TOTAL SPECIAL TRANSPORTATION FUND	3,141,360	3,141,360
FUND/Program/Project		
SEWER FUND		
Arlington Biosolids Project		47,000
Arlington Secondary Clarifiers		65,000
Arlington WPCP Non-expansion Capital	112,000	
TOTAL SEWER FUND	112,000	112,000

The adoption of the CIP by the City Council signifies the Council's identification of priorities for capital spending over a five-year period. Bond funding and execution of multiple year projects should be based on an assumed approval of the CIP for all five years.

1st Reading: 3-23-15

2nd Reading: 4-27-15

Adoption: 4-27-15

(TO15-05)

IN WITNESS WHEREOF, the foregoing was adopted by the City Council of the City of Falls Church, Virginia on April 27, 2015 as Ordinance 1935.



Celeste Heath
City Clerk

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GENERAL FUND

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Revenues				
Taxes	\$ 63,575,239	\$ 66,194,700	\$ 69,277,896	4.66%
Licenses and Permits	1,677,603	1,019,000	1,484,412	45.67%
Grants & Contributions	5,948,115	5,407,134	4,246,251	-21.47%
Charges for Services	4,140,126	3,574,830	3,432,231	-3.99%
Fines and Forfeitures	777,484	734,000	769,000	4.77%
Revenue from Property and Money	142,259	212,000	332,360	56.77%
Miscellaneous	3,026,069	71,000	118,000	66.20%
Other Financing Sources	596,950	3,339,000	3,367,000	0.84%
Total General Fund Revenues	\$ 75,579,675	\$ 80,551,664	\$ 83,027,150	3.07%
Expenditures				
Legislative				
City Council	\$ 93,332	\$ 100,610	\$ 100,724	0.11%
City Clerk	247,382	244,384	236,653	-3.16%
City Attorney	517,047	383,864	429,492	11.89%
City Attorney	294,777	313,008	336,740	7.58%
Total Legislative	1,152,538	1,041,866	1,103,609	5.93%
Executive				
City Manager	514,031	543,116	551,169	1.48%
Communications	243,995	257,316	249,397	-3.08%
TV Station	156,611	236,310	240,260	1.67%
Human Resources	447,689	434,038	426,616	-1.71%
Risk Management	208,126	242,882	204,106	-15.96%
Information Technology	1,236,990	1,549,769	1,463,699	-5.55%
Economic Development	352,165	473,590	462,188	-2.41%
Total Executive	3,159,608	3,737,021	3,597,435	-3.74%
Department of Finance				
Finance	926,830	998,115	967,122	-3.11%
Real Estate Assessment	377,699	403,773	396,801	-1.73%
Total Department of Finance	1,304,529	1,401,888	1,363,923	-2.71%
Commissioner of The Revenue	772,206	816,773	793,913	-2.80%
Treasurer				
Treasurer	511,277	521,347	556,158	6.68%
Property Relief Programs	0	182,000	182,000	0.00%
Total Treasurer	511,277	703,347	738,158	4.95%
Registrar	268,600	279,818	295,812	5.72%
Sheriff				
Sheriff	714,005	755,718	756,747	0.14%
Adult Corrections	977,428	958,790	851,444	-11.20%
Total Sheriff	1,691,433	1,714,508	1,608,191	-6.20%
Clerk of Court	37,768	49,947	42,140	-15.63%

GENERAL FUND – CONTINUED

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures - Continued				
Department of Public Safety				
Police Chief	565,591	549,439	1,046,123	90.40%
Police - Red Light Program	221,306	191,155	287,128	50.21%
Police Operations	2,861,629	2,854,965	3,054,366	6.98%
Police Services	1,734,512	1,826,304	1,974,538	8.12%
Police Dispatch	724,002	827,397	882,382	6.65%
Animal Control	39,829	31,630	39,829	25.92%
Emergency Operations	102,731	105,699	109,144	3.26%
Fire Marshal Services	76,696	83,103	122,203	47.05%
Fire Services	2,207,260	2,315,300	2,427,384	4.84%
Total Department of Public Safety	8,533,556	8,784,992	9,943,097	13.18%
Department of Public Works				
Administration	691,473	697,690	453,689	-34.97%
Construction Management	-	-	198,892	-
Solid Waste & Recycling	806,427	888,728	853,090	-4.01%
Highways, Streets, & Sidewalks	1,274,872	1,364,305	1,379,383	1.11%
Stormwater Sewer	74,718	-	-	-
Snow & Ice Removal	356,729	159,504	205,680	28.95%
Transportation	444,524	475,689	628,240	32.07%
Leaf Collection	154,093	177,371	151,845	-14.39%
General Services	709,294	728,393	751,138	3.12%
Fleet Maintenance	556,539	487,050	448,408	-7.93%
Urban Forestry	621,214	652,135	746,067	14.40%
Total Department of Public Works	5,689,883	5,630,865	5,816,432	3.30%
Department of Human Services				
Court Services	269,288	288,174	310,183	7.64%
Detention Programs	348,875	360,889	314,230	-12.93%
Aurora House	840,607	915,604	895,144	-2.23%
Judicial Services	4,754	3,428	4,818	40.55%
Housing and Human Services	488,636	522,912	524,815	0.36%
Public Assistance Programs	686,541	887,458	817,166	-7.92%
Community Services Board	605,595	629,819	684,595	8.70%
Health Department	236,944	267,600	267,474	-0.05%
Total Department of Human Services	3,481,240	3,875,884	3,818,425	-1.48%
Department of Recreation and Parks				
Recreation Administration	781,328	803,858	800,203	-0.45%
Parks Maintenance	331,115	353,785	339,773	-3.96%
Recreation Programs & Special Events	1,342,258	1,418,275	1,452,126	2.39%
Community Cultural & Arts Programs	80,510	53,627	54,838	2.26%
Athletic Programs	435,639	458,599	445,591	-2.84%
Total Department of Recreation and Parks	2,970,849	3,088,144	3,092,531	0.14%
Library	1,933,417	2,005,805	2,013,299	0.37%
Department of Development Services	1,568,955	1,669,001	2,030,042	21.63%

GENERAL FUND – CONTINUED

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures - Continued				
Education				
Transfers to Schools	33,775,600	36,859,530	38,417,900	4.23%
Community College Programs and Other Education	26,167	30,204	31,013	2.68%
Total Education	33,801,767	36,889,734	38,448,913	4.23%
Post-Retirement Benefits	152,491	154,000	146,130	-5.11%
WMATA Payments	1,653,009	1,405,000	4,856	-99.65%
Debt Service	4,536,400	5,214,124	5,830,730	11.83%
Transfers				
Transfers to CIP	1,532,627	952,000	1,122,000	17.86%
Transfers to CIP - Special Transportation Fund	99,744	800,000	967,514	20.94%
Transfers to StormWater Fund	931,300	-	-	0.00%
Total Transfers	2,563,671	1,752,000	2,089,514	19.26%
Reserves				
Contingency	-	86,947	-	-100.00%
Tax Credits	-	250,000	250,000	0.00%
Total Reserves	-	336,947	250,000	-25.80%
Total General Fund Expenditures	\$ 76,149,321	\$ 80,551,664	\$ 83,027,150	3.07%

CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – GENERAL GOVERNMENT

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Revenues				
Transfer from General Fund	\$ 600,000	\$ -	\$ -	-
Transfer from General Fund - Capital Reserves	-	952,000	-	-100.00%
Transfer from General Fund - Capital Reserves Water	-	-	1,122,000	-
Proceeds from issuance of bonds	12,874,048	9,895,000	7,850,000	-20.67%
Grants	1,089,984	-	-	-
Total CIP Fund Revenues - General Fund & School Board	\$ 14,564,032	\$ 10,847,000	\$ 8,972,000	-17.29%
Expenditures				
Transportation	\$ 1,268,993	\$ -	\$ -	-
Facilities	5,449,984	8,752,000	7,500,000	-14.31%
Public Safety	-	550,000	600,000	-
Recreation & Parks	112,543	1,275,000	872,000	-31.61%
Information Technology	203,839	270,000	-	-100.00%
Total CIP Fund Revenues - General Fund & School Board	\$ 7,035,359	\$ 10,847,000	\$ 8,972,000	-17.29%

CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – SPECIAL TRANSPORTATION FUND

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Revenues				
Transfer from General Fund	\$ 99,744	\$ 800,000	\$ 967,514	-
Proceeds from Issuance of Bonds	1,000,000	600,000	1,800,000	200.00%
Grants	-	300,000	750,000	-
Taxes (30% NVTA Funds)	745,575	1,715,000	700,000	-
Taxes (70% NVTA Funds)	-	1,200,000	-	-
Reprogrammed from General Government CIP	-	4,263,811	-	-
Only if grant/revenue offset	-	3,120,000	-	-
Total CIP Fund Revenues - Sewer Utility	\$ 1,845,319	\$ 11,998,811	\$ 4,217,514	-64.85%
Expenditures				
Capital Improvements	\$ 228,499	\$ 11,998,811	\$ 4,217,514	-64.85%
Total CIP Fund Expenditures - Sewer Utility	\$ 228,499	\$ 11,998,811	\$ 4,217,514	-64.85%

SEWER FUND

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Revenues				
Charges for Services	\$ 3,415,224	\$ 3,793,200	\$ 3,834,000	1.08%
Availability Fees & Other Charges	772,444	245,000	275,000	12.24%
Revenue from Use of Property and Money	8,228	10,000	10,000	0.00%
Total Sewer Fund Revenues	\$ 4,195,793	\$ 4,048,200	\$ 4,119,000	1.75%
Expenditures				
Sewer Administration	\$ 357,932	\$ 470,959	\$ 485,508	3.09%
Collection and Disposal	1,410,884	1,775,456	1,744,354	-1.75%
Debt Service	463,952	1,182,396	1,234,938	4.44%
Other Post-Employment Benefits	3,000	3,000	4,200	40.00%
Transfers to CIP	577,132	212,000	650,000	206.60%
Reserves	-	404,389	-	-100.00%
Total Sewer Fund Expenditures	\$ 2,812,900	\$ 4,048,200	\$ 4,119,000	1.75%

CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – SEWER UTILITY

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Revenues				
Proceeds from Bonds	\$ 950,000	\$ 797,284	\$ 946,000	18.65%
Transfer from Sewer Fund	450,000	112,000	550,000	391.07%
Total CIP Fund Revenues - Sewer Utility	\$ 1,400,000	\$ 909,284	\$ 1,496,000	64.53%
Expenditures				
Capital Improvements	\$ 1,263,168	\$ 909,284	\$ 1,496,000	64.53%
Total CIP Fund Expenditures - Sewer Utility	\$ 1,263,168	\$ 909,284	\$ 1,496,000	64.53%

STORMWATER FUND

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Revenues				
Charges for Services	\$ 764,451	\$ 1,425,000	\$ 1,529,000	7.30%
Revenue from Use of Property and Money	828	1,000	1,000	0.00%
Other Financing Sources	931,300	30,000	-	-
Total Stormwater Fund Revenues	\$ 1,696,579	\$ 1,456,000	\$ 1,530,000	5.08%
Expenditures				
Stormwater Administration	\$ 702,910	\$ 664,046	\$ 672,250	1.24%
Stormwater Operations	301,753	723,021	728,439	0.75%
Debt Service	25,082	68,933	129,311	87.59%
Reserves	-	-	-	-
Total Stormwater Fund Expenditures	\$ 1,029,745	\$ 1,456,000	\$ 1,530,000	5.08%

CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – STORMWATER UTILITY

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Revenues				
Proceeds from Bonds	\$ 841,000	\$ 1,160,000	\$ -	-100.00%
Federal Grant	144,361	-	-	0.00%
Transfer from General Fund CIP	1,113,175	-	-	0.00%
Total CIP Fund Revenues - Sewer Utility	\$ 2,098,536	\$ 1,160,000	\$ -	-100.00%
Expenditures				
Capital Improvements	\$ 689,504	\$ 1,160,000	\$ -	-100.00%
Total CIP Fund Expenditures - Sewer Utility	\$ 689,504	\$ 1,160,000	\$ -	-100.00%

AFFORDABLE HOUSING FUND

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Revenues				
Use of Fund Balance	\$ -	\$ 141,038	\$ -	-100.00%
Revenue from Use of Property and Money	-	-	-	-
Total Affordable Housing Fund Revenues	\$ -	\$ 141,038	\$ -	-100.00%
Expenditures				
First-Time Homebuyers' Loan Program	\$ 82,963	\$ 141,038	\$ -	-100.00%
Total Affordable Housing Fund Expenditures	\$ 82,963	\$ 141,038	\$ -	-100.00%

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SCHOOL BOARD – OPERATING FUND

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Revenues				
Transfer from City	\$ 33,682,700	\$ 36,746,200	\$ 38,298,700	4.22%
State Grants	3,408,553	3,626,800	3,509,700	-3.23%
Sales Tax	2,109,325	2,233,600	2,435,500	9.04%
Federal Grants	471,686	471,500	499,800	6.00%
Other	451,210	950,500	929,500	-2.21%
Use of Fund Balance	-	590,000	650,000	10.17%
Total School Board Operating Fund Revenue	\$ 40,123,474	\$ 44,618,600	\$ 46,323,200	3.82%
Expenditures				
Education	\$ 39,603,866	\$ 44,618,600	\$ 46,323,200	3.82%
Total School Board Operating Fund Expenditures	\$ 39,603,866	\$ 44,618,600	\$ 46,323,200	3.82%

SCHOOL BOARD – COMMUNITY SERVICES FUND

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Revenues				
User Fees	\$ 1,452,172	\$ 1,428,480	\$ 1,473,900	3.18%
Transfer from City	92,900	113,320	119,200	5.19%
Other	27,126	50,000	50,000	0.00%
Use of Fund Balance	-	178,000	188,000	5.62%
Total School Board Community Service Fund Revenue	\$ 1,572,198	\$ 1,769,800	\$ 1,831,100	3.46%
Expenditures				
Community Services Expenditures	\$ 1,542,566	\$ 1,769,800	\$ 1,831,100	3.46%
Total School Board Community Service Fund Expenditures	\$ 1,542,566	\$ 1,769,800	\$ 1,831,100	3.46%

SCHOOL BOARD – FOOD SERVICES FUND

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Revenues				
User Fees	\$ 643,315	\$ 762,400	\$ 746,000	-2.15%
State and Federal Funds	119,832	93,300	118,200	26.69%
Other Miscellaneous	1,150	700	2,000	185.71%
Transfer from School Operating Fund	98,796	40,000	47,500	18.75%
Use of Fund Balance	-	60,000	75,000	25.00%
Total School Board Food Service Fund Revenue	\$ 863,093	\$ 956,400	\$ 988,700	3.38%
Expenditures				
Food Service	\$ 813,485	\$ 956,400	\$ 988,700	3.38%
Total School Board Food Service Fund Expenditures	\$ 813,485	\$ 956,400	\$ 988,700	3.38%

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GENERAL FUND

For FY2017 Budget planning, needs that are aligned with Council priorities have been identified for future funding, should new funding be available. The first list represents the Manager’s view of priority needs Citywide, followed by a fuller list of priorities identified by Department Directors.

CITY MANAGER'S PRIORITIES

Division	Description of Expenditure	Expenditure Amount
Registrar	Voting system	200,000
IT	Equipment Refresh	115,000
Public Works	Sidewalk repair and maintenance	200,000
Public Works	Paving: increase from 1 lm per year to 2 lm.	300,000
Snow & Ice Removal	Truck Bed replacement	10,000
Snow & Ice Removal	Salt spreaders	20,000
Public Works	2 Dumptruck Replacements	225,000
Leaf Colleciton	Two vacuum units	50,000
Public Assistance	Community Service Fund	55,000
Parks Maintenance	Repair & replacement of equipment	25,000
Library	Upgrade wi-fi access to commercial grade	14,400
DDS	Transportation/Future Planner	110,000
Library	Upgrade platform for Integrated Library Services	<u>59,000</u>
	TOTAL	<u>1,383,400</u>

GENERAL FUND - Continued

CITYWIDE PRIORITIES

Division	Description of Expenditure	Expenditure Amount
LEGISLATIVE		
City Council	Internal auditor	\$ 130,000
City Council	Mobile connection for tablets	4,320
City Council	Travel	4,000
City Clerk	Granicus Board & Commission Software	3,600
City Attorney	Part-time Assistant Attorney	50,000
Total Legislative		191,920
EXECUTIVE		
City Manager	Administrative Assistant	50,000
Communications	Communications Specialist	65,000
IT	Public Safety Senior System Engineer/ Project Manager	97,500
IT	Development Services & Public Works Senior System Engineer/ PM	97,500
IT	Technology Administrative Assistant	52,000
Total Executive		362,000
FINANCE		
Finance & Purchasing	(2) Budget Analysts	190,000
Real Estate Assesor	Senior Real Estate Appraiser	140,000
Total Finance		330,000
COMMISSIONER OF THE REVENUE		
Commissioner of Rev.	Part-time .67 FTE Outreach Coordinator	21,000
Total Commissioner of the Revenue		21,000
TREASURER		
Treasurer	Tax Collector	50,000

GENERAL FUND - Continued

Division	Description of Expenditure	Expenditure Amount
VOTER REGISTRATION & ELECTORAL BOARD		
Registrar	Pay increase for assistant registrars	5,000
Registrar	Voting system	200,000
Total Voter Registration & Electoral Board		205,000
CLERK OF COURT		
Clerk of Court	Replacement Photocopy machine	1,000
Total Clerk of Court		1,000
DEPARTMENT OF PUBLIC SAFETY		
Administration	Staff training	20,000
Administration	Radio replacement for mobile & portables	582,460
Administration	In-car/body-worn camera technology	50,000
Photo Enforcement	Expand Red-Light photo enforcement	129,000
Police Operations	Part-time Administrative Assistant	30,000
Police Services	Administrative Assistant	46,000
Dispatch	Two Emergency Communications Technicians	105,000
Animal Control	Veterinary & Shelter Care costs	42,000
Fire Marshal	Administrative Assistant	35,000
Total Department of Public Safety		1,039,460
DEPARTMENT OF PUBLIC WORKS		
Administration	Plotter Replacement	12,000
Administration	Mobile computing	4,000
Solid Waste & Recycling	New solid waste & recycling brochure	9,000
Solid Waste & Recycling	New Hazardous Waste Shed	40,000
Solid Waste & Recycling	Additional Household Hazardous Waste events	24,000
Solid Waste & Recycling	Additional recycling receptacles	11,000
Solid Waste & Recycling	Alkaline battery recycling	1,000
Highways, Streets & Sidewalks	Concrete maintenance	300,000

GENERAL FUND - Continued

Division	Description of Expenditure	Expenditure Amount
DEPARTMENT OF PUBLIC WORKS		
Highways, Streets & Sidewalks	Paving	1,000,000
Highways, Streets & Sidewalks	Fleet replacement	225,000
Snow & Ice Removal	Bed replacement	10,000
Snow & Ice Removal	Salt spreaders	20,000
Transportation	Infrastructure Management Engineer	120,000
Leaf Colleciton	Two vacuum units	50,000
Urban Forestry	Tree lighting	20,000
Urban Forestry	Urban Forestry Maintenance Worker	55,000
Total Department of Public Works		1,901,000
DEPARTMENT OF HUMAN SERVICES		
Aurora House	Temporary staff	12,000
Aurora House	Staff training and development	14,000
Aurora House	Increase educational/IT resources for residents	2,000
HHS Administration	Development Housing Consultant	75,000
Public Assistance	Community Service Fund	55,000
Total Department of Human Services		158,000
DEPARTMENT OF RECREATION & PARKS		
Administration	Community Center facility reinvestment	5,000
Administration	Community Center public wi-fi access	1,000
Administration	Storage shed	25,000
Parks Maintenance	Repair & replacement of equipment	25,000
Parks Maintenance	Development of maintenance standards	15,000
Community Arts & Cultural Programs	Community grants	25,000
Community Arts & Cultural Programs	Administrative support	10,500
Total Department of Recreation & Parks		106,500

GENERAL FUND - Continued

Division	Description of Expenditure	Expenditure Amount
DEPARTMENT OF LIBRARY		
Library	Library assistant for Circulation	5,000
Library	New copier	7,000
Library	Upgrade wi-fi access to commercial grade	14,400
Library	Upgrade platform for Integrated Library Services	59,000
Library	Replace local history database	20,000
Library	Open the library on Wednesday mornings	96,593
Total Department of Recreation & Parks		201,993
DEPARTMENT OF DEVELOPMENT SERVICES		
DDS	Structural Engineer/Building Plan Reviewer	135,000
DDS	Senior Building/Trades Plan Reviewer and Inspector	100,000
DDS	Development Review Urban Planner	90,000
DDS	Senior Administrative Assistant	70,000
DDS	Inspector vehicles	90,000
DDS	Transportation/Future Planner	110,000
Total Department of Development Services		595,000
GRAND TOTAL		5,162,873

STORMWATER FUND

Description of Expenditure	Expenditure Amount
Capital funding for facility reinvestment	\$ 1,000,000
Total Stormwater Fund	\$ 1,000,000

AFFORDABLE HOUSING FUND

Description of Expenditure	Expenditure Amount
Acquisition of affordable housing units	\$ 200,000
Fields of Falls Church	\$ 80,000
Total Stormwater Fund	\$ 280,000

SCHOOL BOARD OPERATING FUND

Description of Expenditure	Expenditure Amount
Five teaching positions (STeAM; ESOL; Gifted; Reading; Music)	\$562,200
Instructional Technology Director	\$168,000
Two custodial positions (35,000 additional square feet added)	\$90,000
Additioanl Security Coverage for School Buildings	\$50,000
EPED Stipends for Co-curricular Teams/Clubs (e.g. Lego League)	\$95,000
Enhanced Professional Development (National Board Certification)	\$80,000
School Supplies (flat since 2008)	\$435,000
Data Warehouse System (for student performance data)	\$55,000
School bus for growth and aging fleet	\$95,000
Replacement car for student transport	\$25,000
Van for student team travel	\$35,000
Building repairs and preventative maintenance (aging facilities)	\$100,000
Maintenance equipment (e.g. snow blowers, buffers, vacuums)	\$50,000
Total School Board Operating Fund	\$1,840,200

The following are the adopted permanent positions in full-time equivalency (FTE).

	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted
General Fund			
<u>Legislative</u>			
City Clerk	2.00	2.00	2.00
City Attorney	2.00	2.00	2.00
<u>Executive</u>			
City Manager	3.00	3.00	3.00
Office of Communications	2.00	2.00	2.00
TV Station	1.84	1.84	2.00
Human Resources	2.50	2.50	2.50
Risk Management	0.50	0.50	0.50
Economic Development	2.00	3.00	3.00
Information Technology	2.40	8.40	8.40
<u>Department of Finance</u>			
Finance	7.00	7.00	7.00
Real Estate Assessment	3.00	3.00	3.00
Voter Registration and Electoral Board	1.50	1.50	1.50
Commissioner of The Revenue	8.00	8.00	8.00
Treasurer	4.00	4.00	5.00
Sheriff	5.88	5.88	6.00
<u>Department of Public Safety</u>			
Police Administration	2.50	2.50	2.00
Police Red Light Program	0.75	0.25	1.00
Police Operations	22.75	21.00	21.00
Police Services	12.00	14.75	14.50
Dispatch	6.00	6.00	6.00
Emergency Management	0.50	0.50	0.50
Fire Marshal	0.50	0.50	0.50
<u>Department of Public Works</u>			
Public Works Administration	5.80	4.55	3.32
Construction Management	-	-	1.50
Highways, Streets, and Sidewalks	11.75	10.85	10.85
Transportation	-	1.05	1.60
Recycling and Solid Waste	1.00	1.00	1.00
General Services	2.00	2.05	1.85
Fleet Maintenance	4.00	4.00	4.00
Urban Forestry	4.00	3.90	4.00
<u>Department of Human Services</u>			
Aurora House	7.73	7.73	7.73
Court Services	3.10	3.10	3.10
Housing and Human Services Administration	4.80	4.80	4.80
<u>Department of Recreation and Parks</u>			
Parks and Recreation Administration	5.80	5.80	5.80
Parks Maintenance	3.00	3.00	3.00
Special and Cultural Events	5.30	5.40	6.40
Arts & Culture	-	0.20	0.20
Athletic Programs	1.00	1.00	1.00
<u>Library</u>	17.85	17.85	17.85
<u>Department of Developmental Services</u>	14.81	15.00	18.00
Total General Fund	184.55	191.39	197.40

	FY2014 Adopted	FY2015 Adopted	FY2016 Adopted
Sewer Fund			
Administration	0.50	0.95	1.37
Customer Service	0.65	-	-
Collection and Disposal	3.10	3.55	3.55
Total Sewer Fund	4.25	4.50	4.92
Stormwater Fund			
Stormwater Management	5.20	3.60	3.43
Stormwater Operations	4.00	4.55	4.55
Total Sewer Fund	9.20	8.15	7.98
Capital Improvement Project Funds			
General Government & Special Transportation	-	3.45	2.98
Stormwater Fund	-	0.50	-
Total Capital Improvement Project Funds	-	3.95	2.98

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	ADOPTED RATE*	PER
Property Taxes		
Real Estate	\$1.315	\$100
Personal and Business Property (effective January 1, 2014)	\$4.84	\$100
Local Sales & Use Tax	1%	total sale
Consumer's Utility Taxes		
Residential telephone	10.00%	first \$50 of bill
Commercial telephone	20.00%	first \$50 of bill
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 + \$0.007575 not to exceed \$5.00	kWh
Electric, commercial	\$0.92 + \$0.004807	kWh
Natural gas, single unit residential	\$0.70 + \$0.0039	CCF
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	\$0.75	pack
Admission & Amusement Tax - Bowling	\$0.05	admission
Transient Occupancy Tax	7.00%	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, 2015 unless otherwise indicated. For FY2016, only the Real Estate Tax was adopted to change.

FINANCIAL SUMMARY

While the budget process concentrates on activities for the upcoming year, it is necessary to understand where FY2016 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.

The City's current financial policy dictates that the unassigned fund balance should be at a minimum target of 12% of expenditures and at a maximum of 17%. In FY2013, the City's financial results of operations produced a \$2.4 million surplus bringing the City's unassigned fund balance to 21% of expenditures surpassing its 17% target stated in its financial policy, adopted in December 2011. Starting in FY2014 the City has established a Capital Reserve for funds in excess of the 17% maximum and utilized these reserves in the City's Capital Improvement Program (CIP) in FY2015. The FY2016 budget also incorporates the fund balance in excess of 17% as part of the funding for the City's Capital Improvements Program (CIP). In addition, City Council has established policy for use of the proceeds from the sale of the water system, which are included in the five year CIP

As part of the planning process for the City's Capital Improvements Program (CIP), a five year financial projection is prepared to ensure the Program does not result in either debt service that exceeds the City's financial policies or expenditures that will result in a fund balance below the policy minimum. The table below is a summary of the financial projection for FY2016 through FY2020.

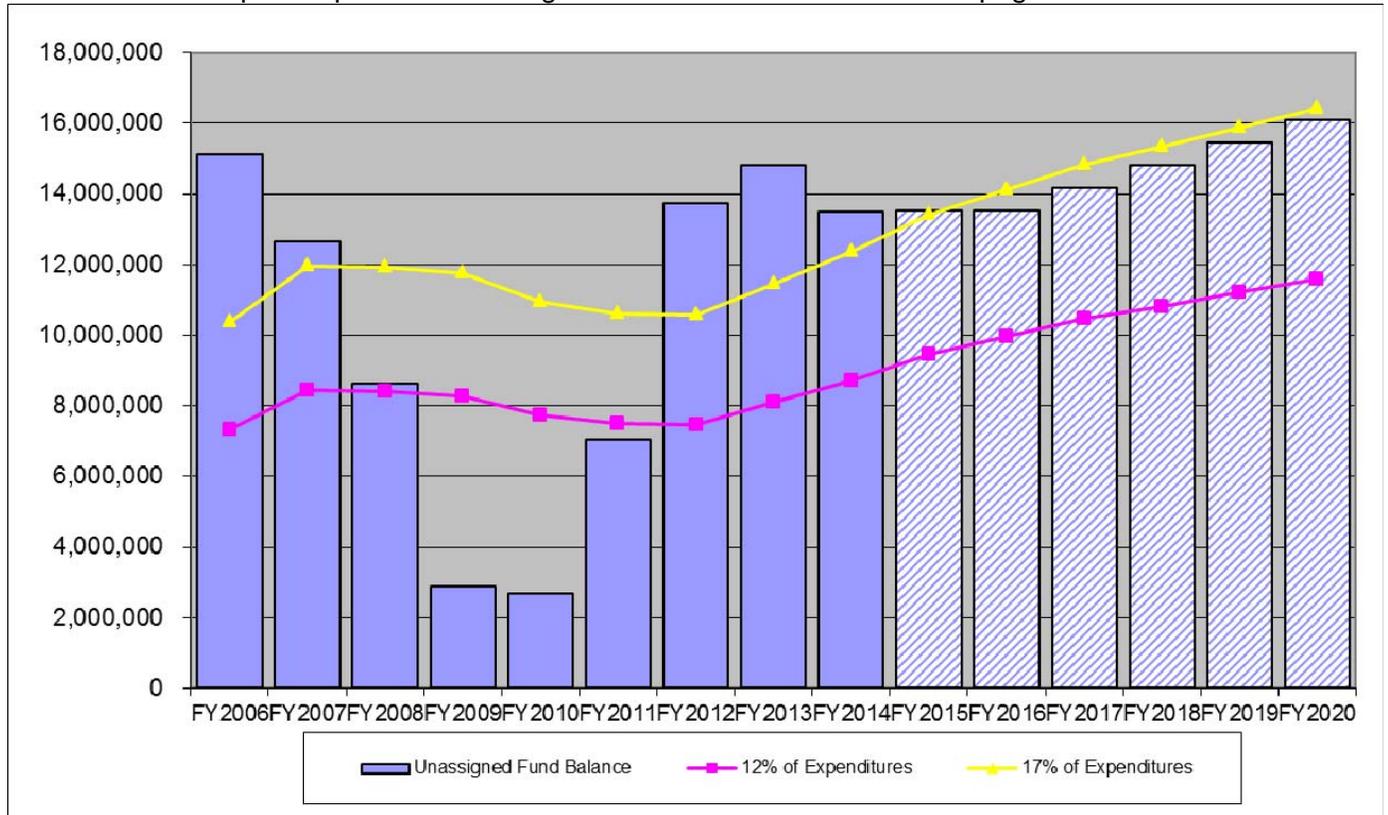
	FY2016	FY2017	FY2018	FY2019	FY2020
Operating Revenues	\$ 83,027,150	\$ 87,439,451	\$ 90,499,832	\$ 93,667,326	\$ 96,945,683
Expenditures	(77,213,421)	(81,331,213)	(83,624,589)	(86,375,285)	(89,791,870)
Add: Reduction in Expenditures due to Pension Investment	-	640,000	640,000	640,000	640,000
Net Operating	5,813,729	6,748,238	7,515,243	7,932,041	7,793,813
Debt Service	(5,813,729)	(6,108,238)	(6,875,243)	(7,292,041)	(7,153,813)
Use of Fund Balance	1,942,000	1,643,859	3,466,146	-	-
Capital PAUG	(1,942,000)	(1,643,859)	(3,466,146)	-	-
Addition to Fund Balance	-	640,000	640,000	640,000	640,000
Beginning Unassigned Fund Balance	13,508,494	13,508,494	14,148,494	14,788,494	15,428,494
Ending Unassigned Fund Balance	\$ 13,508,494	\$ 14,148,494	\$ 14,788,494	\$ 15,428,494	\$ 16,068,494
As a Percent of Expenditures	16.3%	16.3%	16.5%	16.6%	16.7%

These projections include revenue assumptions of 3.5% growth from FY2016 through FY2020. The projections also assume that the City will control expenditures sufficient to provide a level of fund balance at or near the policy target over the next five years.

The graph on the next page shows the changes in unassigned fund balance, actual for FY2008 through FY2012 and projected through FY2020.

The restoration of the City’s fund balance is both a matter of compliance with policy and an expressed priority of the City Council.

A more extensive table outlining projected financial activity and compliance with financial policies is included in the Capital Improvements Program section of this document on page 294.



DEBT

The City issues general obligation debt to fund the acquisition of assets such as land or buildings or to fund major renovations, expansions or improvements to existing facilities. The projected outstanding principal balances for the City’s general obligation debt at June 30, 2015 are as follows:

	FY2015
Schools	\$40,889,901
General Government	12,265,099
Special	
Transportation Fund	880,000
StormWater	1,410,000
Sewer	7,652,086
Total	\$63,097,086

The Sewer Fund also holds a revenue bond and a note payable to Fairfax County a result of its participation in regional treatment plants. The balance as of June 30, 2015 for the revenue bond is \$2,077,009 and for the note payable, it is \$2,662,896.

After the sale of the Water system to Fairfax Water, the City was able to liquidate all debt relating to the Water system using the sales proceeds.

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 Fund is also budgeted for in the General Fund. Debt for stormwater or sewer projects is issued as general obligation in order to realize favorable borrowing terms, however the liabilities and debt service are budgeted and accounted for in the respective enterprise funds.

The following table shows the debt service in FY2016.

Function	Principal	Interest	Total
School	\$ 2,863,367	\$ 1,274,592	\$ 4,137,959
General Government	1,131,633	\$ 457,124	1,588,757
Transportation Fund	50,000	\$ 37,013	87,013
Subtotal - General Fund	4,045,000	1,768,729	5,813,729
Stormwater	75,000	\$ 54,310	129,310
Sewer	767,248	\$ 467,690	1,234,938
Total	\$ 4,887,248	\$ 2,290,729	\$ 7,177,977

Debt Service Policy

Section II (A) (2) of the City’s financial policies states that: “debt service expenditures for all General Fund supported debt shall not exceed twelve percent (12%) of total General Fund expenditures.” Debt

service for FY2016 is budgeted to be 6.3% of total expenditures excluding fund balance restoration and capital reserves.

Section II (A) (6) of the City's financial policies states that: "At least 25% of total debt will be repaid within five years and at least 50% of total debt within ten years." By adhering to this policy the City avoids large fluctuations in debt service or future budgetary challenges associated with back-loading of principal payments. At June 30, 2015 the projected debt repayment schedule for General Fund supported debt will be:

Fiscal Years	Principal Amount	Percent
2016-2020	\$ 21,000,000	38.9%
2021-2025	19,294,998	35.7%
2026-2030	7,963,335	14.7%
2031-2035	5,776,667	10.7%
Total Principal	\$ 54,035,000	

Future Debt Issuance

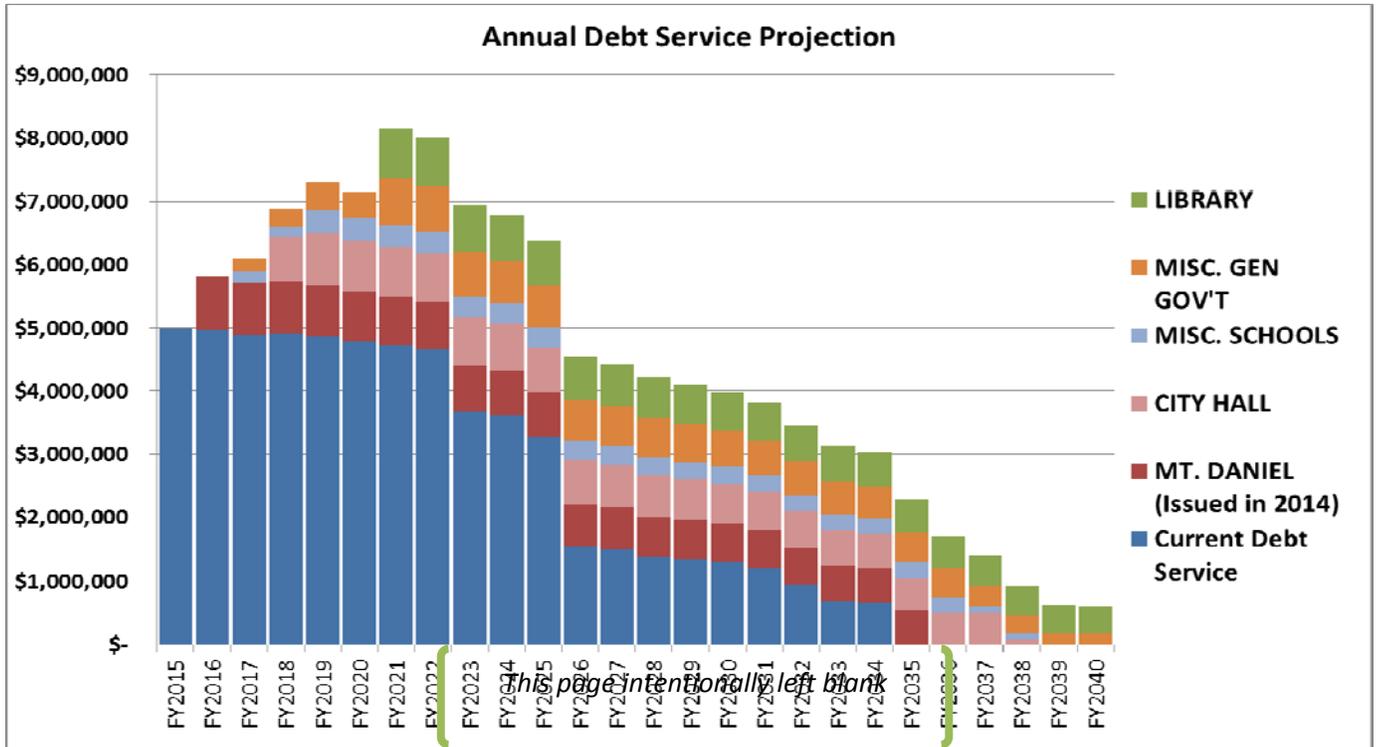
The City intends to issue some debt in FY2016 to fund the purchase of vehicles, police radios, and certain capital projects for school facilities, sewer facilities, and stormwater facilities.

The City last issued General Fund supported debt in December 2014 for the construction at Mt. Daniel Elementary School. The City has not yet issued all the bonds relating to the FY2014 and FY2015 Capital Improvements Program, with a balance of \$7.5 million remaining to be issued. These consist of the following:

Project	Amount
Fairfax City FireArms Range Upgrade	\$ 300,000
City Hall/Public Safety Front Expansion	1,300,000
City Hall/Public Safety Rear Expansion	3,825,000
City Campus Parking	900,000
Open space	1,075,000
Roadbed Reconstruction	100,000
Total General Government Debt	\$ 7,500,000

The FY2016-FY2020 Five-Year Capital Improvements Program (CIP) assumes the issuance of new debt in the amount of \$19.5 million to fund projects for both the School Division and General Fund. This does not include any debt that we may issue for the construction of the George Mason High School (GMHS) and Mary Ellen Henderson Middle School (MEHMS), for which an estimated \$105 million is included in the CIP.

The chart below shows projected debt service through FY2040, indicating the share attributable to existing debt and new debt, excluding any debt that may be issued for the GMHS and MEHMS projects:



Debt service is projected to be 7.4% of total expenditures in the General Fund by FY2020 without the GMHS and MEHMS projects.

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 has 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. The City issued a note payable to Fairfax County with regards to its participation in the operations of the Alexandria Sanitation Authority.

Due to the requirement to fund improvements at the Alexandria Sanitation Authority wastewater treatment plant, Arlington County Treatment Plant, and improvements needed to our storm water infrastructure, the City anticipates issuing \$14.2 million in bonds over the next five years for these funds.

More detail on planned debt issuance and the debt-funded projects can be found in the CIP section of this document beginning on page 261.

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**FY2016 ADOPTED BUDGET
GENERAL FUND**

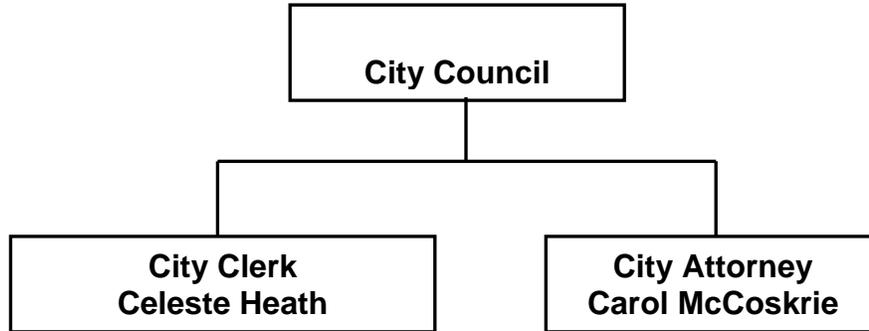


	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Real Estate Taxes	\$ 44,763,076	\$ 46,307,000	\$ 49,151,896	6.14%
Personal Property Taxes	4,526,073	4,809,700	4,948,000	2.88%
Non-Assessed Property Taxes	271,741	300,000	300,000	0.00%
Local Sales and Use Taxes	3,778,221	4,083,000	4,150,000	1.64%
Utility Tax	2,219,100	2,243,500	2,250,000	0.29%
Cigarette Tax	359,783	385,000	340,000	-11.69%
Meals Tax	2,799,704	2,856,000	2,913,000	2.00%
Other Sales and Use Taxes	276,036	447,000	473,000	5.82%
Gross Receipts Business Taxes	3,509,357	3,565,500	3,775,000	5.88%
Other Taxes	1,072,148	1,198,000	977,000	-18.45%
Total Taxes	63,575,239	66,194,700	69,277,896	4.66%
Building and Inspection Fees	1,415,466	815,000	1,269,112	55.72%
Other Licenses, Fees & Permits	262,137	204,000	215,300	5.54%
Total Licenses, Fees & Permits	1,677,603	1,019,000	1,484,412	45.67%
Grant Revenue - Federal	305,402	232,501	246,632	6.08%
Other State CategoricalAid	821,801	656,756	640,742	-2.44%
State Non-Categorical	2,979,406	2,970,877	3,005,877	1.18%
State Categorical	1,788,618	1,533,000	340,000	-77.82%
Other Contributions	52,888	14,000	13,000	-7.14%
Total Grants & Contributions	5,948,115	5,407,134	4,246,251	-21.47%
Charges for Services - GenGovt	97,344	100,500	17,000	-83.08%
Charges for Services - Judicial	66,988	72,792	64,792	-10.99%
Charges for Services - Public Safety	731,120	961,238	828,739	-13.78%
Charges for Services - Sanitation	38,810	68,000	59,000	-13.24%
Charges for Services - HHS	5,575	5,700	5,700	0.00%
Charges for Services - Culture and Recreation	1,879,404	1,818,500	1,926,000	5.91%
Admin & Motor Pool Fees - Water Fund	1,040,005	-	-	-
Admin & Motor Pool Fees - Sewer Fund	35,075	167,100	148,000	-11.43%
Admin & Motor Pool Fees - Stormwater Fund	9,152	191,000	111,500	-41.62%
Other Charges	236,653	190,000	230,000	21.05%
Total Charges for Services	4,140,126	3,574,830	3,432,231	-3.99%
Court Fines & Forfeitures	334,097	363,000	325,000	-10.47%
Red Light Violations	227,092	204,000	215,000	5.39%
Parking Fines	165,131	120,000	173,000	44.17%
Library Fines	45,964	45,000	45,000	0.00%
Other	5,200	2,000	11,000	450.00%
Total Fines and Forfeitures	777,484	734,000	769,000	4.77%

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Investment Revenues	(3,445)	-	139,100	-
Rental Income	145,704	212,000	193,260	-8.84%
Total Revenue from Use of Property and Money	142,259	212,000	332,360	56.77%
Dispositions and Sales	2,932,903	31,000	33,000	6.45%
Recovered Costs	30,244	30,000	30,000	0.00%
Other	62,922	10,000	55,000	450.00%
Total Miscellaneous	3,026,069	71,000	118,000	66.20%
Transfer from Water Fund	21,871,842	-	-	-
Total Interfund Transfers	21,871,842	-	-	#DIV/0!
Proceeds from sale of bonds	596,950	359,000	834,000	132.31%
Use of Fund Balance	-	2,980,000	2,533,000	-15.00%
Total Other Financing Sources	596,950	3,339,000	3,367,000	0.84%
TOTAL REVENUES - GENERAL FUND	\$ 101,755,687	\$ 80,551,664	\$ 83,027,150	3.07%

GENERAL FUND EXPENDITURES

LEGISLATIVE



MAYOR AND CITY COUNCIL

- Mayor P. David Tarter
- Vice Mayor David F. Snyder
- Council Member Nader Baroukh
- Council Member Marybeth Connelly
- Council Member Phil Duncan
- Council Member Karen Oliver
- Council Member Dan Sze

CITY COUNCIL

SUMMARY OF SERVICES PROVIDED

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

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

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

TRENDS AND ISSUES

- Tablets will be ready for deployment to the City Council in July 2015. Data plans would allow greater mobile access to communications tools, agendas and other materials.
- Conference attendance and mileage expenditures are expected to continue to increase annually.
- Regional and State organization dues are expected to continue to increase annually.

FY2016 DELIVERABLES

- Continue to work on City Council objectives related to successful development, world class public schools, neighborhood preservation and community life, diversity, environmental harmony, innovation, world class government, public outreach, and creating and preserving the City as a special place.

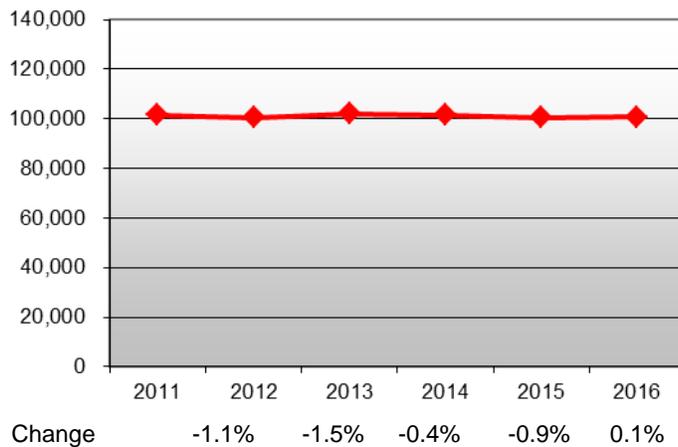
PRIORITIES FOR FUTURE FUNDING

1. Internal Auditor - \$130,000: Perform internal audits to improve efficiency and effectiveness of service delivery.
2. Telecommunication Services - \$4,320 per year: Mobile connection for tablets for City Council. Tablets will be online in FY2016 and a monthly Verizon charge should be added if Council desires mobile access when away from Wi-Fi.
3. Travel - \$4,000: Council will continue to travel to accomplish City business.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 60,973	\$ 65,000	\$ 65,000	0.00%
Benefits	4,664	4,973	4,973	0.00%
Materials, Supplies, and Other	27,695	30,637	30,751	0.37%
Net Expenditures				
Supported by General Revenues	\$ 93,332	\$ 100,610	\$ 100,724	0.11%

BUDGET TREND: FY2011–2016



Notes:

- No significant changes.

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

- Staffing continues to be an issue with the Deputy City Clerk performing reception duties in the City Manager/City Clerk/Communications suite.
- Software to streamline Board and Commission management would free up Deputy City Clerk for more administrative functions.
- Trend of technological advances will continue with added upfront and annual costs to be expected. Savings will be found in greater efficiencies.

FY2016 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; 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.
 - Drafting, 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 approximately 90 notices of public meetings.
- Respond to approximately 40 Freedom of Information Act requests annually with 100% on-time compliance with FOIA law.
- Manage more than 75 City Council appointments to boards and commissions annually.
- Provide regular training to City staff to ensure compliance with FOIA and records regulations providing 2 staff trainings per year and providing 2 or 3 trainings to smaller groups of staff as time allows.
- Work with facilities staff to organize records for ideal storage solutions that will save the City money. Meet approximately 12 times per year with facilities staff to arrange City Hall and off-site storage and make sure records retention laws are followed.

PRIORITIES FOR FUTURE FUNDING

1. Granicus Board & Commission Software - \$3,600 per year. Software to streamline Board and Commission management would free up Deputy City Clerk for more administrative functions; allow for better communication with citizen boards and commissions; and facilitate historical and demographic tracking of appointments.

STAFFING AND BUDGET RESOURCES

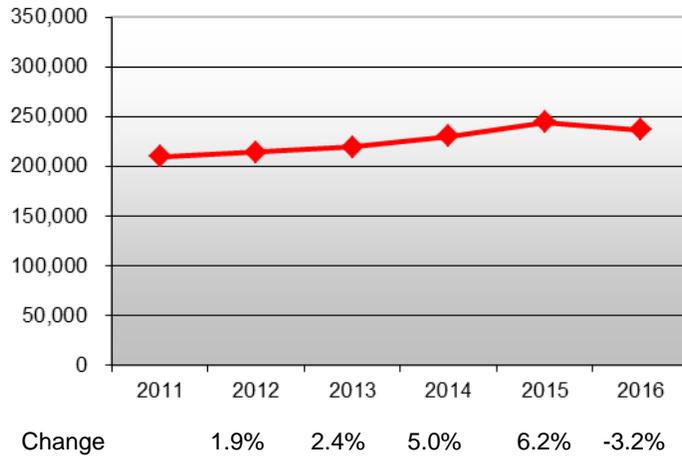
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 City Clerk
- 1.00 Deputy City Clerk

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 157,884	\$ 153,244	\$ 144,161	-5.93%
Benefits	48,373	51,808	55,425	6.98%
Professional and Contractual	31,216	29,500	28,500	-3.39%
Materials, Supplies, and Other	9,909	9,832	8,567	-12.87%
Net Expenditures				
Supported by General Revenues	\$ 247,382	\$ 244,384	\$ 236,653	-3.16%

BUDGET TREND: FY2011-2016



Notes:

- Net decrease in adopted FY16 budget primarily due to cuts in materials and supplies and salary decrease from retirement of long-time City Clerk.

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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, and represents the City in litigation before courts and administrative agencies. In addition, the City Attorney drafts and reviews amendments to ordinances and other legislation, as well as contracts and other legal documents.

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 and building code enforcement, employment disputes, 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 FY2016

- Monitoring compliance for Arlington County Judicial Services contract.

FY2016 DELIVERABLES

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

<u>Matters Handled by City Attorney</u>	<u>CY 2014*</u>	<u>FY 16 est.</u>
Written Legal Opinions provided in 2014:	12	15
Ordinances/Resolutions reviewed for Council meetings:	65	60
Other assignments:	38*	40
<u>Claims and Litigation</u>	<u>7</u>	<u>5</u>
Total	122	120

*Because a tally of matters handled has not been kept in the past, and because the interim City Attorney was not full time, these are rough estimates. Going forward, more accurate information will be provided on a fiscal year basis.

- Review outside contracts for legal services to try to achieve cost savings while preserving effectiveness of legal services.
- Ensuring FOIA compliance within all departments for governmental transparency.

PRIORITIES FOR FUTURE FUNDING

1. Part-time Assistant Attorney (20 hrs. a week) - \$50,000.00. The City Attorney needs a part-time Assistant Attorney to assist with case review and general legal services.

STAFFING AND BUDGET RESOURCES

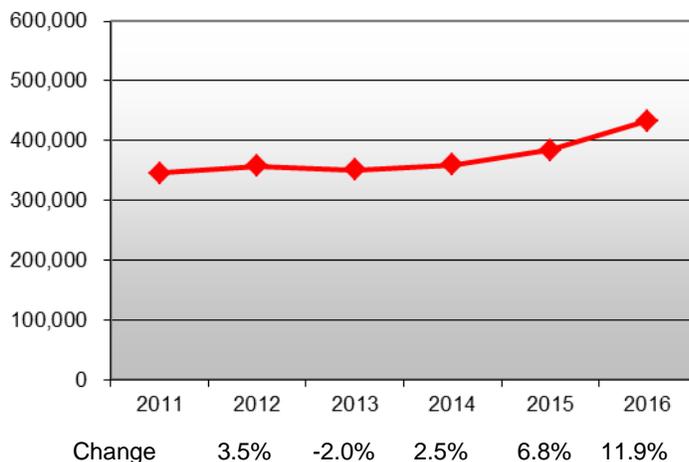
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 City Attorney
- 1.00 Paralegal

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 167,428	\$ 227,004	\$ 263,925	16.26%
Benefits	40,783	76,620	83,013	8.34%
Professional and Contractual	296,281	70,000	70,000	0.00%
Materials, Supplies, and Other	12,555	10,240	12,554	22.60%
Net Expenditures				
Supported by General Revenues	\$ 517,047	\$ 383,864	\$ 429,492	11.89%

BUDGET TREND: FY2011-2016



Note:

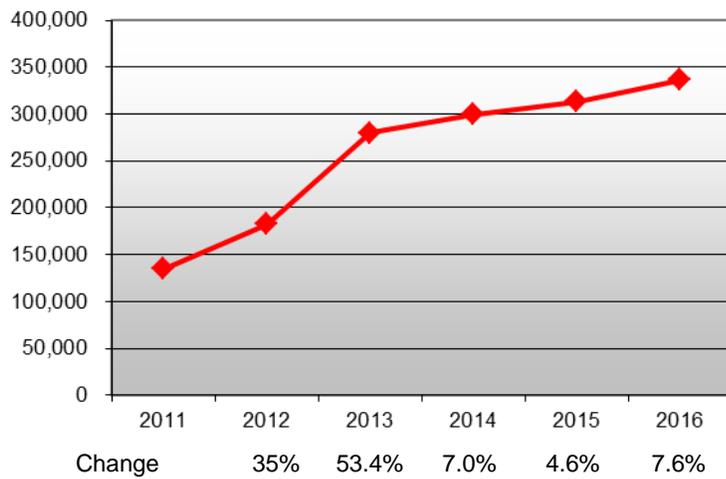
- The reduction in FY2013 was a result of the transfer of all misdemeanor cases to the Commonwealth’s Attorney’s office. This cost is reflected in Judicial Services.
- The increase in FY2015 was primarily due to estimates made for the vacant City Attorney position for compensation and benefits.
- The increase in FY2016 is primarily due to hire of City Attorney which reflects compensation and benefits.

JUDICIAL SERVICES WITH ARLINGTON COUNTY

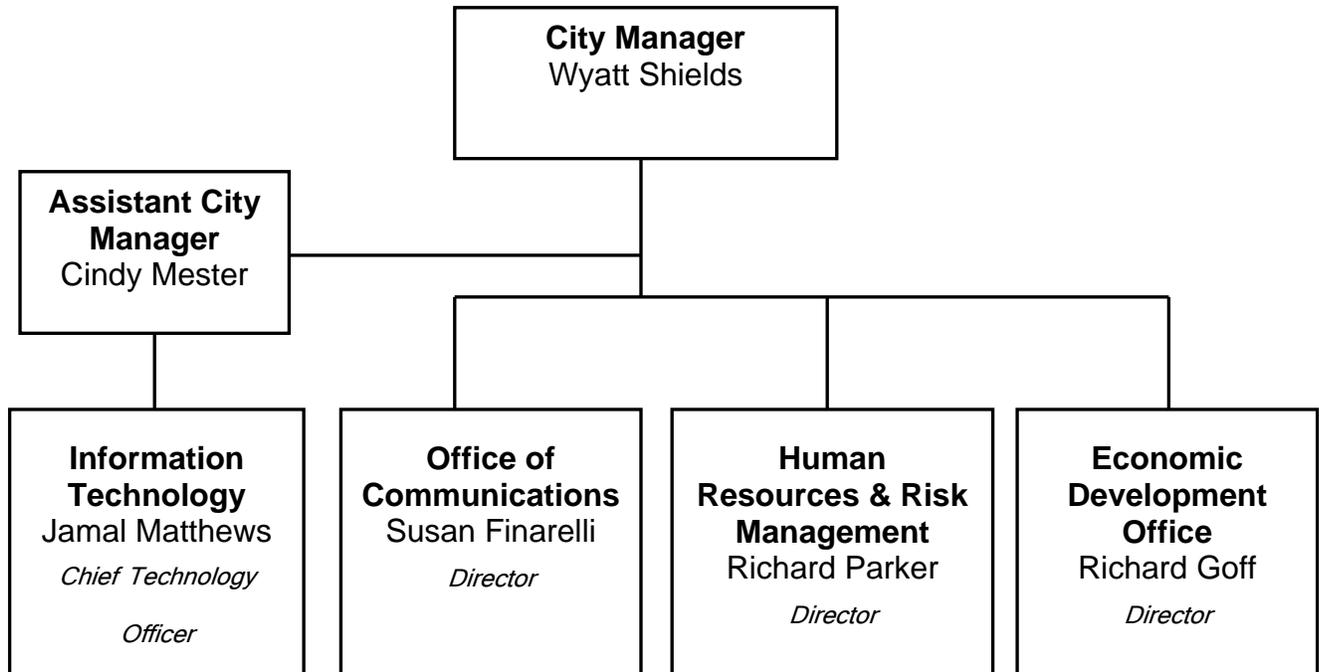
ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 294,777	\$ 313,008	\$ 336,740	7.58%
Net Expenditures				
Supported by General Revenues	\$ 294,777	\$ 313,008	\$ 336,740	7.58%

BUDGET TREND: FY2011-2016



EXECUTIVE MANAGEMENT



CITY MANAGER

Summary of Services: The mission of the City Manager's Office is to provide timely, professional recommendations to and implement the vision and policies of the City Council; to ensure the delivery of high quality services with outstanding customer service at a good value to taxpayers, residents and visitors of the City; to foster economic and fiscal sustainability; and to enhance the City's reputation as a high performing, learning, and caring governmental organization that operates in a manner consistent with its mission and values.

In fulfilling this mission, the City Manager and city wide leadership team develops and implements the Council two year work plan; implements all policies adopted by the City Council; facilitates community dialog on Citywide issues; and implements and monitors the City's annual operating budget and capital improvements program.

The City Manager ensures that the general government organization supports City Council meetings; routinely participates in regional/statewide organizational meetings; participates in the federal and state legislative process; and provides technical assistance to numerous boards and commissions, as well as community advocacy and non-profit groups to promote an informed citizenry. In addition, the City Manager ensures effective internal communication among the organization through weekly management meetings, regular meetings with department directors, meetings with front line staff, and by attending the monthly Employee Advisory Committee meeting.

FY2016 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 an ongoing deliberative decision making process to formulate policy recommendations to Council.
- Provide timely and responsive customer service to all citizens, external agencies and internal departments to ensure convenient access to City services and officials.

Priorities for Future Funding:

Administrative Assistant: \$50,000. A priority for future funding would be to restore the administrative assistant position, cut in 2010, for constituent inquiries, receptionist services, copying and posting Council, Boards, and Commission meeting packets, processing invoices for city-wide information technology services, payroll entry and similar services. Since this administrative support position was cut the number of City Council and Committee meetings has expanded. This administrative support would allow more focus on delivering core services, higher priority projects and Council initiatives.

STAFFING AND BUDGET RESOURCES

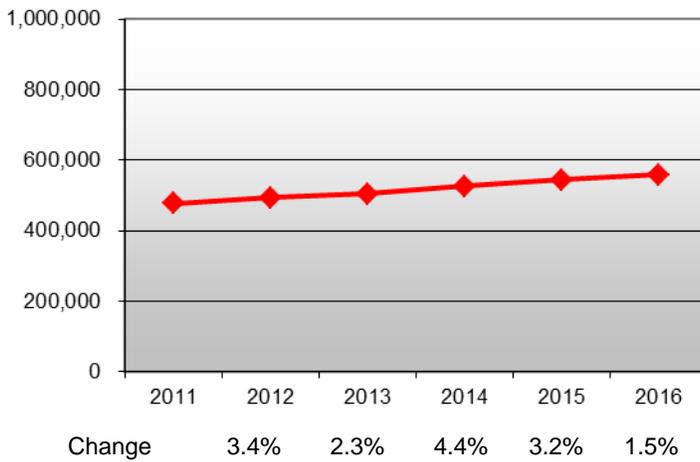
ADOPTED POSITIONS BY FTE – 3.00 TOTAL

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

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 366,918	\$ 391,876	\$ 398,765	1.76%
Benefits	123,496	130,225	128,844	-1.06%
Professional and Contractual	2,281	2,400	2,281	-4.96%
Materials, Supplies, and Other	21,336	18,615	21,279	14.31%
Net Expenditures				
Supported by General Revenues	\$ 514,031	\$ 543,116	\$ 551,169	1.48%

BUDGET TREND: FY2011–2016



Notes:

- The Office of the City Manager budget is principally personnel related.

OFFICE OF COMMUNICATIONS

SUMMARY OF SERVICES PROVIDED

The Office of Communications (OCOM) creates, cultivates, and manages all external and internal communications about City government programs and services to the public and employees through a variety of communication tools. Each year OCOM serves as spokesperson for every City department and program, distributing 200 news releases; posting over 580 times on Facebook for 1,700 followers; posting over 2,000 times on Twitter for 1,550 followers; distributing 26 eFocus Newsletters to almost 900 subscribers; and distributing 12 employee newsletters. OCOM also manages the City's public website, employee intranet, Falls Church Community Television, Falls Church Alerts, Citizen Information Line, Employee Information Line, Emergency Radio 1680 AM, and creates a number of print marketing and information pieces. In the autumn of 2014, the City started a presence on Pinterest.

Working with Police, Emergency Manager, NVRC, and MWCOG, OCOM is responsible for the City's emergency communications outreach to the public and employees for events like severe weather (snowstorms and hurricanes) and police incidents (from the large-scale 2012 Hillwood incident to dog bite cases).

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

The FY2012 Budget eliminated funding in OCOM for the Graphics Designer. This cost reduction measure was accompanied by a significant shift away from printed materials that were mailed or published in the local paper. The City now has an almost exclusive reliance on digital communication to keep the public informed. While this change has lowered costs and has many advantages, it continues to be a disadvantage for residents and the public who either do not have access to online media or choose not to use it regularly.

TRENDS AND ISSUES

- Increased requests from staff and City Council for more community engagement requires more involved of promotion and marketing, using additional tools such as video and surveys.
- Social media followers increased by 56%: Facebook gained 11% and Twitter gained 183%.
- 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 difficult to staff with two employees with no options for additional backup.
- The community expects information to be available and easily accessible. The redesigned website (launched May 2014) is a much-improved experience, and OCOM continues to educate and manage departments for effective website management.
- New Falls Church Alerts system launched in June 2014, in partnership with COG.

FY2016 DELIVERABLES

- Conduct a customer satisfaction survey to reflect the needs of the community and help departments efficiently and effectively communicate their messages, programs, and services.
- Continue to build social media presence on Facebook, Twitter, Pinterest, and any new social networks deemed appropriate for City government.
- Find effective ways to communicate with senior citizen community.
- Grow alert system subscriber list by 10% (200 subscribers).

- Manage production of 10 or more videos by FCCTV that promote, market, or communicate government programs and services.

PRIORITIES FOR FUTURE FUNDING

- Communications Specialist - \$65,000: OCOM needs additional staff to maintain a high level of customer service and meet the demand of instant information on all programs and services and emergency communications 24 hours a day, 7 days a week, as well as help reach out to underserved audiences. This would restore staffing levels to the 2012 level.

STAFFING AND BUDGET RESOURCES

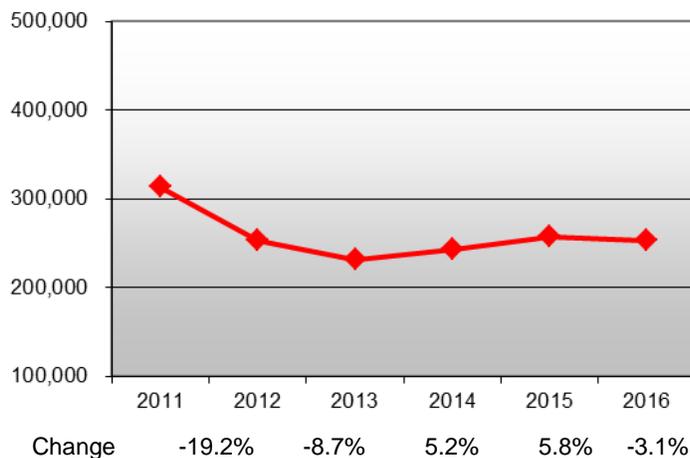
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 Communications Director
- 1.00 Online Communications Specialist

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 160,630	\$ 166,207	\$ 168,813	1.57%
Benefits	55,991	63,942	54,707	-14.44%
Professional and Contractual	25,331	17,657	21,700	22.90%
Materials, Supplies, and Other	2,043	9,510	4,177	-56.08%
Capital Outlay	-	-	-	0.00%
Net Expenditures				
Supported by General Revenues	\$ 243,995	\$ 257,316	\$ 249,397	-3.08%

BUDGET TREND: FY2011–2016



Note:

- FY2012 reduction reflects the elimination of the senior graphics designer position.
- FY2013 reduction is due to turnover in the two positions.

FALLS CHURCH COMMUNITY TELEVISION

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), online streaming, 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 by providing classes on studio production, field production, and editing and providing studio and equipment rental.

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.
- Increased demand and interest by the Cable Access Board for new community programming that effectively promotes the City.
- Desire to restore high school classes on video production and editing. Classes were given in previous years, but cut in the FY2014 budget. Studio location in the high school means easy access to this invaluable resource. Similar classes are taught at the middle school; restoring these classes would allow students to continue.
- 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.

FY2016 DELIVERABLES

- Produce 10 or more videos by FCCTV that promote, market, or communicate government programs and services (aside from regularly recorded meetings and town halls).
- Provide production and editing classes for the public on a regular basis.
- Increase FCCTV programming quality, and raise the community awareness of the stations resources.

STAFFING AND BUDGET RESOURCES

ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 Cable TV Station Supervisor
- 1.00 Cable TV Videographer

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 112,882	\$ 132,947	\$ 138,008	3.81%
Benefits	29,767	45,263	40,403	-10.74%
Professional and Contractual	-	2,700	-	-100.00%
Materials, Supplies, and Other	2,448	2,400	2,849	18.71%
Capital Outlay	11,514	53,000	59,000	11.32%
Net Expenditures				
Supported by General Revenues	\$ 156,611	\$ 236,310	\$ 240,260	1.67%

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 regulations, organization and development of employee task forces and procedures for resolving employee grievances.

This Division recruits for all vacancies, which average approximately 50 vacancies annually. Human Resources reviews job descriptions with the department 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.

Market studies are conducted and selected positions are benchmarked to ensure parity with assigned responsibilities and salaries of comparable positions elsewhere.

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

Human Resources provides leadership and career development for all levels of employees for the purpose of team building, leadership, management and supervisory skills, career development and enhancement of customer service and communications skills.

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). HR administers the annual Service Award Program to positively recognize employees who have reached certain milestones in their career with the City for their loyal service.

FY2016 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 for all employees to help employees meet and exceed City goals and better understand their City benefits Training will include New Employees Orientation, Customer Service, Supervising employees, Performance Evaluations and Retirement Planning.
- Continue to provide timely and effective recruitment services to all City departments for the average of 50 vacancies per year by posting all Recruitment Announcements and reviewing all resumes received within 48 hours
- Continue to review the City's Performance Evaluation System and recommend changes when needed and review over 200 employee evaluations for timeliness and consistency.

STAFFING AND BUDGET RESOURCES

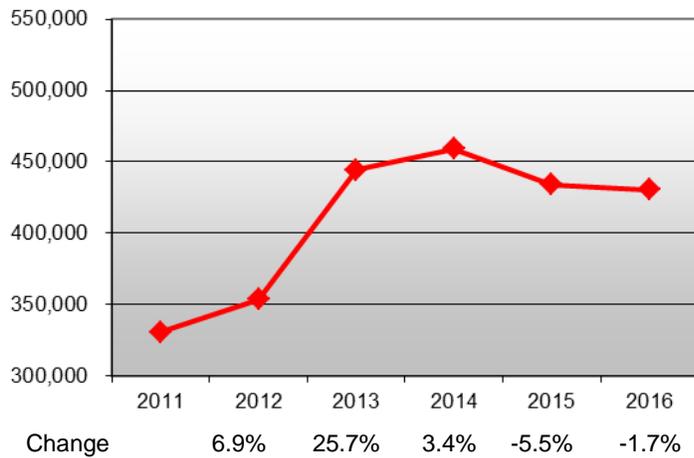
ADOPTED POSITIONS BY FTE – 2.5 TOTAL

- 0.75 Human Resources Director
- 0.75 Human Resources Generalist
- 1.0 Human Resources Analyst

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 235,106	\$ 241,730	\$ 248,723	2.89%
Benefits	98,066	91,161	92,811	1.81%
Professional and Contractual	61,123	36,100	35,728	-1.03%
Materials, Supplies, and Other	51,148	65,047	48,354	-25.66%
Net Expenditures				
Supported by General Revenues	\$ 447,689	\$ 434,038	\$ 426,616	-1.71%

BUDGET TREND: FY2011–2016



Notes:

- The increase in FY2013 is due to the following:
 - Human Resources Analyst position was restored to full-time.
 - \$50,000 increase in City's Training Program.
- The decrease in FY2015 is due to reduction in the training budget from \$60,000 to \$50,000.

RISK MANAGEMENT

SUMMARY OF SERVICES PROVIDED

The Human Resources Division develops and monitors the City’s Risk Management Program that includes obtaining, implementing, and monitoring insurance coverage for the City’s personnel, operations, and infrastructure. This section administers the City Safety Program and administers the Department of Transportation Random Drug Testing program as required by Federal law. This section also provides Federal Occupational Safety and Health Act (OSHA) training for all new and current employees. The OSHA training includes BloodBorne Pathogen, Confined Space Entry, Hazardous Chemicals, and the Department of Transportation Drug and Alcohol Program.

This section administers the City’s Workers’ Compensation Program to ensure prompt reporting of on-the-job accidents, and ensuring that employees who have been injured on the job receive prompt medical attention and return to work on regular or restricted duty as soon as they receive medical clearance.

This section handles all property and casualty claims in conjunction with the Virginia Municipal Liability Pool. Claims due to damages caused by sewer backups are administered by the Human Resources Director in his role as the City’s Risk Manager.

FY2016 DELIVERABLES:

- Ensure the City protects its assets and financial exposures 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 to help prevent future ones.

STAFFING AND BUDGET RESOURCES

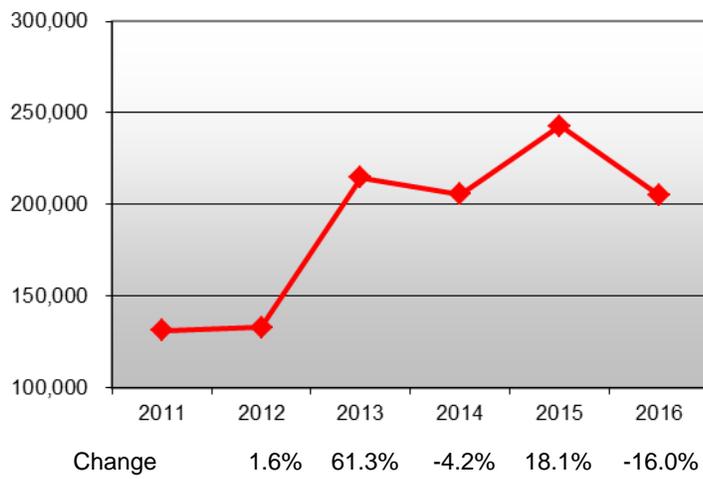
ADOPTED POSITIONS BY FTE – .50 TOTAL

- 0.25 Human Resources Director
- 0.25 Human Resources Generalist

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 49,469	\$ 51,199	\$ 52,680	2.89%
Benefits	16,525	17,583	16,962	-3.53%
Professional and Contractual	2,849	3,500	4,000	14.29%
Materials, Supplies, and Other	139,284	170,600	130,464	-23.53%
Net Expenditures				
Supported by General Revenues	\$ 208,126	\$ 242,882	\$ 204,106	-15.96%

BUDGET TREND: FY2011–2016



Notes:

- Most of the increase in FY2013 is due to the \$75,000 increase to the General Fund for the City's Public Officials Insurance.
- Most of the increase in FY2015 is due to the City's Public Officials Insurance as all of it is now charged to the General Fund.
- Reduction in FY2016 is due to Public Officials insurance decreasing due to 3 year surcharge period expiring.

INFORMATION TECHNOLOGY

SUMMARY OF SERVICES PROVIDED

The Information Technology Services & Support (ITS) ensures that all information-based services are acquired and maintained in the most cost-effective manner, consistent with organizational priorities, while ensuring data availability, data integrity, and data confidentiality. IT is integral to all services delivered by the City by every department and there is an ever increasing reliance on technology.

The goal of ITS is to support the General Government staff and maximize their efficiency in serving the public. ITS is responsible for all core infrastructure, systems, servers, networks, workstations, telecommunication services (phone, cell, radios), and audio visual equipment. Core services include: Public Safety computer aided dispatch, records management system, mobile dispatch terminal with cruiser field reporting systems, financial / electronic resource planning system, telecommunications software, on-line services, fleet management systems, security hardware & software, asset inventory, desktop hardware & software, and radio communications.

In July 2014, the City ended its outsourced IT services contract and moved to an in-house support model for all IT services. City IT staffing consists of 8.4 FTEs to deliver these critical services more effectively and at lower cost. The CTO is responsible for IT policies and processes, develops citywide IT strategic plan, serves as the IT security officer, and manages key projects. The ITS team is responsible for system maintenance, installing new applications and hardware, customer support, and ensuring the City's IT environment is secure and fully operational 24x7x365 days a year.

TRENDS AND ISSUES

- Shifted from an outsourced with minor blended internal roles model to an in-house operations structure for greater overall efficiency and adaptability.
 - Went from contracted 3.3 FTE and 2.4 City staff in FY2014 to a total of 8.4 FTE for FY2016 at the FY2014 budget amount.
 - ITS has drastically increased the number of active projects to address numerous project initiatives by the organization.
 - ITS has addressed many internal IT operational projects to improve system reliability and capability.
 - Previous blended outsourced model would have cost at least an additional \$200,000 in FY2016.
- Shifted budgetary line items to more accurately reflect and track organizational requirements.
 - Moved software licensing under maintenance contracts to more accurately reflect the cost to maintain the base operating systems and software, predominantly Microsoft Enterprise Agreement for Windows OS and MS Office productivity.
 - Continue to refine and reduce other maintenance service contract costs where possible without jeopardizing core services.
- Reduction in system refresh and enhancement funding to meet required budget guidelines at FY2014 funding level.
 - Full FY2012, FY2013 & FY2014 budgets underspending resulted only from not purchasing new hardware and due to staff shortages and contractual limitations and not actual organizational requirements or needs.
 - Adopted FY2016 budget for general systems refreshes and required additions reduced from \$66,950 to \$4,000 to cover other maintenance and operating cost increases, and to ensure the new staffing model effectively covers workload requirements.

- The City's continued technology growth will increase the Microsoft Enterprise Agreement cost from \$85,000 to at least \$110,000, a nearly 30% increase.

SIGNIFICANT CHANGES IN FY2016

- This is the first fiscal year where ITS will be starting fully staffed, with 2.6 FTE increase, under an in-house staffing model that will better address all support issues the organization has been facing, without contract scope constraints and can begin to truly focus proactively on the needs of the organization to better serve the citizens.
- The City will finally be on a modernized 911 compatible system to better serve the citizens by having comprehensive location information from 911 calls.
- The City will have a fully implemented centralized management traffic light control and timing system through an internal private network.
- Start of many core essential project related initiatives long needed by the organization and core IT operations now that more appropriately staffed to address many of these requirements.
 - City phone system upgrade to modernize to a fully supportable system.
 - Expand redundant connectivity for City infrastructure and sites.

FY2016 DELIVERABLES

- 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.
- Establish processes and procedures for the organization to implement new technology based initiatives in a properly developed and documented project management system that has been prioritized with the organization's directives.
- Establish more tangible metrics and detailed tracking of the services provided to the organization for the citizens to aid in better strategic planning for City as a whole.
- Implement the new Public Safety CAD system enhancement and upgrade.
- Initiate implementation of the disaster recovery / continuity of operations (DR/COOP) infrastructure of core systems to City operations.

PRIORITIES FOR FUTURE FUNDING

Industry standards recommend IT staffing be 12 to 14 FTEs (not including telecommunications or radio) for full service technology requirements. The City current operates with 8.4 FTE. Despite the City's small size, the same operational requirements are necessary as for larger localities without the benefit of the economy of scale.

The organization continues to expand its reliance on high-level IT services, project management, and implementation of new systems and enhancements to better serve the needs of its citizens. This is in addition to support of existing systems. This continued increased demand for services and specialized support, as well as the need to move closer over time to industry standards for IT support, create a need for an additional 3 FTE positions. These positions, as well as training and equipment refreshes are top priorities for future funding, as described below.

1. Public Safety Senior System Engineer / Project Manager – \$97,500: ITS is responsible for providing public safety operations support; however, staffing significantly limits the ability to provide adequate, timely support at the level required for this crucial function. Almost all comparable sized police departments in the region and throughout the Commonwealth have dedicated IT resources, and many police departments have their own independent IT departments. The City operates more efficiently with a single ITS team model, but a Systems Engineer support resource is a top priority for future funding, to focus on ongoing public safety needs and continued emerging new requirements.
2. Development Services & Public Works Senior System Engineer / Project Manager – \$97,500: ITS is responsible for providing regular ongoing support to these divisions; however the drastic increase of technology requirements, such as on-line plan review and permit filing as well as mobile field devices, has outstripped the existing operations ability to support these additional requirements. The City’s adopted technology fees are to provide these required service augments and it would be appropriate to allocate a portion of these funds for the required support of the expanding technology needs.
3. Staff Development / Training – \$15,000: ITS must provide funding toward continued IT staff development to support new systems and technologies to properly support the City’s evolving needs. This training funding was required even in an outsourced model as most training has to be tailored to fit the environment to be effective and cover the breadth of what must be supported. Many systems and software require specialized training to limit downtime and ensure effective operations. This amount would allow the IT staff to just stay abreast of normal required operating processes and systems. The adopted FY16 budget provides no training funding specifically for IT, and this must be a priority for future funding.
4. Equipment Refresh – \$115,000: Under the Manager’s budget guidance constraint, funding is reduced for equipment replacement and system enhancement line items. In FY14 and FY15, the city completed a work station refresh, which factored into the decision to so deeply reduce these equipment refresh line items. However, funds will need to be restored for these line items in FY17 at the earliest to avoid loss of productivity.
5. Technology Administrative Assistant – \$52,000: The continued expansion of the requirements of the organization and corresponding increased procurements, warranty management / renewal, maintenance contract management, invoice payments, and all other related tasks precludes proper addressing of the existing basic administrative requirements. These administrative tasks are mandatory and cannot be dismissed since most are required by City code, as well as State and Federal regulations. Currently the technical IT positions must complete these functions reducing their time available for core operations and new imitative deployment. There is potential that a shared resource with the Executive, Finance, City Clerk and City Attorney departments could be used with this position, but at ~50% of an FTE would be required for existing IT administrative needs.

STAFFING AND BUDGET RESOURCES

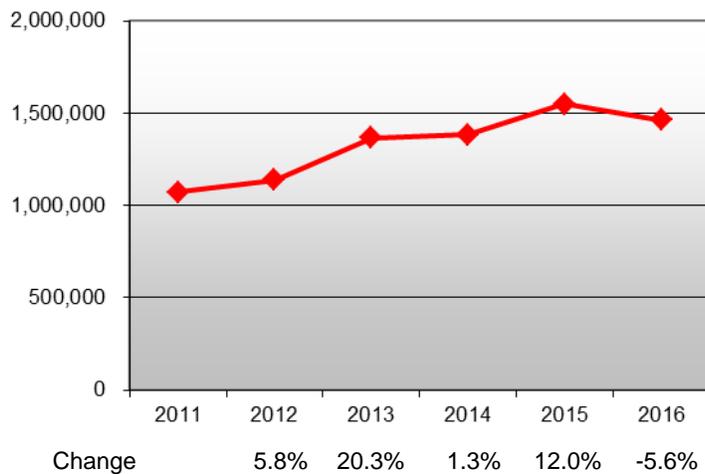
ADOPTED POSITIONS BY FTE – 8.40 TOTAL

- 1.00 Chief Technology Officer/ Security Officer
- 1.00 Network Engineer
- 1.00 Senior Team Leader/IT Manager
- 1.00 Communications Specialist (IT)
- 1.00 Systems Specialist/Helpdesk Analyst
- 0.40 Senior Systems Engineer (.60 included under Library cost center)
- 3.00 Systems Engineer

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 157,794	\$ 714,753	\$ 689,721	-3.50%
Benefits	53,835	277,672	214,766	-22.65%
Professional and Contractual	777,043	377,594	464,038	22.89%
Materials, Supplies, and Other	16,773	20,960	31,666	51.08%
Capital Outlay	231,546	158,790	63,508	-60.01%
Net Expenditures				
Supported by General Revenues	\$ 1,236,990	\$ 1,549,769	\$ 1,463,699	-5.55%

BUDGET TREND: FY2011–2016



- Notes:**
- FY2013 reflects .4 FTE for Automation Application Specialist's salary transferred from Library cost center (not net new funding).
 - FY2014 includes 1 new FTE but remained essentially flat by restructuring and reducing maintenance contracts, and reprioritizing budgetary initiatives.
 - FY2015 increase includes 2 additional FTEs and restoration of funds to partially cover system refreshes and software licensing contracts.
 - FY2016 decrease reflects the offset in moving to in-house staffing model, with a reduction in refresh funding to meet FY14 budget limit.

ECONOMIC DEVELOPMENT

SUMMARY OF SERVICES PROVIDED

Economic development is critical to the long-term fiscal health and stability of the City. The mission of the Economic Development Office (EDO) is to provide services, programs and initiatives that retain, attract and expand business activity in the City, with the goal of expanding the City's commercial tax base. The EDO works with developers to deliver new projects and new investment in high quality commercial space that will attract businesses that are a good fit for the City. Staff conducts a systematic program of business retention visits to work with existing businesses to help them grow and thrive in Falls Church.

The EDO's marketing specialist has created and will implement a marketing strategy to raise the City's profile in the region and beyond. Staff supports the EDA Board of Directors and its many adopted new initiatives, which include land banking, business district promotion and services, conceptual design work for public infrastructure improvements, alternative transportation support, grants for nonprofit programming and events, and much more.

Staff collects, maintains and posts data on commercial properties in the City, demographics, and retail trade area information on the City's website. The EDO conducts business recruitment using its deep knowledge of the Falls Church market and works with brokers and property owners to match business prospects with suitable locations in the City. Mad Fox Brewing Company, BJ's Wholesale Club, Hilton Garden Inn, and Harris Teeter are successful examples of EDO recruitment efforts. Staff produces a quarterly report on business and real estate activity in the City.

TRENDS AND ISSUES

- More than \$650 million in new development completed or under construction in the City in just over 10 years: 16% increase in overall office space; 14% increase in retail space; and 15% increase in residential units.
- Three new groceries built or now under construction, representing over 100,000 square feet of high-volume retail sales potential.
- Hilton Garden Inn is performing No. 1 in the greater Falls Church market for daily occupancy.
- Development interest in the City is at a historic high and can be expected to increase as the new wave of projects is completed.
- Numerous investments in the rehabilitation, expansion, and reuse of older commercial buildings for professional offices, retail and restaurants in the City's downtown.
- Low vacancy rates for commercial space in the City. As older tenants leave, space is quickly backfilled with few exceptions.

SIGNIFICANT CHANGES IN FY2016

- EDO's marketing specialist will implement a marketing strategy developed in FY2015.
- Resources for strategy implementation, other material and outside expertise to support three professional staff are reduced 20% from FY2015.

FY2016 DELIVERABLES

- Upgrade EDO website with better design, expanded content and interactive features.

- Produce at least three videos that highlight local business “gems,” business owner testimonials, available commercial space, and other topics that feature the City as great place to locate and do business.
- Establish social media communication channels to reach both broad and targeted recipients, such as the local business community and business recruitment prospects.

PRIORITIES FOR FUTURE FUNDING

1. Advertising - \$2,075: Production and distribution of marketing materials to prospects.
2. Printing and binding - \$1,075: Duplication and binding of printed marketing materials.
3. Professional services - \$10,000: Adequate resources needed for outside consulting such as website development, appraisals, and other specialized analytical work.
4. Office supplies - \$1,000: Minimum needs for three professional staff.
5. Postal services - \$750: Increase mailing volume to local businesses and new prospects.
6. Special activities - \$2,000: Hosting of special events, tours, etc., for businesses and prospects.

STAFFING AND BUDGET RESOURCES

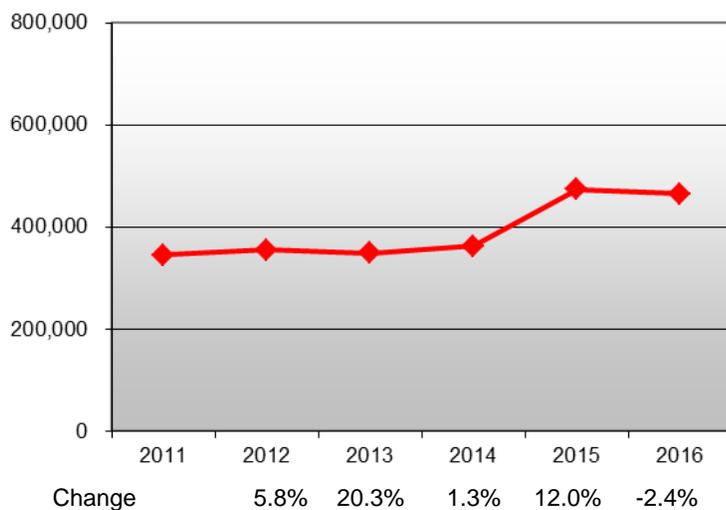
ADOPTED POSITIONS BY FTE – 3.00 TOTAL

- 1.00 Economic Development Director
- 1.00 Business Development Manager
- 1.00 Marketing Specialist

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 242,427	\$ 319,940	\$ 329,195	2.89%
Benefits	66,636	99,650	89,893	-9.79%
Professional and Contractual	34,769	36,750	33,100	-9.93%
Materials, Supplies, and Other	8,333	17,250	10,000	-42.03%
Net Expenditures				
Supported by General Revenues	\$ 352,165	\$ 473,590	\$ 462,188	-2.41%

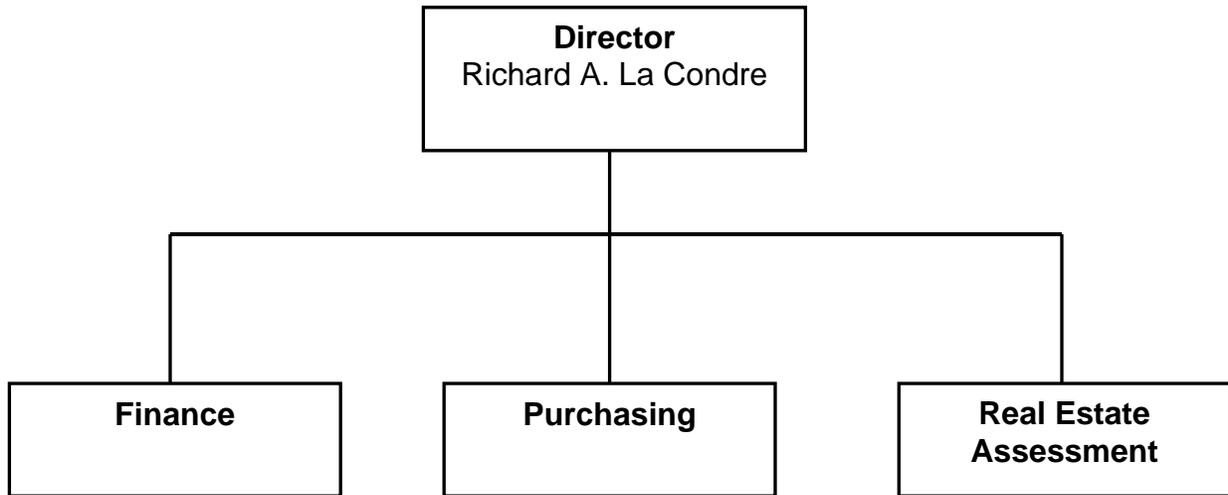
BUDGET TREND: FY2011–2016



Note:

- Increase in FY2015 reflects additional full-time position for a Marketing Specialist.

FINANCE



FINANCE & PURCHASING

SUMMARY OF SERVICES PROVIDED

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

TRENDS AND ISSUES

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

FY2016 DELIVERABLES

- Process 13,000 invoices within (10) business days of receipt
- Timely payment of (33) debt service items
- Process payroll and sales tax payments (74) timely
- Process over 500 journal entries with error rate 0%
- Perform over 400 bank 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
- Prepare 750 purchase order pricing adjustments
- Prepare 130 contract revisions and cancellations
- Prepare 150 conversions of requisitions to purchase orders
- Review all contracts for commodities and services
- Prepare and assist annual budget development and presentation
- Assist auditors in preparing annual comprehensive financial report, annual state reports, and presentation to council

PRIORITIES FOR FUTURE FUNDING

- Two (2) Budget Analysts \$190,000: Provide assistance to departments with budget analysis and implementation, as well as provide data analysis for revenue projections.

STAFFING AND BUDGET RESOURCES

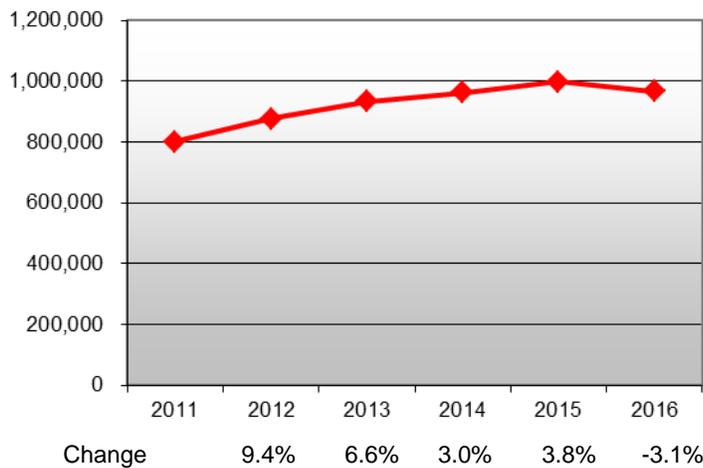
ADOPTED POSITIONS BY FTE – 7.0 TOTAL

- 1.00 Director/Chief Financial Officer
- 1.00 Deputy Finance Director
- 1.00 Purchasing Agent
- 1.00 Staff Accountant
- 1.00 Payroll Specialist
- 1.00 Benefits Specialist
- 1.00 Accounting Specialist

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 627,105	\$ 661,793	\$ 663,083	0.19%
Benefits	198,901	223,432	204,139	-8.63%
Professional and Contractual	74,988	80,500	73,500	-8.70%
Materials, Supplies, and Other	25,836	32,390	26,400	-18.49%
Net Expenditures Supported by General Revenues	\$ 926,830	\$ 998,115	\$ 967,122	-3.11%

BUDGET TREND: FY2011–2016



Note:

- Increase in FY2012 was primarily due to the reallocation of the CFO's salary as a result of the reorganization and to the increase in benefit costs.
- Increase in FY2013 reflects the funding to hire a temporary part-time personnel to assist in finance and purchasing functions.

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 public 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 ISSUE

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

SIGNIFICANT CHANGES IN FY2016

- Two new mixed use projects well underway with more in the pipeline
- New appraisal issues with mixed use projects on leased land with multiple owners

FY2016 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

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

STAFFING AND BUDGET RESOURCES

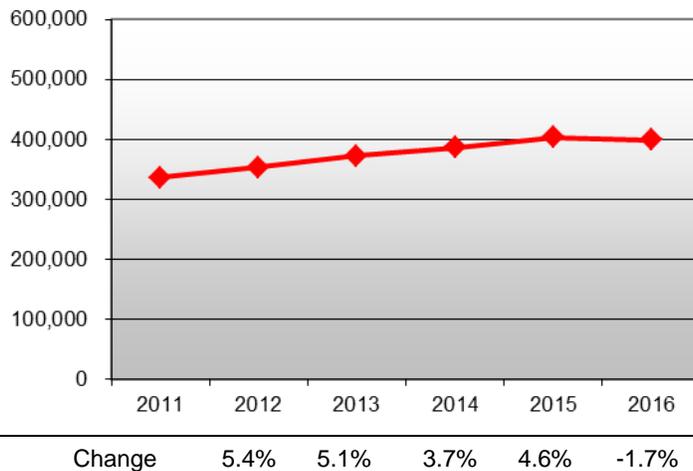
ADOPTED POSITIONS BY FTE – 3.00 TOTAL

- 1.00 Real Estate Assessor
- 1.00 Senior Administrative Assistant
- 1.00 Senior Real Estate Appraiser

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 254,520	\$ 266,179	\$ 269,647	1.30%
Benefits	81,304	88,105	85,279	-3.21%
Professional and Contractual	33,250	28,700	33,251	15.86%
Materials, Supplies, and Other	8,625	20,789	8,624	-58.52%
Net Expenditures				
Supported by General Revenues	\$ 377,699	\$ 403,773	\$ 396,801	-1.73%

BUDGET TREND: FY2011-2016



COMMISSIONER OF THE REVENUE

SUMMARY OF SERVICES PROVIDED

Tom Clinton is a direct elected representative of the citizens of the City of Falls Church and he has served as Commissioner of the Revenue since January of 2002, having been re-elected to four-year terms beginning in 2006, 2010 and 2014.

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

The Commissioner works closely with the Economic Development Office, the Economic Development Authority, the Falls Church Chamber of Commerce and the local business community providing critical tax information for 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, adding to the existing heavy office workload. For most City residents and businesses, we are their primary contact with City Hall via their vehicles, tax returns, Notarizations, and commercial or home-based business transactions. The Commissioner's Office receives the most mail, email and walk-in traffic in City Hall, and the highest number of phone calls.

Our goal is simple: to make the assessment and payment of taxes as easy as possible, while still providing the same high-quality, small-town personal service that our businesses and residents have come to expect.

TRENDS AND ISSUES

- The Falls Church DMV Select Office closed in October of 2014 due to a lack of space, staffing, and the heavy workload volume. The DMV would not allow us to go to a part-time Select Office.
- Focused now on discovering additional revenue sources that we weren't able to investigate in the past.
- Personal property assessments could increase significantly with the City's acquisition of a license plate tag reader.

SIGNIFICANT CHANGES IN FY2016

- Over 500 new residential units and over 800 new vehicles expected to be added to existing office workload while slightly decreasing the budget of a revenue generating office in FY2016.
- Over 100,000 square feet of new commercial space to be added requiring more business licenses, tangible personal property accounts and meals tax accounts while slightly decreasing the office budget.

FY2016 DELIVERABLES

- The office issues 1,800 business licenses and processes 1,800 tangible personal property tax assessments on the business equipment used by companies operating in the City.

- The office processes business taxes including: utility, right-of-way, phone line charges, hotel occupancy, short-term rental, bank franchise taxes, and the labor-intensive Meals Tax (transferred from the Treasurer’s Office with no workload exchange and no transfer of staff).
- 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 then entered directly into the state’s computers 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 having them call or visit our office first, which saves them time, aggravation and the long distance phone costs if they had to do it all on their own.
- The office annually issues approximately 12,000 personal property tax assessments, which become personal property (vehicle) tax bills in September. In July, the office mails out 10,000 Vehicle Verification Forms to all registered vehicle owners. We also process hundreds of address changes related to those vehicles. The office generates all of the vehicle decal bills and decal transfers. The office performs about 2,000 annual personal property assessment adjustments, including vehicle dispositions and other assessment changes, both saving taxpayers money.

PRIORITIES FOR FUTURE/EXISTING FUNDING

- Retain part-time .67 FTE Outreach Coordinator - \$21,000: annual cost to be absorbed in the adopted 2016 budget due to savings from staff turnover and reduced overtime costs due to the closure of the DMV Select Office.

This part-time position without benefits has allowed us to regularly reach out to the various apartment and condo building managers and get many more vehicles on the tax rolls, all while staying within our 2015 adopted budget. This has helped reduce parking tickets, allowed the review of landlord tenant lists and provided an exchange of information to the people that promote Falls Church City and its amenities to potential and existing tenants and condo owners. This person has initiated numerous special projects that have generated additional revenue that far exceeded his part-time salary; he has done special projects involving the Police Department and the City Manager’s Office. He has many years of experience of working with the Falls Church Chamber of Commerce.

STAFFING AND BUDGET RESOURCES

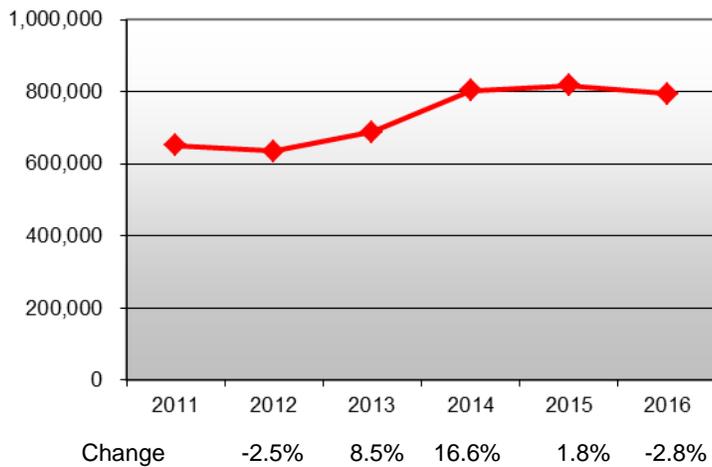
ADOPTED POSITIONS BY FTE – 8.00 TOTAL

- | | |
|------------------------------------|---|
| • 1.00 Commissioner of the Revenue | • 1.00 Business License Revenue Auditor |
| • 1.00 Chief Deputy Commissioner | • 5.00 Senior Revenue Assistants |

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 558,407	\$ 582,181	\$ 592,294	1.74%
Benefits	189,560	209,617	177,381	-15.38%
Professional and Contractual	5,951	9,100	5,951	-34.60%
Materials, Supplies, and Other	18,288	15,875	18,287	15.19%
Total Expenditures	772,206	816,773	793,913	-2.80%
Revenues				
State Grants	90,392	87,000	90,000	3.45%
Charges for Services	82,148	85,000	-	-100.00%
Total Revenues	172,540	172,000	90,000	-47.67%
Net Expenditures				
Supported by General Revenues	\$ 599,666	\$ 644,773	\$ 703,913	9.17%

BUDGET TREND: FY2011-2016



Note:

- In FY2015, we had several staff member changes and the DMV Select Office was closed by the DMV on October 31, 2014.
- In FY2016, we should have savings from the staff turnover and a sizable reduction in the amount of overtime because the Select Office closed. This would allow funding of the Outreach Coordinator position entirely from within our adopted FY2016 budget even though it was reduced by 1.11% from FY2015.

OFFICE OF THE TREASURER

SUMMARY OF SERVICES PROVIDED

The Office of the Treasurer is established by the Constitution of the Commonwealth of Virginia, and the Treasurer, Jody Acosta, is an elected Constitutional Officer, whose elected status ensures that City funds will be safeguarded by an official who is accountable directly to the City's citizens.

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

- Billing and collection of taxes (Real Estate, Personal Property, State Income and State Estimated taxes)
- Billing and collection of storm water fees
- Receipting and processing all City revenue
- Investments and safeguarding of City funds
- Disbursement of funds

The collection of delinquent water accounts was turned over to the Treasurer's office in May 2014, following the sale of the water system to Fairfax Water in January 2014. To date, we have collected \$700,000 on these delinquent accounts, and will continue to pursue these accounts in FY2016.

TRENDS AND ISSUES

- Collection of delinquent water accounts will continue in FY2016. Approximately \$300,000 expected in additional collections in FY2016.

SIGNIFICANT CHANGES IN FY2016

- Implementation of online payments for Special Pick Up fees and Parking Tickets in FY2016 will increase convenience for citizens at no additional cost to the City.
- Increased use of collection tools available to the Treasurer for collecting:
 - Delinquent parking tickets
 - Delinquent red light camera tickets
 - Other delinquent fees and charges owed to the City
- Collector \$50,000. This budget includes a new position for a collector. With this new position, we will collect delinquent parking tickets thereby reducing the delinquency rate for parking tickets from the current 11% down to 2%; collect \$100,000 in delinquent red light camera tickets, reduce our 120-days delinquency rate for real estate tax bills to 0.15%; and reduce the 120-days delinquency rate for personal property tax bills to 1.5%, resulting in potential additional revenue of \$300,000 annually for the city. This position would be dedicated solely to tax collection activities on delinquent accounts, pursuing collections through court actions, wage and bank liens, and various other collection tools available to the Treasurer.

FY2016 DELIVERABLES

- Bill and collect payments on more than 9,000 real estate bills each year with a 30-day delinquency rate of 0.4% and 120-day delinquency rate of 0.29%.
- Administer an additional billing and payment program for 198 mortgage companies.

- Bill and collect personal property taxes on more than 12,000 vehicles and 1,800 business with a 30-day delinquency rate of 6.3% and 120-day delinquency rate of 3.67%.
- Process all other miscellaneous receipts.
- Invest City (non-pension and non-OPEB) funds.

STAFFING AND BUDGET RESOURCES

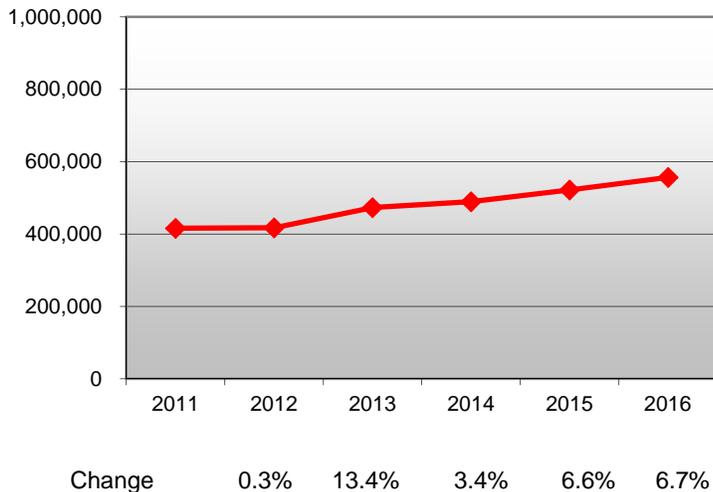
ADOPTED POSITIONS BY FTE – 4.00 TOTAL

- 1.00 Treasurer (Elected)
- 1.00 Chief Deputy Treasurer
- 1.00 Tax Collector
- 1.00 Deputy Treasurer
- 1.00 Treasurer Assistant

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 345,700	\$ 347,686	\$ 375,421	7.98%
Benefits	90,231	93,511	105,391	12.70%
Professional and Contractual	52,258	47,950	44,371	-7.46%
Materials, Supplies, and Other	23,088	32,200	30,975	-3.80%
Total Expenditures	511,277	521,347	556,158	6.68%
Revenues				
State Grants	80,945	69,000	69,000	0.00%
Charges for Services	5,847	7,000	7,000	0.00%
Total Revenues	86,792	76,000	76,000	0.00%
Net Expenditures				
Supported by General Revenues	\$ 424,485	\$ 445,347	\$ 480,158	7.82%

BUDGET TREND: FY2011-2016



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 allowing any 100% disabled Veteran, 100% Real Estate Tax Relief.

In FY2014, the Treasurer’s Office received and processed 66 completed Applications, and granted Tax Relief and/or Deferral to 63 individuals. The cost for traditional Tax Relief was \$62,308 and the cost for the Veteran’s Relief Program was \$50,148 for a total of \$112,456.

In 2014, the Treasurer’s Office, along with the City Manager, and Housing & Human Services, proposed to restructure the Senior Tax Relief Program. After conducting a survey of the tax relief programs in surrounding jurisdictions, including their income limits and relief amounts, we proposed that the City of Falls Church modify the qualifying income limits and increase relief amounts. City Council unanimously approved the modifications. The former relief cap of \$2,000 had been in effect since 2002.

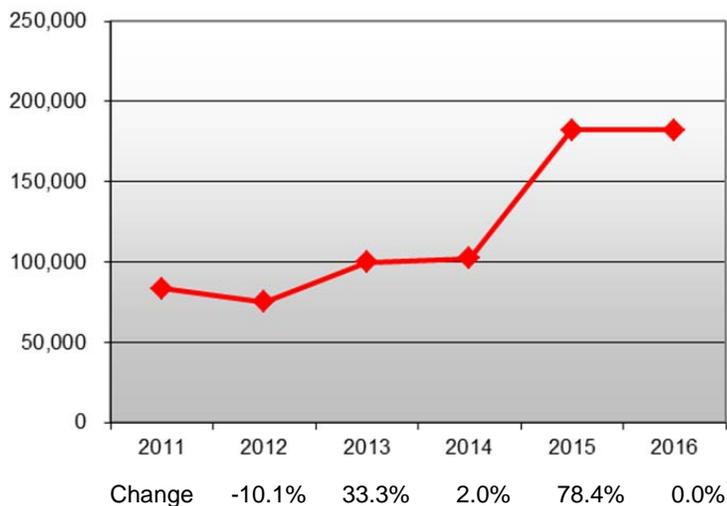
TRENDS AND ISSUES

- Updated Tax Relief Program for the Elderly & Disabled - this will take effect in FY2016 and is expected to increase participation by 10 new households and add approximately \$80,000 in tax relief (over FY2014).
- Tax Relief for surviving spouses of servicemen and women “Killed In Action”, passed in the Virginia legislature as a Constitutional amendment in November 2014 will take effect on January 1, 2015, that provides 100% real estate tax relief for the surviving spouse. At the moment, the City has no data on qualifying taxpayers, so the impact for FY2016 has not been included in the budget.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Property Tax Relief	\$ 112,456	\$ 182,000	\$ 182,000	0.00%
Net Expenditures				
Supported by General Revenues	\$ 112,456	\$ 182,000	\$ 182,000	0.00%

ADOPTED BUDGET TREND: FY2011-2016



Note:

- The FY2015 budget was increased to reflect the updated Tax Relief program but due to the timing of the approval of the changes, the changes will not take effect until FY2016.

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, offering convenient and reliable absentee voting, holding elections, and certifying election results.

TRENDS AND ISSUES

- Three elections:
 - General Election on November 3rd, 2015.
 - Presidential Primary Elections on March 1st, 2016.
 - Primary Elections on June 14th, 2016.
- 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.
- 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.
- Three part-time Assistant Registrars do not receive benefits and have not been given a raise since their hire dates. Recommend a raise in financial compensation to all Assistant Registrars.

SIGNIFICANT CHANGES IN FY2016

- The Presidential Primary Election is an extra election that happens every 4 years. - \$15,000.

FY2016 DELIVERABLES

- Over the past several years, this office has implanted 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 preclearance provisions of the Voting Rights Act
- Successful implementation of last year’s new Photo ID law
- Successful implementation of new electronic poll books (EPBs)

PRIORITIES FOR FUTURE FUNDING

- Assistant Registrars pay needs review and a raise.
- The City will require a new Voting System by Calendar year 2018 or sooner if the General Assembly passes a law requiring it. - \$200,000

STAFFING AND BUDGET RESOURCES

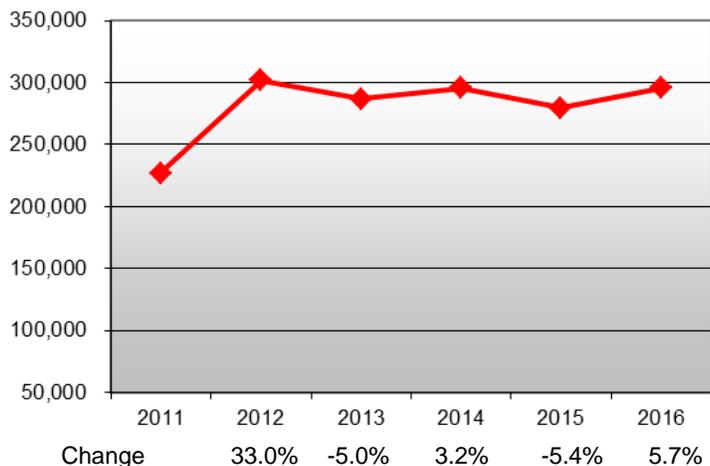
ADOPTED POSITIONS BY FTE – 1.50 TOTAL

- 1.00 Registrar
- 0.50 Assistant Registrar

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 157,316	\$ 172,392	\$ 166,178	-3.60%
Benefits	56,044	61,948	60,506	-2.33%
Professional and Contractual	22,646	18,500	38,872	110.12%
Materials, Supplies, and Other	24,395	26,978	30,256	12.15%
Total Expenditures	268,600	279,818	295,812	5.72%
Revenues				
State Grants	41,067	40,000	41,000	2.50%
Fines	100	-	-	0.00%
Total Revenues	41,167	40,000	41,000	2.50%
Net Expenditures Supported by General Revenues	\$ 227,433	\$ 239,818	\$ 254,812	6.25%

BUDGET TREND: FY2011–2016



Note:

- Budget trends change based on how many elections are in a Fiscal Year and if it is a Presidential primary or election year.

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 (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 Sheriff's Office maintains facility and court security for 49 General District Court and 27 Juvenile and Domestic Relations court days as well as other specially set court days. In addition, this Office transports approximately 300 prisoners to and from correctional facilities for the Courts. In 2013, the Sheriff's Office monitored approximately 45 individuals who were ordered by the courts to provide community service in lieu of traditional sentencing. This Office processes approximately 3,400 court papers and handles approximately 30 writs of possession (evictions) annually.

The Sheriff's Office assists the Falls Church Police Department with traffic enforcement and control, walking patrols, crowd and traffic control at major events, and participating in regional law enforcement programs. The Sheriff's Office issued 1100 traffic citations and approximately 50 parking tickets. The Sheriff's Office receives grants to conduct traffic enforcement and educational programs.

The Sheriff's Office utilizes a reserve deputy program that consists of 24 deputies, certified and non-certified who work on court days and special events. This reserve deputy program accounts for a savings of \$79,745.00 in salaries.

The Sheriff's Office provides a community outreach effort resulting in fingerprinting approximately 1,000 persons annually, including City residents, children and non-residents. The Sheriff's Office also provides education to parents, guardians, caregivers, and/or anyone transporting children and checks for proper installation of approximately 175 child safety seats 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. In 2014, 26 people were diverted from jail and assigned to the Program, resulting in 1430 hours of community service involving volunteering at local churches, at Sunrise Assisted Living facility, cleaning City vehicles, cleaning the courtroom and various areas of City Hall and picking up trash from the grounds of City Hall, the Community Center and Cherry Hill Park.

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

- Explosive Detection Canine Unit
- Operation Safe Halloween
- Santa Ride
- Anti-Terrorism Task Force
- Ident-A-Child
- Cell Phone Collection Program

SIGNIFICANT CHANGES IN FY2016

The rising cost of housing inmates at Arlington ADC and the effort to lower the amount owed, we have an MOU with Alexandria for a much lower rate. In order for us to be able to move inmates on a consistent basis we need an additional full time person. The cost off this will be off set in the savings of transferring inmates from Arlington to Alexandria and moving them back and forth to court. With the police department at full staff we anticipate more inmates and rising cost.

FY2016 DELIVERABLES

- Provide court security for at least 76 court days
- Provide 300 prisoner transports
- Issue 1,150 traffic citations and parking tickets
- Provide outreach to 1,000 persons
- Provide education and training on transporting children
- Provide checks on 175 child safety seat installations

PRIORITIES FOR FUTURE FUNDING

The Sheriff's Office requests an additional full time staff to assist in transport of prisoners to and from correctional facilities to court. This will allow the Sheriff's Office to reduce prisoner housing costs by utilizing other correctional facilities with lower rates.

STAFFING AND BUDGET RESOURCES**ADOPTED POSITIONS BY FTE – 6.00 TOTAL**

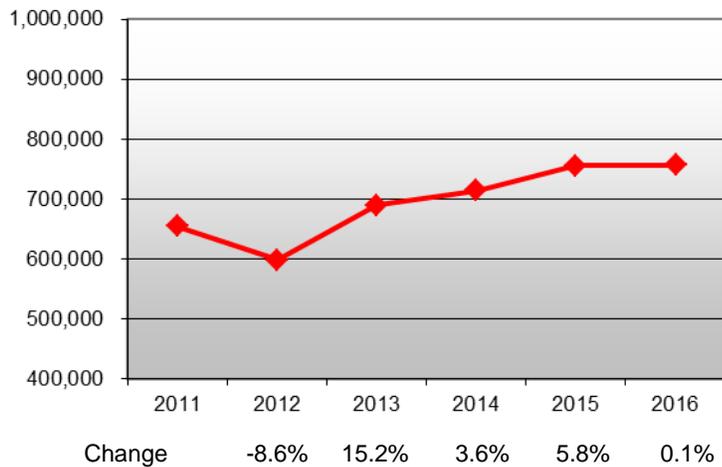
- 1.00 Sheriff (Elected)
- 3.00 Deputy Sheriffs (2 Full and 2 Part-time)
- 1.00 Chief Deputy Sheriff
- 1.00 Administrative Assistant

The Sheriff's Office also has one part-time sergeant, three part-time deputy sheriffs, and seventeen volunteer reserve deputy sheriffs who assist the office in various venues. The savings to the City by utilizing volunteer services is approximately \$79,745 (in salaries).

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 462,184	\$ 475,300	\$ 518,107	9.01%
Benefits	181,004	187,139	156,477	-16.38%
Professional and Contractual	12,600	12,600	16,647	32.12%
Materials, Supplies, and Other	58,217	75,679	60,516	-20.04%
Capital Outlay	-	5,000	5,000	0.00%
Total Expenditures	714,005	755,718	756,747	0.14%
Revenues				
Federal Grants	-	-	-	0.00%
State Grants	137,000	137,000	140,000	2.19%
Charges for Services	82,292	69,792	61,792	-11.46%
Fines	58,121	64,239	66,234	3.11%
Total Revenues	277,413	271,031	268,026	-1.11%
Net Expenditures Supported by General Revenues	\$ 436,592	\$ 484,687	\$ 488,721	0.83%

BUDGET TREND: FY2011-2016



Note:

- FY2012 reductions included the reduction of hours of a deputy sheriff from full-time to 0.5 part-time position.
- In FY2013, the Sheriff's Office added a full-time deputy sheriff position to address prisoner transportation and booking requirements.

ADULT CORRECTION SERVICES

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

STAFFING AND BUDGET RESOURCES

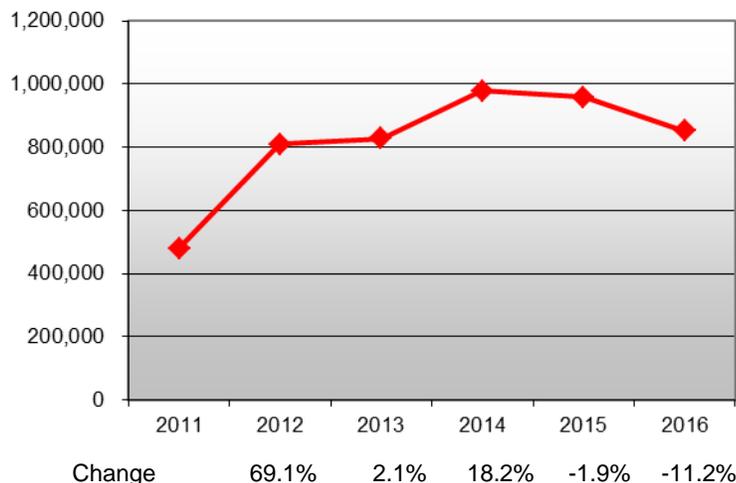
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contract with Arlington County for Adult Detention Services (ADC)
- Contract with Alexandria City for Adult Detention Services (ADC)

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 1,267,115	\$ 958,790	\$ 851,444	-11.20%
Net Expenditures				
Supported by General Revenues	\$ 1,267,115	\$ 958,790	\$ 851,444	-11.20%

BUDGET TREND: FY2011 – 2016



Note:

- 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 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 2016
- Increase in the amount of contested parking citations per month, which bring revenue to the City of Falls Church
- Equipment is provided by the Supreme Court of Virginia and other office costs are offset by the City
- Our office prints pre-payable sheets for officers and other forms that are necessary for Court operation through our City budget
- Preliminary numbers for 2014:
 - Traffic: 6,058 cases
 - Criminal: 1,182 cases
 - Civil: 412
 - Juvenile: 257
 - Domestic Relations: 203

FY2016 DELIVERABLES

- City council to maintain our office expense budget to current levels as requested for the following reasons:

- Collection of fines (\$1.00 - \$2500.00) and costs (\$61.00 - \$86.00) on all guilty or a facts sufficient finding for guilt on traffic citations and criminal charges
- Collection of filing fees to the Treasurer of Falls Church, which include Sheriff's fee, Courthouse Maintenance Fee, Fines and Forfeitures, Courthouse Security Fund, Jail Admission Fee and Local Interest on a bi-weekly basis (estimates between \$8,000 - \$20,000+ depending on what is collected)
- Collection of delinquent accounts through the Arlington County Treasurer which in turn get re-distributed back to the Treasurer of Falls Church
- Operator's Licenses for Juveniles in the City of Falls Church are sent to Arlington County to set up Driver's License presentations
- Allow for mediation to occur between two parties in dispute in Clerk's Office as no other space is available
- Prepare DMV paperwork for re-instatement of driving privileges for those who have been revoked/suspended on condition all fines and costs have been collected
- Prepare paperwork for those that are placed in community service through the Falls Church Sheriff or OAR in Arlington

PRIORITIES FOR FUTURE FUNDING

- Photocopy machine – estimate of \$1000. Our current photocopy machine is over 10 years old. Our lease as it is now is \$207/month. A new lease would increase the cost dependant on the machine that is purchased.

STAFFING AND BUDGET RESOURCES

ADOPTED POSITIONS BY FTE – 0.00 TOTAL

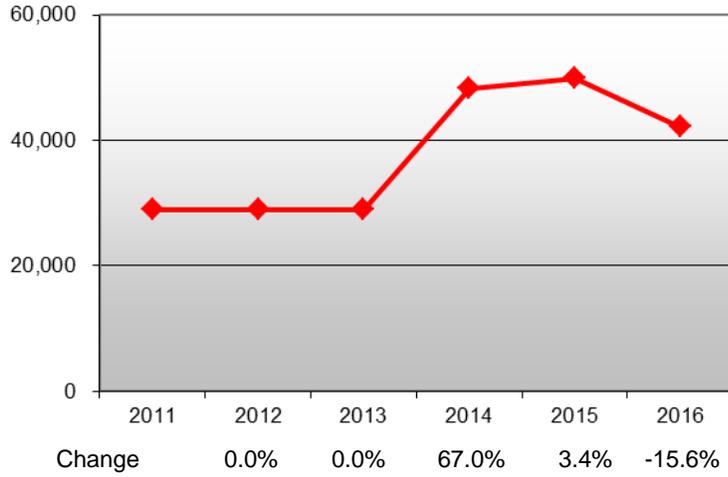
The courts have the following employees which are paid by The Supreme Court of Virginia:

- 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

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 22,890	\$ 24,167	\$ 24,611	1.84%
Benefits	1,751	1,849	1,883	1.84%
Professional and Contractual	6,348	15,600	7,396	-52.59%
Materials, Supplies, and Other	6,779	8,331	8,250	-0.97%
Net Expenditures				
Supported by General Revenues	\$ 37,768	\$ 49,947	\$ 42,140	-15.63%

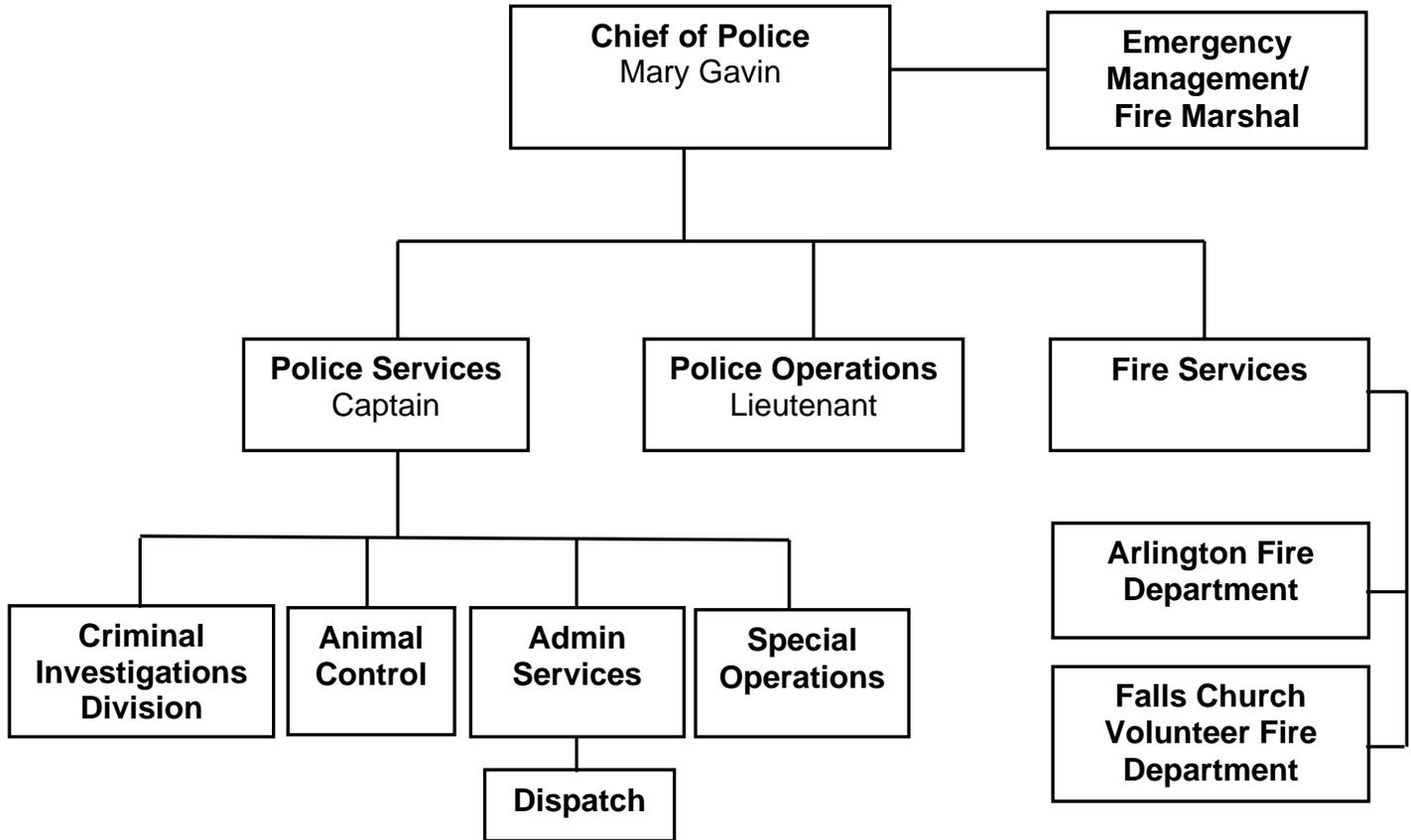
BUDGET TREND: FY2011-2016



Note:

- A salary supplement equal to 15% of current salary was included in the FY2014 budget.

DEPARTMENT OF PUBLIC SAFETY



POLICE DEPARTMENT ADMINISTRATION

SUMMARY OF SERVICES PROVIDED

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

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

TRENDS AND ISSUES

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

SIGNIFICANT CHANGES IN FY2016

- Reduction of salary in cost center because a transfer of FTE from Chief's to Services.
- Reduction in training line item.
- Replacement of mobile and portable radios for \$585,000 included in the FY2016 budget. This will allow our radios to be compatible with the region. Compatible communication devices are vital to the seamless public safety of all functions such as: EOC, police, fire and sheriffs within the City of Falls Church and the National Capital Region. Radios are the basis for communicating all calls for service, all emergency incidents and serve as the number one officer safety device. The radios are the essential lifeline to immediate public safety assistance to all citizenry and public servants in service.

FY2016 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 internal mindfulness seminar for staff within FY2016.
 - Value the leadership and human qualities in all employees.

- Budget and Policy
 - Be responsible stewards of monies budgeted.
 - Keep pace with the Accreditation files, practices and assessments for a successful Re-Accreditation June 2016.

PRIORITIES FOR FUTURE FUNDING

1. Staff Training (\$20,000): Reconstitute the training budget to keep up with trends and needs in professional development for all employees. In FY2010 the training budget was at \$20,000 and was subsequently cut to \$13,000 hence \$7,000 needs to be added back to line item.
2. In-car/ Body-worn camera technology (\$50,000): In-car/body-worn camera technology is in high demand from communities all over the Unites States. This estimate is a rough estimate of startup cost of new technology if the demand is warranted.
3. Seized Assets (\$100,000): Additional monies to be added to our seized assets line item for future training, traffic control devices as well as other equipment and City Hall facility improvements. The purpose is to avoid continuous budget cycle amendments.

STAFFING AND BUDGET RESOURCES

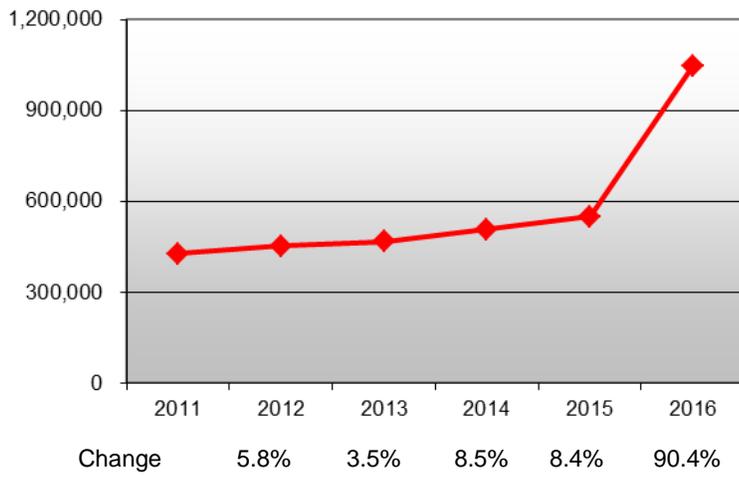
ADOPTED POSITIONS BY FTE – 2.00 TOTAL

- 1.00 Chief of Police
- 1.00 Senior Administrative Assistant

ADOPTED BUDGET

	FY2014	FY2015	FY2016	Percent
	Actual	Adopted	Adopted	Change
Expenditures				
Salaries and Wages	\$ 275,593	\$ 262,048	\$ 217,718	-16.92%
Benefits	119,018	118,941	102,993	-13.41%
Professional and Contractual	7,866	7,800	7,866	0.85%
Materials, Supplies, and Other	127,820	160,650	132,546	-17.49%
Capital Outlay	35,294	-	585,000	-
Total Expenditures	565,591	549,439	1,046,123	90.40%
Revenues				
Licenses, Fees, and Permits	7,875	8,300	8,300	0.00%
Other Grants and Contributions	428	-	-	0.00%
Total Revenues	8,303	8,300	8,300	0.00%
Net Expenditures				
Supported by General Revenues	\$ 557,289	\$ 541,139	\$ 1,037,823	91.78%

BUDGET TREND: FY2011 – 2016



Note:

- 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 Red Light and Services to better reflect true cost center expenditures.
- The increase in FY2016 is due to the replacement of radios.

PHOTO ENFORCEMENT PROGRAM

SUMMARY OF SERVICES PROVIDED

During FY2014, the Falls Church City Public School system implemented a Public Safety program aimed at enforcing the laws regarding motorists passing school buses while loading. While this is a school program, the majority of the enforcement and administration of the program will be the responsibility of the Police Department. For FY2016, the Police Department will explore the feasibility of adding one more intersection for Red Light Enforcement. Additionally, the Police Department will continue to monitor and evaluate the Red Light (Intersection Safety) Program to ensure that the incidence of serious accidents at target intersections is successfully minimized.

TRENDS AND ISSUES

- Increased traffic in the region has kept the level of violations fairly steady while overall averages of accidents at covered intersections has declined.
- There has been a slight increase in accidents at non-participating intersections in the City.

SIGNIFICANT CHANGES IN FY2016

- Traffic counts and studies will be conducted at other intersections.

FY2016 DELIVERABLES

- Continue to monitor existing photo enforcement intersections.
 - 4,750 Notices of Violations issued in 2014
 - 4,757 Notices of Violations issued in 2013
- Continue to administer the School's Stop Arm Enforcement Program.
 - 808 Notices of Violations issued in 2014
 - 62 Notices of Violations issued in 2013 (Program started October 28, 2013)

PRIORITIES FOR FUTURE FUNDING

- Expand photo enforcement to additional intersections \$129,000 annually, based on three new approaches at \$10,800 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.

STAFFING AND BUDGET RESOURCES

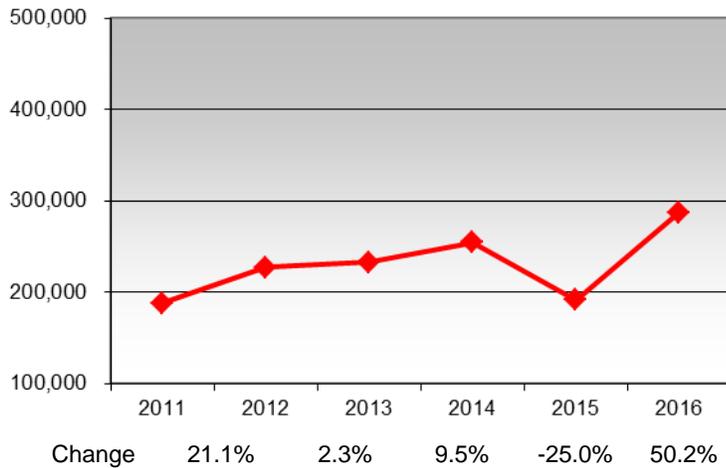
ADOPTED POSITIONS BY FTE – 1.00 TOTAL

- 0.50 Administrative Lieutenant
- 0.50 Community Services Officer

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 37,901	\$ 14,567	\$ 83,413	472.62%
Benefits	15,285	6,188	35,595	475.23%
Materials, Supplies, and Other	168,120	170,400	168,120	-1.34%
Total Expenditures	221,306	191,155	287,128	50.21%
Revenues				
Charges for Services	7,140	-	15,000	-
Fines	227,092	204,000	215,000	5.39%
Total Revenues	234,232	204,000	230,000	12.75%
Net Expenditures				
Supported by General Revenues	\$ (12,926)	\$ (12,845)	\$ 57,128	-545%

BUDGET TREND: FY2011 – 2016



Note:

- The program continues to have a positive effect on the overall averages for accidents at the participating intersections.
- The School Bus Stop Arm Program will have no negative budget impact as the financial administration of the program is the responsibility of the Falls Church City Public Schools. All costs associated with the Police Department's management and enforcement efforts are reimbursed by the schools.
- The moderate increase reflects the salary allocation of supervisory oversight.

POLICE DEPARTMENT – OPERATIONS

SUMMARY OF SERVICES PROVIDED

The uniformed Operations Patrol Division is the most visible 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. In addition to the patrol officers, one Traffic Unit officer is assigned to work various shifts and days of the week to address the numerous traffic concerns in the City. The patrol officers provide proactive patrol and respond to complaints from citizens, investigate motor vehicle accidents and perform traffic enforcement duties.

TRENDS AND ISSUES

- Increase in overtime because of caseload, mandatory training and court.
- Increase in vehicle maintenance with aging fleet.
- Decrease in revenue generated from traffic summons because of State legislative rule.
- Overall decrease in State 599 aid to local Governments.
- Decrease in Federal (UASI), State aid support of LinX, LPR, and Gang Taskforce.
- Decrease in training because of line item cuts.
- Steady inter-jurisdictional contract increases for 911-Maintenance.

SIGNIFICANT CHANGES IN FY2016

- Increase overtime because of significant caseload, mandatory training and court.
- Increase fleet maintenance.
- Decrease in training because of line item cuts.
- Decrease in directed traffic patrol as this unit has been assigned to short staffing needs.

FY2016 DELIVERABLES

- 24 hour/7 days a week operational, patrol of City.
- Respond to calls for service. Estimate 28,000 within a calendar year.
- Conduct 2,900 written investigations resulting from calls for service.
- Conduct patrol and traffic effort resulting in approximately 3,000 tickets for traffic violations.
- Execute approximately 1,100 arrests resulting from proactive patrols and calls for service.
- Respond and investigate traffic accidents, approximately 185 accidents per year.
- Respond and work to reduce over 700 residential and business alarms.
- Provide security, public assistance and crowd control during four (4) City public events and five (5) citizen/community sponsored events.
- Participate in four (4) Regional Safety Campaigns directed at reducing aggressive driving, speeding and school zone violations and provides mandatory in-service training for Department personnel, as well as, specialized training for Department personnel as needed or requested.

PRIORITIES FOR FUTURE FUNDING

- 0.5 FTE Administrative Assistant (\$30,000): This part-time position will support the increasing workload posed by duties associated with Parking Enforcement, Internal Affairs investigation transcripts and the new Fire Marshal inspection program. The increase workload and gap in administrative support affects the Police Department in many aspects but also many organizations associated with enforcement actions i.e., Courts, Clerk's Office, Treasurer's Office and Department of Public Works.

STAFFING AND BUDGET RESOURCES

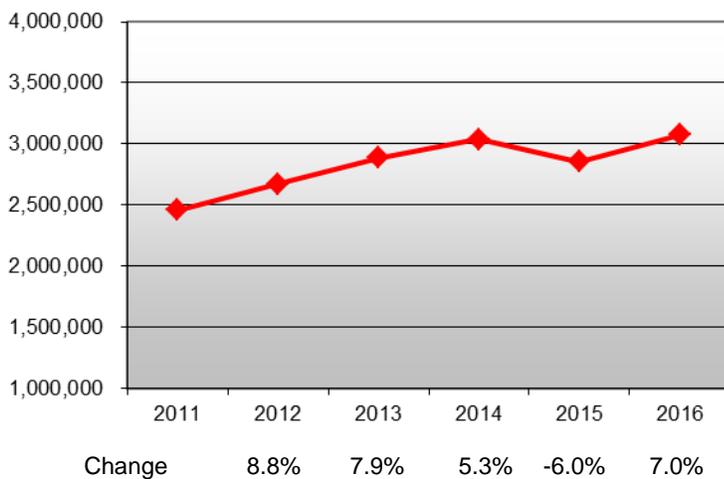
ADOPTED POSITIONS BY FTE – 21 TOTAL

- 1.00 Lieutenant
- 12.00 Uniform Patrol Officers
- 4.00 Sergeants
- 4.00 Corporals

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 1,412,489	\$ 1,475,193	\$ 1,500,941	1.75%
Benefits	992,463	995,427	1,105,356	11.04%
Professional and Contractual	89,829	16,700	69,829	318.14%
Materials, Supplies, and Other	226,052	208,645	219,240	5.08%
Capital Outlay	140,796	159,000	159,000	0.00%
Total Expenditures	2,861,629	2,854,965	3,054,366	6.98%
Revenues				
Charges for Services	(6,457)	2,000	4,000	100.00%
Federal Grants	2,870	7,200	7,200	0.00%
State Grants	333,230	322,334	322,000	-0.10%
Fines	499,220	418,761	431,766	3.11%
Proceeds from Sales of Bonds	-	159,000	-	-100.00%
Total Revenues	828,864	750,295	764,966	1.96%
Net Expenditures				
Supported by General Revenues	\$ 2,032,766	\$ 2,104,670	\$ 2,289,400	8.78%

BUDGET TREND: FY2011 – 2016



Notes:

- The increase in FY2016 is primarily due to all officer vacancies being filled, vehicle maintenance costs, and inter-jurisdictional contract for 911-Maintenance.

POLICE SERVICES

SUMMARY OF SERVICES PROVIDED

The Services Division is comprised of Administrative Services, Special Operations, and Criminal Investigations. The Services Division is responsible for many of the department's functions and programs and oversees specialized units such as the Records, Communications, School Resources, and Community Services.

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. Annually, the Criminal Investigations Unit investigates between 250 and 300 cases.

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

Special Operations coordinates and manages special events, community outreach programs, including Community Services and School Resource programs, Parking Enforcement, and is responsible for the training and deployment of the department's Emergency Services Unit. Special events include, but are not limited to, Watch Night, Memorial Day and Fourth of July celebrations, and a vast array of fun runs. 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 and school staff. The Community Services Officer (CSO) conducts home and business security surveys, provides educational programs both in the elementary and the private/parochial schools, and conducts numerous training programs for our citizens and the business community. The CSO is also the liaison and coordinator for the Crossing Guards and assists with the Photo Enforcement program. The Emergency Services Unit is a highly trained and skilled tactical team prepared to respond with minimum notice to any critical incident.

TRENDS AND ISSUES

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

SIGNIFICANT CHANGES IN FY2016

- The new Dispatch phone system will be in place.

FY2016 DELIVERABLES

- Criminal Investigations Unit to maintain a case closure rate above 80% (84% for 2014).

- Communications Unit will answer approximately 90,000 telephone calls and dispatch over 23,000 calls for service.
 - Maintain a criminal warrant file containing approximately 400 warrants
 - Conduct computer records checks for 8,000 vehicles and 8,500 drivers
- The Records Unit will conduct data entry and manage:
 - Over 200 Criminal Warrants
 - Over 4,000 Traffic Citations
 - Over 3,500 Parking Tickets
- Maintain certifications for all department personnel through mandatory in-service retraining as established by Virginia Department of Criminal Justice Services.

PRIORITIES FOR FUTURE FUNDING

- Increase Records Staff by 1 FTE – Administrative Assistant \$46,000. Due to the staff reduction in 2010 and 2011, there is only one Records Clerk. As a result, in FY2015, the Records window had to remain closed 22% of the total business hours it should have been open to the public.

STAFFING AND BUDGET RESOURCES

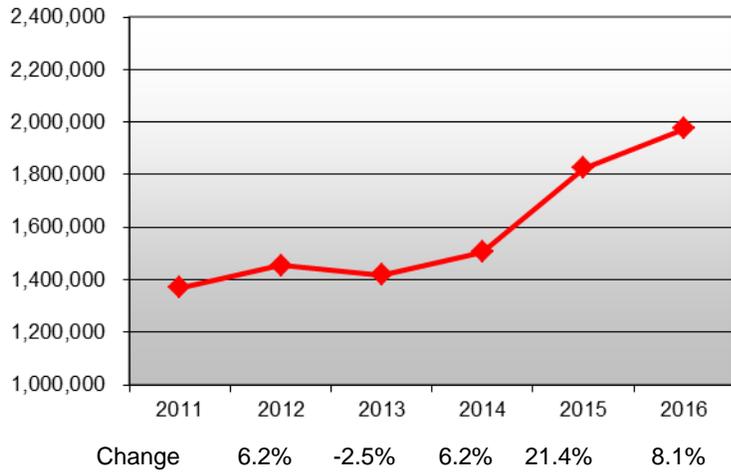
ADOPTED POSITIONS BY FTE – 14.50 TOTAL

- 1.00 Captain
 - 1.50 Lieutenants
 - 4.00 Investigators
 - 1.00 School Resource Officer
 - 1.00 Administrative Assistant
- 1.00 Sergeant - Investigations
 - 0.50 Community Services Officer
 - 2.75 Crossing Guards
 - 1.00 Senior Administrative Assistant
 - 0.75 Parking Enforcement Officer

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 958,146	\$ 1,055,846	\$ 1,109,326	5.07%
Benefits	402,094	470,734	491,784	4.47%
Professional and Contractual	215,196	175,148	247,313	41.20%
Materials, Supplies, and Other	126,115	124,576	126,115	1.24%
Capital Outlay	32,961	-	-	0.00%
Total Expenditures	1,734,512	1,826,304	1,974,538	8.12%
Revenues				
Charges for Services	560	-	1,000	-
Federal Grants	11,687	-	-	0.00%
Net Expenditures				
Supported by General Revenues	\$ 1,722,264	\$ 1,826,304	\$ 1,973,538	8.06%

BUDGET TREND: FY2011 – 2016



Note:

- A portion of the increase for FY2016 is attributable to increases in contractual obligations to Arlington County related to communications.
- The increase in salaries and wages for FY2016 is due to a realignment of supervisory responsibilities.

POLICE DEPARTMENT - DISPATCH

SUMMARY OF SERVICES PROVIDED

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

The Dispatch Center answers almost 90,000 emergency and non-emergency telephone calls and dispatches approximately 24,000 calls for service, annually. In addition, the dispatch center maintains the criminal warrant file system consisting of approximately 400 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.

SIGNIFICANT CHANGES IN FY2016

- The new Dispatch Phone System will be fully integrated with the regional VZ911 System.

FY2016 DELIVERABLES

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

PRIORITIES FOR FUTURE FUNDING

- With expanding responsibilities and workloads, staffing is becoming critical. Currently, six ECT's staff four squads. Future staffing should allow for two ECT's per squad.
 - 2 FTEs- Emergency Communications Technicians \$105,000

STAFFING AND BUDGET RESOURCES

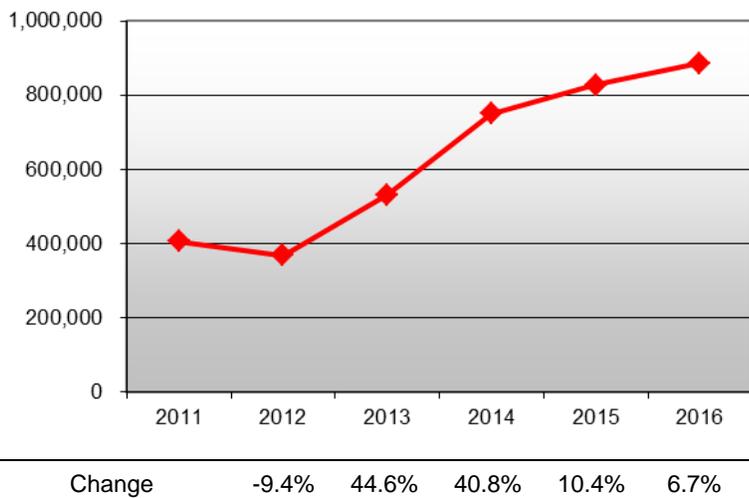
ADOPTED POSITIONS BY FTE – 6.00 TOTAL

- 6.00 Emergency Communications Technicians

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 269,683	\$ 286,855	\$ 297,068	3.56%
Benefits	103,704	126,135	103,512	-17.94%
Professional and Contractual	350,579	413,907	481,767	16.39%
Materials, Supplies, and Other	35	500	35	-93.00%
Net Expenditures Supported by General Revenues	\$ 724,002	\$ 827,397	\$ 882,382	6.65%

BUDGET TREND: FY2011 – 2016



Note:

- Beginning in FY2013, the City and Arlington County renegotiated public safety services contracts, resulting in changes to the allocation costs of their E911 services and higher cost for the City. The change in cost allocation was deferred over two years.
- Increases in FY2016 costs are due to an increase in contractual obligations to Arlington County for EOC 911 services.

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.

FY2016 DELIVERABLES

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

PRIORITIES FOR FUTURE FUNDING

- Our Animal Warden has been able to maintain shelter and veterinarian costs over the last few years; however, the costs for shelter and veterinarian services has increased significantly over the last five years for other jurisdictions in the region. For example, Manassas Park, which is similar in size and handles approximately the same number of animal and wildlife calls as Falls Church, had contract shelter care costs over \$42,000 for 2013 and 2014.

STAFFING AND BUDGET RESOURCES

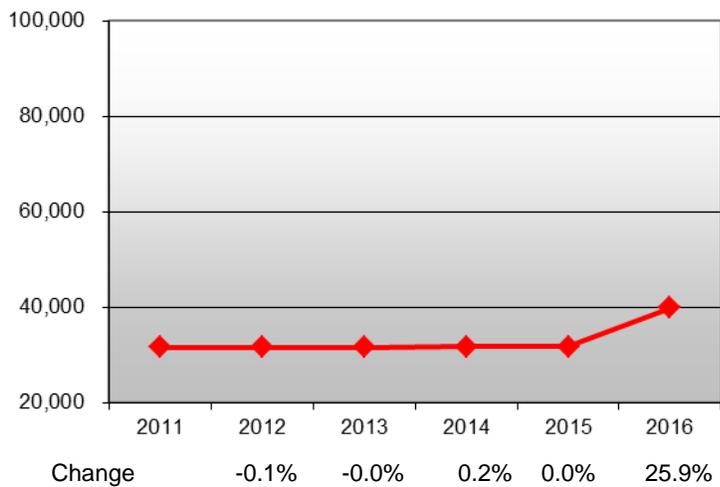
ADOPTED POSITIONS BY FTE – 0 TOTAL

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

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 35,472	\$ 25,986	\$ 35,472	36.50%
Benefits	3,119	2,334	3,119	33.63%
Professional and Contractual	1,213	2,500	1,213	-51.48%
Materials, Supplies, and Other	25	810	25	-96.91%
Net Expenditures				
Supported by General Revenues	\$ 39,829	\$ 31,630	\$ 39,829	25.92%

BUDGET TREND: FY2011 – 2016



Note:

- No significant change to the Animal Control budget for FY2016.

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 OEM Coordinator is the lead for the City's "Emergency Operations Planning Team." This team is a cross section of department representatives that hold Emergency Support Functions responsibilities. OEM serves as liaison for the Virginia Department of Emergency Management and the Council of Governments Emergency Managers.

TRENDS AND ISSUES

- Community resilience is reviewed during the plan review process for new construction projects.
- OEM has significantly increased the awareness of regional training available to all employees and has tested levels of preparedness with workshops and tabletop exercises.
- 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.

SIGNIFICANT CHANGES IN FY2016

- Increased working relationship between Police, OEM and Schools in formulating better preparedness planning for emergencies.
- Focus will be to update the City Emergency Operations Plan.

FY2016 DELIVERABLES

- Completion of the following Emergency Support Plans: Sheltering and Damage Assessment.
- Completion of a second tabletop exercise with the schools and working toward the preparation of a full scale exercise.
- Adoption of the 2016 Emergency Operations Plan.

PRIORITIES FOR FUTURE FUNDING

- See Future Funding under Fire Marshal.

STAFFING AND BUDGET RESOURCES

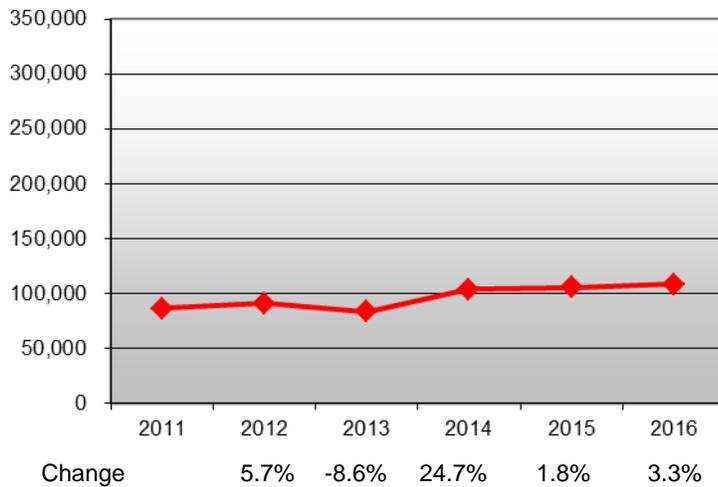
ADOPTED POSITIONS BY FTE – 0.50 TOTAL

- 0.50 Emergency Management Coordinator

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 53,367	\$ 52,589	\$ 56,479	7.40%
Benefits	18,953	20,462	22,254	8.76%
Materials, Supplies, and Other	14,784	16,898	14,784	-12.51%
Capital Outlay	15,627	15,750	15,627	-0.78%
Net Expenditures				
Supported by General Revenues	\$ 102,731	\$ 105,699	\$ 109,144	3.26%

BUDGET TREND: FY2011 – 2016



Note:

- No significant change to the Emergency Management budget for FY2015.

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 six fires reported with an estimated fire loss (CY2014) of over \$2,000,000. 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
CY 2014	222	174	517	\$41,905
CY 2013	211	150	541	\$38,743
CY 2012	200	143	826	\$36,383
CY 2011	177	120	368	\$22,290

TRENDS AND ISSUES

- Growth continues to have a high impact demand on the Fire Inspection Program for existing structures: New and changing occupancies that include restaurants, places of assembly, schools, child care facilities including home daycare, warehouses, buildings with fire protection systems, pools, tents, automotive repair facilities, industrial facilities, and any locations in the city using hazardous materials and operations, including fuel dispensing facilities all require annual permits and inspections.
- The sale of the water system created additional responsibilities on the Fire Marshal with the addition of schools and the property yard for inspections, permitting and special events.
- 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 FY2016

- 2014 showed difficulties in keeping up with the demands of the existing Fire Inspection Program. Construction growth and plan review along with the demands of Emergency Management backlogged the Inspection Program by several months. In October a temporary Part-Time Fire Inspector was hired to assist in meeting these demands. In the first three months, this position proved invaluable by placing the program back on schedule.

FY2016 DELIVERABLES

- The addition of the Part-Time Fire Inspector will assist in obtaining an inspection target at 100% of the City’s inspectable properties. In the first two months of CY2015, approximately 20 new inspections were performed with an estimated revenue of an additional \$7,000. The main deliverable will be safer occupancies with an overall increase in property values saved.

PRIORITIES FOR FUTURE FUNDING

- Administrative Assistant (\$35,000): Needs included performing clerical duties such as creating permits, filing notices of violation, logging inspections, following-up with billing and collecting revenue. The position would free up clerical duties performed by the Fire Marshal-Emergency Manager to focus on more strategic goals under these Divisions.

STAFFING AND BUDGET RESOURCES

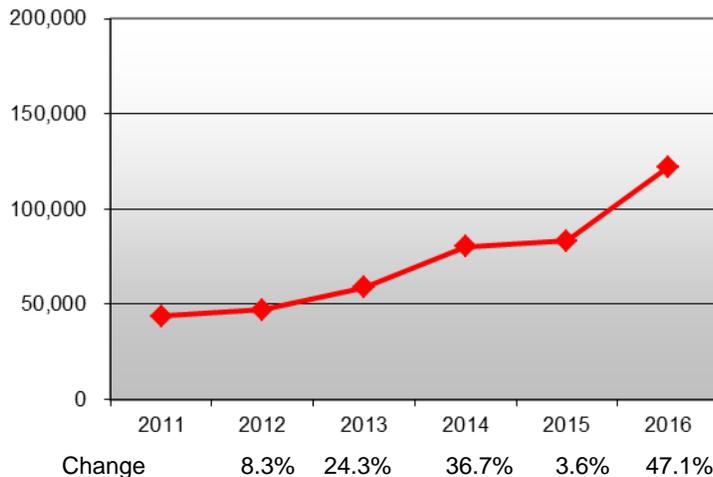
ADOPTED POSITIONS BY FTE – 0.50 TOTAL

- 0.50 Fire Marshal

ADOPTED BUDGET

	<u>Actual</u>	<u>Adopted</u>	<u>Adopted</u>	<u>Change</u>
Expenditures				
Salaries and Wages	\$ 52,243	\$ 52,589	\$ 87,842	67.03%
Benefits	18,868	20,514	24,678	20.30%
Materials, Supplies, and Other	5,585	9,000	9,683	7.59%
Total Expenditures	76,696	83,103	122,203	47.05%
Revenues				
Charges for Services	43,458	30,000	45,000	50.00%
Use of Building Fee Reserves	-	-	35,000	-
Total Revenues	43,458	30,000	80,000	166.67%
Net Expenditures				
Supported by General Revenues	\$ 33,239	\$ 53,103	\$ 42,203	-20.53%

BUDGET TREND: FY2011 – 2016



Note:

- No significant change to the Fire Marshal budget for FY2015. Salary for the Part Time Fire Inspector is a neutral cost realized from the addition of revenues from permits and inspections.

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 \$20,000 grant to the Falls Church Volunteer Fire Department as well as payment towards the Virginia Line-of-Duty-Act fund for the volunteers.

STAFFING AND BUDGET RESOURCES

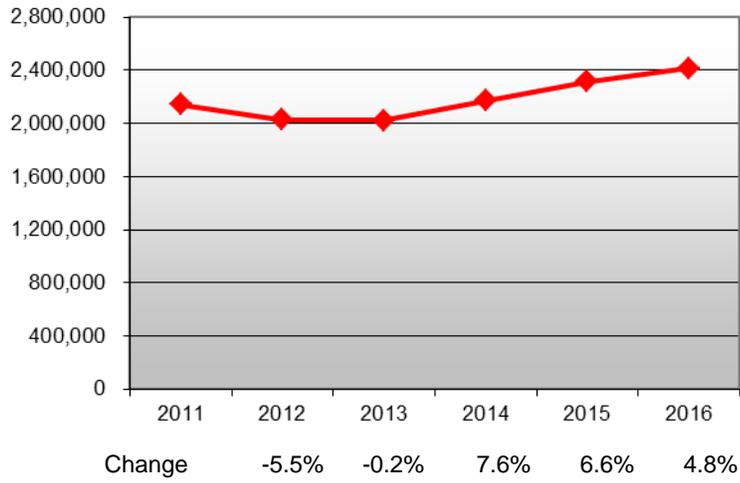
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

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

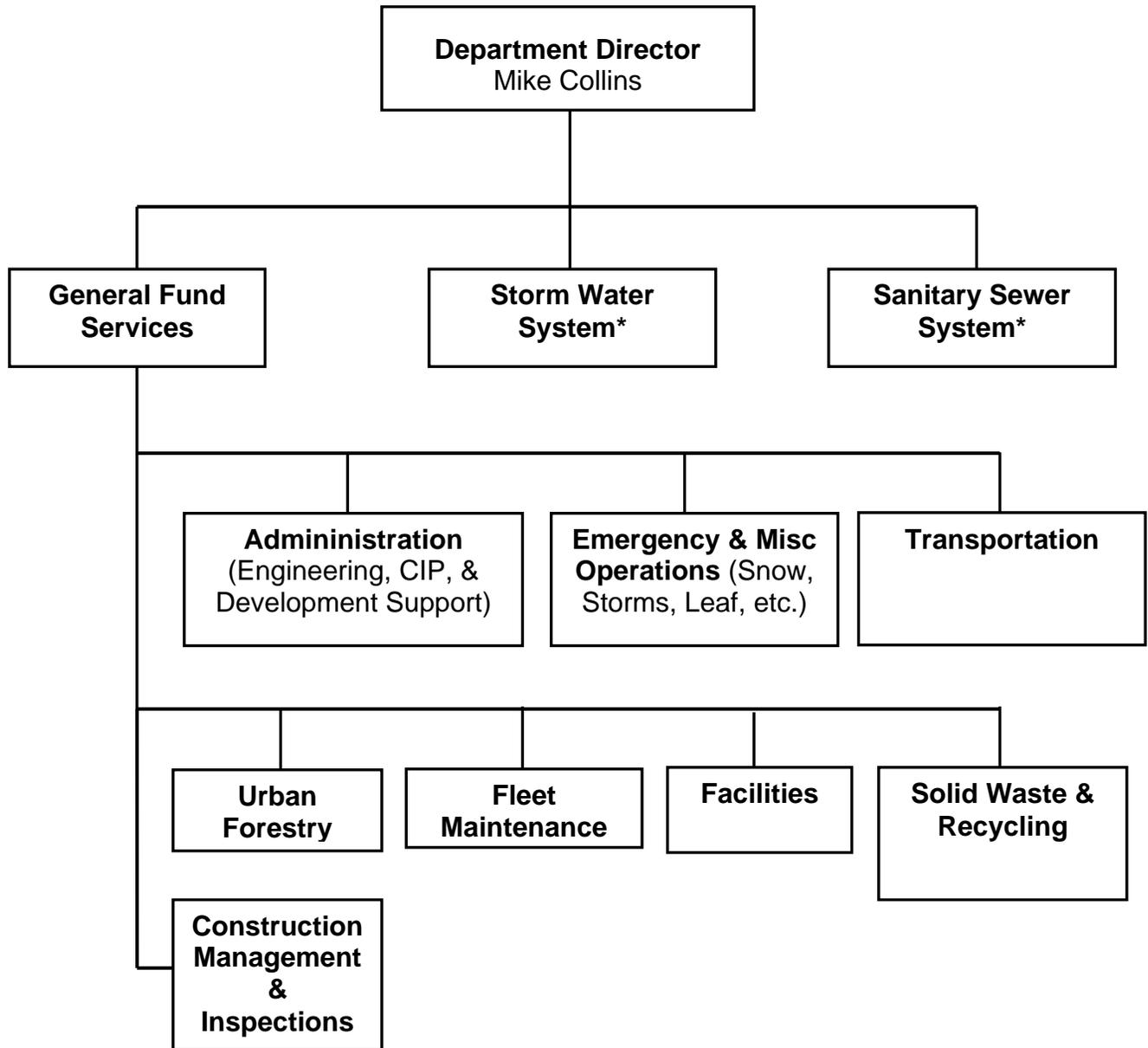
ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Benefits	\$ -	\$ 6,960	\$ 4,600	-33.91%
Professional and Contractual	2,101,398	2,251,464	2,385,784	5.97%
Materials, Supplies, and Other	105,863	56,876	37,000	-34.95%
Total Expenditures	2,207,260	2,315,300	2,427,384	4.84%
Revenues				
State Grants	88,804	-	-	0.00%
Charges for Services	55,455	265,000	120,000	-54.72%
Total Revenues	144,259	265,000	120,000	-54.72%
Net Expenditures				
Supported by General Revenues	\$ 2,063,001	\$ 2,050,300	\$ 2,307,384	12.54%

BUDGET TREND: FY2011 – 2016



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 pages 227-236. The Stormwater Fund budget can be found on pages 239-246. The CIP Funds budgets can be found on pages 261-298.

PUBLIC WORKS ADMINISTRATION

SUMMARY OF SERVICES PROVIDED

The Public Works Administration cost center provides engineering and administrative coverage and resources for Development Services, the Capital Improvements Program, ROW Permitting, GIS, and general DPW needs.

TRENDS AND ISSUES

- ROW Permits increased from 72 in FY2013 to 97 in FY2014 and an estimated 150 in FY2015
- Allocation of staff to CIP accounts has increased administrative burden
- CIP Grants Administrator position (partially CIP funded) created in FY2015 to maintain compliance with Grant funding requirements

SIGNIFICANT CHANGES IN FY2016

- Transferred significant resources out to Transportation and 4109 Construction Management & Inspections

FY2016 DELIVERABLES

- Implementation of tablet computing to support GIS data collection and analysis

PRIORITIES FOR FUTURE FUNDING

1. Replacement of Plotter (\$12,000): DPW's existing plotter dates will be out of warranty in FY2017.
2. Mobile Computing (\$4,000): DPW is looking to leverage the ability for tablet computers to support our GIS program

STAFFING AND BUDGET RESOURCES

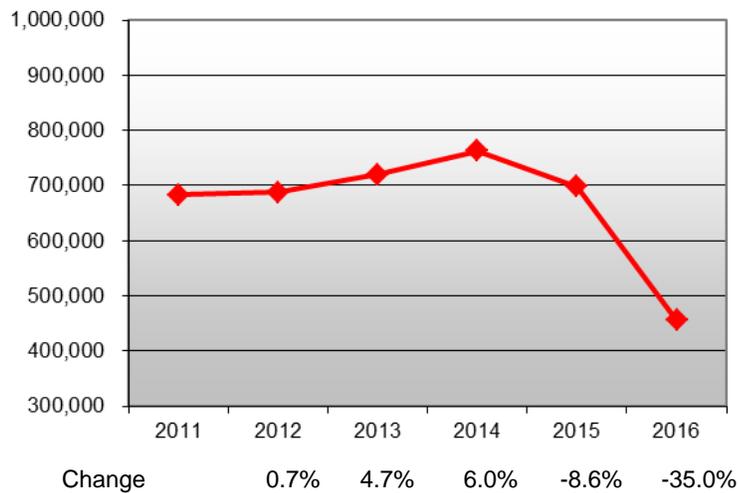
ADOPTED POSITIONS BY FTE – 3.32TOTAL

- 0.75 Director of Public Works
- 0.15 Engineer
- 0.25 GIS Analyst
- 0.50 Contracts Manager
- 1.00 Senior Administrative Assistant
- 0.67 CIP Grants Administrator

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 447,723	\$ 373,564	\$ 293,945	-21.31%
Benefits	150,193	127,676	91,294	-28.50%
Professional and Contractual	58,807	147,650	31,500	-78.67%
Materials, Supplies, and Other	30,699	36,800	32,450	-11.82%
Capital Outlay	4,050	12,000	4,500	-62.50%
Total Expenditures	691,473	697,690	453,689	-34.97%
Revenues				
Licenses, Fees, and Permits	239,282	188,700	215,000	13.94%
Charges for Services	12,830	5,000	10,000	100.00%
Fines	4,200	1,000	10,000	900.00%
Total Revenues	256,312	194,700	235,000	20.70%
Net Expenditures				
Supported by General Revenues	\$ 435,160	\$ 502,990	\$ 218,689	-56.52%

ADOPTED BUDGET TREND: FY2011-2016



Notes:

- FY2011 reflects the relocation of the permits counter and associated staff to the Department of Development Services, as well as the relocation of GIS Services from the Department of Development Services.
- FY2012 included the reduction of GIS manager position.
- FY2014 increase included the reallocation of a portion of the Director's salary to this cost center and the purchase of computer equipment.
- 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.

CONSTRUCTION MANAGEMENT

SUMMARY OF SERVICES PROVIDED

The Construction Management (CM) and Inspections section manages construction activities for the City's Capital Improvements Program (CIP) projects as well as administering, overseeing, and inspecting private construction in the ROW and Erosion & Control compliance.

Typical Services of CM Group for CIP projects:

- Pre-Construction Services Phase (Plan review, specifications development bid and contract preparation, bidding services)
- Construction Management Phase (Inspections, documentation, payment processing, field resolution, contract enforcement, etc.)
- Post-Construction Phase (Warranty enforcement, commissioning, grant and permit close-out, documentation)

TRENDS AND ISSUES

- Managed \$1,761,532 in capital construction in FY2015
- Administered and inspected 150 ROW Permits in FY2015

SIGNIFICANT CHANGES IN FY2016

- Cost Center created from 4101 to reflect new organization structure

FY2016 DELIVERABLES

- New ROW permitting system to clarify responsibilities and increase accountability of permittees
- Manage the construction of public infrastructure projects
- Consult on development of infrastructure construction plans and specifications
- Administer, inspect, and release approximately 150 ROW permits
- Coordinate public and private construction activities with affected stakeholders (Schools, WMATA, residents, adjacent businesses, VDOT, etc.) to minimize conflict and impacts of construction

PRIORITIES FOR FUTURE FUNDING

- Implementation of mobile computing devices (tablets) to document field conditions and efficiently administer permits

STAFFING AND BUDGET RESOURCES

ADOPTED POSITIONS BY FTE – 1.50 TOTAL

- 0.50 Construction Management Supervisor
- 1.00 Civil Engineering Inspector

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ -	\$ -	\$109,930	-
Benefits	-	-	39,412	-
Professional and Contractual	-	-	34,000	-
Materials, Supplies, and Other	-	-	15,550	-
Total Expenditures	-	-	198,892	-
Net Expenditures				
Supported by General Revenues	\$ -	\$ -	\$198,892	-

SOLID WASTE & RECYCLING

SUMMARY OF SERVICES PROVIDED

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

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

The Solid Waste and Environmental Programs Coordinator staffs the Environmental Services Council (ESC), performs extensive public outreach – including publication of program documents, and semi-annual publication of the “Environment” e-newsletter – and organizes and staffs special events including:

- Household Hazardous Waste;
- Spring & Fall Recycling Extravaganza;
- Spring & Fall Community Clean-Up;
- Spring Mulch Distribution;
- Composting and Rain Barrel Workshops; and
- School Outreach including Watershed Education, Field Trips to the Waste Transfer Station, and Project EarthWatch.

TRENDS AND ISSUES

- The City’s recycling rate has consistently ranked in the top tier of Virginia jurisdictions, fluctuating between 60% and 70% annually.
- Between CY2012 and 2013, the City’s waste volume increased 5% and recycling volume decreased 20% - resulting in ~\$14,000 net increased costs.
- Contract costs have increased 5% over the last two years resulting in \$53,092 more in collection and disposal costs in that time.
- Recycling revenues have declined \$69,493 since FY2012 as a result of market changes, contract costs, and fluctuating tonnages.

SIGNIFICANT CHANGES IN FY2016

- Contract costs continue to increase while the budget is reduced. This will force difficult decisions between programs like street receptacle additions and paper shredding at the recycling extravaganza.

FY2016 DELIVERABLES

- See services above

PRIORITIES FOR FUTURE FUNDING

1. New Solid Waste Brochure (\$9,000): In order to retain one of the highest recycling rates in Virginia, updating, improving and reprinting the City’s Solid Waste Brochure, last updated in 2011, should be prioritized.
2. New Hazardous Waste Shed (\$40,000): A professional report conducted in 2014 recommended replacing the current Hazardous Waste structure at the Property Yard to comply with new state stormwater regulations, reflect best practices, and enhance employee safety and environmental protections.
3. Additional Household Hazardous Waste (HHW) Event (\$24,000): The City used to provide two HHW events annually. City residents may dispose of HHW at the Fairfax County Solid Waste Transfer Station, but the local HHW event leads to a higher capture rate, preventing HHW from entering the general waste stream or local environment.
4. Additional Recycling Receptacles (\$11,000): 12 street waste cans do not have an adjacent recycling receptacle.
5. Alkaline Battery Recycling (\$1,000): Pilot program for collecting and recycling alkaline batteries.

STAFFING AND BUDGET RESOURCES

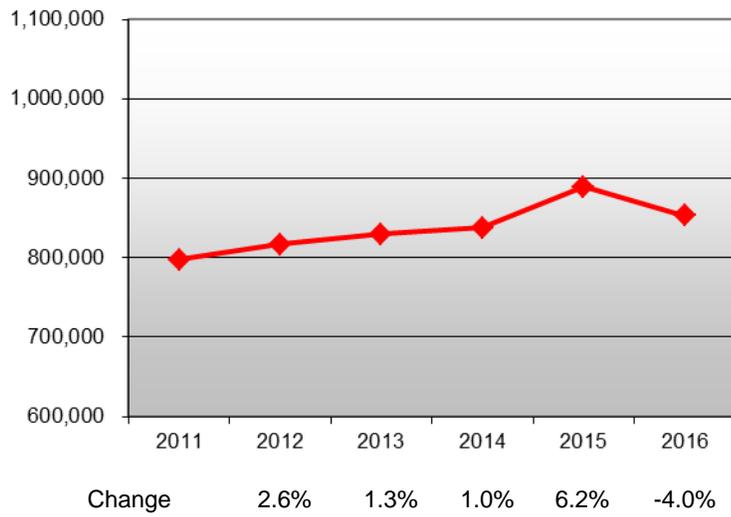
ADOPTED POSITIONS BY FTE – 1.00 TOTAL

- 1.00 Solid Waste Programs Coordinator

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 72,644	\$ 74,910	\$ 76,680	2.36%
Benefits	22,774	24,112	23,968	-0.60%
Professional and Contractual	684,472	771,206	731,427	-5.16%
Materials, Supplies, and Other	13,095	13,500	16,015	18.63%
Capital Outlay	13,442	5,000	5,000	0.00%
Total Expenditures	806,427	888,728	853,090	-4.01%
Revenues				
State Grants	6,366	7,200	7,200	0.00%
Charges for Services	71,024	94,000	82,000	-12.77%
Other Grants and Contributions	900	1,500	1,500	0.00%
Total Revenues	78,290	102,700	90,700	-11.68%
Net Expenditures				
Supported by General Revenues	\$ 728,137	\$ 786,028	\$ 762,390	-3.01%

ADOPTED BUDGET TREND: FY2011-2016



Notes:

- Reduction in FY2011 reflect outsourcing of refuse collection.
- 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.

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
- Maintaining bus shelters

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 425 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. Approximately two lane miles of 72 lane total miles are resurfaced each year under contract. 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, such as leaf collection, sign and pavement marking rehabilitation, and emergency assistance, such as snow removal and clean up from severe weather events, as necessary.

The greatest need in this cost center is for increased funding for paving and street reconstruction. The expected life of paving is generally 15-20 years, the City has been funding paving at a replacement cycle of more than 30 years. The result is that streets are deteriorating to the point that reconstruction – as opposed to repaving - will be required for many streets. Reconstruction of roads generally costs 3-7 times as much as paving and is significantly more disruptive.

The second greatest need is equipment replacement. Of the fund's 14 pieces of heavy rolling equipment (dumps, flatbeds, backhoes, etc.), 11 pieces are more than 15 years old, and six pieces are 20 years old or more. Fleet struggles to maintain an inventory of parts and continue to keep these vehicles operating.

TRENDS AND ISSUES

- In FY2014 and 2015, the City installed \$4,500 of new striping (Sharrows, Traffic Calming, etc.). As the City increases the quantity of striping on the streets, it will be necessary to budget for refurbishment after 2-5 years.
- In 2014, City Council adopted an update to the Transportation Chapter of the Comprehensive Plan. This Chapter (known as Mobility for All Modes) outlined a number of goals that would require additional maintenance funding, including:
 - Development of an ADA Transition Plan
 - Install additional bus shelters

SIGNIFICANT CHANGES IN FY2016

- As a component of the water sale and land transfer, the city obtained approximately 0.67 additional lane miles of roadway (Haycock Rd) into our Urban System

FY2016 DELIVERABLES

- Replacement of approximately 300 feet of curb, gutter, and sidewalk (0.1% of city's inventory)
- Resetting of pavers in Whittier Park (approximately 500 sf)
- Paving of 1 mile of street (3% of city inventory)
- Refresh of ½ of city's crosswalks

PRIORITIES FOR FUTURE FUNDING

1. Concrete Maintenance (\$300,000): Necessary annual funding to establish a 25 year replacement cycle for our concrete infrastructure. Initial "catch-up" costs would likely be somewhat higher.
2. Paving (\$1,000,000): Necessary annual funding to establish an 18 year replacement cycle. This estimate includes cost for pavement reconstruction (\$400,000) – which could be bonded.
3. Fleet Replacement (\$225,000): A 1992 flatbed truck and a 1994 and 1997 backhoes need to be replaced as the cost to maintain these pieces of old equipment is getting prohibitive.

STAFFING AND BUDGET RESOURCES

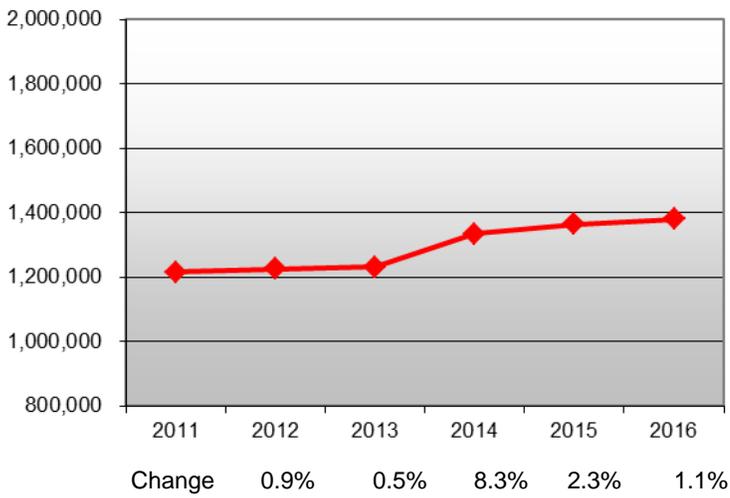
ADOPTED POSITIONS BY FTE – 10.85 TOTAL

- 0.25 Superintendent of Public Works
- 0.20 Asst. Superintendent
- 0.40 Sr. Administrative Assistant
- 3.00 Senior Maintenance
- 2.00 Crew Leader
- 4.00 Maintenance Worker
- 1.00 Equipment Operator
- Salary from this cost center is allocated to Storm 4103, Snow 4105, and Leaf Collection 4205.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 390,763	\$ 502,562	\$ 493,601	-1.78%
Benefits	170,136	221,368	211,057	-4.66%
Professional and Contractual	375,088	364,875	386,340	5.88%
Materials, Supplies, and Other	284,769	225,500	288,385	27.89%
Capital Outlay	11,568	50,000	-	-100.00%
Total Expenditures	1,232,323	1,364,305	1,379,383	1.11%
Revenues				
State Grants	14,013	159,636	44,435	-72.16%
Net Expenditures				
Supported by General Revenues	\$ 1,218,311	\$ 1,204,669	\$ 1,334,948	10.81%

BUDGET TREND: FY2011-2016



- Notes:**
- FY2011 decrease reflects cuts to the Property Yard Open House, striping of municipal parking lots and street paving.
 - In FY2012, a reduction was made in road resurfacing to achieve our 10% department budget cut but an increase results due to costs for additional positions and increased cost of benefits.
 - 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

SNOW AND 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 combat severe weather conditions. 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

- Aging fleet and appurtenances (salt spreaders) requires significant investment to maintain

SIGNIFICANT CHANGES IN FY2016

- Two new dump trucks purchased in FY2015 and two adopted in FY2016 (as identified in the Highways, Streets & Sidewalks cost center) should increase reliability and efficiency
- One new spreader adopted in the FY2016 budget

FY2016 DELIVERABLES

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

PRIORITIES FOR FUTURE FUNDING

1. Bed Replacement (\$10,000): Truck #59 has a hole in the bed which has been patched numerous times and is nearing structural inadequacy.
2. Salt Spreaders (\$20,000): Salt spreaders have a typical useful life of 10 years. Our current inventory averages 15 years of use.

STAFFING AND BUDGET RESOURCES

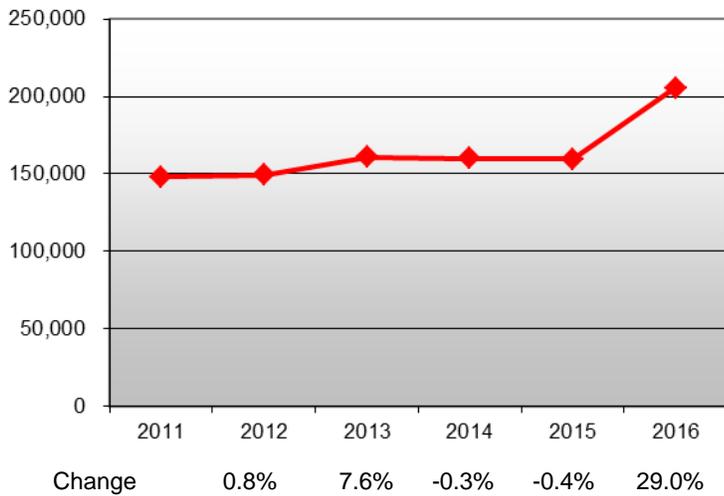
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

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

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 143,505	\$ 63,000	\$ 57,425	-8.85%
Benefits	29,217	15,824	15,155	-4.23%
Professional and Contractual	24,179	8,000	11,100	38.75%
Materials, Supplies, and Other	142,577	72,680	102,000	40.34%
Capital Outlay	17,250	-	20,000	-
Total Expenditures	356,729	159,504	205,680	28.95%
Revenues				
State Grants	316,663	153,504	176,680	15.10%
Net Expenditures Supported by General Revenues	\$ 40,066	\$ 6,000	\$ 29,000	383.33%

BUDGET TREND: FY2011-2016



Notes:

- Increase in FY2013 reflects transfer of monies from other Public Works budgets to cover critical repairs to snow equipment.
- FY2016 reflects increased snow mobilizations observed in FY14 and FY15.
- FY2016 includes replacement of (1) salt spreader.

TRANSPORTATION

SUMMARY OF SERVICES PROVIDED

The City of Falls Church maintains, operates, and manages all of the roadways in the City. The Transportation 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:

- 27 Traffic signals and other components (flashing beacons, etc.)
- Nearly 200 city owned streetlights and 1,020 Dominion Virginia Power streetlights
- Paving and concrete maintenance
- Over 1,900 regulatory and warning signs
- Pavement marking
- 26 bridges

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

- Delivering the Transportation section of the Capital Improvement Program
- Reviewing development plans and studies for transportation impacts and recommending improvements
- Responding to citizen inquiries

TRENDS AND ISSUES

- Aging infrastructure and increasing density have led to increased citizen requests for street enhancements or refurbishments
- External Grants or other funding opportunities typically exclude maintenance activities – placing a greater maintenance burden on the Operating budget

SIGNIFICANT CHANGES IN FY2016

- CIP staff added in FY2015 have enhanced DPW's ability to manage traffic signals and streetlights with in-house resources
- Implementation of "closed loop" communication system integrating our traffic signals
- Re-allocation of resources and realignment of organization

FY2016 DELIVERABLES

- Preventative maintenance for 10 of our 27 traffic signals
- Two traffic signal cabinet replacements
- Traffic signal modeling software for staff
- Approximately 50 emergency responses for signal or streetlight failures
- Replacement of damaged traffic data collection equipment

PRIORITIES FOR FUTURE FUNDING

- Infrastructure Management Engineer (\$120,000): A dedicated staff position for managing and maintaining the infrastructure systems listed above

STAFFING AND BUDGET RESOURCES

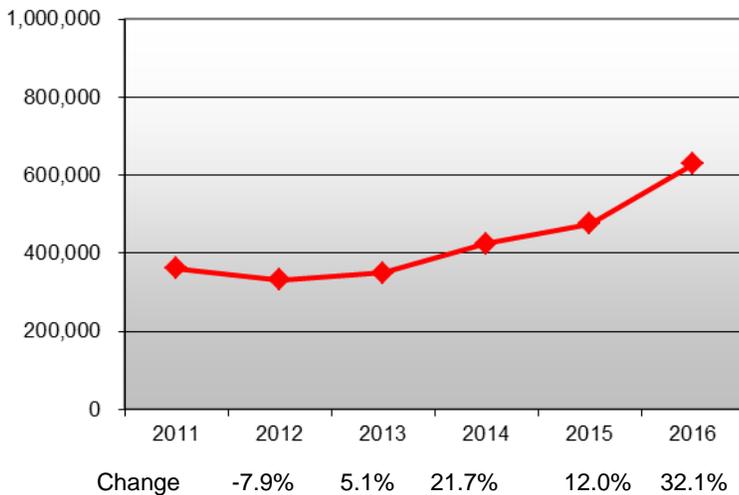
ADOPTED POSITIONS BY FTE – 1.60 TOTAL

- 0.25 CIP Engineer - Manager
- 0.60 Engineer
- 0.75 Civil Transportation Engineer

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 4,864	\$ 92,149	\$ 148,485	61.14%
Benefits	1,318	31,040	41,215	32.78%
Professional and Contractual	222,648	170,000	150,000	-11.76%
Materials, Supplies, and Other	188,272	182,500	288,540	58.10%
Capital Outlay	27,422	-	-	0.00%
Total Expenditures	444,524	475,689	628,240	32.07%
Revenues				
State Grants	444,524	475,689	628,240	32.07%
Total Revenues	444,524	475,689	628,240	32.07%
Net Expenditures				
Supported by General Revenues	\$ -	\$ -	\$ -	0.00%

BUDGET TREND: FY2011-2016



Notes:

- FY2012 reduced maintenance service contract to achieve 10% division budget cut resulting in less available monies for traffic signal modifications. Maintenance of signals and City-owned street lights fully outsourced.
- Increases in FY2013 from FY2012 reflect additional management by engineering staff and reflect the full transition to outsource maintenance begun in FY2011.
- FY2014 increases include the allocation of 0.50 Traffic Engineer's salary and increased costs associated with repairs and maintenance.
- 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.

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 FY2016

- Addition of storm sewer crew enables the department to cease use of contracted services

FY2016 DELIVERABLES

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

PRIORITIES FOR FUTURE FUNDING

- Two vacuum units (\$50,000): Two of our vacuum units are more than 20 years old and need to be replaced.

STAFFING AND BUDGET RESOURCES

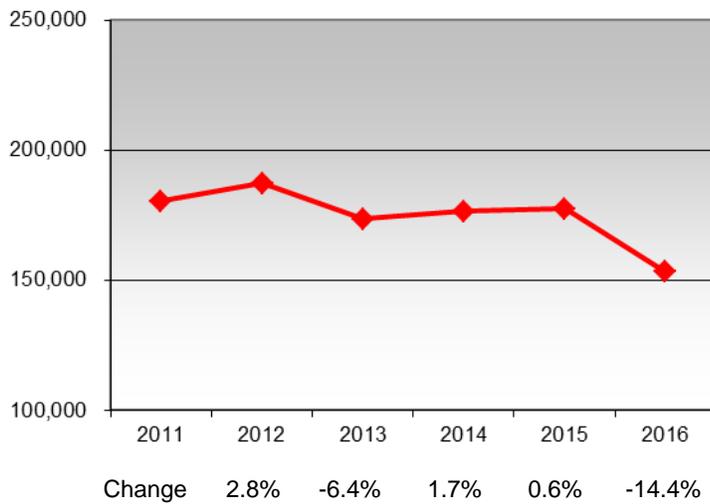
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

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

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 83,182	\$ 92,000	\$ 95,200	3.48%
Benefits	31,087	36,171	32,645	-9.75%
Professional and Contractual	12,498	30,000	-	-100.00%
Materials, Supplies, and Other	27,326	19,200	24,000	25.00%
Total Expenditures	154,093	177,371	151,845	-14.39%
Revenues				
State Grants	140,772	161,171	135,645	-15.84%
Total Revenues	140,772	161,171	135,645	-15.84%
Net Expenditures Supported by General Revenues	\$ 13,321	\$ 16,200	\$ 16,200	0.00%

BUDGET TREND: FY 2011-2016



Notes:

- FY2012 increase due to a rise in employee benefits costs.
- FY2013 decrease reflects a more proficient workforce and limited reinvestment in equipment.
- FY2016 reflects elimination of contracted services

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
- Gage House
- Aurora House
- Miller House
- Property Yard Garage
- Property Yard Warehouse
- Property Yard Maintenance Shop
- Homeless Shelter
- Fire Station #6 (owned by Falls Church, routine maintenance by Arlington County)

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, 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 the coming years
- Operation and maintenance of the proposed Library parking garage would add significant funding obligations to the General Services

SIGNIFICANT CHANGES IN FY2016

- Implementation of the new door security system throughout City Hall in FY2015 has introduced a new system which DPW must maintain
- The City signed an Agreement with Arlington County detailing the operation and maintenance obligations of the two parties for Fire Station #6. Under this agreement, routine maintenance and operations costs will be the responsibility of Arlington County.

FY2016 DELIVERABLES

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

PRIORITIES FOR FUTURE FUNDING

- Continued investment in the Capital Replacement of facilities

STAFFING AND BUDGET RESOURCES

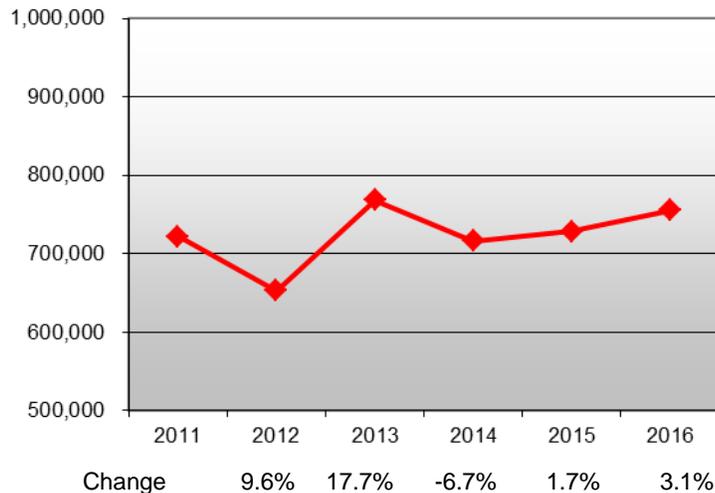
ADOPTED POSITIONS BY FTE – 1.85 TOTAL

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

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 133,142	\$ 148,523	\$ 139,265	-6.23%
Benefits	57,645	50,720	49,323	-2.75%
Professional and Contractual	354,406	350,950	392,000	11.70%
Materials, Supplies, and Other	164,101	178,200	170,550	-4.29%
Net Expenditures				
Supported by General Revenues	\$ 709,294	\$ 728,393	\$ 751,138	3.12%

BUDGET TREND: FY2011-2016



Notes:

- FY2011 increase reflects allocation of staff to this function. Funds for repairs and maintenance have been reduced and will result in reduced services.
- FY2012 reduction reflects adjustment of salary/benefit allocations.
- FY2013 increase reflects added facilities manager position.

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 84 vehicles and pieces of equipment for the City fleet and 40 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. City vehicle purchases and operation are guided by the City’s “Green Fleet” policy, with the goal to reduce air pollution and greenhouse gas emissions.

TRENDS AND ISSUES

- Aging fleet

FY2016 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

STAFFING AND BUDGET RESOURCES

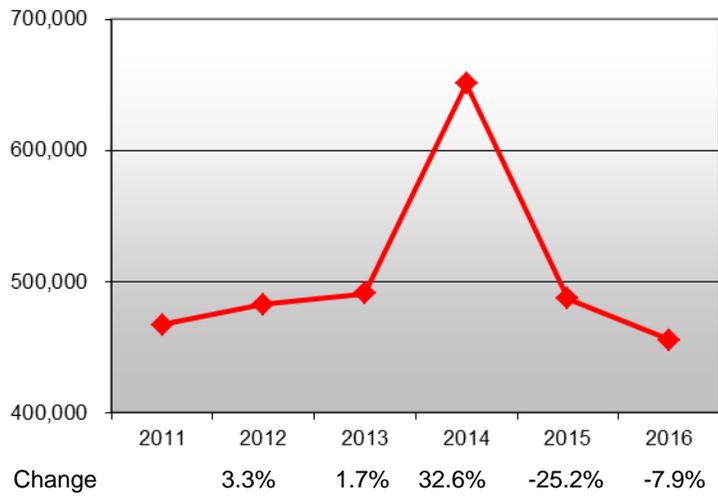
ADOPTED POSITIONS BY FTE – 4.00 TOTAL

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| <ul style="list-style-type: none"> • 1.00 Vehicle Maintenance Supervisor • 1.00 Senior Auto Mechanic | <ul style="list-style-type: none"> • 1.00 Auto Parts Specialist • 1.00 Auto Mechanic |
|--|--|

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 254,509	\$ 263,854	\$ 274,527	4.05%
Benefits	101,096	109,673	105,508	-3.80%
Professional and Contractual	114,252	73,700	108,650	47.42%
Materials, Supplies, and Other	86,682	39,823	(40,277)	-201.14%
Capital Outlay	-	-	-	0.00%
Total Expenditures	556,539	487,050	448,408	-7.93%
Revenues				
Charges for Services	427,395	238,100	259,500	8.99%
Net Expenditures Supported by General Revenues	\$ 129,144	\$ 248,950	\$ 188,908	-24.12%

BUDGET TREND: FY2011-2016



Notes:

- Each year reflects rising fuel and parts costs.
- In FY2011, the labor rate charged to other departments is being increased, resulting in reduction of expenditures. In addition, FY2011 reflects removal of FY2010 federal grant funds.
- FY2014 increase due primarily because of fuel costs, which are passed to users.
- FY2015 reflects reductions to materials and fuel cost as a result of the sale of the water system.

URBAN FORESTRY

SUMMARY OF SERVICES PROVIDED

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

- Maintenance
 - Planting, pruning, care, and removal of approximately 7,000 trees along City streets and on City properties
 - Mowing, mulching, and landscape maintenance of 19 City parks and gardens and five City facilities
 - Commercial Streetscape installations along West Broad, South Maple, and North & South Washington Streets and 22 landscaped areas along other City streets
 - Ten Raingarden/bioretention facilities (partially funded by Stormwater Fund)
 - Five irrigation systems
- Administrative support and management of the following programs:
 - Tree City USA
 - Neighborhood Tree Planting 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 following community events:
 - Spring & Fall Neighborhood Tree Planting Program and maintenance events
 - Arbor Day celebration

TRENDS AND ISSUES

- Nearly one acre of new streetscape, rain gardens, and City maintained greenspace has been installed in the last decade
- For the second consecutive year, the City's landscape contractor has declined to renew the contract – citing lack of profitability
- Continued commercial development, city park enhancements (West End Park and Howard Herman Stream Valley Park), and new Raingarden/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
- Funding was provided in FY2015 to develop an inventory for the City's public trees. This data will allow for better proactive management of this valuable City resource.

SIGNIFICANT CHANGES IN FY2016

- Increased frequency of streetscape maintenance in the commercial corridors
- The Landscape Maintenance Contract has been revised and re-bid to clarify city's expectations and expected level of service
- Stormwater Fund is contributing \$20,000 to urban forestry as a partial offset for raingarden/bioretention maintenance requirements
- City staff is working to finalize a memorandum of understanding for the Tinner Hill development to privately maintain the streetscape installations adopted as part of the development

FY2016 DELIVERABLES

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

PRIORITIES FOR FUTURE FUNDING

1. Tree Lighting (\$20,000): Implementation of tree lighting in the 100 and 200 blocks of West Broad Street in FY2015 was widely appreciated in the community. A dedicated source of funding was not identified for FY2015 or future years.
2. Urban Forestry Maintenance Worker (\$55,000): The current 3-man crew is insufficient to perform some regular maintenance operations safely – meaning that other crews must assist. Additionally, the Greenspace Manager is required to perform many administrative/professional functions in the office, and the remaining two man crew has significant limitations on the spectrum of maintenance activities which can be safely performed.

STAFFING AND BUDGET RESOURCES

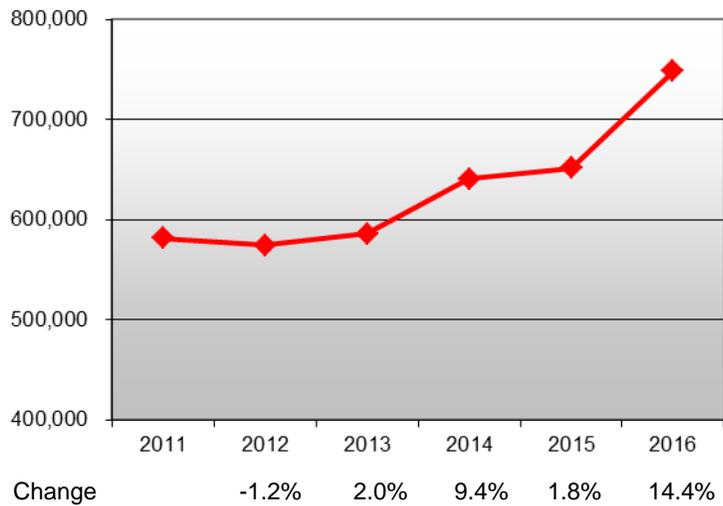
ADOPTED POSITIONS BY FTE – 4.00 TOTAL

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

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 211,585	\$ 225,613	\$ 245,883	8.98%
Benefits	67,504	76,822	93,034	21.10%
Professional and Contractual	236,067	260,100	300,000	15.34%
Materials, Supplies, and Other	106,058	89,600	107,150	19.59%
Total Expenditures	621,214	652,135	746,067	14.40%
Revenues				
Fines	800	1,000	1,000	0.00%
Net Expenditures Supported by General Revenues	\$ 620,414	\$ 651,135	\$ 745,067	14.43%

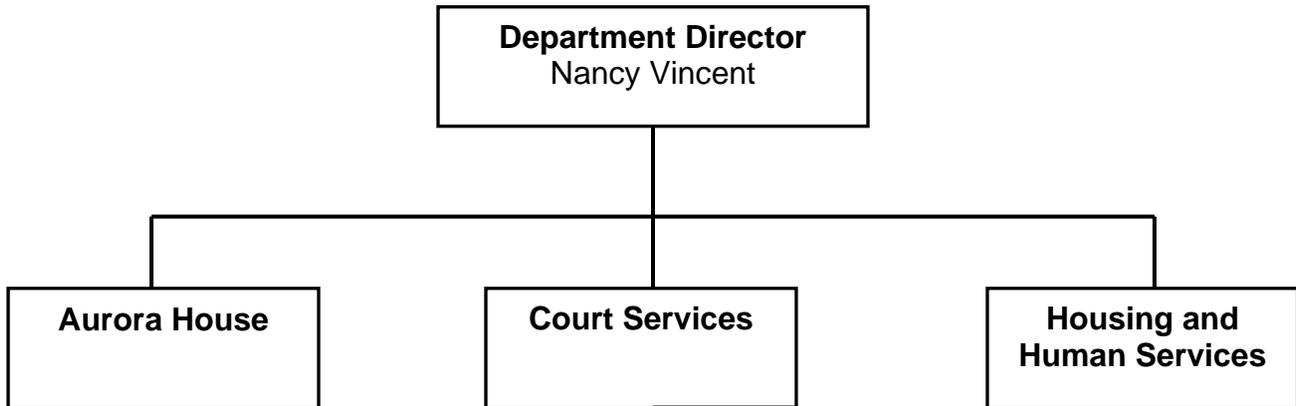
BUDGET TREND: FY2011-2016



Notes:

- FY2011 decrease reflects reorganization of Urban Forestry previously managed by the Planning Division to the Department of Public Works, contract consolidation and the elimination of 1 FTE vacant position.
- FY2012 reduced irrigation and landscape maintenance contracts to obtain required 10% division budget cut.
- FY2016 reflects anticipated increases in maintenance contracts coupled with a recommended increase in Level of Service for the commercial corridors.

DEPARTMENT OF HUMAN SERVICES



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

AURORA HOUSE

SUMMARY OF SERVICES PROVIDED

Aurora House provides residential treatment to adolescent females who are under the formal supervision of the Juvenile and Domestic Relations District Court. The Group Home has a capacity of 12 and can serve the surrounding jurisdictions in addition to the City of Falls Church. 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 attend their home schools and parents can receive family counseling and parenting education. Aurora House is expanding the scope of services as a Community Service Act provider, offering short and long term placements for at-risk youth and families in crisis who may need immediate, temporary interventions as an alternative to foster care, or possible introduction to the Juvenile Court System. The City administers the program and receives revenue for its operation from participating jurisdictions based on their proportionate use.

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

TRENDS AND ISSUES

- Needs of population continue to change with increasing cases with mental health needs and issues, decrease in delinquency cases
- Increase in mental health issues necessitates increase in staff resources for safety/security by increasing number of relief staff and specialized training, minimum staff to client ratio 1 to 10, recommended is 1 to 8
- Additional length of stay options for residential care/treatment from 9-12 months to shorter/variable length of stay placements 3-9 months with increased community based services
- Transitional/step down and reintegration services offered for children leaving treatment centers
- Implementing services that focus on mental health needs and reflect evidence informed practices for families and children with trauma (trauma informed care)

SIGNIFICANT CHANGES IN FY2016

- New Regulatory standards for residential facilities require increase in training for all relief/temporary direct care staff to 40 hours for an increase of \$7,000
- Increase in training costs for staff professional development and specialization in Trauma informed Care (TIC) approximately \$4,000
- Personnel Costs for increase in relief staff - \$2,300 per position
- Expanding population served through CSA Vendor with Arlington and Fairfax Counties and the changes to length of stay and TIC services expect to generate increase in number of clients served and revenue through CSA contracts

FY2016 DELIVERABLES

- More than 260 therapeutic peer groups
- More than 520 individual and/or therapy counseling sessions
- 120 Case consultations and 100 treatment team meetings
- More than 60 individual treatment plans and 120 progress reports
- More than 1,900 phone calls for school monitoring checks
- More than 40 Court hearings and reports
- 400 hours of tutoring from our volunteers
- More than 100 community service activities
- Maintain or exceed a 90% successful discharge rate
- Maintain or exceed an improvement of 75% in school attendance and performance
- Maintain or reduce recidivism compared to state levels by an additional 10%

PRIORITIES FOR FUTURE FUNDING

1. Temporary salaries \$12,000: Increased staff to client ratio when needed for safety/security and mental health needs
2. Increase staff training and development \$14,000: Trauma Informed Care, and mandatory Relief staff training requirements, training resources and consultation and certifications.
3. Increase educational/IT resources for residents \$3,000.

STAFFING AND BUDGET RESOURCES

ADOPTED POSITIONS BY FTE – 7.73 TOTAL

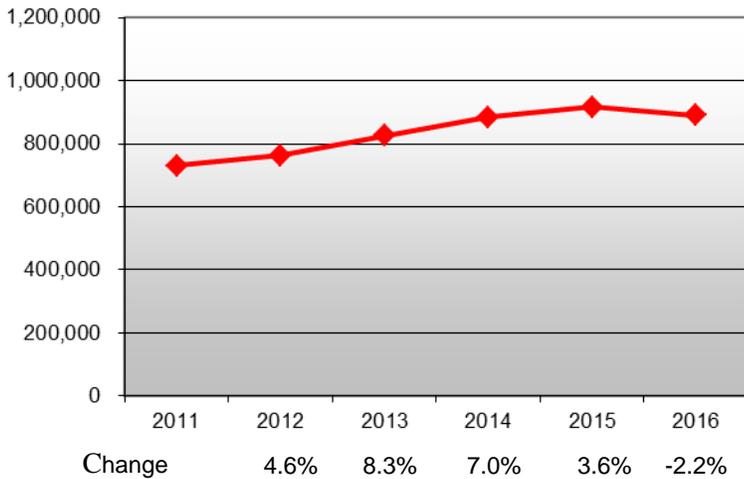
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| • 0.10 Director of Human Services | • 4.00 Group Home Counselors |
| • 1.00 Group Home Manager | • 0.63 Food Services Coordinator |
| • 1.00 Residential Supervisor | • 1.00 Senior Administrative Assistant |

Temporary staff are employed as relief counselors.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 538,394	\$ 600,271	\$ 598,679	-0.27%
Benefits	152,341	183,741	179,635	-2.23%
Professional and Contractual	5,944	20,250	15,900	-21.48%
Materials, Supplies, and Other	77,984	91,342	100,930	10.50%
Capital Outlay	65,945	20,000	-	-100.00%
Total Expenditures	840,607	915,604	895,144	-2.23%
Revenues				
Federal Grants	1,948	3,000	2,000	-33.33%
State Grants	120,679	120,679	120,679	0.00%
Charges for Services	666,884	694,238	681,739	-1.80%
Other Grants and Contributions	75	5,000	5,000	0.00%
Total Revenues	789,585	822,917	809,418	-1.64%
Net Expenditures Supported by General Revenues	\$ 51,022	\$ 92,687	\$ 85,726	-7.51%

BUDGET TREND: FY2011-2016



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.
- Increased training costs were offset by a reduction in capital outlays.

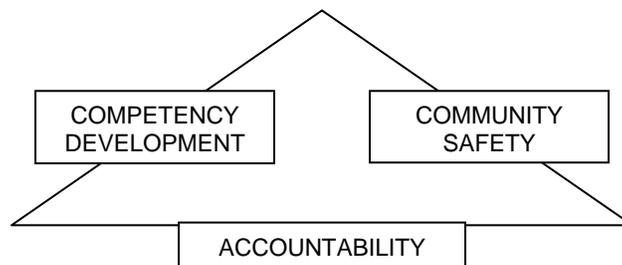
COURT SERVICES

SUMMARY OF SERVICES PROVIDED

Court Services provides intake, probation, and treatment services to 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. In addition to providing direct services, Court Services contracts for Juvenile Correctional Services and for Judicial Services.

The Court Services Unit (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. The unit applies a balanced approach in order to protect the community consisting of three separate yet equally important pieces, competency development, community safety, and accountability.

Court Services Unit: Balanced Approach



TRENDS AND ISSUES

- Based on FY2014 trends, it is anticipated that the intake officer will prepare and file an increase of approximately 17% of petitions with the clerk of the court in FY2015
- Continue to see a rise in the number of youth with substance abuse disorders of approximately 58% over the previous year
- Number of youth diagnosed with mental health disorders has risen by 100%

SIGNIFICANT CHANGES IN FY2016

- More juveniles and adults will require mental health assessments and psychological services. As a result, the funding levels for these services will need to increase in the next fiscal year by approximately 20%.

FY2016 DELIVERABLES

- The intake officer will prepare and file approximately 82 petitions with the Clerk of the Court in FY2016. These will include 47 misdemeanor, four felony, four truancy, two child abuse and neglect complaints, seven child custody petitions, six child support petitions, six adult protective orders, and approximately 10 juvenile probation violations

- Work with the schools to identify at risk youth in danger of involvement with the juvenile justice system
- Follow best practices on effectively managing juveniles with substance abuse (19 youth) and mental health issues (8 youth)
- Begin an outreach program to assist parents in navigating the criminal justice system and identify concerns with their children before serious issues arise
- Enter into an agreement for electronic monitoring (typical costs of \$2.50 per day compared to an average cost of \$130 per day to house a juvenile in the detention center)
- At least 80 percent of all juvenile cases will successfully complete probation and recidivism rates, within one year, among juveniles will be no greater than 40 percent
- At least 75 percent of all adult cases will successfully complete probation and the recidivism rate, within one year, among adults will be no greater than 30 percent

STAFFING AND BUDGET RESOURCES

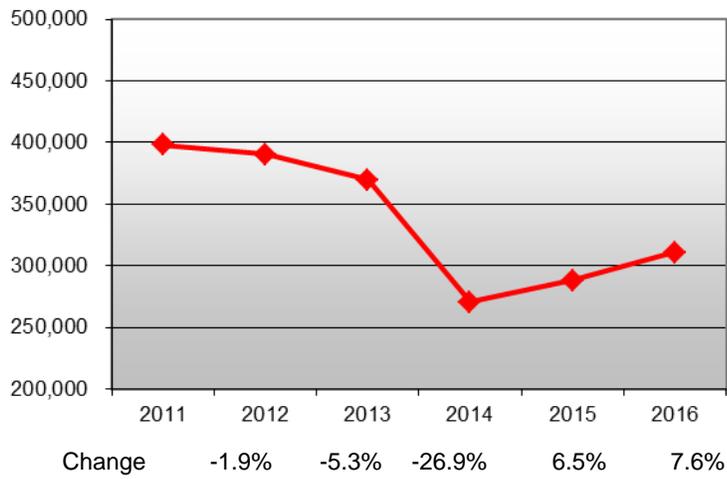
ADOPTED POSITIONS BY FTE – 3.10 TOTAL

- 0.10 Director of Human Services
- 1.00 Court Services Supervisor
- 1.00 Probation Officer (Intake & Juvenile)
- 1.00 Senior Administrative Assistant

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 188,966	\$ 202,987	\$ 205,460	1.22%
Benefits	52,598	58,471	61,297	4.83%
Professional and Contractual	6,066	10,629	20,640	94.19%
Materials, Supplies, and Other	21,659	16,087	22,786	41.64%
Total Expenditures	269,288	288,174	310,183	7.64%
Revenues				
State Grants	54,396	39,542	50,000	26.45%
Total Revenues	54,396	39,542	50,000	26.45%
Net Expenditures Supported by General Revenues	\$ 214,892	\$ 248,632	\$ 260,183	4.65%

BUDGET TREND: FY2011-2016



Notes:

CSU costs in FY 2015 have increased due to salaries and benefits and the contracted services of a Court Services Director.

JUVENILE SERVICES

SUMMARY OF SERVICES PROVIDED

In addition to services provided directly by the Court Services Unit, the City participates in the operation of several regional juvenile court programs. These 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.

TRENDS AND ISSUES

- There continues to be a need for detention services within the City of Falls Church. Although overall usage has decreased from FY2013 to FY2014, there will still be certain juvenile offenses that will require the detention facility.

	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
Falls Church Juvenile Detention Bed Days:	240	265	41

The drop between FY2013 and FY2014 can be attributed to different forms of non-judicial sanctions.

- Over the past fiscal year, the middle and high school students involved with the mentoring programs continue to remain free of court involvement. They receive positive praise from community members.
- Comprehensive Services Act services for psychological, mental health, and substance abuse services, along with residential placements, rose by 10 percent between FY2013 and FY2015.

SIGNIFICANT CHANGES IN FY2016

- **Northern Virginia Juvenile Detention Center (NVJDC):** Reduction of 22%. Falls Church, Arlington, and Alexandria each contribute proportionate funding for the NVJDC based on 3-year average utilization. Lower costs result from a recent decline in the City's usage. The NVJDC has also obtained revenue from federal agencies that has reduced obligations from sponsoring jurisdictions.
- There will be an increase of 20 percent spent for CSA services as juveniles with mental health concerns come in contact with the juvenile justice system.

FY2016 DELIVERABLES

- 100% of juveniles who require mental health services receive them within a timely fashion.
- 85% of juveniles who require substance abuse services will complete them successfully.
- Utilizing other case management directives, the number of juvenile detention bed days in FY2016 expected to remain under 125.
- Coordinate placement of one boy in the Argus House Boys Group Home, approximately nine youths in the Detention-Diversion Program, and refer 20 clients to perform community service through Offender Aid and Restitution (OAR).
- Through the Fairfax-Falls Church Comprehensive Services Act (CSA), arrange for approximately 7 to 10 youths to receive Home-Based counseling and psychological and psychiatric assessments, and one youth to enter residential treatment.
- Work with Northern Virginia Family Services to provide mentoring to approximately 25 at-risk middle and high school youth.

PRIORITIES FOR FUTURE FUNDING

- CSA \$25,000: Funding will need to increase in FY2017 by 15 percent in order to keep up with the number of juveniles needing services.
- The reduced cost of the NVJDC is a onetime cost. We expect the cost to rise to approximately \$50,000 in FY2017.

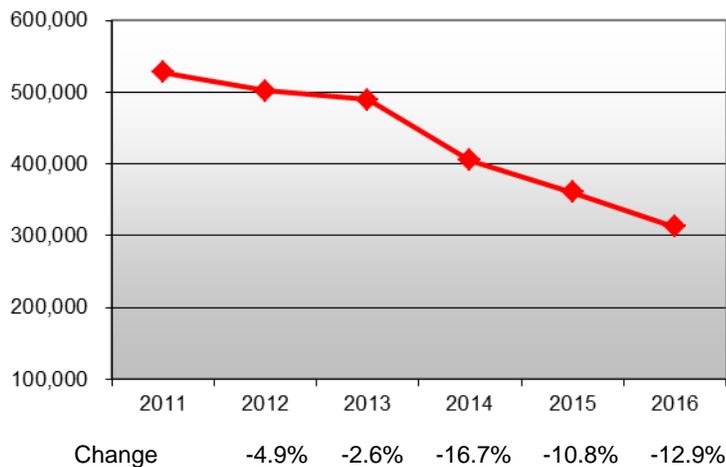
STAFFING AND BUDGET RESOURCES

ADOPTED POSITIONS BY FTE – 0.00 TOTAL (Contracted Services)

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 348,875	\$ 360,889	\$ 314,230	-12.93%
Revenues				
State Grants	20,851	-	-	0.00%
Net Expenditures				
Supported by General Revenues	\$ 328,024	\$ 360,889	\$ 314,230	-12.93%

BUDGET TREND: FY2011-2016



Notes:

- City use of Argus House boys group home has decreased.
- A three year grant through the Gang Task Force for employment services has ended.
- Lower usage and federal funds reduced the City's contribution to the Northern Virginia Juvenile Detention Center.

JUVENILE & DOMESTIC RELATIONS COURT – 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. The City receives numerous services from various offices of the court system operated by Arlington County because the City jointly uses these services and pays a proportional share of the County's costs. For FY2016, Falls Church is estimated to be 5.6 percent of the combined population of Arlington County and the City of Falls Church.

TRENDS AND ISSUES

- Reduction in the number of criminal case filings.
- Increase in the number of CHINS (Child In Need of Services/Supervision) and civil cases (custody and support). CHINS cases are typically associated with juveniles who abscond, are identified as incorrigible youth, or those with truancy issues.

FY2016 DELIVERABLES

- The Falls Church juvenile and domestic relations court will conduct approximately 310 hearings and anticipates 150 new cases.

STAFFING AND BUDGET RESOURCES

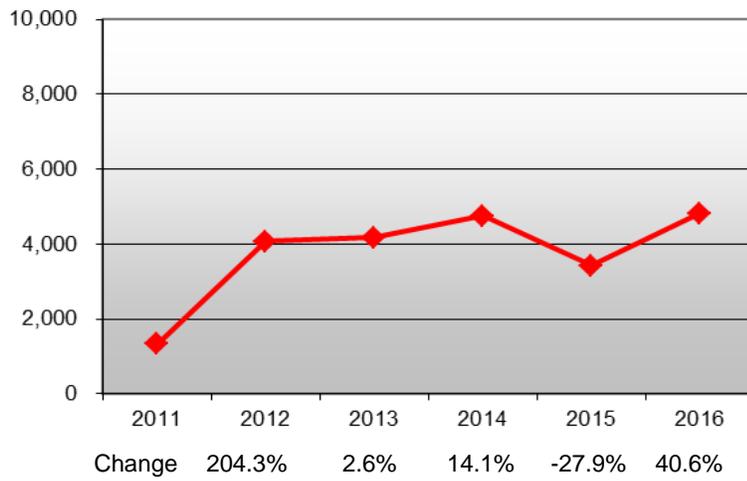
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contractual services provided through agreement with Arlington County.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 4,754	\$ 3,428	\$ 4,818	40.55%
Net Expenditures				
Supported by General Revenues	\$ 4,754	\$ 3,428	\$ 4,818	40.55%

BUDGET TREND: FY2011-2016



Notes:

- City pays Arlington a proportionate share of costs for Judicial Services. For FY2016, this will be 5.6%.

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 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

- Number of residents requesting advocacy and intervention increased 25% over last year
- Provided information and referral services: 7% drop from previous year
- Number of housing counseling requests decreased 9% last year
- Landlord/tenant counseling requests decreased 27% last year
- Eviction prevention information up 59% from previous year
- Number of Affordable Dwelling Units increased from 40 to 47 last year
- Housing prices climbed in the City moving many market rate units out of the affordability range for households under 80% of the Area Median Income
- Number of referrals for food has been consistent
- Number of referrals for dental services has been consistent

SIGNIFICANT CHANGES IN FY2016

- New development is creating new affordable housing at a rate that is less than what is being lost to the market. New multi-family developments will need to provide at least 6% of units affordable to households up to 60% of Area Median Income.

FY2016 DELIVERABLES

- Make at least 300 contacts to provide advocacy and intervention services
- Provide 2,200 responses to information and referral requests
- Provide housing counseling in response to 700 requests
- Provide landlord/tenant counseling to 40 residents
- Provide eviction prevention information to 50 residents
- Administer 47 Affordable Dwelling Units
- Advocate for the retention and creation of housing affordable to households with low, moderate, and workforce incomes
- Make 50 referrals for food
- Make 26 referrals for dental services
- Monitor contract services with Fairfax Department of Family Services, Fairfax-Falls Church Community Services Board, and Fairfax County Health Department

PRIORITIES FOR FUTURE FUNDING

- Development/Housing Consultant - \$75,000

STAFFING AND BUDGET RESOURCES

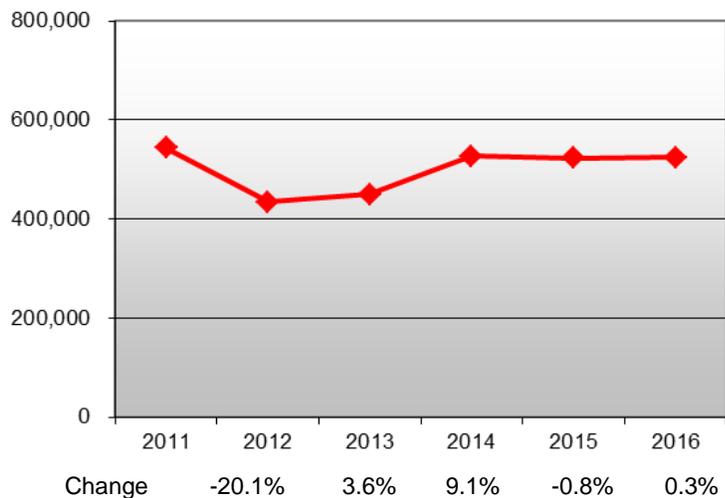
ADOPTED POSITIONS BY FTE – 4.80 TOTAL

- 1.00 Human Services Specialist
- 0.80 Director of Human Services/HHS Manager
- 1.00 Housing Program Analyst
- 1.00 Housing Specialist II
- 1.00 Senior Administrative Assistant

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 348,624	\$ 361,304	\$ 381,322	5.54%
Benefits	117,341	130,485	120,866	-7.37%
Professional and Contractual	3,017	10,000	5,167	-48.33%
Materials, Supplies, and Other	19,611	21,123	17,460	-17.34%
Total Expenditures	488,594	522,912	524,815	0.36%
Revenues				
Charges for Services	135	100	100	0.00%
Other Grants and Contributions	116	-	-	0.00%
Total Revenues	251	100	100	0.00%
Net Expenditures				
Supported by General Revenues	\$ 488,343	\$ 522,812	\$ 524,715	0.36%

BUDGET TREND: FY2011-2016



Notes:

- HHS budget has remained essentially flat.

PUBLIC ASSISTANCE PROGRAMS

SUMMARY OF SERVICES PROVIDED

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

TRENDS AND ISSUES

- The number of Medicaid cases maintained per month rose 48% when compared to the previous year
- Families receiving supplemental nutrition assistance (food stamps) rose 109%
- Child Protective Services and Adult Protective Services investigations fell by 37% from the previous year
- Fare Wheels transportation program remained consistent in providing transportation assistance to income eligible elderly and disabled individuals
- Emergency financial assistance provided to households/individuals to assist them to meet their urgent needs increased by 275% over the previous year.
- Yearly Rent Relief is provided to seven income eligible seniors and /or disabled households to offset the burden of increasing rents. The number of recipients has remained the same.
- Community Services Funds provided grants to nonprofit organizations to meet the basic needs of residents such as:
 - Emergency homeless shelter served 15 individuals; legal services 20 residents; reading services for five hearing impaired residents; emergency and supportive services and monthly rental assistance to two households; and emergency and supportive services to meet basic needs was provided to 60 households
- Provided federally funded Community Development Block Grant and HOME program funds to benefit low and moderated income households such as:
 - Provided eight households with monthly rental assistance; rehabilitation for four homes; emergency rental assistance to nine households; literacy education for 20 households

SIGNIFICANT CHANGES IN FY2016

As the needs of vulnerable residents have increased, the commitment to provide services through partnering nonprofit organizations has also increased. More organizations are applying for the grant programs with higher dollar requests.

FY2016 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, and provide quality child care and resources for early childhood education.
- Maintain 140 Medicaid cases monthly through Department of Family Services

- Provide Supplemental Nutrition Assistance Program (SNAP) support to 45 families per month through Department of Family Services
- Conduct Child Protective or Adult Protective Services investigations through Fairfax County
- Provide Fare Wheels taxi vouchers to 60 low income senior/disabled individuals
- Provide emergency financial assistance to 12 households
- Provide Rent Relief to seven low income senior/disabled households
- Administer the Community Services Fund
- Administer the federal Community Development Block Grant and HOME program grants

PRIORITIES FOR FUTURE FUNDING

- Community Services Fund \$55,000: This will help meet the demand for increases in human services.

STAFFING AND BUDGET RESOURCES

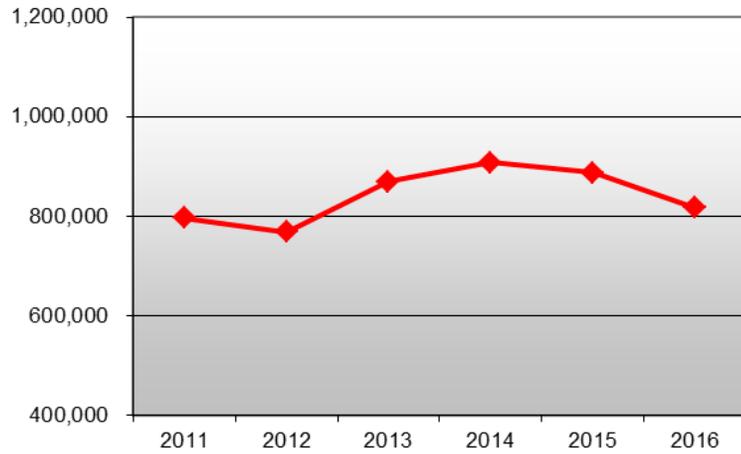
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Programs are administered by the Housing and Human Services administration office.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 521,583	\$ 660,425	\$ 587,073	-11.11%
Materials, Supplies, and Other	164,958	227,033	230,093	1.35%
Total Expenditures	686,541	887,458	817,166	-7.92%
Revenues				
Federal Grants	102,027	103,981	119,242	14.68%
Charges for Services	5,440	5,600	5,600	0.00%
Total Revenues	107,467	109,581	124,842	13.93%
Net Expenditures				
Supported by General Revenues	\$ 579,074	\$ 777,877	\$ 692,324	-11.00%

BUDGET TREND: FY2011-2016



Change	2011	2012	2013	2014	2015	2016
		-3.4%	13.1%	4.5%	-2.3%	-7.9%

Notes:

- The slight decrease is largely the result of decrease in the payment to the Department of Family Services as the result of an increase in State subsidy.
- There was also a decrease in the transportation subsidy and in 2014, the termination of a rental assistance program.

COMMUNITY SERVICES BOARD

SUMMARY OF SERVICES PROVIDED

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

TRENDS AND ISSUES

- Residents receiving mental health services decreased by 15% from the previous year
- Residents receiving intellectual disabilities services increased 36%
- Residents receiving alcohol and drug services decreased by 17%
- Residents receiving services through the Infant and Toddler Connection were down by 42%

SIGNIFICANT CHANGES IN FY2016

Cost of services is increasing by 8.7%.

FY2016 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 55 residents
- Intellectual disabilities services provided to 19 residents
- Alcohol and drug services provided to 15 residents
- Infant and Toddler Connection provided to 15 infants

STAFFING AND BUDGET RESOURCES

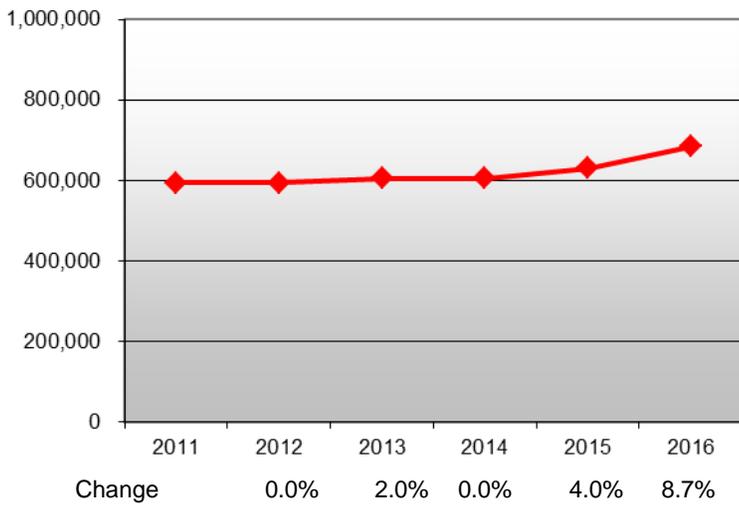
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Programs are administered by the Housing and Human Services administration office.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 605,595	\$ 629,819	\$ 684,595	8.70%
Net Expenditures				
Supported by General Revenues	\$ 605,595	\$ 629,819	\$ 684,595	8.70%

BUDGET TREND: FY2011-2016



Notes:

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

HEALTH SERVICES

SUMMARY OF SERVICES PROVIDED

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

TRENDS AND ISSUES

- 12% decrease in health clinic visits from the previous year
- 12% increase in environmental health inspections
- Two residents have been served by adult day care for the previous two years
- The number of enrollees in primary health care services has remained consistent

SIGNIFICANT CHANGES IN FY2016

No significant changes are expected.

FY2016 DELIVERABLES

- 285 health clinic visits
- 300 environmental health inspections
- 270 units of adult day care and 400 units of rides for two residents
- Primary health care services to 25 (90 visits) low-income, uninsured residents. 75 residents are currently enrolled.

STAFFING AND BUDGET RESOURCES

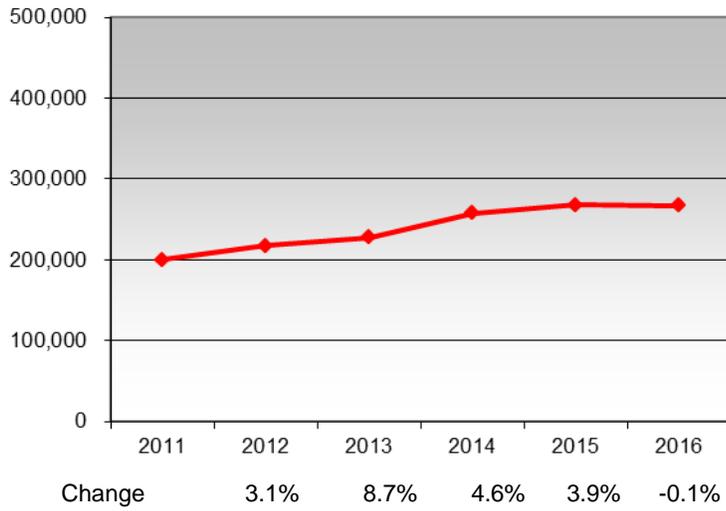
ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Programs are administered by the Housing and Human Services administration office.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 236,944	\$ 267,600	\$ 267,474	-0.05%
Net Expenditures				
Supported by General Revenues	\$ 236,944	\$ 267,600	\$ 267,474	-0.05%

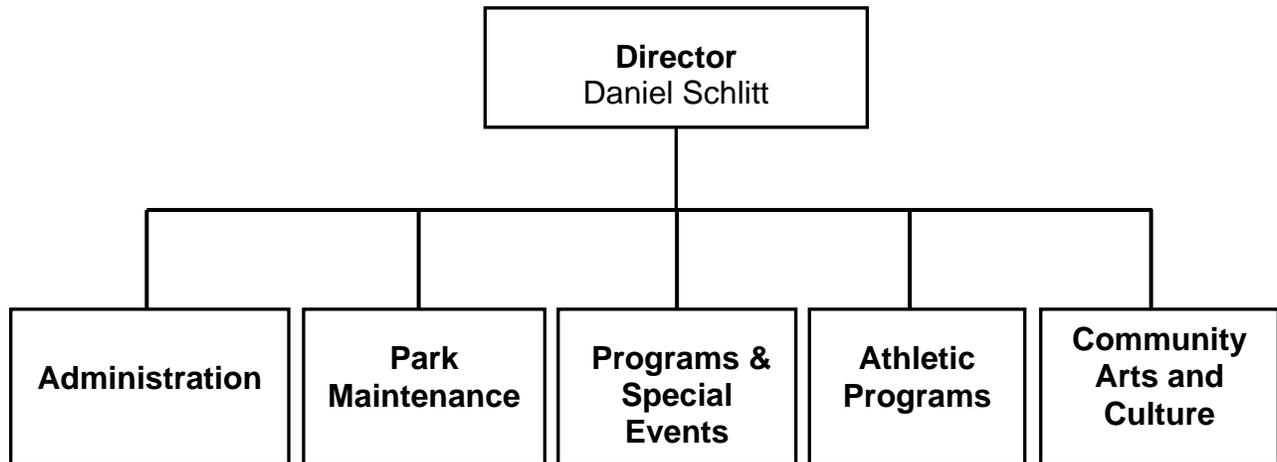
BUDGET TREND: FY2011-2016



Notes:

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

DEPARTMENT OF RECREATION & PARKS



RECREATION AND PARKS ADMINISTRATION

SUMMARY OF SERVICES PROVIDED

This Cost Center provides funding to support the administration of the Recreation & Parks Department and the supervision and management of the Falls Church Community Center, Cherry Hill Farmhouse, 12 neighborhood parks (18 parks in all), 10 tennis courts, 10 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 400,000 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, 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 10,000 registrations for classes, sport programs, field trips, camps and other recreation activities are processed annually. Staff also receives and processes approximately 3,500 room use requests for the Community Center, 250 picnic shelter reservations, 800 tennis court reservations, and 36,000 phone calls annually. In addition, the Department anticipates the collection of approximately \$1,950,000 a year through the assessment of user's fees for programs, activities and rentals.

TRENDS AND ISSUES

- Increase in hobby class offerings and rentals are resulting in a fully booked building and we have had to turn users away
- On pace to register more households in programs than FY2014. We registered over 1,300 households in FY2014 and as the second quarter of FY2015, we are ahead of last year's numbers.

SIGNIFICANT CHANGES IN FY2016

- There are no significant changes anticipated.

FY2016 DELIVERABLES

- This Administration cost center will provide administrative support that will allow us to offer a fun, safe and recreational environment for 400,000 visitors per year in a building that is used for preschool programs, teen programs, senior programs, a wide variety of hobby classes, sporting events, small and large scale special events, private and public meeting space, and room rentals. 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 12.2 FTE professional and administrative staff of the Recreation and Parks Department.

PRIORITIES FOR FUTURE FUNDING

1. Community Center Facility Reinvestment – \$5,000 per year. As we reach 15 years post renovation, we need to reinvest in the Community Center and the amenities within such as furniture, bleachers and partitions. Public works handles major facility issues.
2. Public Wi-Fi Access - \$5,000 implementation & \$1,000 annual maintenance. Expectations of the estimated 400,000 users per year are that Wi-Fi should be available in a Community Center such as ours.

- 3. Storage Shed - \$25,000. The Falls Church Community Center is lacking in storage space. We continue to store needed supplies in hallways and common areas. Staff has discussed the possibility of adding a storage unit that would fit nicely between the back of the gymnasium and the tennis courts and would be accessible the rear of the building.

STAFFING AND BUDGET RESOURCES

ADOPTED POSITIONS BY FTE – 5.80 TOTAL

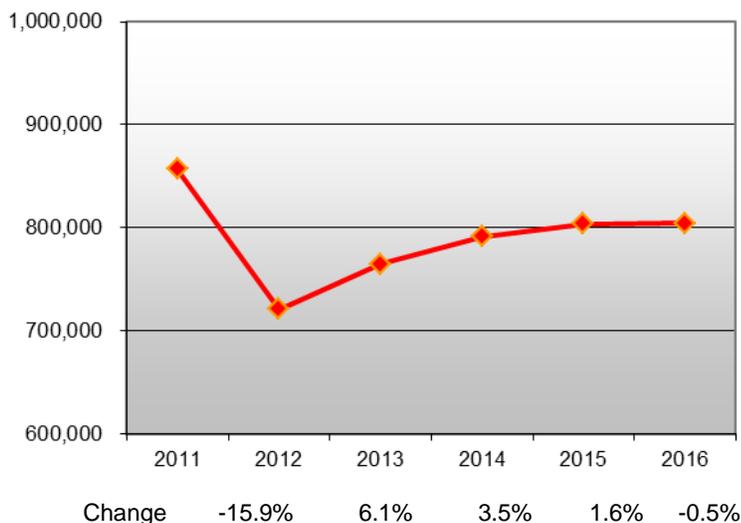
- 1.00 Director of Recreation and Parks
- 1.00 Senior Administrative Assistant
- 1.00 Administrative Assistant
- 2.80 Maintenance Workers

Temporary seasonal labor is also used as needed.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 391,043	\$ 408,405	\$ 402,954	-1.33%
Benefits	116,147	126,484	126,815	0.26%
Professional and Contractual	49,879	43,510	40,393	-7.16%
Materials, Supplies, and Other	224,259	225,459	230,041	2.03%
Capital Outlay	-	-	-	0.00%
Reserves	-	-	-	0.00%
Total Expenditures	781,328	803,858	800,203	-0.45%
Revenues				
Charges for Services	18,535	32,000	33,000	3.12%
Other Grants and Contributions	5,434	-	4,000	-
Total Revenues	23,969	32,000	37,000	15.62%
Net Expenditures				
Supported by General Revenues	\$ 757,359	\$ 771,858	\$ 763,203	-1.12%

BUDGET TREND: FY2011-2016



Notes:

- In FY2012, the Deputy Director position was eliminated in the amount of \$153,000
- In FY2012, nearly \$20,000 was added for credit card fees and mailing and production of seasonal brochure.
- In FY2014, \$10,000 was added to allow for a complete sanding of the gymnasium floor.
- In FY2015, \$9,000 has been eliminated from Professional and Contractual expenditures. With online registration and better website visibility printing and binding costs have decreased, and gym floor maintenance needs will be less costly.
- There are no significant line item changes in FY2016.

PARKS MAINTENANCE

SUMMARY OF SERVICES PROVIDED

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

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

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

TRENDS AND ISSUES

- Amenities such as new benches and trash receptacles as well as ten new raised flower beds have been added to our parks over the past few years.
- Our two rectangular fields at Thomas Jefferson Elementary School and Madison Park are well maintained and used constantly.
- New maintenance standards should be created and implemented which will require additional funding.
- With \$600,000 recommended for removal from our Capital Improvement funding for Master Park Implementation, a larger operating budget is needed.

SIGNIFICANT CHANGES IN FY2016

- Complete site plan implementation at West End Park
- With the Public Works daylighting and walking path nearing completion at Howard E. Herman Stream Valley Park, Recreation and Parks is on pace for the completion of park improvements.

FY2016 DELIVERABLES

- The City operates 18 parks made up of natural open space areas, greenways, small parks with picnic areas and playground equipment, neighborhood parks with 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 – \$25,000 Annually. The replacement and repair of individual pieces of equipment and or amenities within our parks have traditionally been in the CIP but have long been debated as to whether or not they meet CIP requirements. Annual replacement of smaller playground equipment, color coating sport courts and the repair and or

replacement of smaller park amenities such as picnic benches, grills, table, etc., should be funded in the operating budget. An annual commitment of an additional \$25,000 is needed. Large overhauls and or full master park implementations will continue to be CIP funded.

2. Development of Maintenance Standards - \$15,000 Annually. While undergoing the rewrite of the Recreation and Parks “Parks for People” plan in the City’s Comprehensive Plan, the Advisory Board of Recreation & Parks and other organizations within the City recommended that best possible scenario for implementing Master Park Plans is to develop and implement a set of maintenance standards. These standards would address turf maintenance, adding color with flowers, annuals and other landscaping features, drainage issues in addition to many other basic maintenance needs related to park aesthetics and functionality.

STAFFING AND BUDGET RESOURCES

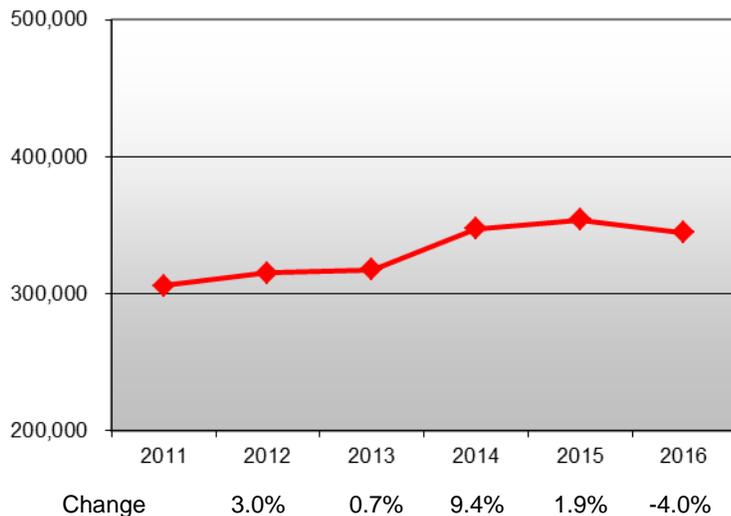
ADOPTED POSITIONS BY FTE – 3.00 TOTAL

- 1.00 Senior Crew Leader
- 2.00 Maintenance Workers

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 125,839	\$ 127,192	\$ 132,451	4.13%
Benefits	67,585	74,157	67,556	-8.90%
Professional and Contractual	103,756	115,400	103,756	-10.09%
Materials, Supplies, and Other	33,934	37,036	36,010	-2.77%
Net Expenditures				
Supported by General Revenues	\$ 331,115	\$ 353,785	\$ 339,773	-3.96%

BUDGET TREND: FY2011-2016



Notes:

- In FY2012 all funding in the Parks maintenance budget will remain relatively flat.
- In FY2013 we had a reduction in salaries due to staff turnover. We also added the following:
 - \$28,000 to repairs & maintenance
 - \$7,000 to operating supplies
- In FY2014, the following was added:
 - \$8,400 to the turf maintenance at Thomas Jefferson and Madison Park.
- In FY2015 all funding in the Parks maintenance budget will remain relatively flat.
- In FY2016 funding for Professional and Contractual Services, Materials, Supplies & Other is decreased by over \$12,000.

RECREATION PROGRAMS AND SPECIAL EVENTS

SUMMARY OF SERVICES PROVIDED

This Cost Center provides funding to support offering a wide variety of recreational programs and activities. Each year more than 550 Hobby classes such as technology, dance, fitness and more are organized and held at the Falls Church Community Center. Special events such as the Memorial Day Parade and Festival and Fall Festival and Taste of Falls Church are attended by over 50,000 people annually. Summer and school break camp registrations currently exceed 5,000 and bring in over \$800,000 in revenues 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 programming, our licensed preschool and historical programs held at the Cherry Hill Farm House.

TRENDS AND ISSUES

- This cost center generates over 1.5 million dollars annually. We strive to offer relevant programs to our patrons and in so doing, we typically exceed registration expectations. Since the cost of the programs is based mostly on the number of participants, we often have to ask for a budget amendment in the spring to include additional revenues and expenditures to allow us to accept more participants.
- Our increasing population within Falls Church and surrounding areas is now more than ever creating a need for more space to run our programs. There are more than ten camps and dozens of programs that could have been offered but were not due to space limitations.

SIGNIFICANT CHANGES IN FY2016

- Adding additional seats and offerings in our preschool program are generating the revenue required to increase our preschool teacher position from a .8 FTE to a full FTE. This was a needed move as there were not previously enough hours available for planning or parent meetings. The costs are offset by new revenue.
- Already existing temporary salary funding and new revenues are put towards making a part time position .8FTE as a Recreation Specialist. With an increase in population growth, we have experienced an increase in camp, hobby class and youth sport responsibilities. In order to keep up with these additional responsibilities (with accompanying revenues) and abide with all labor laws, additional programming staff is needed.

FY2016 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, nearly 300 winter break, spring break and summer camp offerings that result in over 5,000 registrations annually, approximately 1,200 senior programs annually, 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 over 3,000 visitors, over 75 special events and weekly farmers' markets which over attract over 50,000 visitors per year and teen excursion camps and programming that result in over \$25,000 in revenues. Our programs and special events cost center is the highlight of what the Recreation and Parks Department offers to its residents. Revenues exceed expenditures on an annual basis in this cost center.

STAFFING AND BUDGET RESOURCES

ADOPTED POSITIONS BY FTE – 6.40 TOTAL

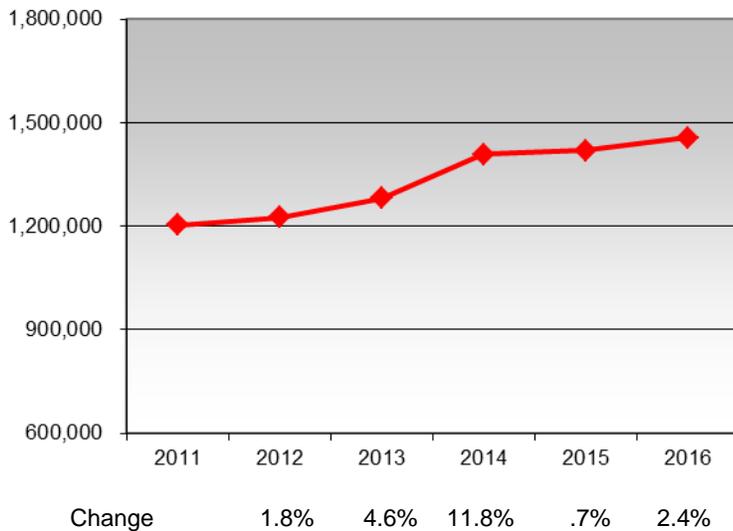
- 3.00 Program Supervisors
- 1.00 Preschool Teacher
- 2.40 Recreation Specialists

Temporary seasonal labor is also used as needed.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 405,146	\$ 437,076	\$ 499,444	14.27%
Benefits	116,281	128,449	154,988	20.66%
Professional and Contractual	653,149	660,000	630,000	-4.55%
Materials, Supplies, and Other	167,682	192,750	167,694	-13.00%
Total Expenditures	1,342,258	1,418,275	1,452,126	2.39%
Revenues				
Charges for Services	1,465,800	1,433,500	1,510,500	5.37%
Other Grants and Contributions	1,663	-	1,000	-
Total Revenues	1,467,464	1,433,500	1,511,500	5.44%
Net Expenditures Supported by General Revenues	\$ (125,206)	\$ (15,225)	\$ (59,374)	289.98%

BUDGET TREND: FY2011-2016



Notes:

- In FY2012, funding of \$5,000 for teen and senior programming was eliminated.
- In FY2013, funding for a new passenger van for \$24,000 was included in the budget.
- In FY2014, we added \$83,500 to instructor fees as our classes and camps registrations have increased. In addition, \$41,650 was added to this budget to reflect payment to the school board for their actual costs incurred as a result of the program's use of their facilities.
- In FY2016 we have a significant increase in salaries both to accommodate FTE changes as well as to staff our extended care program which was previously paid for out of contractual services.
- While our expenditures in FY2016 have increased by \$37,000, our projected revenues have increased by \$78,000, therefore increasing our cost recovery.

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, men's basketball and women's basketball.

All coaches have access to sport specific coaching programs through the Recreation Department. Additionally, background checks are conducted for all coaches as one way of assuring the safety of participants.

Youth sport participation continues to increase. Winter basketball now attracts nearly 1,000 participants each year. The spring and fall soccer programs feature more than 400 participants for each season. Flag football has over 300 participants each fall. Staff is also involved in helping the Falls Church Lacrosse Program get field space and continues to provide support to a roller hockey program, and a wrestling club.

Adult team sports attract more than 600 men who play basketball seasonally in 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.
- We are seeing not only an increase in our traditional sport offerings, but with the growing popularity of new sports, we are offering a larger variety of athletic activities.
- Women's sports are growing with the addition of women's adult volleyball (four teams) and basketball (six teams).
- With the increase in registrations, we are less reliant on contracting local athletic associations to offer our sports programs, and bringing all teams we can into a house program.
- Our fall and winter youth sport programs have seen an increase of 19 teams since last year.

FY2016 DELIVERABLES

- City of Falls Church Recreation and Parks Department provides an opportunity to almost every City resident to participate in some form of athletic endeavor. Our goal is to provide safe, fun, quality programs. The City's athletic programs provide nearly 3,000 registrants in our youth and teen programs the opportunity to learn, develop and perfect leadership and team building skills and make new friends while participating in team sports. Our adult team sport registrations collect over \$85,000 annually and continue to provide traditional athletic offerings to the adults as well as children in the City of Falls Church.

PRIORITIES FOR FUTURE FUNDING

1. Competition Facilities - \$Undetermined. History has dictated that athletic participation will increase with the increased population growth of the City. With this said, the Department of Recreation and Parks has reached a critical need for additional gymnasium and rectangular field space. A determination as to whether operating or CIP funding will be needed to provide new and or renovated athletic field space or gymnasiums will be driven by the adopted project itself. An example would be if we team up with a local jurisdiction, the money would need to come out of operating. If we were able to build a new facility, it would be a CIP project. Actual numbers are not available at this time due to the lack of potential projects.

2. Operating Expenses - \$Undetermined. Increased individual and team registrations require additional funding in both official and franchise fee costs.
3. Administrative/Programming Support- \$40,000. This cost center which manages 11 leagues currently does so with 1FTE and part time labor for scorekeeping, etc. With the additional expected growth in this center, an additional .5FTE is needed for the administration of the various leagues in out years.

STAFFING AND BUDGET RESOURCES

ADOPTED POSITIONS BY FTE – 1.00 TOTAL

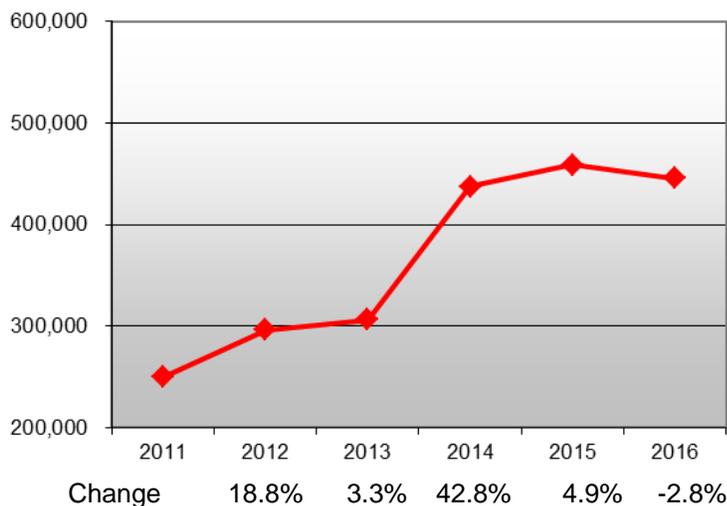
- 1.00 Program Supervisor

Temporary seasonal labor is also used as needed.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 95,510	\$ 95,448	\$ 99,186	3.92%
Benefits	19,349	20,151	19,986	-0.82%
Professional and Contractual	87,361	100,000	93,000	-7.00%
Materials, Supplies, and Other	233,418	243,000	233,419	-3.94%
Total Expenditures	435,639	458,599	445,591	-2.84%
Revenues				
Charges for Services	413,604	385,000	415,500	7.92%
Net Expenditures				
Supported by General Revenues	\$ 22,035	\$ 73,599	\$ 30,091	-59.11%

BUDGET TREND: FY2011-2016



Notes:

- In FY2012, nearly \$40,000 was added to provide needed officiating and requirement payments for sport user fees. \$5,000 was added for needed supplies.
- In FY2014, the budget for Athletic Programs was increased by \$125,000 to reflect the payment to the School Board for their actual costs incurred as a result of the program's use of their facilities.
- In FY2015, temporary salaries and professional services have incurred slight increases to support additional human resource needs.
- By moving youth soccer leagues out of Arlington Soccer Association and running our league in house, the contractual services line has decreased by \$7,000.

COMMUNITY ARTS AND CULTURAL PROGRAMS

SUMMARY OF SERVICES PROVIDED

This Cost Center provides administrative support to the City's Humanities Council, houses the funding for the cultural arts grant program and provides administration of the grant program. 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 known as CATCH (City of Arts, Theatre, Culture and History). 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 citizens. It also housed the FY2014 one time state provided funding for community development and revitalization. The \$50,000 funding was awarded to the City of Falls Church for the South Washington Street Arts District, Tinner Hill Historic District and Creative Cauldron at ArtSpace Falls Church specifically geared towards community development and revitalization.

TRENDS AND ISSUES

- Arts and Culture programs increase quality of life and property values. While investing in our Cultural Arts programs and the Cultural Arts district, we must invest in additional staff time to keep up with these demands.
- While still a young program, it is important to look ahead to find ways to involve more active citizens in order to push the goals of the Arts and cultural Community forward.

FY2016 DELIVERABLES

- The City of Falls Church is committed to its Arts and Cultural programs and continues to support new ideas and initiatives by working with groups affiliated with CATCH and other art and cultural organizations.
- Currently available for delivery in FY2016 is a grant program that will distribute \$45,000 to achieve the above mentioned goals

PRIORITIES FOR FUTURE FUNDING

1. Administrative/Professional Support - \$10,500. Our Cherry Hill Farmhouse Coordinator serves as a CATCH member and we are asking that this position move from a .8 FTE to a 1.0 FTE. In 2009, City Council established Humanities Council (CATCH) to advise City Council on public policy promoting activities, programs, events and strategies that encourage arts, history, and cultural education and to strengthen the vitality of these efforts in the City of Falls Church and serve as a catalyst in the greater community. Since its inception, CATCH has grown as a council and is now working with a consultant to set their goals. Projects such as the existing and pending grant programs have greatly increased staff administration be dedicated to Arts and Culture. This position helps build a better community across many City entities, specifically Economic Development.

STAFFING AND BUDGET RESOURCES

ADOPTED POSITIONS BY FTE – 0.2 TOTAL

- 0.20 Recreation Specialist

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ -	\$ 6,624	\$ 6,816	2.90%
Benefits	-	2,003	3,022	50.87%
Materials, Supplies, and Other	80,510	45,000	45,000	0.00%
Total Expenditures	80,510	53,627	54,838	2.26%
Revenues				
State Grants	5,000	25,000	-	-100.00%
Total Revenues	5,000	25,000	-	-100.00%
Net Expenditures				
Supported by General Revenues	\$ 75,510	\$ 28,627	\$ 54,838	91.56%

DEPARTMENT OF LIBRARY

Mary McMahon
Director

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 all 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 of due materials via email
- Two public copiers, one for color copies
- Reference questions and computer help
- Local History of Falls Church collection and questions answered
- Interlibrary loan services for Falls Church citizens
- A wide variety of programs for children, teens, and adults throughout the year
- For the seventh year won the Star Library national award—one of only four in Virginia and one of only two that have been selected all seven years the award has been given

TRENDS AND ISSUES

- 654 programs last year, 18,924 people attended them--attendance up 49% in last ten years
- Summer Reading Program for children, teens, and adults: over 2,000 participated last year, a new record!
- Registered borrowers up 26% in last ten years and 91% of Falls Church citizens have an active library card
- Circulation of over 461,000 items annually—a new record—up 37% in last ten years
- Over 316,000 visits annually by patrons—up 49% in the last ten years
- “One in, one out” situation with most collections since book shelves are at capacity
- Limited space for programming, e.g. 120 children attending per story hours four times a week
- Building that is physically not holding up to the heavy use it receives—HVAC, plumbing, elevator, energy efficient lighting, plumbing, and ADA issues
- Digital formats are getting heavier usage, but so is the print collection, which will not “go away” for years and years to come, if ever
- Declining revenues from State Aid to Libraries continue

SIGNIFICANT CHANGES IN FY2016

- All major indicators of use by the public are up, as noted above, and continue to climb each year with no significant increase in staff, hours of operation, or operating budget
- Use of two temporary 15 hr/wk library assistants to help with workload in youth services and reference departments
- Materials, supplies, and other monies continue to decline in budget as does state aid to libraries

FY2016 DELIVERABLES

- Provide approximately 600-650 programs a year for all ages
- Answer approximately 67,000 reference questions per year
- Circulate over 460,000 items a year

- Maintain an 87% to 91% of the city population with active library cards
- Catalog 95% of all materials within one month of receipt
- Continue to provide eformats and increase their use by 10% over previous year
- Inform and listen to citizens about the library expansion/renovation project by holding informational meetings, talking with civic organizations
- Investigate a software database for the local history services

PRIORITIES FOR FUTURE FUNDING

1. Fund substitute monies for one library assistant in circulation for 271 hrs/yr, \$5,000
2. Purchase a new Copier for Administration, \$7,000
3. Upgrade wi-fi access to commercial grade line vs. the current residential line, which is beginning to fail due to heavy usage, approx. \$1,200/mo or \$14,400/yr
4. Upgrade platform for the integrated library system (catalog and circulation system) to sierra, \$59,000
5. Replace the local history database, \$20,000
6. Open the library on Wednesday mornings year round, \$96,593

STAFFING AND BUDGET RESOURCES

ADOPTED POSITIONS BY FTE –17.85 TOTAL

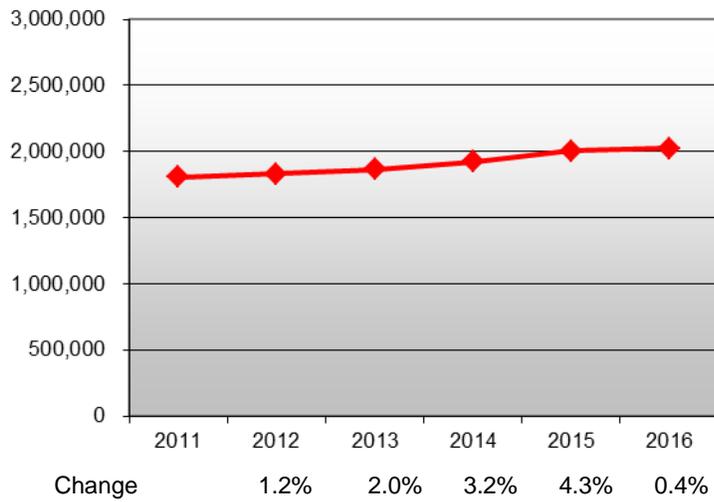
- 1.00 Library Director
- 1.00 Youth Services Supervisor
- 2.50 Librarians
- 7.15 Library Assistants
- 1.00 Circulation Supervisor
- 1.00 Technical Services Supervisor
- 1.00 Reference Services Supervisor
- 1.00 Senior Administrative Assistant
- 0.60 Automation Application Specialist
- 1.00 Custodian
- 0.60 Senior Library Page

Temporary workers are also used as Pages and two Library Assistants.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 1,107,501	\$ 1,145,293	\$ 1,195,259	4.36%
Benefits	381,871	416,958	382,561	-8.25%
Professional and Contractual	54,331	48,960	53,300	8.86%
Materials, Supplies, and Other	388,445	394,594	382,179	-3.15%
Capital Outlay	1,268	-	-	0.00%
Total Expenditures	1,933,417	2,005,805	2,013,299	0.37%
Revenues				
State Grants	142,230	142,001	140,863	-0.80%
Charges for Services	7,382	5,500	7,000	27.27%
Fines	45,964	45,000	45,000	0.00%
Other Grants and Contributions	36,511	-	-	0.00%
Total Revenues	232,087	192,501	192,863	0.19%
Net Expenditures Supported by General Revenues	\$ 1,701,330	\$ 1,813,304	\$ 1,820,436	0.39%

BUDGET TREND: FY 2011-2016

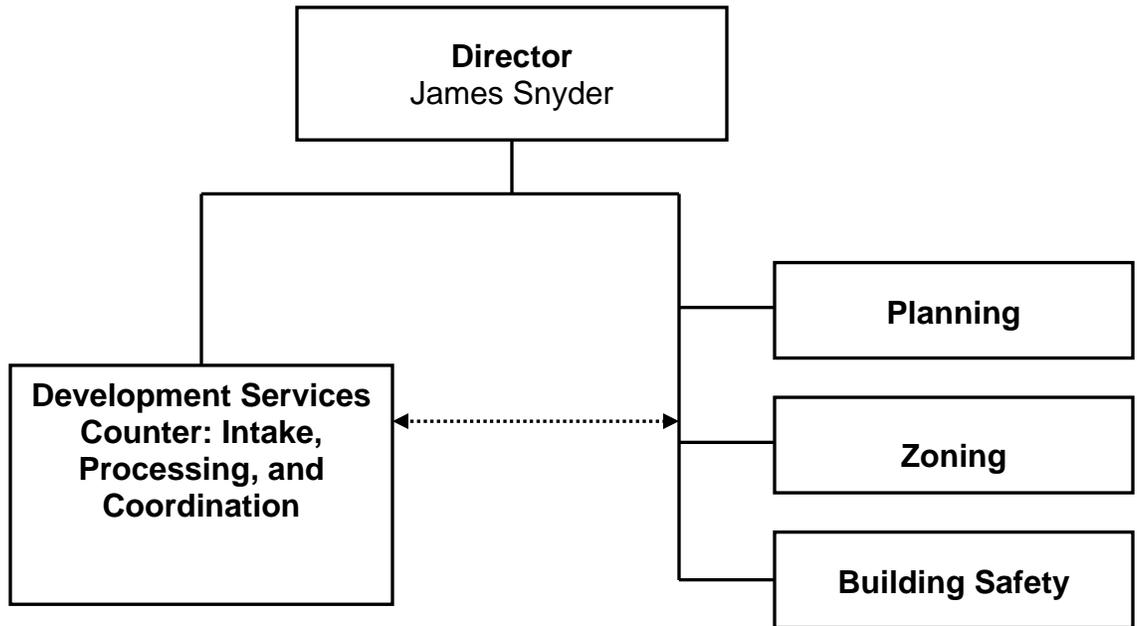


Notes:

For FY2016, the following are the major changes in the library's budget:

- Decrease in Electronic Resources due to shifting monies to temporary salaries
- Expect a decrease in State Aid funds
- No increase in staff or restoration of operating hours despite increased use by the public

DEPARTMENT OF DEVELOPMENT SERVICES



SUMMARY OF SERVICES PROVIDED

- DDS provides services in Planning, Historic Preservation, Zoning, Building Safety, and Counter Services for Permits. DDS provides inspections for zoning, building, property maintenance complaints/violations and issues all Certificates of Occupancy..
- Planning performs Comprehensive Planning, Small Area and Transportation Planning, Development Review/Planning, and Historic Preservation. Planning provides staff support to the Planning Commission, CACT, Architectural Advisory Board (AAB), HARB, Historical Commission, and the Joint City Council Schools Task Force. Planning also interacts regularly with the City Council, the EDA, the EDC and the City Attorney.
- Zoning provides zoning review of all planning and zoning projects, building plans, building permits and grading plans for Zoning compliance. The Zoning Administrator provides zoning analysis of properties and zoning opinion and compliance letters, and assists in the development of zoning text amendments. They also staff the BZA and review/comment on variances, special use permits and subdivisions.
- Building Safety reviews all building plans and trades permits for compliance with State building and fire codes. The Building Safety staff both reviews the plans and also inspects the projects and work in the field. The City Council recently appointed members to the “Board of Building Code and Fire Prevention Code Appeals”. Building Safety staff supports and provides training for this group. They also work closely with the Fire Marshal to conduct full code inspections and are part of the emergency management response team.
- Counter Services provides intake, application and payment processing, review and issuance of all building and trades permits and Public Works permit intake and issuanceThe Department of Development Services (DDS) provides services in Planning, Historic Preservation, Zoning, Building Safety, and Counter Services for Permits. DDS provides inspections for zoning, building, property maintenance complaints/violations and issues all Certificates of Occupancy.

TRENDS AND ISSUES

- Permits reviewed have increased from **1,066** in calendar year **2011** to **1,563** in calendar year **2014** (an increase of 68%).
- Certificates of Occupancy issued have increased from **102** in calendar year **2011** to **204** in calendar year **2014** (an increase of 100%)
- Building permit fees collected during the first half of FY 2015 total \$625,000 with second half projected revenue of \$770,000. This reflects the scale and complexity of the large projects approved and planned for construction plus some level of projected new approvals.
- Two Major mixed use projects are under construction in calendar year 2015 with openings occurring in the first half of calendar year 2016. (The Reserve at Tinner Hill and 301 West

Broad Street). These two projects total more than 500 dwelling units and 100,000 square feet of retail including two new major grocery stores.

- A major mixed use building with retail and more than 100 assisted living units (The Kensington) will begin construction on the Burger King site on West Broad Street. This is a complex building with retail on the ground floor and residential uses above that require special construction and life safety considerations. Construction will take approximately 18 months.
- Follow-up work continues on the Hilton Garden Inn, Northgate and Good Fortune Grocery projects. Staff continues to work with Falls Church City Schools on final construction details on the Jesse Thackeray preschool building and on joint planning for the proposed new high school and the area of commercial redevelopment.
- A major mixed use building with retail and more than 100 assisted living units (The Kensington) will begin construction on the Burger King site on West Broad Street. This is a complex building with retail on the ground floor and residential uses above that require special construction and life safety considerations.
- Last year the City's Building Safety program was audited by the Insurance Services Office. The City's Building Code Effectiveness Classification improved from a 3 for commercial to a 2 and continued the residential rating of 3. This improved rating will positively affect insurance rates in the City and is comparable to Fairfax and Arlington Counties which have much larger staff and more resources.
- Progress continued to update the City of Falls Church Comprehensive Plan. The Planning Commission and the City Council unanimously approved: the Downtown Small Area Plan, the "Mobility for All Modes Plan", the Bus Shelter Master Plan, an Updated Traffic Calming Program and the "Parks for People" Comprehensive Plan Chapter update.
- Approval of the West Broad Street Small Area Plan is anticipated before the end of FY15.
- Updates to the Broad Street Streetscape Plan, the Great Street Vision Plan for the WOD Trail including detailed plans for improvements to two of the plaza areas should be completed this year.
- The kickoff of the next Small Area Plan Study: The Gordon Road Triangle is scheduled for summer of 2015 with approval the following year by the end of June 2016.
- Follow-up Planning work on Planning and Zoning for the areas owned by the City Falls and returned to City of Falls Church control through the boundary adjustment process.
- Initiate and complete updates to the Vision Chapter and the Housing Chapter of the Comprehensive Plan.
- Other Items on the City of Falls Church two year work plan.

SIGNIFICANT CHANGES IN FY2016

- A structural engineer/building plan reviewer is urgently needed to keep up with the increased volume of building permits and the complexity of plan review work. The Chief Building official is currently the only building plan and structural plan reviewer in the City. He has focused on building and structural plan review and inspections of major mixed use projects such as the Tinner Hill and Harris Teeter projects as well as the Kensington Assisted Living. The additional position will provide needed backup and capacity and will help staff to provide timely service to homeowners, builders and commercial infill projects. Funding for this position is covered by building and permit fees collected by DDS for this purpose.
- A Senior plans reviewer and inspector position was added mid-year in FY2015. This position added was critically important capacity to review trades permits and to inspect ongoing work in the field last year as major mixed use projects were getting permits, and beginning excavation, sheeting and shoring, foundations and concrete garages= and podium construction. Funding for this position is derived from the building and trades permit fees collected by DDS for this purpose and used to support plan review and inspections.
- An administrative position to support office automation and the building safety and counter staff. This position is funded by means of the 10% DDS permit tech fee approved in last year's budget. Hired mid-year, this position has culled through old and inactive plans, archived completed permits and plans that may be destroyed in the future, identified approximately 1000 stale inactive plans and is following up to close them out and collect any fees due to the City. This position will continue to be funded through the permit tech fee and is necessary to keep the office organized improve office automation and City web interface and to improve customer service.
- Old site plans have been scanned and archived creating more space in the office for staff and plan review. Office organization has been improved staff has implemented improved process handling and tracking of plans and permits. This position is also working with the office of communication to update the City Web Site to create a building Falls Church Page – similar to the Build Arlington web page, that will let more customers use the web to fill out applications and check on the status of their permits.

FY2016 DELIVERABLES**Planning Division:**

- West Broad Street Small Area Plan Approval Summer 2015
- ULI MINI TAP for property yard and Gordon Road Triangle Area
- Gordon Road Triangle Small Area Plan – Kickoff Summer 2015
- Schools RFP issuance and follow-up Planning Area # 8
- Review of filed Special Exceptions and Plans such as the Broad and West Plan and
- Proposed Office Building with ground floor retail at 400 North Washington Street Plan
- Possible redevelopment of Broad and Washington Street property consolidation.
- Bus Routes Map Update and Bike Share Plan Summer / Fall 2015
- ULI/COG TAP for the Eastern Gateway Seven Corners Area Fall 2015

Zoning Division

- Zoning Ordinance changes to R-1B for the Greenway Downs neighborhood – Fall 2015
- Zoning Ordinance changes to deal with nonconforming setbacks of older houses. The zoning code setbacks as written leaves many homes non-conforming and tends to discourage additions/renovations and encourage teardowns.
- Possible changes to parking standards and permitted uses in the B zones.
- Other Zoning ordinance amendments as needed

Building Safety Division

- Successfully complete the building safety review and on-site inspection of ongoing major mixed use projects here in the City such as Harris Teeter, Tinner Hill and the Kensington..
- This is very staff intensive for example the electrical application for 301 West Broad Street (Harris Teeter and apartments will have a total of **12,210** switches outlets and plugs. Tinner Hill plans **15,488** total switches outlets and plugs and **2,431** plumbing drains plus piping and vents.
- Each item is reviewed in the plan stage, then inspected and approved for rough in and wall enclosure and then tested to see that it has been assembled correctly and functions properly, consistent with the building, plumbing and or electrical codes. In addition each of these residential and commercial spaces will be built with appliances, fixtures HVAC and Sprinkler and fire systems all of which need to be reviewed and inspected.
- The Kensington assisted living project will break ground in 2015 and begin construction. It too is a very complex building and will consume considerable plan review time and field inspections. The innovative TDM plan will need to be monitored as it is implemented.
- Continue to provide priority plan review for commercial fit outs of vacant commercial spaces.
- Continue to encourage and use electronic plan review (Bluebeam) to speed up review and turnaround time for applicants. Begin using this technique with residential builders and Architects.
- Integrate HP tablets into field and develop checklists for Inspectors in the Field
- Coordinate with Health Department and coordinate Day Care establishment monitoring
- Improve coordination of Fire Dispatch with Police Department and the Arlington Fire Department.

PRIORITIES FOR FUTURE FUNDING

1. Senior Building/Trades Plan Reviewer and Inspector \$100,000 - in order to handle the very complex major mixed use projects plan review and on-site inspections needed to handle work load in the pipeline. (Tinner Hill, Harris Teeter, Kensington Assisted Living. This additional position will help staff to handle an increased work load volume and complexity and also continue to provide timely service to homeowners, builders and commercial infill projects. Funding for this position is potentially available from the fees collected for building and trades permit fees.
2. Development Review Urban Planner - \$90,000 –Needed to handle and follow-up on planning activities related to new development already being reviewed and those that will be coming before the City of Falls Church. Broad and West, Broad and Washington. Extensive follow-up

is needed by planning once projects are approved and under construction and nearing completion to ensure that voluntary concessions are complied with.

3. Senior Administrative Assistant - \$70,000 – This position is needed to assist with the multitude of DDS functions and responsibilities including staffing the Planning Commission, AAB, BZA, HARB, and numerous other boards, commissions and task forces. Valuable professional staff time is currently being used for tasks that could more effectively be handled by a support AA staff member allowing more time for code enforcement, research, plan review, and direct customer assistance.
4. Inspector vehicles - \$90,000 - To replace two old, unreliable vehicles and add an additional new vehicle to allow building officials and inspectors to perform daily field inspections.
5. Transportation/Future Planner - \$110,000 This position is currently funded through the end of the fiscal year FY2015. Staff is interviewing candidates for this position to help monitor and coordinate the more complex transportation planning and funding processes here in Northern Virginia. Continuation of this position and work in FY 2016 requires approval of a new position and additional funding to be approved by City Council in next year’s budget. Funds from Transportation Sources are a possible but uncertain method of funding this position.

STAFFING AND BUDGET RESOURCES

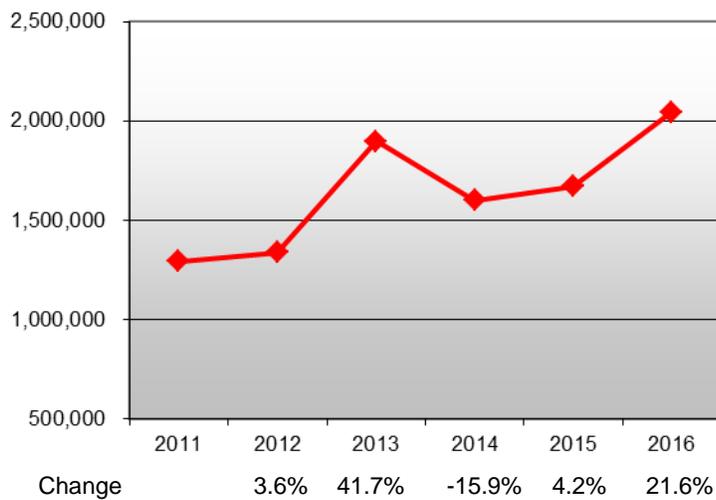
ADOPTED POSITIONS BY FTE – 18.00 TOTAL

- | | |
|---|---|
| <ul style="list-style-type: none"> • 1.00 Director, Planning and Development Services • 1.00 Principal Planner, Current Planning • 1.00 Senior Planner Comprehensive-Transportation Planning, • 1.00 Senior Planner, Current & Future Planning • 1.00 Planning/Zoning Specialist/Planning Commission Clerk • 1.00 Planner/GIS/Urban Design Specialist • 1.00 Comprehensive Planner • 1.00 Structural Engineer/Plan Reviewer | <ul style="list-style-type: none"> • 1.00 Zoning Administrator • 1.00 Development Process Manager-Deputy Zoning Administrator • 2.00 Senior Development Process Specialists • 1.00 Development Services Inspector/Zoning Technician • 1.00 Building Official • 1.00 Electrical Plan Reviewer and Inspector • 2.00 Building Inspector • 1.00 Senior Administrative Assistant |
|---|---|

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 1,127,528	\$ 1,194,052	\$ 1,461,279	22.38%
Benefits	351,877	407,575	473,091	16.07%
Professional and Contractual	34,085	28,000	34,084	21.73%
Materials, Supplies, and Other	55,465	39,374	61,588	56.42%
Total Expenditures	1,568,955	1,669,001	2,030,042	21.63%
Revenues				
Licenses, Fees, and Permits	1,387,513	792,000	1,216,112	53.55%
Use of Inspection Fee Reserves	-	-	251,000	-
Total Revenues	1,387,513	792,000	1,467,112	85.24%
Net Expenditures Supported by General Revenues	181,442	877,001	562,930	-35.81%

BUDGET TREND: FY2011-2016



Notes:

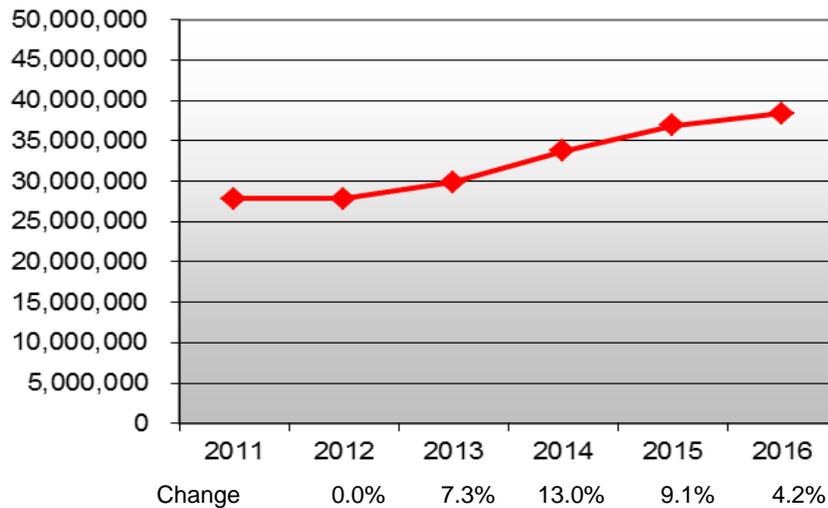
- In FY2013, 2 new planners were added. In addition, a one-time grant was received for light rail study in the Rte. 7 corridor between Alexandria and Tyson's Corner in the amount of \$350,000.
- The removal of the one-time grant in FY2013 accounts for the decrease in expenditures in FY2014.
- Revenues increased in FY2014 due to approvals of major mixed use approvals.
- FY2015 projected revenues reflect ongoing increased development activity and building permits.

TRANSFER TO SCHOOL BOARD

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Transfer to School Board - Operating	\$ 33,682,700	\$ 36,746,200	\$ 38,298,700	4.22%
Transfer to School Board - Community Services	92,900	113,330	119,200	5.18%
Net Expenditures				
Supported by General Revenues	\$ 33,775,600	\$ 36,859,530	\$ 38,417,900	4.23%

BUDGET TREND: FY2011–2016



The School Board budget is presented on pages 253-258.

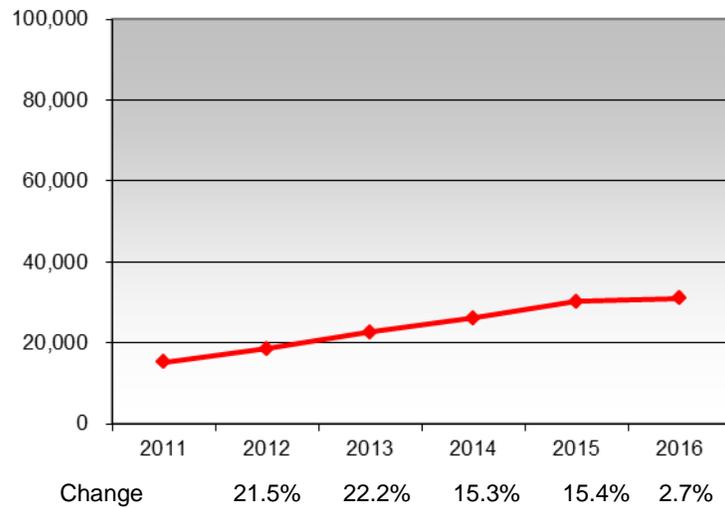
OTHER EDUCATION EXPENDITURES

The amounts adopted in the following budget constitute the City's contribution to Northern Virginia Community College.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Northern Virginia Community College Contribution	\$ 26,167	\$ 30,204	\$ 31,013	2.68%
Net Expenditures				
Supported by General Revenues	\$ 26,167	\$ 30,204	\$ 31,013	2.68%

BUDGET TREND: FY2011–2016



DEBT SERVICE

The City issues debt as necessary to fund long-lived capital assets such as school buildings, open space, and major 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 summarized on page 39.

Debt service includes all general obligations of the City, including those debts issued for the School Board but excludes debts issued by the utility funds.

During FY2015, the City issued \$10.4 million in new debt to fund the construction of the Mt. Daniel Elementary School as well as \$1.4 million for the Sanitary Sewer and Stormwater Funds. The debt service for the \$10.4 million issuance is included in the following budget. The Sanitary Sewer and Stormwater Funds both pay debt service on their own debts.

During FY2012, the City issued \$3 million of Qualified School Construction Bonds (QSCB) to help finance the construction of Thomas Jefferson Elementary School. The City receives a grant from the Federal government that offsets the interest paid on this bond. Although the Sequestration in 2013 reduced the grant, a majority of the interest is still being recovered through this grant. In addition, the School Board transferred \$186 thousand to the City to help pay for debt service. \$60 thousand of this money had been used in FY2013 and FY2014 to pay debt service for the QSCB issuance. The remaining \$66 thousand is being used in FY2015.

It is expected that the City will not issue any new debt during FY2016 although this may change depending on the schedule of construction of projects. The City still has 7.5 million of debt that was authorized as part of its CIP that has not yet been issued. These are mostly for the City Hall projects.

Additional information on the City's debt can be found on pages 75-78.

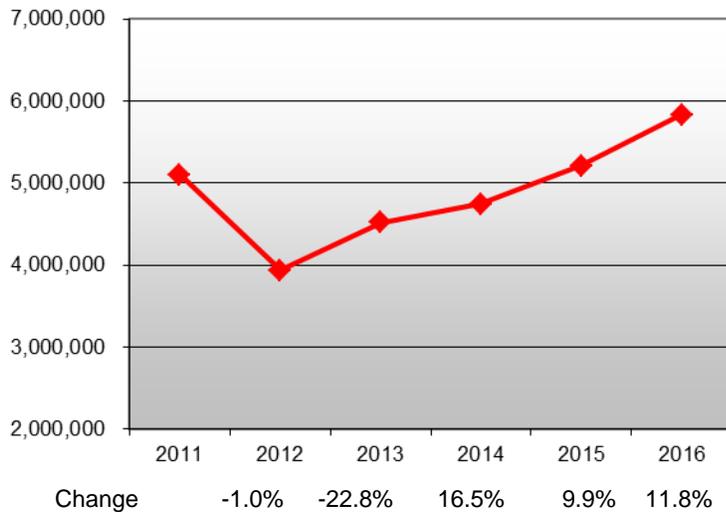
The FY2016 debt service expenditure break-down functionally as follows:

FUNCTION	AMOUNT
Schools	\$4,137,959
General Government	1,588,758
Special Transportation	87,013
Issuance Costs and Fees	17,000
Total	\$5,830,730

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adoptes	Percent Change
Expenditures				
Professional and Contractual	\$ 205,572	\$ 219,000	\$ 17,000	-92.24%
Principal	3,317,300	3,422,300	4,045,000	18.20%
Interest	1,013,529	1,572,824	1,768,730	12.46%
Total Expenditures	4,536,400	5,214,124	5,830,730	11.83%
Revenues				
Use of Fund Balance	66,000	66,000	-	-
Other Grants and Contributions	118,320	118,320	118,190	-0.11%
Total Revenues	184,320	184,320	118,190	-35.88%
Net Expenditures				
Supported by General Revenues	\$ 4,352,080	\$ 5,029,804	\$ 5,712,540	13.57%

BUDGET TREND: FY2011-2016



Note:

- The decrease in the FY2012 amount is due to the final maturity of three bonds.
- The City issued new bonds in FY2012, FY2013 and FY2014, resulting in the increase of debt service for the subsequent years.

POST-EMPLOYMENT BENEFITS OTHER THAN PENSION

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.

In FY2008, the City made the decision to begin funding its actuarial liabilities and established a trust fund to accumulate such funds. In that initial year of funding, the City pre-funded a portion of the actuarial liability for OPEB. Since then, the City has fully funded its Actuarially Required Contribution (ARC) for OPEB. The following table shows the portion of the FY2013 ARC that is allocable to current retirees and reflects this adjustment. Throughout this budget, the City has allocated a portion of the ARC that is allocable to active employees. In total for the General Fund, the City will contribute \$565 thousand.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Benefits	\$ 152,491	\$ 154,000	\$ 146,130	-5.11%
Net Expenditures				
Supported by General Revenues	\$ 152,491	\$ 154,000	\$ 146,130	-5.11%

TRANSPORTATION

The City’s required subsidy for WMATA for Metrobus and Metrorail operations and capital needs is funded through the fuels tax collected and disbursed by the Northern Virginia Transportation Commission (NVTC), along with some state aid from the Department of Rail and Transportation (DRPT), as well as some contribution from the City. The gas revenues are not included in the City’s budget as they are dedicated by state law to be used for WMATA obligations and are deposited directly into a trust fund maintained by NVTC. In 2012, DRPT changed the grantee from NVTC to the City of Falls Church, thereby requiring us to record the state aid in our books. In 2015, DRPT again changed the grantee back to NVTC rather than the City, thereby removing the requirement to record the grant in our books. The City also provides additional funds to WMATA on top of the gas taxes and grants. These payments are accounted for in the Special Transportation Fund.

In FY2016, the only item budgeted for in this category is our annual contribution to the Northern Virginia Transportation District.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 1,205,000	\$ 1,205,000	\$ 4,856	-99.60%
Revenues				
State Grants	1,200,000	1,200,000	-	-100.00%
Net Expenditures				
Supported by General Revenues	\$ 5,000	\$ 205,000	\$ 4,856	-97.63%

CONTINGENCIES & TAX CREDITS

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.

\$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.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Council Contingency	\$ -	\$ 7,500	\$ -	-
Contingency Reserve	-	79,447	-	-
Contingency Reserve - BJ's	250,000	250,000	250,000	0.00%
Net Expenditures				
Supported by General Revenues	\$ 250,000	\$ 336,947	\$ 250,000	-25.80%

Note: The above numbers do not include \$182,000 in tax relief which is included instead in the treasurer's budget as they administer the program.

TRANSFERS

The transfers out of the General Fund are 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 FY2016, a total of \$2,089,514 is being transferred to the two funds:

- General Government and School Capital Project Fund: \$1,122,000. The projects funded are:
 - GMHS & MEHMS Planning and Design: \$250,000
 - Park Master Plan Implementation: \$100,000
 - Howard E. Herman Stream Valley Park: \$100,000
 - George Mason Synthetic Turf: \$450,000
 - GMHS Field Track Rebuild: \$222,000

- Special Transportation Fund: \$967,514. The projects funded are:
 - Downtown Reinvestment: \$600,000
 - Downtown Planning Opportunity Area: \$20,000
 - Neighborhood Traffic Calming: \$200,000
 - WMATA Annual Obligation: \$147,514

All of the transfers, with the exception of the \$147,514 for WMATA, are from the Water system sales proceeds.

Additional information regarding the CIP and the Special Transportation Fund can be found on pages 261-298.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Transfer to CIP	1,532,627	952,000	1,122,000	17.86%
Transfer to Special Transportation Fund	99,744	800,000	820,000	2.50%
Transfer to Special Transportation Fund - WMATA	-	200,000	147,514	-26.24%
Transfer to Stormwater Fund	900,000	-	-	-100.00%
Total Expenditures	2,532,371	1,952,000	2,089,514	7.04%
Revenues				
Use of Unassigned Fund Balance	900,000	-	-	-
Use of Capital Reserves (Water Sales Proceeds)	-	1,752,000	1,942,000	10.84%
Debt proceeds	-	-	-	-
	900,000	1,752,000	1,942,000	10.84%
Net Expenditures Supported by General Revenues	1,632,371	200,000	147,514	-26.24%

**FY2016 ADOPTED BUDGET
SANITARY SEWER
FUND**



The Sewer Fund transferred to the Department of Public Works effective January 4, 2014.

The following are significant changes to the Sewer Fund’s budget for FY2016:

- Revenue includes rate increase of 3.5% from \$9.40 to \$9.73 per 1,000 gallons as recommended by a 2012 rate study to fund sewer rehabilitation program and increased treatment plant costs.
- An allocation of \$550,000 has been made in FY2016 for sanitary sewer rehabilitation. In FY2015, an allocation was not made due to a sufficient balance in that project from prior appropriations. During FY2015, we expect to execute \$1.2 million worth of rehabilitation, thereby using up the prior year funds.

SEWER FUND REVENUES

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Service Charges	\$ 3,415,224	\$ 3,793,200	\$ 3,834,000	1.08%
Availability Fees	584,243	100,000	100,000	0.00%
Other Charges	188,201	145,000	175,000	20.69%
Total Charges for Services	4,187,668	4,038,200	4,109,000	1.75%
Investment Revenues	8,125	10,000	10,000	0.00%
Total Revenue from Use of Money and Property	8,125	10,000	10,000	0.00%
TOTAL REVENUE - SEWER FUND	\$ 4,195,793	\$ 4,048,200	\$ 4,119,000	1.75%

SEWER FUND EXPENDITURES

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Sewer Administration	\$ 357,932	\$ 470,959	\$ 485,508	3.09%
Collection and Disposal	1,410,884	1,775,456	1,744,354	-1.75%
Debt Service	463,952	1,182,396	1,234,938	4.44%
Other Post-Employment Benefits	3,000	3,000	4,200	40.00%
Transfers to CIP	577,132	212,000	650,000	206.60%
Reserves	-	404,389	-	-100.00%
TOTAL EXPENDITURES - SEWER FUND	\$ 2,812,900	\$ 4,048,200	\$ 4,119,000	1.75%

SEWER ADMINISTRATION

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

- Debt Service in FY2016 is projected at \$1.2M as the costs of major upgrades at the 2 Treatment Plants are being fully realized
- The agreement for sewage treatment with Arlington County has expired and should be updated

SIGNIFICANT CHANGES IN FY2016

- Rates increase of 3.5% to \$9.73 per 1,000 gallons

FY2016 DELIVERABLES

- The City is updating the Sewer System Rate Study, last updated in 2012.
- Negotiation of a new Inter-Jurisdictional (IJ) agreement with Arlington County

STAFFING AND BUDGET RESOURCES

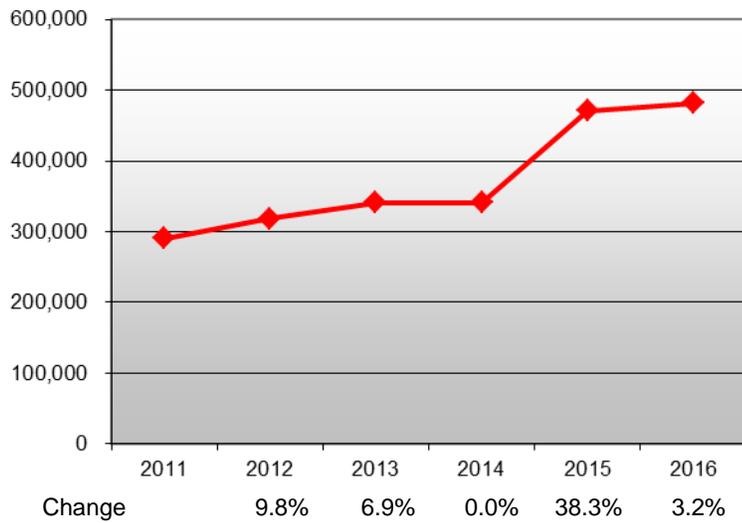
ADOPTED POSITIONS BY FTE – 0.95 TOTAL

- 0.10 Director, Public Works
- 0.25 GIS Analyst
- 0.25 Engineer
- 0.25 Customer Service Representative
- 0.10 Contract Manager

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 76,195	\$ 80,292	\$ 107,706	34.14%
Benefits	24,711	24,056	33,101	37.60%
Professional and Contractual	47,534	136,575	183,206	34.14%
Materials, Supplies, and Other	94,470	71,450	41,495	-41.92%
Reserves	-	28,586	-	-100.00%
Admin Fees to General Fund	115,022	130,000	120,000	-7.69%
Net Expenditures				
Supported by General Revenues	\$ 357,932	\$ 470,959	\$ 485,508	3.20%

BUDGET TREND: FY2011 – 2016



Notes:

- FY2011 reflects removal of federal grant expenditure.
- FY2012 includes proportional cost of two additional maintenance positions.
- FY2013 increase reflects sewer shed account identification project.
- FY2015 reflects the absorption of the Customer Service Cost Center into Administration and assumption of costs traditionally split with the Water fund. It also includes fees paid to Fairfax Water for billing and collections.

COLLECTION AND DISPOSAL

SUMMARY OF SERVICES PROVIDED

This Department of Public Works operates and maintains the City’s sanitary sewer system. The system includes approximately 47 miles of pipeline ranging from 8” to 21” in diameter, and more than 1,000 manholes.

Maintenance activities include flushing the entire system several times a year to eliminate grease and debris build-up and keep sewer mains flowing at their full capacity and television inspections of problem areas. Small repair activities such as manhole repairs and casting replacements are performed by the sanitary sewer crew. Larger repairs such as manhole replacement or pipe excavation and replacement are performed by contractors.

Costs in this cost center also include payments to our Inter-Jurisdictional (IJ) partners for conveyance and treatment of the City’s wastewater. The Sewer rehabilitation CIP program which utilizes a “trenchless” technology known as Cured In Place Pipe (CIPP) is also run out of this cost center. This technology inserts a resin impregnated fiberglass sleeve into existing sewers and then utilizes steam or hot water to inflate and cure the sleeve resulting in a new pipe within the existing pipe at 20%-30% the cost of traditional replacement.

TRENDS AND ISSUES

- The addition of the storm sewer crew provides backup and redundancy for sanitary sewer repairs and operations

SIGNIFICANT CHANGES IN FY2016

- A contract has been established for emergency spot repairs on sanitary and storm sewers that will enable more efficient response to critical deficiencies

FY2016 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

STAFFING AND BUDGET RESOURCES

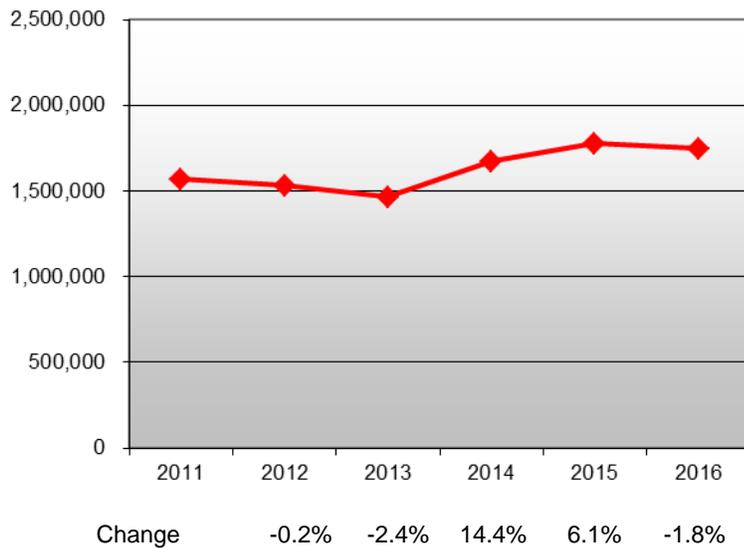
ADOPTED POSITIONS BY FTE – 3.55 TOTAL

- | | |
|---|---|
| <ul style="list-style-type: none"> • 0.25 Public Works Superintendent • 0.20 Asst. Public Works Superintendent • 0.10 Sr. Administrative Assistant | <ul style="list-style-type: none"> • 1.00 Crew Leader • 1.00 Senior Maintenance Worker • 1.00 Maintenance Worker |
|---|---|

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 193,543	\$ 196,094	\$ 219,093	11.73%
Benefits	72,279	77,540	81,471	5.07%
Professional and Contractual	1,076,487	1,419,000	1,359,768	-4.17%
Materials, Supplies, and Other	68,575	72,822	84,022	15.38%
Capital Outlay	-	10,000	-	-100.00%
Net Expenditures				
Supported by General Revenues	\$ 1,410,884	\$ 1,775,456	\$ 1,744,354	-1.75%

BUDGET TREND: FY2011 – 2016



Notes:

- FY2014 reflects increased wastewater treatment costs
- FY2015 reflects increased wastewater treatment costs

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 Sanitation Authority's (ASA) wastewater treatment plants improvement. We also plan on issuing bonds in FY2015 to pay for our portion of the ASA wastewater treatment plants improvement, which are still ongoing.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Principal	\$ -	\$ 707,837	\$ 767,248	8.39%
Interest	452,824	474,559	467,690	-1.45%
Net Expenditures				
Supported by General Revenues	\$ 463,952	\$ 1,182,396	\$ 1,234,938	4.44%

POST-EMPLOYMENT BENEFITS OTHER THAN PENSION

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 \$13,700. Portions of the ARC are also allocated to the employees and retirees of the General and Stormwater Funds.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Benefits	\$ 3,000	\$ 3,000	\$ 4,200	40.00%
Net Expenditures				
Supported by General Revenues	\$ 3,000	\$ 3,000	\$ 4,200	40.00%

TRANSFERS & RESERVES

The Sewer Fund transfers funds to its Capital Improvements Project (CIP) Fund in order to pay for projects that are not debt-funded or grant-funded. In FY2016, the Sewer Fund budget includes a transfer of \$550,000 to its CIP fund to pay for sewer pipe rehabilitation. These improvements are being funded out of current year revenues. An additional \$100,000 is transferred for estimated receipt of availability fees. These fees are designated for system expansion costs.

Reserves for operating and maintenance (O&M) and repairs, replacement and rehabilitation were established pursuant to the rate study performed in February 2011. No additional funds are set aside in FY2016. This will be reviewed with a rate study to be conducted later this year.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Transfer to CIP	\$ 500,000	\$ 212,000	\$ 650,000	-57.60%
Reserves:				
Repairs, Replacement & Rehabilitation	77,132	404,389	-	424.28%
Net Expenditures				
Supported by General Revenues	\$ 577,132	\$ 616,389	\$ 650,000	6.80%

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**FY2016 ADOPTED BUDGET
STORMWATER FUND**



The City's stormwater facilities are managed by the Department of Public Works. In 2012, the City Council directed the City Manager to develop recommendations for the creation of a storm water enterprise fund to manage the growing costs of regulatory compliance, flood mitigation, water quality improvement, and maintain aging stormwater infrastructure. In FY2014, the Stormwater Enterprise Fund was established. Revenues for this fund are generated by a new fee based on impervious coverage.

The management of the 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 (that storm with a 50% chance of occurring during any given year). Approximately 28% of the system is 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 \$15 million 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.

The FY2016 budget does not include any increases in fees, currently set at \$18.00 per 200 square feet of impervious coverage.

STORMWATER FUND REVENUES

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Service Charges	\$ 764,451	\$ 1,425,000	\$ 1,529,000	7.30%
Revenue from Use of Money and Property	828	1,000	1,000	0.00%
Transfer from General Fund	931,300	-	-	-
Use of Fund Balance	-	30,000	-	-100.00%
TOTAL REVENUE - STORMWATER FUND	\$ 1,696,579	\$ 1,456,000	\$ 1,530,000	5.08%

STORMWATER FUND EXPENDITURES

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Administration	\$ 702,910	\$ 664,046	\$ 672,250	1.24%
Operations	301,753	723,021	728,439	0.75%
Debt Service	25,082	68,933	129,311	87.59%
TOTAL EXPENDITURES - STORMWATER FUND	\$ 1,029,745	\$ 1,456,000	\$ 1,530,000	5.08%

STORMWATER ADMINISTRATION

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

- In FY2015 the Stormwater program was awarded a \$120k Stormwater Local Assistance Fund grant to allay the costs several Capital projects
- Processed 146 Credit applications in FY2015

FY2016 DELIVERABLES

- Design of the W. Westmoreland, 4 Mile Run Retaining Wall, and Wren’s Branch projects
- Submittal of annual MS4 report
- Processing of Stormwater Credit Applications

PRIORITIES FOR FUTURE FUNDING

- Capital funding (\$1,000,000 annual) – Capital funding for stormwater facilities reinvestment to address capacity, structural integrity, and compliance issues

STAFFING AND BUDGET RESOURCES

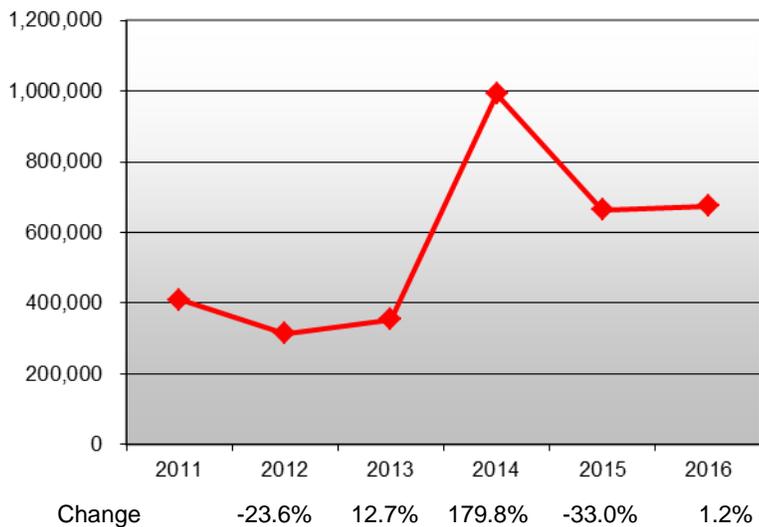
ADOPTED POSITIONS BY FTE – 3.60 TOTAL

- | | |
|---|--|
| <ul style="list-style-type: none"> • 0.15 Director of Public Works • 1.25 Civil Engineer • 0.20 Contract Manager | <ul style="list-style-type: none"> • 0.75 Engineering Inspector • 0.75 Customer Service Representative • 0.50 GIS Analyst |
|---|--|

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 268,548	\$ 267,052	\$ 294,474	10.27%
Benefits	71,359	82,058	96,216	17.25%
Professional and Contractual	228,747	127,500	114,487	-10.21%
Materials, Supplies, and Other	30,501	21,436	29,373	37.03%
Capital Outlay	19,416	6,000	7,700	28.33%
Admin Fees to General Fund	84,339	160,000	130,000	-18.75%
Total Expenditures	\$ 702,910	\$ 664,046	\$ 672,250	1.24%

BUDGET TREND: FY2011 – 2016



Notes:

- Budget amounts prior to FY2014 are amounts budgeted for stormwater management in the General Fund.
- FY2014 reflects the beginning of the stormwater enterprise fund when more funding was received as a result of the fees established for stormwater.
- FY2015 decrease reflects declining revenue due to a reduction in the rate from \$19.80/billing unit to \$18.00/billing unit

STORM SEWER OPERATIONS AND MAINTENANCE

SUMMARY OF SERVICES PROVIDED

The operations crew is responsible for inspection, cleaning and repairing the stormwater system, which includes more than 26 miles of storm drain, 1,400 appurtenances and 8,100 feet of stream channel in the Four Mile Run and Tripps Run watersheds. The vast majority of the City's stormwater system was originally installed as the City grew during the 1930s through the 1960s. Today, many of these stormwater pipes and structures are beyond their expected life span and in some locations have failed or are near failing.

The Stormwater Crew utilizes vacuum and flusher trucks to clean structures and pipes, and to keep debris out of our streams. The crew also uses a television inspection truck to inspect and catalogue the condition of the infrastructure and diagnose problems, develop maintenance and repair priorities, and establish a record of system condition.

TRENDS AND ISSUES

- A four man stormwater crew was established in May of 2014

SIGNIFICANT CHANGES IN FY2016

- A contract has been established for emergency spot repairs on sanitary and storm sewers that will enable more efficient response to critical deficiencies

FY2016 DELIVERABLES

- Sweep each street 5 times
- Clean 700 structures
- Flush 13 miles of pipe
- Television inspect 6 miles of pipe

STAFFING AND BUDGET RESOURCES

ADOPTED POSITIONS BY FTE – 4.55 TOTAL

- | | |
|---|---|
| <ul style="list-style-type: none"> • 0.25 Superintendent of Public Works • 0.20 Asst. Superintendent of Public Works • 0.10 Sr. Administrative Assistant | <ul style="list-style-type: none"> • 1.00 Crew Leader • 3.00 Maintenance Worker |
|---|---|

FY2016 ADOPTED BUDGET

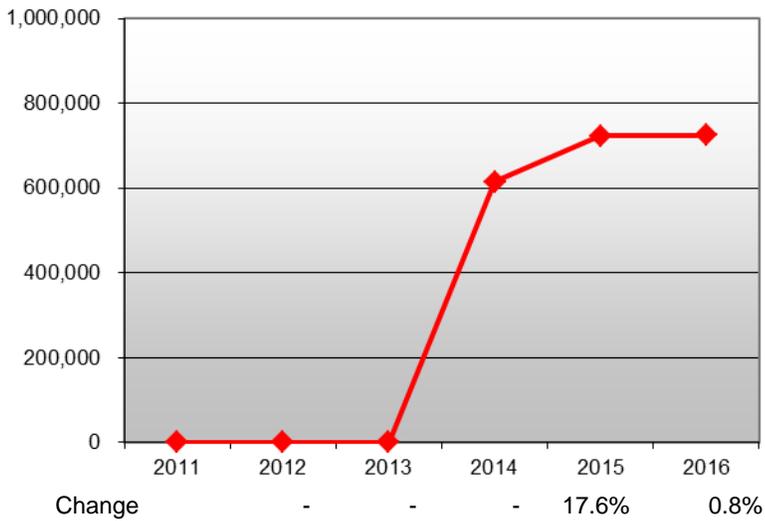
STORMWATER FUND EXPENDITURES

Operations and Maintenance

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 121,544	\$ 225,343	\$ 229,224	1.72%
Benefits	38,301	117,478	110,835	-5.65%
Professional and Contractual	13,585	252,020	280,000	11.10%
Materials, Supplies, and Other	93,233	108,180	108,380	0.18%
Capital Outlay	35,089	20,000	-	-100.00%
Total Expenditures	\$ 301,753	\$ 723,021	\$ 728,439	0.75%

BUDGET TREND: FY2011 – 2016



Notes:

- FY2014 reflects the beginning of the stormwater enterprise fund when more funding was received as a result of the fees established for stormwater.
- FY2015 reflects the reallocation of staff from other funds to the Stormwater fund. In FY2015, we also moved street sweeping costs from the General Fund to the Stormwater Fund.

DEBT SERVICE

In December 2013 and again in December 2014, the City issued General Obligation Bonds to fund the capital projects for the Stormwater Fund. The principal and interest payment on these bonds are included in the FY2016 budget below.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 7,343	\$ -	\$ -	0.00%
Principal	-	35,000	75,000	114.29%
Interest	17,739	33,933	54,311	60.05%
Net Expenditures				
Supported by General Revenues	\$ 25,082	\$ 68,933	\$ 129,311	87.59%

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**FY2016 ADOPTED BUDGET
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.

ELIGIBLE ACTIVITIES

- Acquisition, rehabilitation, and/or development of multi-family or single family unit buildings; or
- Acquisition, rehabilitation, and/or development of specialized housing for the elderly, mentally or physically disabled or homeless; or
- Acquisition/rehabilitation of properties for adaptive reuse; or
- Loan program for acquisition, rehabilitation, and/or development of multi-family or single family properties.

USE OF FUNDS

- Bridge loans
- Financing
- Predevelopment Grants

TRENDS AND ISSUES

\$283,500 was used for the First Time Homebuyer Program to provide down payment and closing cost assistance of up to 20% of the purchase price to income eligible households. Two households were able to take advantage of the program last year, two in FY 2014, and one in FY 2013.

SIGNIFICANT CHANGES IN FY2016

All of the funds allocated to the First Time Homebuyer Program have been expended. Additional assistance will be available through this program as the loans are repaid.

Approximately \$289,000 is available through the Affordable Housing Fund for eligible activities. No applications have been received to date for FY2016.

PRIORITIES FOR FUTURE FUNDING

1. The Affordable Housing Policy requires dedicated annual revenue to the Affordable Housing Fund to promote the acquisition and preservation of permanently affordable housing units. \$200,000 annually would leverage the acquisition of four units per year.
2. In order to preserve the long term affordability of the Fields of Falls Church, \$80,000 annual contribution from the General Fund to the Affordable Housing Fund would be needed for the next 13 years to establish a reserve fund that could be drawn upon when the current tax credit financing expires in 2026. This represents a 20% share in the cost of maintaining affordability when those tax credits expire

STAFFING AND BUDGET RESOURCES

This program is managed and staffed by the Department of Human Service. No position is funded.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 82,963	\$ 141,038	\$ -	-
Materials, Supplies, and Other	-	-	-	-
Total Expenditures	82,963	141,038	-	-
Revenues				
Revenue from Use of Property and Money	-	-	-	-
Loan repayments	-	-	-	-
Use of Fund Balance	82,963	141,038	-	-
Total Revenues	82,963	141,038	-	-
Net Expenditures				
Supported by General Revenues	\$ -	\$ -	\$ -	-

**FY2016 ADOPTED BUDGET
SCHOOL BOARD**



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.

TRENDS AND ISSUES

FCCPS has seen steady and continuous growth in student enrollment over the last 30 years. The number students/families served has more than doubled between 1985, when enrollment stood at 1,101, and 2015, where that number now stands at 2,546, and student enrollment is projected to continue to increase at an average annual rate between three and four percent into the foreseeable future. Next year FCCPS anticipates enrollment will grow by 3.9%, which equates to an increase of 96 additional students.

	FY2015 CURRENT STUDENTS	FY2016 PROJECTED STUDENTS	CHANGE FROM CURRENT
Jessie Thackrey Preschool (PK)	45	50	5
Mt. Daniel Elementary (K-1)	409	341	(68)
Thomas Jefferson Elementary (2-5)	761	807	46
M.E. Henderson Middle School (6-8)	538	583	45
George Mason High School (9-12)	751	774	23
TOTALSTUDENT ENROLLMENT	2,459	2,555	96

A second issue that is a significant budget driver is the need to address the salary gap in teacher pay between FCCPS’s teacher salaries and those of other school divisions in the region. In 2013-14, the School Board implemented a four-year plan to close the gap in teacher pay with Alexandria, Arlington, and Fairfax. At that time, FCCPS teacher salaries were among the least competitive in Northern Virginia.

Starting Gap: For 2013-14, FCCPS was lower on every step at every level:

	Bachelors	Bachelors +18	Masters	Masters +30
Year 5	-\$ 4,734	-\$ 5,871	-\$ 3,904	-\$ 4,515
Year 10	-\$13,058	-\$13,573	-\$10,645	-\$11,543
Year 15		-\$21,205	-\$15,822	-\$16,936
Year 25			-\$ 6,322	-\$ 6,880

YEAR ONE: For 2014-15, FCCPS showed planned gains at every level:

	Bachelors	Bachelors +18	Masters	Masters +30
Year 5	-\$ 3,953	-\$ 4,826	-\$ 3,372	-\$ 3,853
Year 10	-\$10,307	-\$10,720	-\$ 8,552	-\$ 9,253
Year 15		-\$16,521	-\$12,556	-\$13,426
Year 25			-\$ 5,466	-\$ 5,921

Finally, fixed cost items such as benefit rates and inflation need to be addressed; this includes some capital items such as large maintenance projects and a school bus purchase.

SIGNIFICANT CHANGES IN FY2016

The single largest budget driver in the adopted FY16 budget is the competitiveness improvement that is being made to the FCCPS teacher salary scales. This one item represents \$1,634,300 (78%) of the \$2.1 million requested budget increase. To help offset the impact on the city transfer to the School Operating Budget, a total of 6.1 FTE positions are being eliminated between the current year and FY16. This will increase overall class sizes, especially as student enrollment continues to increase, but is one of the tradeoffs being made so that FCCPS can attract and retain highly-qualified instructional staff.

FY2016 DELIVERABLES

- Continue to closing the gap in teacher salaries.

YEAR TWO: For 2015-16, FCCPS anticipates further closure of the teacher pay gap:

	Bachelors	Bachelors +18	Masters	Masters +30
Year 5	-\$ 3,194	-\$ 3,810	-\$ 2,872	-\$ 3,224
Year 10	-\$7,591	-\$7,899	-\$ 6,495	-\$ 6,995
Year 15		-\$11,956	-\$ 9,330	-\$9,959
Year 25			-\$ 4,651	-\$ 5,010

- Continue to maintain reasonable class sizes.
- Continue to achieve high levels of student success as evidenced by individual student performance growth, SOL test pass rates, SAT/ACT scores, and a 100% graduation rate.

PRIORITIES FOR FUTURE FUNDING

The following items are not included in the adopted budget:

Five teaching positions (STeAM; ESOL; Gifted; Reading; Music)	\$562,200
Instructional Technology Director	\$168,000
Two custodial positions (35,000 additional square feet added)	\$90,000
Additioanl Security Coverage for School Buildings	\$50,000
EPED Stipends for Co-curricular Teams/Clubs (e.g. Lego League)	\$95,000
Enhanced Professional Development (National Board Certification)	\$80,000
School Supplies (flat since 2008)	\$435,000
Data Warehouse System (for student performance data)	\$55,000
School bus for growth and aging fleet	\$95,000
Replacement car for student transport	\$25,000
Van for student team travel	\$35,000
Building repairs and preventative maintenance (aging facilities)	\$100,000
Maintenance equipment (e.g. snow blowers, buffers, vacuums)	\$50,000
TOTAL	\$1,840,200

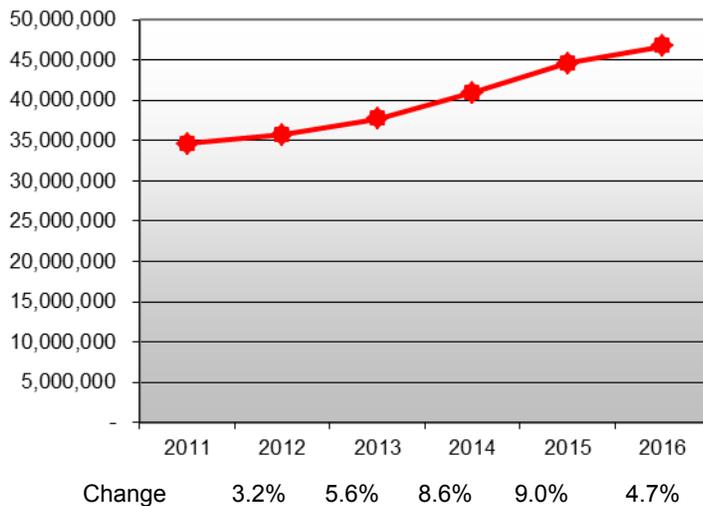
IAs with the current budget request, future funding requests will be driven by the School Board’s Six-Point Work Plan. These priorities are:

- 21st century teaching and learning;
- Excellent staff;
- Modern, secure schools;
- Readiness for learning;
- Small classes; and,
- Responsible fiscal management.

ADOPTED BUDGET

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries	\$ 25,354,114	\$ 28,197,250	\$ 29,261,650	3.77%
Benefits	8,420,291	9,950,970	10,253,760	3.04%
Professional and Contractual	3,173,307	3,902,230	4,018,540	2.98%
Conferences, Travel, & Memberships	186,440	235,620	230,020	-2.38%
Materials, Supplies, and Other	1,460,469	1,302,480	1,303,580	0.08%
Capital Outlay	910,450	618,550	678,150	9.64%
Transfers to Other Funds	98,796	41,500	82,500	98.80%
Reserves	-	370,000	495,000	33.78%
Total Expenditures	39,603,866	44,618,600	46,323,200	3.82%
Revenues				
Transfer from City	33,682,700	36,746,200	38,298,700	4.22%
State Grants	3,408,553	3,626,800	3,509,700	-3.23%
Sales Tax	2,109,325	2,233,600	2,435,500	9.04%
Federal Grants	471,686	471,500	499,800	6.00%
Other	451,210	950,500	929,500	-2.21%
Use of Fund Balance	-	590,000	650,000	10.17%
Total Revenues	40,123,473	44,618,600	46,323,200	3.82%
Net Expenditures	\$ (519,608)	\$ -	\$ -	-

BUDGET TREND: FY2011– 2016



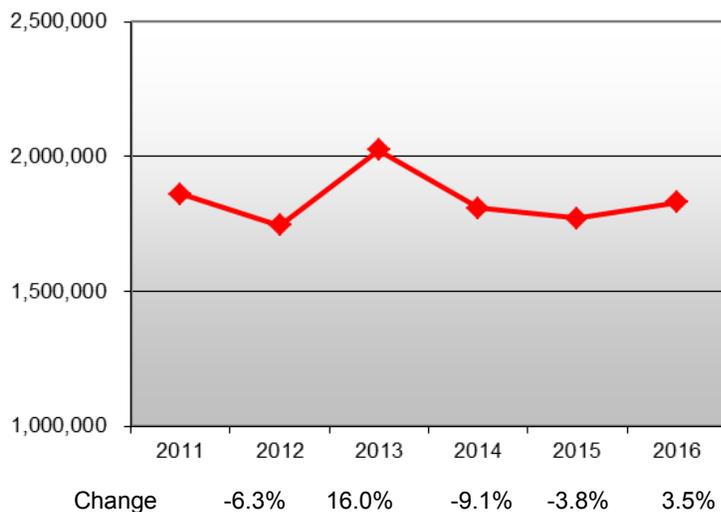
COMMUNITY SERVICES FUND

The Community Services 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

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries	\$ 844,469	\$ 1,000,950	\$ 1,016,180	1.52%
Benefits	199,606	254,750	289,830	13.77%
Professional and Contractual	113,264	115,300	115,290	-0.01%
Conferences, Travel, & Memberships	33,608	37,500	37,500	0.00%
Materials and Supplies	100,310	112,800	113,800	0.89%
Capital Outlay	94,809	86,000	86,000	0.00%
Reserves	100,000	100,000	110,000	10.00%
Transfer to Operating Fund	56,500	62,500	62,500	0.00%
Total Expenditures	1,542,566	1,769,800	1,831,100	3.46%
Revenues				
User Fees	1,452,172	1,428,480	1,473,900	3.18%
Transfer from City	92,900	113,320	119,200	5.19%
Other	27,126	50,000	50,000	0.00%
Use of Fund Balance	-	178,000	188,000	5.62%
Total Revenues	1,572,198	1,769,800	1,831,100	3.46%
Net Expenditures	\$ (29,632)	\$ -	\$ -	-

BUDGET TREND: FY2011– 2016



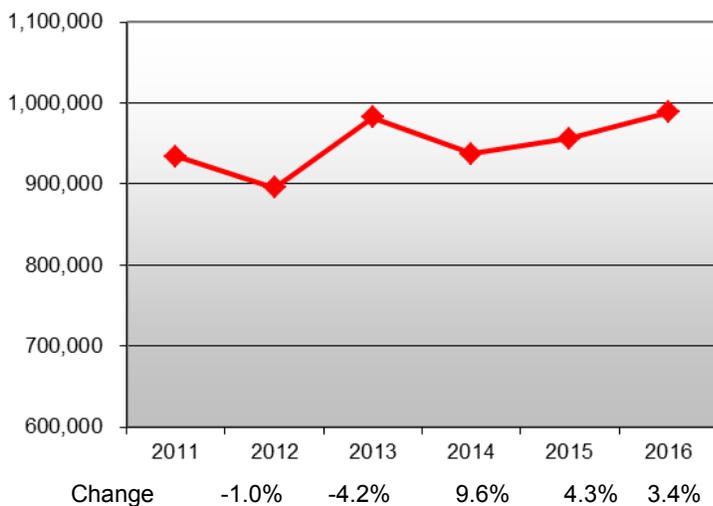
FOOD SERVICE FUND

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

	FY2014 Actual	FY2015 Adopted	FY2016 Adopted	Percent Change
Expenditures				
Salaries	\$ 349,607	\$ 377,450	\$ 385,240	2.06%
Benefits	119,791	142,450	161,960	13.70%
Professional and Contractual	43,431	25,300	24,600	-2.77%
Materials, Supplies, and Other	300,655	366,200	366,900	0.19%
Reserves	-	45,000	50,000	11.11%
Total Expenditures	813,485	956,400	988,700	3.38%
Revenues				
User Fees	643,315	762,400	746,000	-2.15%
State and Federal Funds	119,832	93,300	118,200	26.69%
Other Miscellaneous	1,150	700	2,000	185.71%
Transfer from School Operating Fund	98,796	40,000	47,500	18.75%
Use of Fund Balance	-	60,000	75,000	25.00%
Total Revenues	863,092	956,400	988,700	3.38%
Net Expenditures	\$ (49,607)	\$ -	\$ -	-

BUDGET TREND: FY2011–2016



**FY2016 ADOPTED BUDGET
5-YEAR CAPITAL
IMPROVEMENTS
PROGRAM**



Introduction

The development of the City's Five-Year Capital Improvements Program (CIP) allows the City to take the shared and competing visions 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 five-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.

CIP Projects versus Maintenance Projects

CIP projects generally require significant engineering design and construction, whereas maintenance projects (like road paving, crosswalk painting, sidewalk section replacement, and landscaping) require routine upkeep every one to five years.

What is Capital Infrastructure?

This term refers to the built environment that makes the City of Falls Church safe, healthy, engaging, and beautiful and helps fulfill the City Council's vision of "A Special Place." Projects can be mandatory, like police emergency radios, but others build a quality community. Some construction project examples include:

- roads, sidewalks, crosswalks, bus shelters, traffic signals
- stormwater detention and pipes, sewer system, restoring flooding stream banks
- tennis and basketball courts, park trails, park play equipment
- HVAC, roofs, WiFi and fiber connectivity, renovation and expansion for public buildings (schools, City Hall, community center, library, police station, courts)
- police emergency radio and 911 equipment

The projects contained in the CIP support the goals and objectives outlined in the City's Comprehensive Plan and are intended to establish the long-term spending priorities identified by the City Council and are consistent with their 2025 Vision/Comprehensive Plan/Strategic Plan as well as adopted Financial Policies. The CIP is updated annually and is subject to change with each update.

The City also enhanced the community input process this year, to include website enhancements, a CIP community survey, videos, FAQs and additional community meetings. These are more fully described in the last section of this document and are available at www.fallschurchva.gov/CIP.

Planning Commission Recommendation

The Planning Commission (the Commission) voted, on February 23, 2015, to recommend approval of the CIP for inclusion in the City Manager's FY2016 adopted operating budget and 5-year Capital Improvements Program.

At the February 17 and 23 work sessions, the Planning Commission requested the following modifications to the February 2nd CIP:

1. Provide funding in FY2017 for concept plans and preliminary cost estimates for the George Mason High School and Mary Ellen Henderson Middle School projects but delay by one year the construction cost funding to FY2018. This action is to reflect the importance of the new high school need while at the same time the need to plan the new BLA land for economic development and to develop the financing plan. The Commission requested this be a separate motion from the main one approving the full CIP;
2. The Turf Field and Track Projects are to proceed in FY2016 using "Pay as you Go" water sale proceed funding;
3. Revise the Public Parking Structure so the A&E begins in FY2017, one year earlier;
4. Add \$210,000 to the W&OD project using water system sale proceeds;
5. Include a separate motion recommending the City Council develop a plan to fund the capital reserve for facilities and equipment to prevent future situation repeat wherein all facility needs and replacement vehicles occur at once without planned resources to address the needs at an affordable level phased over time; and
6. Include a separate motion indicating the Commission's preference and clear recommendation, after considering all design alternatives, infrastructure priority pressures and financial affordability that the adopted City Hall/Public Safety Projects proceed immediately with implementation.

The specific Commission adopted motions were:

Motion 1: Ms. Teates moved, and Ms. Hockenberry seconded, that the Planning Commission recommend that the City Council **approve**, pursuant to Section 6.19 of the City Charter and Section 17.08 of the City Code the FY 2016-2020 CIP as presented on February 2, 2015 and February 17, 2015 as well as amended on February 23, 2015 to include a local match of \$210,000 (with \$30,000 in FY 2016, \$90,000 in FY 2017, and \$90,000 in FY 2018) using water system sale proceeds, as summarized on CIP notebook pages 3-1, 3-2, 3-3, 3-4, 3-5, 3-6, and 3-7. The motion passed unanimously on roll call vote with all members present.

Motion 2: Ms. Teates moved, and Ms. Hockenberry seconded, that the Planning Commission recommend that the City Council **support** the Commission's preference and clear recommendation, after considering all design alternatives, infrastructure priority pressures, financial affordability and the NEW taskforce recommendations, that the adopted City Hall/Public Safety Projects proceed immediately with project implementation as described under Tab 6 of the CIP notebook to include the four (4) add-on projects. The motion passed unanimously on roll call vote with all members present.

Motion 3: Ms. Teates moved, and Ms. Hockenberry seconded, that the Planning Commission recommend that the City Council **support** the Commission's clear recommendation that Council establish a dedicated and sustainable funding source to properly set aside assigned capital reserve funds for facility and equipment rotational replacements and renovations to prevent future fiscal pressures of all infrastructure requiring funding at the same time. The motion passed unanimously on roll call vote with all members present.

City Manager Recommendation

The City Manager's FY2016-2020 recommended CIP was consistent with the Planning Commission's recommendation except for one transportation project. The adopted budget does not recommend funding the W&OD Trail Improvements with water sale proceeds. It is the Manager's sense that Council's intent for use of the 85% of the remaining water sale proceeds, pursuant to Ordinance 1930,

is for large long term capital projects such as facilities. The W&OD Trail Improvements is included in the 5-year CIP but a funding source must be identified.

The CIP Ordinance also includes two administrative revisions identified after the proposed budget presentation in March 2015. First is to provide \$1.4M for WMATA capital debt financing, which will also serve as match for the NVTVA 30% C&I equivalent requirements. Second, there is \$443,000 reduction in the Alexandria/Fairfax Wastewater Treatment Plant Upgrades based on actual costs versus earlier projections.

City Council Action

On April 27, 2015, Council adopted the FY2016-2020 Capital Improvements Program (CIP) Ordinance as recommended by the City Manager, which includes FY2016 CIP appropriations.

Key Policy Decisions

The Five-Year CIP for the period of FY2016 through FY2020 continues with some past commitments as well as addresses new and significant challenges. As with last year's CIP, major funding is provided for City public facility improvements, transportation improvements on the primary corridors, storm water mitigation and park improvements, primarily funded through grants, debt or enterprise funding as well as some water sale proceeds. ***The overarching budget theme continues the financial foundation stabilization and a community commitment to funding capital infrastructure. This CIP includes critical projects to address deferred systems and infrastructure maintenance as well as establishing needed long-range project planning. Additionally, this CIP raises long-term sustainable funding requirements for C&I equivalent, Pay As You Go, capital reserve and debt service as well as highlights the staff capacity challenges.***

The financial challenges have driven what and how projects can be funded; however, strong planning underpinnings remain important to address the long term infrastructure needs of the City.

An overview of the major policy discussions in this CIP are provided below:

Sound Finances and Financial Sustainability:

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, the FY2016 Budget Guidance (adopted January 2015) and the 2011 Financial Policies. The FY2016 Budget Guidance continues to place strong emphasis on planning for and funding the City's wide ranging infrastructure.

In December 2011, the City Council adopted a revised Reserve Fund Balance Policy that sets limits on the minimum size of the reserve balance. This policy also states that reserve funds shall only be used for one-time expenditures, as opposed to recurring expenses. The resolution states:

- The unreserved, undesignated General Fund Balance goal shall be seventeen percent but not less than twelve percent of the actual General Fund expenditures for the then current fiscal year.
- The City shall establish a Capital Reserve Fund at a minimum of 5% of fixed assets or \$3.75M, whichever is lower. The City shall meet this goal by FY2021 through annual appropriations of \$500,000, and thereafter appropriate no less than \$375,000 per annum to capital reserve. The capital reserve fund balance shall be used to pay for projects in the Capital Improvements Program or for debt service for those projects.

The debt service policies were not significantly changed and can be summarized as follows:

- General Fund supported debt shall not exceed five percent of the net assessed valuation of taxable property in the City.
- Annual debt service expenditures for all General Fund supported debt shall not exceed twelve percent of total General Fund and School Board Fund expenditures.
- The term of any bond issue will not exceed the useful life of the capital project, facility or equipment for which the borrowing is intended.

It is worth noting that “debt capacity” in terms relating strictly to policy guidance does not address the separate issue of affordability within current tax rates so the CIP has been developed with both policy compliance and affordability in mind. The ratio of annual debt service to total General Fund expenditures is a constraint that bears close attention. This ratio is used by bonding agencies to assess fiscal health, and must be used by the City to assess the affordability of specific projects and the five-year CIP as a whole. The projects in this FY2016-2020 CIP stay within the City’s policy constraints based on the assumptions used in this forecasting tool.

The FY2016-2020 CIP is within policy compliance and within affordability range with an ongoing financial commitment to capital investment; however, the George Mason High School and Mary Ellen Henderson Middle School will require a targeted financing plan of which the City can only absorb 50% or less of the costs as debt. The school financing plan will evolve as the joint Campus Steering Committee establishes the process for addressing revenue from economic development and partnership opportunities. If all projects were included, the debt policy would not be in compliance nor would it be affordable as well as within the \$10M bank qualified cap per calendar year which makes the funds more “affordable” to obtain. Additionally, more than a five year debt financed plan is required so the City can retire or reduce debt service prior to taking on additional commitments.

Fiscal Challenges:

Although there are positive signs of national economic recovery, local government recovery lags behind the private sector and there remain many unknowns from potential federal government down sizing and state funding reductions. Additionally, for the City, the revenues are growing slower than expenditure growth due to pressures from several sources such as competitive employee salary/benefit, City/VRS pension liabilities and school enrollment increases. Therefore, to address capital needs in this environment the CIP draws down the fund balance to the 17% policy level, allocates all capital reserve one-time funding to capital and allocates \$5M of the water sale proceeds. The actual dollar amounts per category are displayed on the 5-year Projection chart and numerous projects are listed as needs but not funded unless a local revenue or grant funding source is identified.

Key policy discussion and decisions required for this CIP development include the following challenges and opportunity topics:

- **Determine desired level of services for health, safety and community amenities in terms of balancing financial affordability, sustainability and service expectations;**
- **Determine desired balance between capital and operating budget components;**
- **Determine level of commitment for staffing resources/workload and complexities of non-local funding sources;**
- **Set prioritization and timing of projects within 5 years, 6-10 years or 10 years or later;**
- **Assess reduction or elimination of projects and thereby reduce capital expenditures;**
- **Determine policy on use of debt now, given lower interest rates, and cash later or not;**
- **Determine desired level of local Pay As You Go funding;**

- **Assess economic development revenue opportunities balanced with community vision and goals;**
- **Determine if dedicated funding should be established for Transportation C&I Equivalent, Pay As You Go, and/or Capital Reserve; and**
- **Determine how to use Water Sale Proceeds in terms of which projects and when.**

CIP Project Implementation:

There are several active CIP projects under development which are further described under the existing project status report below. New projects within the adopted FY2016-2020 CIP have taken constrained staff as well as funding resources in mind and therefore phased. This is especially true in the areas of transportation and major facility projects.

Recreation and Parks:

There are requests of \$700,000 in park improvements and an additional \$1M in open space funding but is available only if proffers, grants or other non-local revenues sources are identified. Due to financial constraints an additional \$600,000 is not recommended for funding. These projects are spaced to cover one significant effort per year. The Recreation and Parks Advisory Board submitted recommendations for full funding.

Information Technology:

No projects for FY2016-2020 as two already approved projects are still to be implemented; Public Safety Radio needs were addressed through the FY2016 operating budget.

Transportation:

As noted last year, the City had organized transportation CIP items at the “project” scale, with each project being connected to a single source of grant funding. Moving forward the projects are collected into CIP “programs”. This multi-year phased 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 CIP includes a program for the South Washington Street Planning Opportunity Area (POA). In addition to focusing investment in specific areas of interest, organizing the CIP by program will enable staff to better plan for future expenditures, identify funding needs, and give the City greater flexibility in project scheduling, capitalizing on funding opportunities and allowing staff to coordinate related projects.

Infrastructure specific CIP programs were also identified to account for projects that involve infrastructure systems on a City-wide scale and may not be confined to a single Planning Opportunity Area. The Transit Program and Traffic Signals and Signs Programs are examples of City-wide infrastructure programs. Existing CIP projects that are currently underway were aligned with the new program framework. An analysis of existing staff capacity to manage existing projects was conducted to determine a realistic schedule for implementation. The transportation CIP realistically schedules project implementation based on project priorities and existing staff levels.

With the adoption of HB 2313 in 2013, the City will receive additional transportation funds through the Northern Virginia Transportation Authority (NVTA). By maintaining existing levels of transportation funding match leverage, the City will receive approximately \$2.1M in additional funding each year. If the

City increases local spending on transportation by \$0.9M per year, it will receive an additional \$0.9M each year. Further, the \$0.9M in local funding can be used to leverage state and federal grant opportunities, which typically have match levels ranging from 50/50 to 80/20. This means that if the City elects to access the maximum benefit available, an additional \$5M in transportation funding each year will likely be made available to the City. The CIP does not recommend adopting the Commercial Transportation Tax overlay but rather to use the option of the equivalent funding as part of the overall tax base to reflect the City-wide benefit; a dedicated ongoing C&I equivalent funding source still needs to be identified.

There are FY2016 projects, Downtown Reinvestment and Neighborhood Traffic Calming, funded with water sale proceeds but many projects remain unfunded unless local match funding is identified to leverage grants.

In order to utilize new funding opportunities and meet current funding opportunity demands Council approved two additional FTEs in FY2015 to provide additional resources in project management, grants management, grant program identification, and transportation planning; these staff are now on board and are now coming up to speed on the projects, City processes and grant requirements.

Schools:

In 2014, the expansion and renovation of Thomas Jefferson Elementary School was completed as well as the Thackrey Pre-School.

The School Board continues their long-term planning for school facility needs to prepare for the future round of construction and updated enrollment projections and facility needs in 2015 onward. This planning effort included 2009 funding for an enrollment study which was consolidated into the FY2008 long-term facilities study which was completed in 2011. These two efforts form the foundation for concept options and funding for school facility planning and potential construction (new/renovation). The Superintendent has worked closely with staff, the School Board and the community to reassess the current enrollment as well as physical maintenance and space needs and developed a roadmap to address the facility needs within the financial constraints. The options entailed good community dialog on the revised facility plan. The School Board adopted their recommended 5-year Facility CIP in January 2015. The FY2016-2020 FCCPS CIP includes funding for Thomas Jefferson HVAC system, facility modernization funds as well as funding for George Mason High School and Mary Ellen Henderson Middle School projects. Due to funding constraints the FY2017 modernization request was reduced to \$321,929 from \$400,000.

The high and middle school projects, which total \$104.5M, will require a dedicated school financing plan that evolves through the planning and economic development of the new boundary line adjustment resulting from the water system sale, being coordinated with the Campus Joint Steering Committee, therefore the debt service is not calculated into the adopted CIP. In order to stay within policy compliance, less than 50% of the costs can be debt so other revenues and/or partnerships will need to be pursued.

Library:

The Mary Riley Styles Library Board of Trustees worked with consultants in FY2013 to develop a Master Plan for the Library which also included a review of a 2008 Space Study and extensive public consultation. The goal is a library for the future that accommodates City growth and adheres to the City's Comprehensive Plan. The original Library building was constructed in 1957 and expanded in 1968 and 1992 to meet changing demands. The facility analysis conducted as part of the Master Plan process portrays a building that is: ADA deficient in many aspects and in need of many infrastructure

repairs or replacements; it lacks storage and sufficient security systems and measures, space for large audiences which routinely occur weekly during story hours, study spaces for students after school and on weekends, larger public restroom space; and Local History room space. Shelving is too high, the elevator is old and unreliable, and the heating/air conditioning system does not work properly.

The Master Plan concludes that additional space is needed to support current and projected future functions, and that the Library should add 14,500 square feet to its existing 18,500 square foot facility to bring its size to 33,000 square feet. In addition to adding square footage, the Master Plan recommends upgrades to the existing building. As a result of the FY2015-2019 CIP process this project was funded at \$8M with a request for the Library to the complete rebuild approach to one of renovation and 6,000 to 7,000 sf expansion. A revised feasibility study was conducted and this CIP reflects the revised project scope and cost. The Library Board of Trustees presented this to a joint Council and Planning Commission in January 2015 and is conducting a community engagement process for this preliminary concept plan.

City Hall/Public Safety Improvements:

Subsequent to the Fiscal Year 2007 City Hall and Police Station facility needs study, CIP funding for the City Hall/ Public Safety Renovations and four expansion projects were approved, in the amount of \$11.7M, over three previous fiscal years (FY 12, 13, and 14) including the \$1M in critical renovations already invested. In early 2014, the project reached the 20% floor plans and exterior renderings phase. The core project, along with four add on options, was brought before Council in July and August of 2014 to proceed to 60% floor plans and exterior renderings.

Following Council's decision to proceed to 60% floor plans and exterior renderings for the adopted core City Hall Public Safety Renovations project, Council re-established the City Hall/Public Safety Taskforce to seek broader community engagement and stakeholder input to the project including four add-on options to the core project.

The four recommended add-on options, adopted by Council in April 2015, recommended by the Taskforce are:

1. Renovate West Wing HVAC System (\$1.25M)

The existing West Wing HVAC system is aging and past its expected operating life. The system components will require increased upkeep costs and eventually need replacement. Existing window HVAC units have asbestos and will require removal and replacement in the near future. The project provides an opportunity to the City to gain efficiencies in design and installation costs and the ability to integrate the HVAC system and building designs.

2. 2nd Story Addition to Parking Garage (\$750K)

A two story garage would add 44 spaces to the parking supply at City Hall. This parking would be used for staff parking and City vehicles and would alleviate parking demands on the City Hall Campus including Community Center, Courts, and Library parking needs.

3. Additional Existing Building Renovation (\$1.75M)

A preliminary survey by Dewberry found approximately 4,000 SF of core and circulation spaces could be renovated to an open floor concept in order to maximize the City Hall floor plate – increasing space for useful office functions, ensure future flexibility in office space configuration options, and improve circulation throughout. This “full gut” renovation would allow the City Hall to change and grow with the City's future needs.

4. North Side Expanded Addition (\$1.5M)

The north side addition would add approximately 4,000 SF to the rear of City Hall at an approximate cost of (\$375/SF). This expanded scope would address additional public security needs such as a fully enclosed sally port and a deliveries/mail room located on an outer wall. The addition would also include an employee lounge, improved employee circulation and accessibility, and improved space functionality, including the option to place a public counter for the Court Clerk closer to Courts for increased public accessibility and wayfinding.

Construction costs and interest rates will continue to rise. The taskforce determined it is in City's best interest to expand the project scope to take advantage of the current economic climate. There will be economies of scale gained using a larger construction contract versus piecemeal projects and reduced construction impacts on City services and operations.

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. Additionally, two federal grants (FFY09 and 10 State and Tribal Assistance Grants [STAG]) awarded to the City are addressing some of the most critical needs for Coe and Pearson branches and these projects are well under construction and will be finished in 2015.

Sanitary Sewer Fund:

The Sewer Fund is impacted by EPA-mandated projects to upgrade the Arlington and Alexandria wastewater treatment plants that the system uses. Ongoing repair and reinvestment in the existing pipes will continue per the rehabilitation plan. In addition, the purchase of additional wastewater treatment capacity to accommodate projected future flows resulting from development in the City will impact the Fund in FY2017 at the earliest, as well as plans to increase the reserve fund for sewer rehabilitation.

Note that as of FY2015, the City no longer has a Water Fund CIP as a result of the sale of the water system to Fairfax Water Authority.

Existing Projects Status

The following provides an update on current CIP projects, as of fall 2014, authorized for FY2015 and prior.

Public Safety (Police and Sheriff)*Firearms Range:*

Scope: Reconstruction of the Firearms Training Center in partnership with The Fairfax City Police Department.

Cost: \$1.2M (Falls Church's share of project)

Schedule: The Fairfax City Police were awarded a grant in FY2014 to upgrade the building's firing range lane capacity, failing mechanical target systems and inadequate air circulation system. It was estimated after consultation with design and construction companies that the overall cost of the range would be approximately \$4,036,000. The firing range facility is reported to be in a condition that will not facilitate additional add-ons but requires a tear down and build up from the established slab foundation. The Falls Church cost of this newly proposed version of the project is estimated at \$1.2M dollars.

Status: The final negotiations for cost, options and construction have been revised and the stakeholders of Falls Church and Fairfax City are still negotiating with contracted builders and architects. It is anticipated that the finalized real cost will be realized in FY2016.

Fire Station 6:

Scope: The replacement of the HVAC and air conditioning systems in Fire Station #6. The building is 15 years old and was built toward acquisition cost and less consideration towards operating cost. The aging infrastructure of heating and cooling systems need escalating schedules of repair at escalating maintenance costs.

Cost: \$250,000

Schedule: Design and cost estimating underway.

Status: Under the inter-jurisdictional agreement Arlington is managing the capital projects now and coordinating with the City's Department of Public Works to refine costs, timeline and coordinating processes.

Recreation and Parks:*Acquisition of Open Space:*

Scope: In September of 2004, the City Council appointed a task force on Open Space Acquisition. Previous purchases include what is now Howard E. Herman Stream Valley Park, two parcels of land purchased to increase the size of Crossman Park, the purchase of an easement on property on Lee Street for park access purposes, and a purchase of land to allow Coe Branch and Tripps Run to connect. Future uses of these funds would be used to increase current park land, provide parking for Roberts Park, provide an additional access point to Roberts Park or West End Park and additional space where we can build additional rectangular playing fields.

Cost: \$2,000,000 has been determined by the Open Space Task Force as a worthwhile amount to keep in a revolving fund. \$1,075,000 was approved in FY2015 and is currently available.

Schedule: As parcels become available

Status: Public hearings and discussions during Council work sessions occurred in 2014 for a property at 500 Lynn Place. The City is still working with the owner of 500 Lynn Place as a possible purchase to increase the size of Roberts Park.

West End Park Improvements:

Scope: Increase park visibility by adding a Broad Street entrance, tie two separate park parcels into one; improve ADA accessibility, add skate park features, new pathways.

Cost: \$555,000

Schedule: Construction Fall 2014-Spring 2015

Status: Contract was signed Fall 2014. Construction notice to proceed has been given and construction is underway.

Howard E. Herman Stream Valley Park

Scope: Provide a trail that runs from Broad Street to the City's Bike Trail, adjacent with Tripps Run, interpretive signs, park signs, benches and trash receptacles and a more visible entrance to the park from Broad Street would be established.

Cost: \$620,000

Schedule: Projects done in conjunction with storm water project, such as the completion of a foot bridge will be completed summer 2015 in conjunction with the current daylighting work being done. The remaining Engineering and Design will take place Summer 2015 and Construction will be Fall 2016.

Status: On schedule

Berman Park Trail Re-paving, Irving to Kent Streets:

Scope: New pavement for trails in Berman Park

Cost: \$35,000

Schedule: HOLD

Status: Half of the trail is completed. Another portion of the trail is being completed in conjunction with a storm water project at Berman Park. The remaining trail is slated for completion in FY2020 when all other trails and pathways are completed.

Tennis Court and Basketball Court Major Restoration:

Scope: New surface overlay and painting for all exterior courts

Cost: \$172,000

Schedule: All Courts aside from Cherry Street Tennis Courts and Cherry Hill Tennis Courts were completed in the Fall of 2014. Cherry Hill Tennis Courts and Cherry Street Tennis Courts along with modifications to the Recreation storage shed will be completed in the Fall of 2015.

Status: On schedule

Master Park Improvements:

Scope: Replace signage at entrances to Parks, improve recycling at parks by adding recycling bins, and add color to parks.

Cost: \$151,000

Schedule: Ongoing

Status: On schedule. Two thirds of all park signs have been replaced. Recycling bins are added yearly, 10 new flower beds at park entrances have been installed and

plantings are done to add color. Play equipment at Crossman Park, Cherry Hill Park and Roberts Park have recently been replaced.

Storm Water Projects

Great Falls / Little Falls Water Detention Project:

Scope: Detain and filter stormwater runoff from City Hall Campus to reduce flooding on neighboring downstream properties. The project will provide the City with credits toward Chesapeake Bay TMDL pollutant reduction goals.

Cost: \$548,000

Schedule: Survey: complete.
Engineering Design: complete
Construction Start: October 2014
Project Completion: April 2015

Status: Completed July 2015

Pearson Branch Stream Restoration:

Scope: Provide a stabilized stream channel and banks through natural stream design. The project will provide the City with credits toward Chesapeake Bay TMDL pollutant reduction goals.

Cost: (see Coe Branch Daylighting)

Schedule: Survey: complete
Engineering Design: complete
Construction Start: May 2014
(Tied to Coe Branch Daylighting Project)
Project Completion: April 2015
(Tied to Coe Branch Daylighting Project)

Status: Under construction

Coe Branch Daylighting:

Scope: Create a new, natural stream channel with plantings to improve water quality and create an attractive feature in Howard E. Herman Stream Valley Park. The existing underground pipes will be filled and graded over. A new path will also be installed. The project will provide the City with credits toward Chesapeake Bay TMDL pollutant reduction goals.

Cost: Combined with Pearson Project, above: \$1.8M, funded by EPA grant.

Schedule: Survey: Spring 2013
Engineering Design: January 2014
Construction Start: May 2014
Project Completion: April 2015

Status: Completed

Cherry Street Drainage Improvements:

Scope: Solve the localized flooding issue adjacent to tennis court and detain stormwater to solve capacity issues downstream. The project will provide the City with credits toward Chesapeake Bay TMDL pollutant reduction goals.

Cost: \$488,000

Schedule: Survey: complete
Engineering Design: complete
Construction Start: September 2014
Project Completion: Summer 2015

Status: Detention system installed. Working on relocation of utilities in Cherry Street for permanent stormwater crossing.

W. Westmoreland Drainage Improvements:

Scope: Solve the localized flooding issue at the end of W. Westmoreland Road by providing new drainage structures that tie into Tripps Run. Install permeable paver system and new rain garden in Cavalier Trail Park. The project will provide the City with credits toward Chesapeake Bay TMDL pollutant reduction goals.

Cost: \$160,000 (engineer's estimate)

Schedule: Survey: complete
Engineering Design: 90% complete
Construction Start: June 2015
Project Completion: September 2015

Status: Finalizing design

Transportation

West Broad and Pennsylvania Ave Signal:

Scope: Install new traffic signal at Penn and Broad and ancillary crosswalks and streetscape amenities.

Cost: \$550,000 for Signal (\$100,000 in voluntary concessions, VDOT Revenue Sharing grant and City funds.)

Schedule: Survey: Completed
Engineering Design: Completed
Construction Start: January 2014
Project Completion: October 2014

Status: IN CLOSE-OUT (Pending Final Invoice)

400 West Broad St Streetscape:

Scope: Install streetscape amenities in the 400 block of W. Broad Street.

Cost: Total project cost \$1,000,000. Existing grant fund for \$185,000 (Federal TEA-21 Grant) has been de-allocated.

Schedule: Survey: Completed
Engineering Design: 30% design completed

Status: CANCELLED

MEHMS Traffic Flow Improvements

Scope: Provide new exit from Mary Ellen Henderson Middle School to reduce traffic volume and car/pedestrian conflicts on the school campus.

Cost: Local Funds: \$97,000

Schedule: Engineering Design: Completed
Construction Start: August 2014
Project Completion: October 2014

Status: COMPLETE

Roosevelt Avenue Intersection and Sidewalk Improvements

Scope: Rebuild intersection of Roosevelt Blvd. and Roosevelt St., and intersection of Roosevelt St. and East Broad St.; improve ADA pedestrian route from Roosevelt to Broad.

Cost: \$1,350,000 (\$890,000 RSTP funds; \$460,000 Highway Safety funds)

Schedule: Engineering Design: July 2014
 R/W Acquisition: February 2015
 Construction Start: November 2015
 Project Completion: Summer 2016

Status: Finalizing 90% plans and R/W submittal for Federal Authorization to begin R/W. 60% design complete. Community meeting held. Specific outreach conducted with Madison Condominiums and Oakwood Cemetery.

Mt. Daniel Elementary School SRTS Project

Scope: Improve pedestrian access and safety near N. West and N. Oak Streets.

Cost: \$361,000 in SRTS grant funding

Schedule: Engineering Design: Delayed until July 2018
 R/W Acquisition: January 2019
 Construction Start: March 2020
 Project Completion: June 2020

Status: Survey, deed research, parking study, and 30% design complete. Tree inventory and assessment complete. Various design options have been depicted on illustrative exhibits. Community meetings held in November 2012 and November 2013. There is a lack of consensus among residents regarding the project scope and a lack of consensus among staff regarding the project priority and schedule. A proposed development may also impact plans for the N. West St. corridor. Therefore, the project has been delayed.

South Washington Streetscape from Annandale to Tinner Hill including Multimodal Plaza:

Scope: Phase 1: Improve pedestrian connections on S. Washington through Utility Undergrounding.
 Phase 2: Construct multimodal plaza at Hillwood and S. Washington intersection; install traffic signals, pedestrian crossings, and ADA curb ramps.
 Phase 3: Improve pedestrian access to intermodal plaza along Hillwood and S Washington between Annandale and Tinner Hill.

Cost: \$3,085,000 (\$2,085,000 in state (DRPT) and federal (FTA) funds; \$700,000 in state (NVTA 70%) funds, \$300,000 in local funds).

Schedule: Phase 1 Engineering Design: Underway
 Phase 1 Construction: Summer 2015
 Phase 1 Complete: Fall 2015
 Phase 2 Engineering Design: Underway
 Phase 2 Construction: Spring 2016
 Phase 2 Complete: Fall 2016
 Phase 3 Engineering Design: Spring 2016
 Phase 3 Construction: Fall 2016
 Phase 3 Complete: Summer 2017

Status: Public meetings held in January 2013 and May 2013 to provide project update to community. Phases 1, 2, and 3 conceptual design completed June 2013. Phase 1 final design to be completed in Spring 2015. Phase 2 design ongoing, 65% plans expected in Spring 2015. Ongoing coordination is underway with VDOT, Fairfax County, and developer of the Reserve at Tinner Hill.

South Washington/ Maple Ave Intersection:

Scope: Construct new signalized intersection, including intersection realignment.

Cost: \$700,000 (\$700,000 in state (SYIP) funds)

Schedule: Engineering Design: Summer 2015
 R/W Acquisition: Winter 2016

Construction Start: Fall 2017
 Project Completion: Spring 2018
Status: Preliminary meetings have been held with Parks & Rec and the Aurora House to discuss the impact of the realignment of South Maple Ave.

Route 7 High Capacity Transit Study:

Scope: Analyze the feasibility of providing high capacity transit along Route 7 from Tysons to Alexandria.
Cost: \$437,500 – total phase 1 cost (federal, state and local money)
 \$10,937 – City of Falls Church share of the required local match
 \$838,000 – total phase 2 cost (NVTA funded)
Schedule: Phase I completed in October 2013
 Phase II staff kickoff June 2014
 Phase II public kickoff expected early 2015
 Phase II completion expected March 2016
Status: The Northern Virginia Transportation Authority (NVTA) coordinated a preliminary study of the feasibility of providing high capacity transit along Route 7 from Tysons to Alexandria. The study identified two routes through the City. One stays on Broad Street. The other follows North Washington Street and Roosevelt Boulevard to access the East Falls Church Metro Station. The study also identified two possible vehicles, Bus Rapid Transit and Streetcar. Phase II funding will be provided by the Northern Virginia Transportation Authority (NVTA). The project began in calendar year 2014 and will continue in 2015.

Traffic Signal Management System (a.k.a. Closed Loop Phase 1):

Scope: Link existing traffic signals to centralized computer network to facilitate efficient coordination and timing adjustments.
Cost: \$500,000 (Funded by CMAQ, and RSTP funds)
Schedule: Construction Start: Dec 2013
 Project Completion: Oct 2014
Status: IN CLOSE-OUT (Pending Internal Audit)

Remote Video Monitoring (a.k.a. Closed Loop Phase 2):

Scope: Install video cameras on select traffic signal poles, to be tied to the Closed Loop signal system, for remote monitoring of traffic conditions.
Cost: \$258,556 (RSTP grant)
Schedule: N/A
Status: CANCELLED

Roadbed Assessment:

Scope: Rebuild and resurface roadways that are either poorly constructed or roadways that have reached the end of their structural life. This project will focus on S. West St. (W. Broad St. to City line) and Roosevelt Blvd. (Wilson Blvd. to Roosevelt St.).
Cost: \$2.8M in Revenue Sharing and other grant monies.
Schedule: Engineering Design: Complete
 Construction: May 2015
 Project Completion: September 2015
Status: The first phase of roadbed reconstruction will be South West St, which has been delayed due to a Fairfax Water water main project which is scheduled to begin in January 2015. Coordination with Fairfax Water is underway. This project has also

required internal coordination between Stormwater and Transportation since the reconstruction will include upgrades to several pipe connections and crossings. The existing PO needs to be updated to include the storm sewer work. Roosevelt Blvd needs to go through the procurement process and will require coordination with the Roosevelt St Sidewalk project.

Bus Stops:

Scope: Implement the City's Bus Stop and Bus Shelter Master Plan by installing bus shelters at high priority stops.
Cost: \$705,000 to cover 20 locations identified as 2014 and 2015 priorities in the Master Plan
Schedule: Shelter Engineering: Summer 2014
 Final Design expected by December 2014
 Construction and Easement Acquisition: Spring 2015
Status: Project is proceeding on schedule.

Traffic Calming, Parker Ave & Kent St:

Scope: Install curb extensions and pedestrian crossings at the intersection of Parker Ave. and Kent St.
Cost: \$100,000
Schedule: Preliminary Engineering, expected January 2015
 Construction, expected spring/summer 2015
Status: Project is proceeding on schedule.

Traffic Calming, Pennsylvania Ave:

Scope: Install a raised pedestrian crossing at the intersection of Pennsylvania Ave. and Fulton St. Remove parallel parking along the bend in Pennsylvania Ave southwest of Great Falls St.
Cost: \$50,000
Schedule: Preliminary Engineering, expected summer 2015
Status: Project is pending funding.

Facilities

Thomas Jefferson Expansion:

Scope: Addition of 15 classrooms at TJ Elementary School
Cost: \$5.95M
Schedule: Construction underway.
 Completion: Summer 2013.
Status: COMPLETE

Thomas Jefferson Renovation

Scope: Renovation of existing TJ Elementary School.
Cost: \$4M
Schedule: Completion: September 2013.
Status: COMPLETE

Cherry Street Pre-School Renovation:

Scope: Renovate the Cherry Street site to serve as the FCCPS pre-school facility
Cost: \$2.4M

Schedule: Design: Site plan under review December 2013; completion March 2014.
Interior Demolition: February 2014
Construction completion: Winter 2014

Status: Construction substantially completed; punch list and final inspections in process. Facility opened to students on January 5, 2015 under a temporary certificate of occupancy.

Mt. Daniel Elementary School:

Scope: Pursuing preliminary design, A&E, County land use/zoning approvals

Cost: \$1M FY14 (along with increased FY15-19 CIP request of \$14.5M)

Schedule: Design: Ongoing
Construction completion: TBD based on RFP and next CIP approval

Status: PPEA RFP issued January 2014; design and contractor selected; proceeding with site plan approval process.

Library Space Needs Study:

Scope: Study of the future space needs for City Library

Cost: \$45,250 (Original request was \$100,000 and that report was completed. Additional work in the amount of \$45,250 was added to the original contract for conceptual designs and cost estimates for library space needs to fit a Council-adopted \$8M CIP budget. It also included a conceptual design and cost estimate for a parking deck at 313 Park Avenue--a separate, but parallel project to that of the library and not included previously in any CIP adopted budget).

Schedule: Completed.

Status: The Master Plan Addendum completed for expansion and renovation of the library to fit the \$8M Council-adopted CIP budget; presentation of Addendum to Council and Planning Commission on 1/5/2015 and cost estimates submitted in FY2016 CIP budget for costs associated with the library expansion/renovation project. The Addendum also contains a conceptual design and cost estimate for a separate, but parallel parking deck project at 313 Park Avenue. That project and its costs were submitted in the FY2016 CIP budget by the Assistant City Manager and are not part of the \$8M CIP library project budget.

City Hall/ Public Safety Renovations Phase I

Scope: IT server room fire suppression; correct water inflow foundation repairs; roof repairs for ice damming, gutter replacement; elevator replacement; Police evidence storage, Police IT Server Room HVAC

Cost: \$1M

Schedule: Completed Summer 2014

Status: IT Sprinkler System completed; Chimney replacing facing plus water leakage repairs completed; Gutter/Downspouts completed; Snow rail phase completed. Police Evidence Storage completed and elevator modernization work will be done as part of larger City Hall projects.

City Hall/ Public Safety Renovations Phase II

Scope: Code compliance including life safety systems, electrical, HVAC, plumbing, mechanical; Phase 2 roof repairs for ice damming, energy efficient window replacement, water inflow Phase 2 foundation repairs, interior renovations to address security, accessibility, wayfinding, and office space needs. "Add-on" scope options includes complete renovation of West Wing HVAC system and "full gut" interior renovations

Cost: \$3.4M; +\$3M for add-on options

- Schedule: Design: Ongoing. Endorsement of 20% concept from Council in July 2014.
Construction: early 2017
Completion: early 2019
- Status: Project is in 20% concept phase. Endorsement of 20% concept from Council in July 2014. Currently awaiting Council decision on add-on options to finalize project scope and budget.

City Hall/ Public Safety Renovations, Expansion (Rear/Front) & Parking (Front)

- Scope: Add new central front entrance to City Hall and add meeting rooms to address security, accessibility and wayfinding needs. Add rear corridor and rear elevator for security and accessibility needs. On grade secure parking in rear. "Add-on" scope options includes 2nd story on garage (non-secure parking) and additional square footage on rear addition for office space, accessibility, and wayfinding needs.
- Cost: \$1.6M front, \$4.5M rear, and \$1.2M parking; +\$2.25M for add-on options
- Schedule: Design: Ongoing.
Construction: early 2017.
Completion: early 2019.
- Status: Project is in 20% concept phase. Endorsement of 20% concept from Council in July 2014. Currently awaiting Council decision on add-on options to finalize project scope and budget.

General Government Facility Reinvestment:

- Scope: Annual major maintenance reinvestment in City owned facilities
- Cost: \$350K (FY2015)
- Schedule: Varies based on sub-projects summarized below
- Status: *Gage House:* basement insulation, joist repair, side door replacement, basement staircase railing rebuild, waterproofing of basement walls and trim work **complete**. Stone retaining wall for water diversion **complete**; paint and repair front porch **complete**; new stairs and roof and gutter repair **complete**; and ADA ramp redesign to be completed spring 2015.

Property Yard Garage: Structural repairs to columns, etc. on garage as well as enclose the first bay for use with stormwater vac/flush equipment **complete**.

Property Yard Exterior Block Repair and Waterproofing: Repoint block joints and apply block waterproofing material. Front and side face done in spring 2014. Remainder of building scheduled spring 2015.

Cherry Hill Farmhouse: Replace/repair damaged boards and architectural details, scrape, sand and abate lead paint, repaint, rebuild front stairs, fix water infiltration around cellar door, re-caulk windows, replace door in basement, repair porch roof and downspout system summer 2014 **complete**.

Community Center HVAC Refurbishment: Refurbish air handlers above gym and replace electronic controls. Cat walks and safety platforms must be upgraded before work begins in spring 2015.

Property Yard Exterior Stairs Structural Repairs: Replace concrete block stairs with covered metal staircase at Property Yard Maintenance Building. Design and permit work **complete**, installation in spring 2015.

Library Humidifier Repair: Units are operational **complete**.

Library IT HVAC Replacement: Replace stand-alone HVAC unit for IT room **complete**.

Community Center Hot Water Heaters: Replace two hot water heaters in Community Center **complete**.

Replace Furnace at Aurora House: One unit replaced in spring 2014 **complete** and second unit was replaced in January 2015.

Replace Heater in Property Yard Wash Bay: Replaced broken, obsolete radiant heat system with electric heat in spring 2014 **complete**.

Replace Heat Pump in City Hall: replace heat pump serving Commissioner's / Treasurer's Office, summer 2014 **complete**.

Safety and Security Fence Rehabilitation, Property Yards: replace main gate, widen Yard A gate, repair/replace fence sections and barbed -wire summer 2014 **complete**.

Property Yard Roof Replacement: Replace the composite roof at the main yard, add two roof drains to tie in to existing cisterns **complete** and replace the composite roof over the shop as met life expectancy (FY16 pending).

Community Center Roof Replacement: Replace the original asbestos shingle roof at the Community Center and refurbish/repair flat and low-slope roof in fall 2014 **complete**.

Projects under design and cost development: Police lobby water seepage remediation, fuel dispensary upgrade, City Hall attic insulation to remediate heat loss, Aurora House lighting upgrade, Aurora House stair lift, Property Yard B (old shop) structural repairs and garage door replacement, Property Yard Maintenance Shop safety glass replacement.

Information Technology

Citywide Telecommunication & Infrastructure – Critical Continuity & Modernization Investment: Phase 1

Scope: Phase 1 FY2013 funding is to replace aged out Police Communications (Dispatch) phone system. Also the \$50,000 portion is to replace failing fiber and copper infrastructure between City Hall and the Library for network and telephony.

Cost: \$550,000

Schedule: Design- 4th quarter FY2013; Completion by 3rd quarter FY2015.

Status: Sole-sourced solution with Verizon due to the complexity and interdependency of Verizon lines and circuits, as with every other jurisdiction in the region. The Library infrastructure connectivity replacement was completed and is now augmenting the Closed Loop traffic control system project as well to greatly increase security and reduce certain costs to that project, as well as expand its capabilities well beyond the signal control alone; the Police Dispatch Phone System installation work is in progress and set to complete March 2015.

Citywide Telecommunication & Infrastructure – Critical Continuity & Modernization Investment: Phase 2

Scope: Phase 2 FY2014 funding is to comprehensively update the telecommunication infrastructure citywide, including Public Schools, General Government and the Public Library. This would predominantly resolve end-of-life, service and maintenance issues with the existing phone system Citywide, and aid interoperability between the various City segments. Another key outcome would also provide updated and redundant connectivity options to the segments to provide the City more robust effective COOP/DR options. Also to directly tie a critical unconnected facility (Aurora House), where proper telecommunications is essential due to the court ordered residential custodial care of juveniles, and the requirement of proper security maintenance of their records. Currently we are not able to securely communicate due to the indirect connection which is a risk.

Cost: \$507,000

Schedule: Design- 4th quarter FY2014; Completion by 2nd quarter FY2016

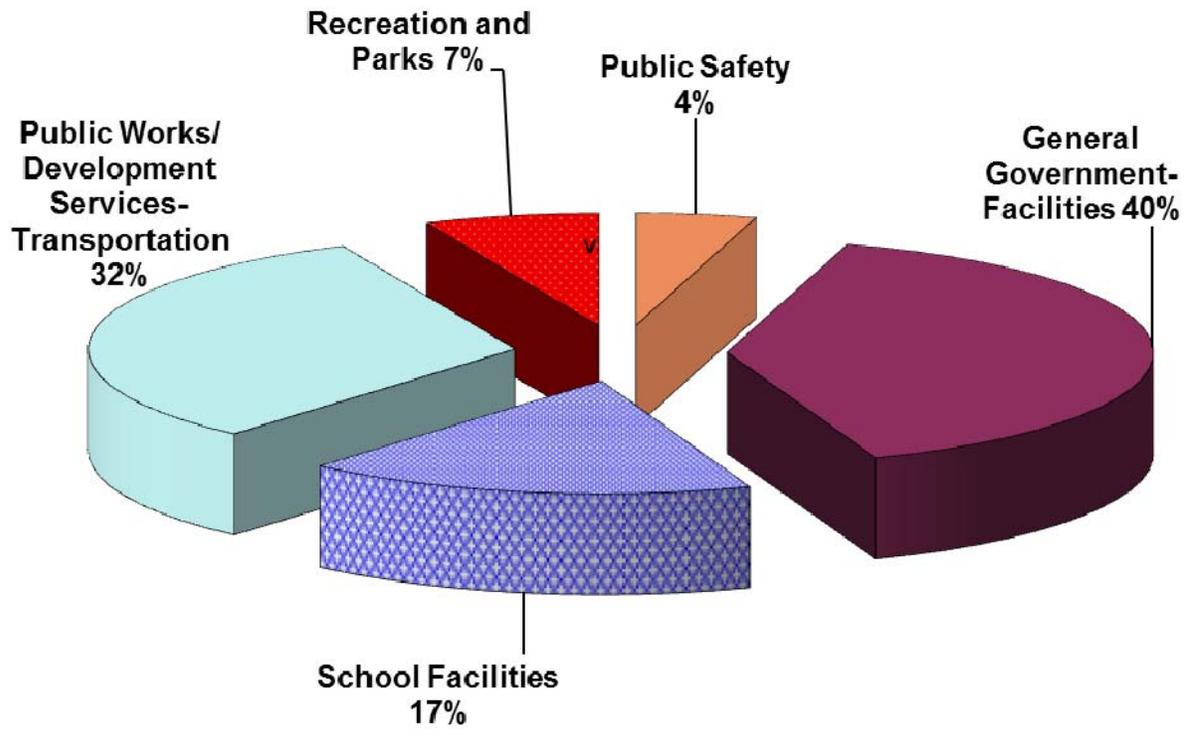
Status: Finalizing best phone system replacement solution to provide best modernization features, cost benefit and support to City as a whole. Schools have finalized a solution that is not qualified for CIP funding. The Aurora House direct fiber connectivity was completed by partnering that portion with the Closed Loop traffic control system project to reduce future costs to that project and afford it greater expansion to the new signals planned to come in that area, and as with the other portion, further expand its capabilities for the City; this overall work is still in progress.

General Fund CIP Projects by Functional Categories

The charts below depict the various types of projects by functional categories and portrays the percentage of funding allocated in FY2016 as well as for the full 5-year CIP. All funding sources, grants, debt, alternative funding sources and debt, are combined for this analysis. Over the 5-year planning horizon the large functional categories demonstrate proportional fair share funding required to address the deferred investment in the City’s infrastructure.

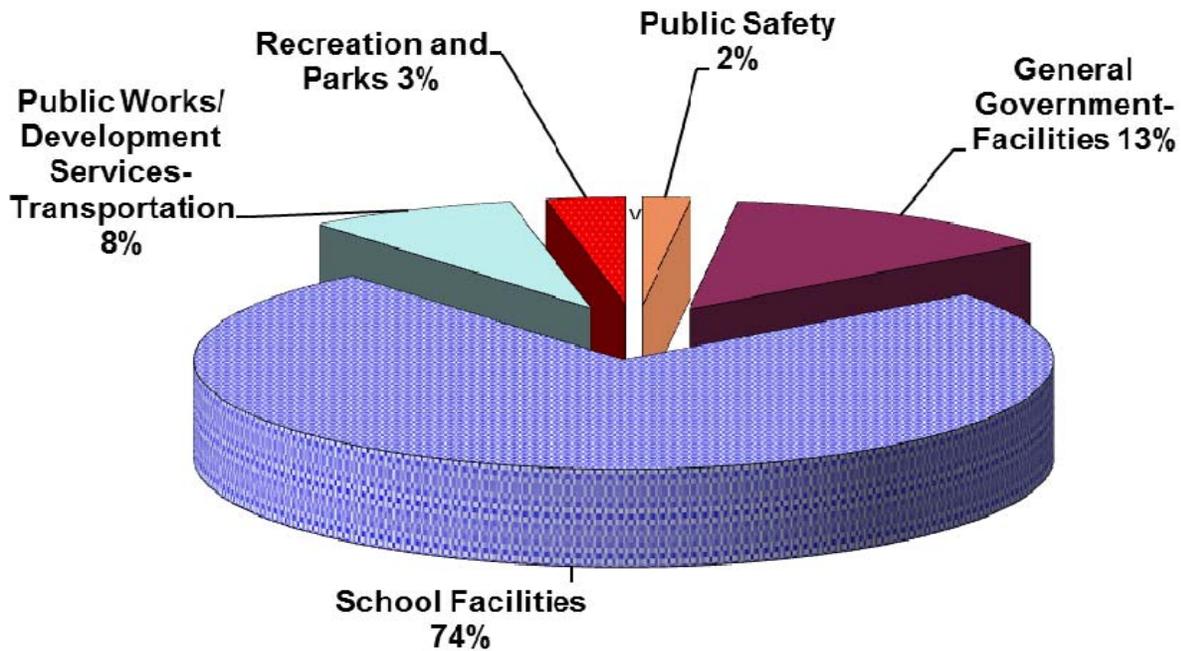
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Capital Improvements Program General Fund FY2016 (All Funding Sources)



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**Capital Improvements Program General Fund
FY2016-FY2020
(All Funding Sources)**



Process Overview

The requirement for the annual consideration and adoption of a five-year Capital Improvements Program is provided in Section 6.19 of the City Charter, and Section 17.08 of the City Code. The inset below contains the relevant Code and Charter provisions:

Sec. 17.08. ... The city manager shall subsequently submit to the commission a proposed capital improvements program together with a report on the financial condition of the city, insofar as it may relate to any contemplated capital fund projects. In the preparation of its capital improvement recommendations, the commission shall consult with the city manager, the school board, the heads of departments and interested citizens and organizations, and shall hold such public hearings as it shall deem necessary. It shall submit its recommendations to the city council, at such time as the council shall direct, together with estimates of cost of such projects and the means of financing them, to be undertaken in the ensuing fiscal year and in the next four (4) years.

Sec. 6.19. Capital budget.

At the same time that he submits the current expense budgets, the city manager shall submit to the council a program previously acted upon by the city planning commission, as provided in Chapter 17 of this Charter, of proposed capital improvement projects, including schools, as defined in section 7.02 of this Charter, for the ensuing fiscal year and for the four (4) fiscal years thereafter, with his recommendations as to the means of financing the improvements proposed

for the ensuing fiscal year. This program shall be termed the "capital budget" and may be adopted by resolution.

The adoption of the CIP by the City Council signifies the Council's identification of a set of priorities for capital spending over a five-year period. However, the City Council may delay or limit the construction or improvement of any proposed project over the course of the five-year period as economic conditions, available resources, and needs may dictate.

Procedures, Schedule, and Community Engagement

Planning Commission Procedure

The development of the CIP starts with each department head submitting to the City Manager a detailed listing of all immediate and long-range capital improvement needs, together with cost estimates and recommendations as to priority and timing of the projects listed. An additional factor to be considered is that CIP projects that are inactive for three fiscal years are either eliminated or must be re-appropriated. If an approved CIP has no expenditure activity for 3-years it must be re-appropriated. The specific code section relevant to this issue is:

"No appropriation for a capital improvement project contained in the capital budget shall lapse until the purpose for which the appropriation was made shall have been accomplished or abandoned, provided that any project shall be deemed to have been abandoned if three (3) fiscal years elapse without any expenditure from or encumbrance of the appropriation therefor."

Schedule

Staff presented the CIP to the Planning Commission on February 2, 2015. The Commission evaluated the proposed CIP in the context of the Comprehensive Plan, and held public hearing(s) to obtain community input. The Planning Commission conducted work sessions on February 2 and February 17, 2015. The Planning Commission also hosted a Town Hall Community Input Session on February 8, 2015.

The Planning Commission held the final public hearing and adopted its CIP recommendations on February 23, 2015 and forwarded them to the City Manager. The City Manager's CIP recommendation to the City of Falls Church Council is included in the overall presentation of the City's FY2016 operating and 5-year capital budget and is consistent with the recommendations adopted by the Planning Commission.

Community Engagement

For the development of the FY2016-2020 CIP the staff, at the direction of City Council and the Planning Commission, significantly increased the various tools to ensure enhanced community engagement opportunities. This includes the following:

- City capital website page (www.fallschurchva.gov/CIP) now includes CIP FAQs, status of current CIP projects, the full proposed CIP and initial videos; staff will continue to update with additional videos, presentation and other material provided to the Planning Commission during its deliberations;
- All Planning Commission presentations and meeting videos are posted to the website;
- Three CIP videos were created and posted to the website (www.fallschurchva.gov/CIP) with additional ones under production; the City Hall/Public Safety Center one is specifically located at: www.fallschurchva.gov/CityHallReno;

- CIP survey was conducted, from January 12- 25th, resulting in 875 respondents. The final results were reported to the Planning Commission and the **full report is posted to City website** (www.fallschurchva.gov/CIP).

Survey highlights:

- *Outreach efforts:*
 - Email notification distribution, minimum of twice, by the Falls Church Chamber, League of Women Voters and Village Preservation and Improvement Society
 - Posted to website January 12th; most responses (525) came in on January 13, 14 and 15
 - Twitter posts seven times on January 14, 16, 18, 20, 21, 22, 24; Facebook postings on January 13 and 23
 - eFocus article on January 22 (survey text finalization missed first January edition)
 - City News Release issued on January 14
 - Print versions of the on-line survey provided at the Library and Community Center (2 submitted at Library location)
 - Media Coverage
 - Falls Church News Press- January 14 on-line, January 15 edition on page 9, January 22 edition on page 9 & 19
 - Falls Church Times- January 14 with 7 comments
 - Falls Church Patch- January 14
- *Demographic Summary:*

Key Questions Respondent Breakdown	Percentage Responses and Comparisons*
875 respondents (some questions skipped; 20 aren't sure, don't live or work in the City)	7% of total population (12,731) 9% of over 18 population (9,526)
320 open-ended comments	37% of responses
810 respondents live/work in the City (of the 810, 630 live only/ 180 live and work)	92.6% of responses 6% of total population (12,731)
180 respondents live and work in the City	21% of responses
28 respondents work in the City	3.26% of 858 responses .02% of workers (11,500 employees; including 758 City/School permanent salaried employees)
585 have FCCPS school students (2,455 FCCPS students, Dec 2014/ not households #)	70.7% of 827 responses 32.8% of City households (5101) have children under 18 years

*based on 2010 Census, 2009- 2013 American Community Survey, COG projections and commercial/retail databases

Observations:

- Largest City survey response to date (doubled the R&P Comprehensive Plan Chapter update); provides good informal perspective and input as one tool for developing the FY2016-2020 CIP
- City residents were the predominant participants
- City residents with students in FCCPS response rate is proportionally higher than the overall households with children under 18

- Employees are under represented in the results but when combined with those who live and work category then nears 25% of the respondents
- A CIP Town Hall Community Input meeting was held on February 8, 2015 with 31 attendees. A prioritization comment form was received from 20 of these participants as well as open-ended comments and questions from all attendees. A final report was provided to the Planning Commission and the **full report is posted to City website** (www.fallschurchva.gov/CIP).

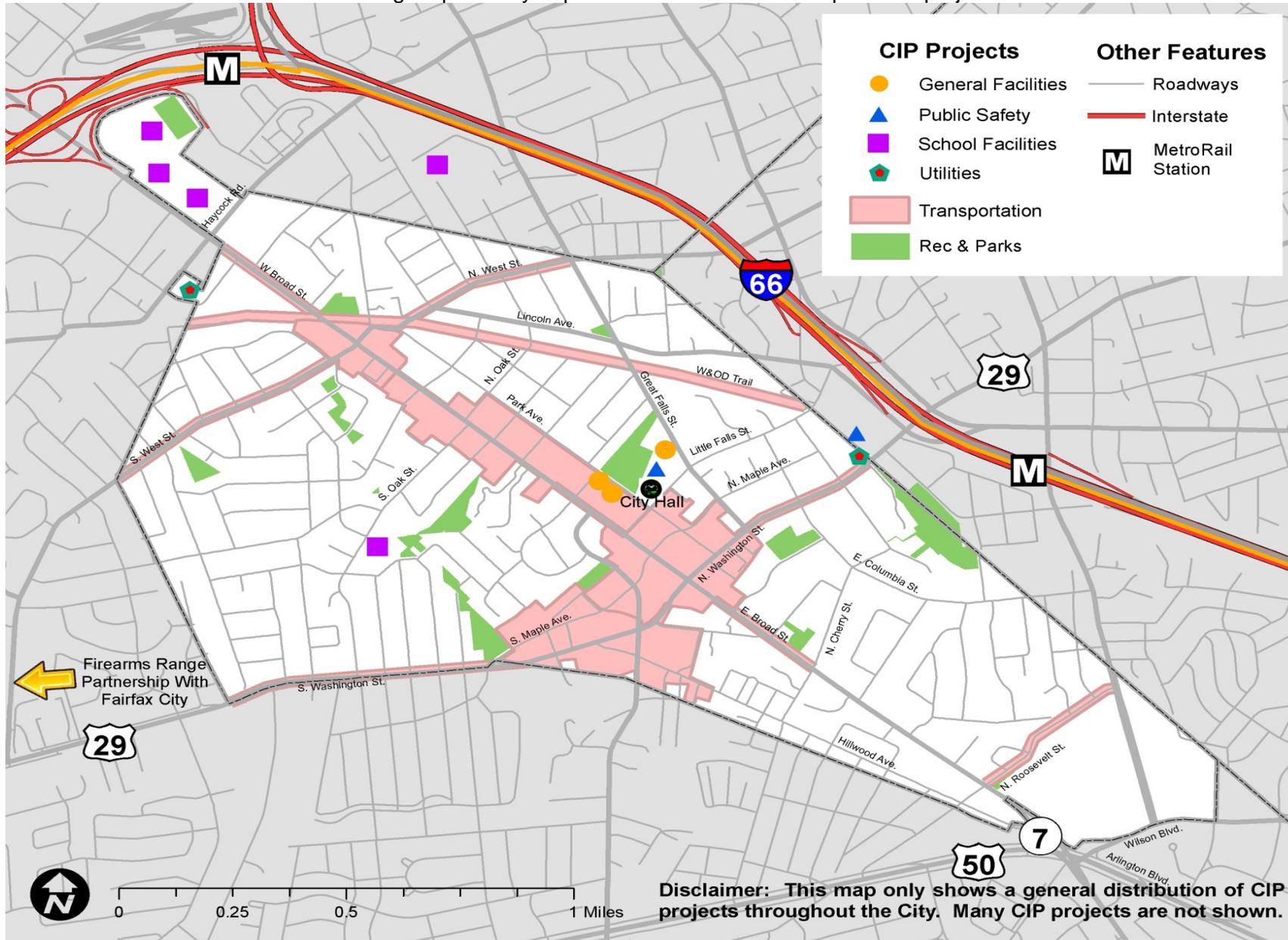
Council Approval Process

The City Council evaluated the Planning Commission and City Manager's recommendations and held its public hearings in the months of March and April. Upon adoption by the Council, the Operating Budget and the Capital Improvements Program/Capital Operating Plan go into effect at the beginning of the new fiscal year on July 1, 2015. The Operating Budget and CIP were scheduled for concurrent adoption on April 27, 2015. However, given the impact of the final tax rate and expenditure reductions on the undesignated fund balance the Council had the option to separate the CIP adoption, by no more than 28 days per City Code Section 6.19, from the operating budget so an alternative adoption date might be not later than May 26, 2015. The full tentative budget calendar is posted on the City website at: <http://www.fallschurchva.gov/budget>.

The adoption of the CIP by the City Council on April 27, 2015, signifies the Council's identification of a set of priorities for capital spending over a five-year period. Bond funding and execution of multiple year projects will be based on an assumed approval of the CIP for all five years. Upon adoption by the Council, the Operating Budget and the Capital Improvements Program goes into effect at the new fiscal year starting on July 1, 2015. However, the City Council may delay or limit the construction or improvement of any proposed project over the course of the five-year period as economic conditions, available resources, and needs may dictate with special consideration given to the multi-year project funding as noted above.

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The following map visually depicts the location of the adopted CIP projects:



Disclaimer: This map only shows a general distribution of CIP projects throughout the City. Many CIP projects are not shown.

FY2016-2020 CIP Project Distribution

SEWER FUND

	FY2016	FY2017	FY2018	FY2019	FY2020	5Yr Project Totals
Arlington WPCP Non-expansion Capital	\$190,000	\$291,000	\$284,000	\$92,000	\$95,000	\$952,000
Alexandria Wastewater Treatment Plant Upgrades	756,000	375,030	306,378	335,430	313,549	2,086,387
WWTP Capacity Expansion	-	1,870,000	1,870,000	1,860,000	-	5,600,000
Falls Church Sewer Rehabilitation	550,000	600,000	650,000	700,000	750,000	3,250,000
TOTAL SEWER UTILITY	\$ 1,496,000	\$ 3,136,030	\$ 3,110,378	\$ 2,987,430	\$ 1,158,549	\$ 11,888,387
SOURCES						
<i>Debt Funded</i>	\$946,000	\$2,536,030	\$2,460,378	\$2,287,430	\$408,549	\$ 8,638,387
"Pay as you go"	550,000	600,000	650,000	700,000	750,000	3,250,000
TOTAL SOURCES	\$ 1,496,000	\$ 3,136,030	\$ 3,110,378	\$ 2,987,430	\$ 1,158,549	\$ 11,888,387

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Reprogramming of Funds for FY2016

	TRANSFER IN	TRANSFER OUT
<i>Transfer from:</i>		
Arlington Biosolids Project		(47,000)
Arlington Secondary Clarifiers		(65,000)
<i>Transfer to:</i> Arlington Treatment Plant Non-Expansion Capital	112,000	-
TOTAL REPRORGRAMMING	\$ 112,000	\$ (112,000)

STORMWATER FUND

	FY2016	FY2017	FY2018	FY2019	FY2020	5Yr Project Totals
Four Mile Run Retaining Wall	\$0	\$0	\$0	\$220,000	\$900,000	1,120,000
Stormwater Facility Reinvestment	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$4,000,000
TOTAL STORMWATER UTILITY	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,220,000	\$ 1,900,000	\$ 5,120,000
SOURCES						
<i>Debt Funded</i>	\$0	\$1,000,000	\$1,000,000	\$1,220,000	\$1,900,000	\$5,120,000
TOTAL SOURCES	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,220,000	\$ 1,900,000	\$ 5,120,000

GENERAL FUND AND SCHOOL BOARD

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	FY2016	FY2017	FY2018	FY2019	FY2020	5 Yr Project Totals
PUBLIC FACILITIES						
City Hall & Public Safety Renov & HVAC	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000
City Hall & Public Safety Rear Expansion	1,500,000	-	-	-	-	1,500,000
City Hall & Public Safety Parking Deck 2nd Level	750,000	-	-	-	-	750,000
General Govt Facility Reinvestment- <i>Modified 2-23-15</i>	-	321,930	350,000	350,000	350,000	1,371,930
Library New Constructed Building (<i>modified timing</i>) ***	-	-	1,000,000	7,381,605	-	8,381,605
Public Parking Structure (public but supports Library expansion)		1,000,000	2,466,146		-	3,466,146
Schools Replacement/Modernization- <i>Modified 2-23-15</i>	-	321,929	-	-	-	321,929
BLA Planning and Design (School Board adopted 01-13-15); <i>Not CIP Eligible</i>	250,000	-	-	-	-	250,000
School Buses (\$200K, SB adopted 1-13-15) <i>Not CIP Eligible</i>	-	-	-	-	-	-
George Mason High School Construction- FY17 for GMHS & MEH; <i>PC modified 2-23-15</i> ***	-	5,000,000	94,500,000	-	-	99,500,000
Thomas Jefferson ES HVAC- School Board adopted 01-13-15	2,000,000	-	-	-	-	2,000,000
MEH Schools Construction- PC modified 2-23-15 ***	-		5,000,000	-	-	5,000,000
Total Public Facilities	7,500,000	6,643,859	103,316,146	7,731,605	350,000	125,541,610

***REFERENDUM REQUIRED

GENERAL FUND AND SCHOOL BOARD – Continued

	FY2016	FY2017	FY2018	FY2019	FY2020	5 Yr Project Totals
INFORMATION TECHNOLOGY						
Public Safety Radio Upgrade (\$582,460) <i>Not CIP eligible</i>	\$ -	\$ -	\$ -	-	-	\$ -
Total Information Technology	-	-	-	-	-	-
PUBLIC SAFETY (also see IT section above)						
Public Safety Firearms Range (FY2015 allocation \$300k)	300,000	\$ 300,000.00	\$ 300,000.00	-	-	900,000
Fire Station 6 Facility Reinvestment	300,000	\$ 223,255.00	\$ 709,799.00	\$ 223,203.00	\$ 244,503.00	1,700,760
Total Public Safety	600,000	523,255	1,009,799	223,203	244,503	2,600,760
RECREATION & PARKS/FIELDS						
Park Master Plan Implementation	\$100,000	\$100,000	\$300,000	\$200,000	\$600,000	\$1,300,000
Howard E. Herman Stream Valley Park	\$100,000	\$248,000	-	-	-	\$348,000
Open Space Fund	-	-	\$1,000,000	-	-	\$1,000,000
Big Chimneys Park and Transportation Improvements	-	-	\$1,000,000	-	-	1,000,000
George Mason Synthetic Turf Replacement (City)	\$450,000	-	-	-	-	450,000
GMHS Field Track Rebuild (FCCPS project)	\$222,000	-	-	-	-	222,000
Total Recreation & Parks/Fields	872,000	348,000	2,300,000	200,000	600,000	4,320,000
TOTAL GENERAL FUND	\$ 8,972,000	\$ 7,515,114	\$ 106,625,945	\$ 8,154,808	\$ 1,194,503	\$ 132,462,370
SOURCES						
Grant/Other Funded	-	-	-	-	-	-
Total Debt Financed	7,850,000	771,255	2,009,799	\$7,604,808	\$844,503	19,080,365
Only if grant/revenue offset	\$0	\$100,000	\$1,650,000	\$550,000	\$350,000	\$2,650,000
School Financing Plan/Referendum Approval Based	-	5,000,000	99,500,000	-	-	104,500,000
Total "Pay as you go" Financed	-	\$643,859	-	-	-	643,859
Total "Pay as you go" Financed Water & Land Sale Proceeds	\$1,122,000	\$1,000,000	\$3,466,146	-	-	5,588,146
Total Sources	\$ 8,972,000	\$ 7,515,114	\$ 106,625,945	\$ 8,154,808	\$ 1,194,503	\$ 132,462,370

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SPECIAL TRANSPORTATION FUND

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	FY2016	FY2017	FY2018	FY2019	FY2020	5 Yr Project Totals
Downtown Reinvestment Options (Water Sale Proceeds)	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$600,000
Infrastructure Program- Bridges RSTP	350,000	350,000	350,000	350,000	350,000	1,750,000
Infrastructure Program- Signals RS GRANT	400,000	-	-	-	-	400,000
Infrastructure Program- Signals RS MATCH LOCAL/C&I Equivalent	400,000	-	-	-	-	400,000
Downtown POA- Federal TAP Grant	-	240,000	800,000	800,000	800,000	2,640,000
Downtown POA- TAP Match	20,000	40,000	200,000	200,000	200,000	660,000
Downtown POA- Funding source TBD	-	-	50,000	75,000	650,000	775,000
Neighborhood Traffic Calming (Requested by CACT) (water sales proceeds)	200,000	200,000	200,000	200,000	200,000	1,000,000
W&OD Trail Improvements (Requested by CACT)-local match TBD	-	120,000	90,000	180,000	75,000	465,000
W&OD Trail Improvements (Requested by CACT)-grant TBD	-	90,000	90,000	180,000	75,000	435,000
WMATA Annual Obligation - local funds/C&I Equivalent	147,514					147,514
WMATA Annual Obligation - NVTA 30%	700,000					700,000
WMATA Capital Fund Agreement	1,400,000					1,400,000
TOTAL TRANSPORTATION	\$ 4,217,514	\$ 1,040,000	\$ 1,780,000	\$ 1,985,000	\$ 2,350,000	\$11,372,514
SOURCES						
Grant/Other Funded	750,000	350,000	350,000	350,000	350,000	2,150,000
Total Debt Financed	1,800,000	-	-	-	-	1,800,000
Only if grant/revenue offset	-	690,000	1,430,000	1,635,000	2,000,000	5,755,000
Total "Pay as you go" Financed	147,514	-	-	-	-	147,514
NVTA 30%	700,000					700,000
Total "Pay as you go" Financed Water Sale Proceeds	820,000	\$0	\$0	-	-	820,000
Total Sources	\$ 4,217,514	\$ 1,040,000	\$ 1,780,000	\$ 1,985,000	\$ 2,350,000	\$ 11,372,514

SPECIAL TRANSPORTATION FUND – Continued

Reprogramming of Funds for FY2016

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	TRANSFER IN	TRANSFER OUT
<i>Transfer from:</i> South Washington St POA Program NVTA 30% Grant	\$ -	\$ (320,000)
<i>Transfer to:</i>		
Infrastructure Program- Bridges NVTA 30% GRANT	125,000	-
Pedestrian Access Program- NVTA 30% reallocated	195,000	-
<i>Transfer from:</i> Infrastructure Program- Pavement C&I Equivalent	-	(400,000)
<i>Transfer to:</i> South Washington Street POA Program LOCAL C&I equiv/30% match	400,000	-
<i>Transfer from:</i> Pedestrian Access Program C&I Equiv	-	(100,000)
<i>Transfer to:</i> Non-commercial Program- C&I Equivalent	100,000	-
<i>Transfer from:</i> South Washington St POA Program VDOT SYIP	-	(2,321,360)
<i>Transfer to:</i> Pedestrian Access Program- VDOT SYIP reallocation	2,321,360	-
TOTAL REPRORGRAMMING	\$ 3,141,360	\$ (3,141,360)

SOURCE OF FUNDING FOR GENERAL FUND, SCHOOL BOARD & SPECIAL TRANSPORTATION – FY2016

PROJECT	FY2016	DEBT	PAUG	WATER SALE PROCEEDS	GRANTS	TBD	FY2016 %
Public Safety Firearms Range	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -	\$ -	2.3%
Fire Station 6 Facility Reinvestment	300,000	300,000	-	-	-	-	2.3%
City Hall & Public Safety Renovations and HVAC	3,000,000	3,000,000	-	-	-	-	22.7%
City Hall & Public Safety Rear Expansion	1,500,000	1,500,000	-	-	-	-	11.4%
City Hall & Public Safety Parking Deck 2nd Level	750,000	750,000	-	-	-	-	5.7%
BLA Planning and Design	250,000	-	-	250,000	-	-	1.9%
Thomas Jefferson ES HVAC	2,000,000	2,000,000	-	-	-	-	15.2%
MEH Schools Construction	-	-	-	-	-	-	0.0%
Park Master Plan Implementation	100,000	-	-	100,000	-	-	0.8%
Howard E. Herman Stream Valley Park	100,000	-	-	100,000	-	-	0.8%
GMHS Synthetic Turf Replacement (City)	450,000	-	-	450,000	-	-	3.4%
GMHS Field Track Rebuild (FCCPS)	222,000	-	-	222,000	-	-	1.7%
General and School Fund Subtotal	8,972,000	7,850,000	-	1,122,000	-	-	68.0%
TRANSPORTATION							
Downtown Reinvestment	600,000	-	-	600,000	-	-	4.5%
Infrastructure Program- Bridges RSTP	350,000	-	-	-	350,000	-	2.7%
Infrastructure Program- Signals RS GRANT	400,000	-	-	-	400,000	-	3.0%
Infrastructure Program- Signals RS MATCH LOCAL/ C&I Equivalent	400,000	400,000	-	-	-	-	3.0%
Downtown POA- TAP Match	20,000	-	-	20,000	-	-	0.2%
Neighborhood Traffic Calming	200,000	-	-	200,000	-	-	1.5%
WMATA Annual Obligation - Local Funds C&I Equiv	147,514	-	147,514	-	-	-	1.1%
WMATA Annual Obligation - NVTA 30%	700,000	-	-	-	700,000	-	5.3%
WMATA Capital Funding Agreement	1,400,000	1,400,000	-	-	-	-	0.0%
Transportation Subtotal	4,217,514	1,800,000	147,514	820,000	1,450,000	-	32.0%
TOTAL	\$ 13,189,514	\$ 9,650,000	\$ 147,514	\$ 1,942,000	\$ 1,450,000	\$ -	100.0%

SOURCE OF FUNDING FOR GENERAL FUND, SCHOOL BOARD & SPECIAL TRANSPORTATION – FY2016-FY2020

PROJECT	FIVE YEAR		CAPITAL RESERVE	WATER SALE PROCEEDS	GRANTS	TBD
	TOTAL	DEBT				
Public Safety Firearms Range	\$ 900,000	\$ 900,000	\$ -	\$ -	\$ -	\$ -
Fire Station 6 Facility Reinvestment	1,700,760	1,700,760	-	-	-	-
City Hall & Public Safety Renovations and HVAC	3,000,000	3,000,000	-	-	-	-
City Hall & Public Safety Rear Expansion	1,500,000	1,500,000	-	-	-	-
City Hall & Public Safety Parking Deck 2nd Level	750,000	750,000	-	-	-	-
General Govt Facility Reinvestment	1,371,930	-	321,930	-	-	1,050,000
Library New Constructed Building	8,381,605	8,381,605	-	-	-	-
Public Parking Structure	3,466,146	-	-	3,466,146	-	-
Schools Replacement/Modernization	321,929	-	321,929	-	-	-
BLA Planning and Design	250,000	-	-	250,000	-	-
George Mason High School Construction	99,500,000	-	-	-	-	99,500,000
Thomas Jefferson ES HVAC	2,000,000	2,000,000	-	-	-	-
MEH Schools Construction	5,000,000	-	-	-	-	5,000,000
Park Master Plan Implementation	1,300,000	600,000	-	100,000	-	600,000
Howard E. Herman Park	348,000	248,000	-	100,000	-	-
Open Space Fund	1,000,000	-	-	-	-	1,000,000
Big Chimneys Park and Transportation Improvements	1,000,000	-	1,000,000	-	-	-
George Mason Synthetic Turf Replacement (City)	450,000	-	-	450,000	-	-
GMHS Field Track Rebuild (FCCPS)	222,000	-	-	222,000	-	-
General and School Fund Subtotal	132,462,370	19,080,365	1,643,859	4,588,146	-	107,150,000
TRANSPORTATION						
Downtown Reinvestment	600,000	-	-	600,000	-	-
Infrastructure Program- Bridges RSTP	1,750,000	-	-	-	1,750,000	-
Infrastructure Program- Signals RS GRANT	400,000	-	-	-	400,000	-
Infrastructure Program- Signals RS MATCH LOCAL/ C&I Equivalent	400,000	400,000	-	-	-	-
Downtown POA- Federal TAP Grant	2,640,000	-	-	-	-	2,640,000
Downtown POA- TAP Match	660,000	-	-	20,000	-	640,000
Downtown POA	775,000	-	-	-	-	775,000
Neighborhood Traffic Calming	1,000,000	-	-	200,000	-	800,000
W&OD Trail Improvement	465,000	-	-	-	-	\$465,000

5-YEAR PROJECTION GENERAL FUND

	FY2014 Actual	FY2015 As Adopted	FY2016 Projected	FY2017 Projected	FY2018 Projected	FY2019 Projected	FY2020 Projected
Total Operating Revenues	\$ 97,342,330	\$ 77,571,664	\$ 83,027,150	87,439,451	90,499,832	93,667,326	96,945,683
General Fund Expenditures Before Capital*	68,172,095	73,806,135	77,213,421	81,331,214	83,624,590	86,375,285	89,791,870
Investment Revenues from Pension (Water Sale Proceeds)	-	-	-	640,000	640,000	640,000	640,000
Net Operating	29,170,235	3,765,529	5,813,729	6,748,238	7,515,243	7,932,041	7,793,813
Use of Fund Balance	-	1,228,000	-	-	-	-	-
Use of Capital Reserve	-	1,752,000	\$0	\$643,859	1,000,000	-	-
Use of Water Sale Proceeds (\$11.3M)	-	-	1,942,000	1,000,000	2,466,146	-	-
Contribution to Capital Reserve	3,395,859	-	-	-	-	-	-
Paygo Transportation Fund	-	(800,000)	(820,000)	-	-	-	-
Paygo & (Stormwater -FY14 only)	(2,563,671)	(952,000)	(1,122,000)	(1,643,859)	(3,466,146)	-	-
Debt Service	(4,536,400)	(4,993,529)	(5,813,729)	(6,108,238)	(6,875,243)	(7,292,041)	(7,153,813)
Net Capital	(3,704,212)	(3,765,529)	(5,813,729)	(6,108,238)	(6,875,243)	(7,292,041)	(7,153,813)
Addition/(Reduction) to Fund Balance	25,466,023	-	-	640,000	640,000	640,000	640,000
Capital Improvement Program							
Capital Improvement Expenditures	(7,035,360)	(11,647,000)	(13,189,514)	(8,555,114)	(108,405,945)	(10,139,808)	(3,544,503)
Transfers in from General Fund	1,532,627	-	-	-	-	-	-
Transfer to other Funds (Stormwater)	(1,113,176)	-	-	-	-	-	-
Use of Capital Reserves	-	1,752,000	-	\$643,859	-	-	-
Use of Capital Reserves Water Proceeds	-	-	1,942,000	1,000,000	2,466,146	-	-
Proceeds from capital grant funds	1,223,929	-	750,000	350,000	350,000	350,000	350,000
Proceeds from bond sale	15,855,548	9,895,000	9,650,000	771,255	2,009,799	7,604,808	844,503
Only if grant/revenue offset	-	-	\$847,514	790,000	3,080,000	2,185,000	2,350,000
School financing plan	-	-	-	5,000,000	99,500,000	-	-
Net Cash Flow from CIP	10,463,568	-	-	-	(1,000,000)	-	-
Unassigned Fund Balance, beginning	14,821,921	13,508,494	13,508,494	13,508,494	14,148,494	14,788,494	15,428,494
Unassigned Fund Balance, end of year	13,508,494	13,508,494	13,508,494	14,148,494	14,788,494	15,428,494	16,068,494
Capital Reserve Fund Balance	3,395,859	1,643,859	1,643,859	1,000,000	-	-	-
Capital Reserve Water Sale Proceeds Balance	-	11,300,000	9,358,000	8,358,000	5,891,854	5,891,854	5,891,854

5-YEAR PROJECTION GENERAL FUND - Continued

	FY2014 Actual	FY2015 As Adopted	FY2016 Projected	FY2017 Projected	FY2018 Projected	FY2019 Projected	FY2020 Projected
KEY RATIOS							
Fund Balance							
Gen Govt Fund balance as % of expenditures	18.6%	17.1%	16.3%	16.3%	16.5%	16.6%	16.7%
Policy Target (17% of Expenditures)***	12,360,444	13,395,943	14,121,586	14,755,907	15,276,171	15,814,645	16,371,966
Undesignated Fund Balance, end of year	13,508,494	13,508,494	13,508,494	14,148,494	14,788,494	15,428,494	16,068,494
Debt Service							
Existing	4,536,400	4,993,529	5,813,729	5,721,263	5,725,628	5,675,583	5,574,163
New****	-	-	-	386,975	1,149,615	1,616,459	1,579,651
Total	4,536,400	4,993,529	5,813,729	6,108,238	6,875,243	7,292,041	7,153,813
Investment Revenues from Pension (Water Sale Proceeds)				640,000	640,000	640,000	640,000
Net Interest Funded by Tax Revenue	4,536,400	4,993,529	5,813,729	5,468,238	6,235,243	6,652,041	6,513,813
Debt service as % of expenditures	6.2%	6.3%	7.0%	7.0%	7.7%	7.8%	7.4%
Policy Limit (12% of Expenditures)	8,725,019	9,455,960	9,968,178	10,415,934	10,783,180	11,163,279	11,556,682

*Expenditures are based on a balanced budget and are not based on current projections of FY2016 through FY2020 expenditures.

2,408,259

***New policy effective December 12, 2011.

****3.5%-4.75% Interest rate used for debt service calculation

IMPACT ON OPERATING COSTS

The following describes impacts on operating costs of the adopted five-year program:

A. GENERAL FUND AND SCHOOL BOARD

1. **Information Technology:** Not applicable for FY2016-2020.
2. **Public Safety:** Improved Station 6 facility reinvestment will reduce maintenance and utility costs. Ongoing fire range maintenance will be reduced with the upgraded facility.
3. **General Government City Hall/Public Safety Improvements:** It is estimated that the impact on operating costs will be minimal. Better design and layout of the building and newer technology will result in process and energy efficiencies. However, this will be offset by an increase in building size.
4. **Library Expansion:** Increases in utility costs and maintenance costs are expected with the expansion of the Library; however, there will be no requirement for additional staff and some offsetting utility and maintenance expenses from renovating the HVAC system and elevator.
5. **Schools Construction:** The renovations and expansion of three school facility sites are anticipated to produce 5-25% cost savings due to modernization efficiencies and reduced utility costs.
6. **General Government Facility Construction:** The renovations and expansion of City Hall/Public Safety 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.
7. **Parkland Improvements:** There will be additional operating costs to maintain the parks and trails but improved safety and utilization of amenities.

B. TRANSPORTATION FUND

1. **Downtown Reinvestment:** Will restore to proper conditions following long-term maintenance deferrals and vehicular damage; ongoing funding will be needed to maintain good condition of infrastructure.
2. **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 additional 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. **Non-commercial:** It is estimated that this project may result in a minor increase in maintenance costs for additional facilities, particularly any striping or signage that is installed.
5. **South Washington POA:** It is estimated that this project will result in an increase in maintenance costs of less than \$10,000 due to new traffic signals, lighting and pedestrian access/right of way facilities.
6. **Infrastructure- Downtown POA:** 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.
7. **Infrastructure- Pedestrian Access:** It is estimated that this project will result in a minor increase in maintenance costs due to new lighting, signage, striping, and pedestrian access/right of way facilities.
8. **Neighborhood Traffic Calming:** To be determined once projects are determined and scheduled but an increase in maintenance costs of less than \$2,000 is estimated.
9. **W&OD Trail Improvements:** The NVRPA (NOVA Parks) will assume ongoing operation and maintenance costs.

C. SEWER FUND

1. **Alexandria Wastewater Treatment Plant Upgrade:** It is estimated that this project will result in an increase in operating costs by about 10-15%.
2. **Falls Church Sewer Rehabilitation:** Relining pipes leads to significant reductions in operating and maintenance costs over time.
3. **Arlington WPCP Non-expansion Capital:** Anticipated to reduce operation expenses and maintenance costs.
4. **WWTP Capacity Expansion:** It is estimated that this project will result in an increase in operating costs.

D. STORMWATER FUND

1. **Stormwater Facility Improvement:** Improvements to storm water infrastructure can be expected to proportionally decrease operating costs, as staff time and equipment dedicated to addressing clogs, repairs, and malfunctions is reduced.
2. **Four Mile Run Retaining Wall:** This project will decrease operating costs, as stopgap measures to sustain the failing infrastructure will be eliminated.

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**FY2016 ADOPTED BUDGET
GLOSSARY**



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.

CAFR – Comprehensive Annual Financial Report.

Capital Fund – Each year, the City adopts a five-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, water and sewer funds, State aid and bond issues. The current year CIP is included as part of the annual budget. The capital fund is also used to account for projects that are capital in nature but do not meet the thresholds to be included in the CIP.

Capital Improvements Program (CIP) – A five-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 \$100,000 and have a useful life in excess of one year.

Capital Outlay – An appropriation or expenditure category for government assets with a value of \$5,000 or more and a useful economic life of one year or more.

Carryforward (carryover) – Funds in the School Division budget unexpended in one year that are used as a funding source for the subsequent year. This is required by 6.18 of the City Charter.

Coefficient of Dispersion – Represents the mean percentage deviation from a median.

Comprehensive Annual Financial Report (CAFR) – The annual report that represents a locality's financial activities and contains the independent auditor's reports on compliance with laws, regulations and internal controls over financial reporting based on an audit of financial statements performed in accordance with "Government Auditing Standards."

COG – Metropolitan Washington Council of Governments – an independent, nonprofit association of 17 member governments located in the Washington metropolitan region.

Constitutional Officers – Officials elected to four-year terms of office who are authorized by the Constitution of Virginia to head City departments; the Treasurer, the Commissioner of Revenue, and the Sheriff in the City.

Consumer Price Index (CPI) – A measure, calculated by the United States Department of Labor, commonly used to indicate the rate of inflation.

Contingency – A budgetary reserve set aside for emergencies or unforeseen expenditures for which no other budget exists.

CSA – Comprehensive Services Act.

CY – Calendar year.

Debt Per Capita – Total outstanding debt divided by the population of the City.

Debt Ratio – A measure used that determines the annual debt service or outstanding debt as a percentage of some other item which is generally an indication of the ability of the City to repay the debt; examples include annual debt service as a percentage of total annual expenditures and total outstanding debt as a percentage of total assessed value.

Debt Service – The payment of interest and principal to holders of the City's debt instruments.

Economic Development Authority (EDA) – Responsible for encouraging industrial and commercial development in the City.

Encumbrance – A reservation of funds that represents a legal commitment, often established through contract, to pay for future goods or services.

Enterprise Funds – Account for the financing of services to the general public whereby all or most of the operating expenses involved are recorded in the form of charges to users of such services. The enterprise funds consist of the Sewer Utility Fund and the Water Utility Fund.

Expenditure – Actual outlay of monies for goods or services.

Fair Market Sales – Defined as an “arm’s length” transaction where there is a willing buyer and a willing seller, neither of which is under pressure to sell or buy. This excludes transfers such as sales within a family, foreclosures, or sales to a governmental unit.

Fringe Benefits – The employer contributions paid by the City as part of the conditions of employment. Examples include health insurance, state public employees retirement system and the City retirement system.

Fiscal Year (FY) – Section 6.01 of the City’s charter sets the fiscal year as July 1 through June 30.

Full-Time Equivalent (FTE) – A measure of determining personnel staffing, computed by equating 2,080 hours of work per year (2,912 for firefighters) 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.

MIS Services – Management information services generally referring to information technology products and services.

MISS UTILITY – An organization that tracks utilities so that, in accordance with the Underground Utility Protection Law, anybody who wants to dig in the ground for any purpose can determine where utilities are located.

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.

Performance Measure – An indicator of the attainment of an objective; it is a specific quantitative measure of work performed or services provided within an activity or program, or it may be a quantitative measure of results obtained through a program or activity.

Personal Property Tax (PP) – 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 fund equity is legally restricted. Reserves may also be funded in a given year's operation, either for contingencies for specific items, or for future expenditures.

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.

SUP – Special use permit as in zoning.

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.

UCR based reporting – Uniform Crime Reporting; move is toward incident based reporting (IBR).

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 stormwater 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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