

# CITY OF FALLS CHURCH, VIRGINIA

## Fiscal Year 2017 Adopted Budget & 5-Year Capital Improvement Program



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### **Policy of Non-Discrimination on the Basis of Disability**

The City of Falls Church does not discriminate on the basis of disability in its employment practices or in the admission to, access to, or operations of its services, programs, or activities. Cindy Mester, 300 Park 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

April 25, 2016

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

The adopted FY2017 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 Comprehensive Plan. The budget process is also one of our best opportunities for extensive public input on our City services and how they are delivered.

The following chart summarizes the changes to expenditures from FY2016 to FY2017:

	<b>Adopted FY2016</b>	<b>Adopted FY2017</b>	<b>\$ Change</b>	<b>% Change</b>
General Government	36,443,890	36,744,573	300,683	0.8%
Debt Service: Gen Gov't	1,684,271	2,071,058	386,787	23.0%
School Transfer	38,417,900	39,817,030	1,399,130	3.6%
Debt Service: School	4,146,459	4,298,646	152,187	3.7%
Public Transportation	152,370	779,482	627,112	411.6%
Transfers	2,182,260	2,593,631	411,371	18.9%
<b>Total</b>	<b>83,027,150</b>	<b>86,304,420</b>	<b>3,277,270</b>	<b>3.9%</b>

Note: Certain expenditures in FY2016 have been reclassified for comparability.

The FY2017 General Government operating budget, not including debt service, transportation and “pay as you go” capital projects, provides for operating expenditures of \$36,744,573. This is a \$300,683 (0.8%) increase over FY2016.

The School Board transfer is \$39,817,030, which represents a \$1,399,130 (3.6%) increase over FY2016. The total School Division operating budget, including state and federal revenues, is \$48,142,000 which is a 3.9% increase over FY2016.

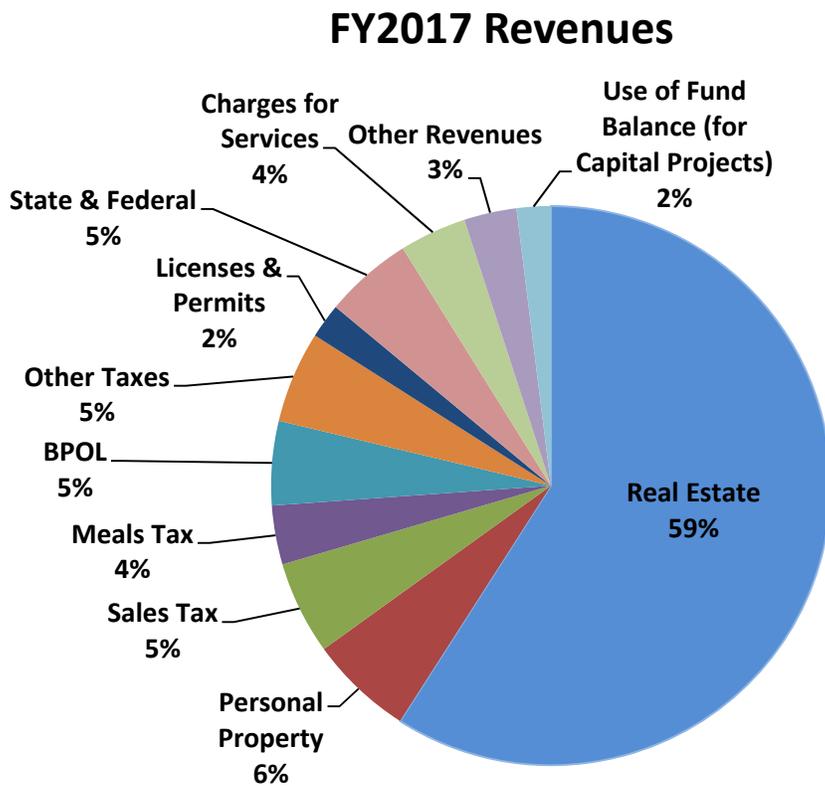
The budget as adopted by the City Council has no change to the real estate tax rate, which remains flat at that the rate of \$1.315 per \$100 of assessed value.

Public Transportation Expenditures are increasing due to the Washington Metropolitan Area Transit Authority (WMATA) relying on more direct financial support from the local governments

of Virginia, DC and Maryland. In order to partially offset this increase in required expenditures, the budget includes an increase in the Personal Property Tax (also referred to as the “Car Tax”) by 16 cents, from the current rate of \$4.84 to \$5.00 per \$100 of assessed value. These increased revenues will be used exclusively for transportation purposes, and will serve as a local match for additional state and federal transportation funds.

### FY2017 Revenue Projections

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



As noted above, the adopted budget includes the following tax rate increases for transportation expenses:

- Personal Property Tax: Increase by 16 cents, from \$4.84 to \$5.00 for transportation. This increase is expected to generate \$160,000 to pay for increased transportation costs for the regional MetroBus and MetroRail services operated by the Washington Metropolitan Area Transit Authority.
- Cigarette Tax: Increase by 10 cents per pack, from 75 cents to 85 cents, also for WMATA expenses.

With these rate increases, a breakdown of key revenue projections for FY2017 as compared to FY2016 is provided in the table below. The real estate revenue projection includes an increase in assessed value of 3.8%.

### Comparative Summary of Estimated Revenues

	Adopted FY2016	Adopted FY2017	\$ Change	% Change
Real Estate Taxes	49,151,896	50,974,464	1,822,568	3.7%
Personal Property Taxes	4,948,000	5,175,000	227,000	4.6%
Sales Tax	4,150,000	4,649,000	499,000	12.0%
Meals Tax	2,913,000	2,948,000	35,000	1.2%
BPOL	3,775,000	4,200,000	425,000	11.3%
Other Taxes	4,340,000	4,569,000	229,000	5.3%
Licenses & Permits	1,484,412	1,730,100	245,688	16.6%
State & Federal	4,233,251	4,403,583	170,332	4.0%
Charges for Services	3,432,231	3,332,977	(99,254)	-2.9%
Other Revenues	2,066,360	2,621,986	555,626	26.9%
Use of Fund Balance	2,533,000	1,700,310	(832,690)	-32.9%
<b>Total</b>	<b>83,027,150</b>	<b>86,304,420</b>	<b>3,277,270</b>	<b>3.9%</b>

The total assessed value of the City is approximately \$3.9 billion as of January 1, 2016, an increase of \$141.6 million over January 1, 2015. The growth in assessed value reflects market appreciation and approximately \$121.7 million of new construction in the City. New construction accounts for 86% of the total growth in assessed value in the past 12 months.

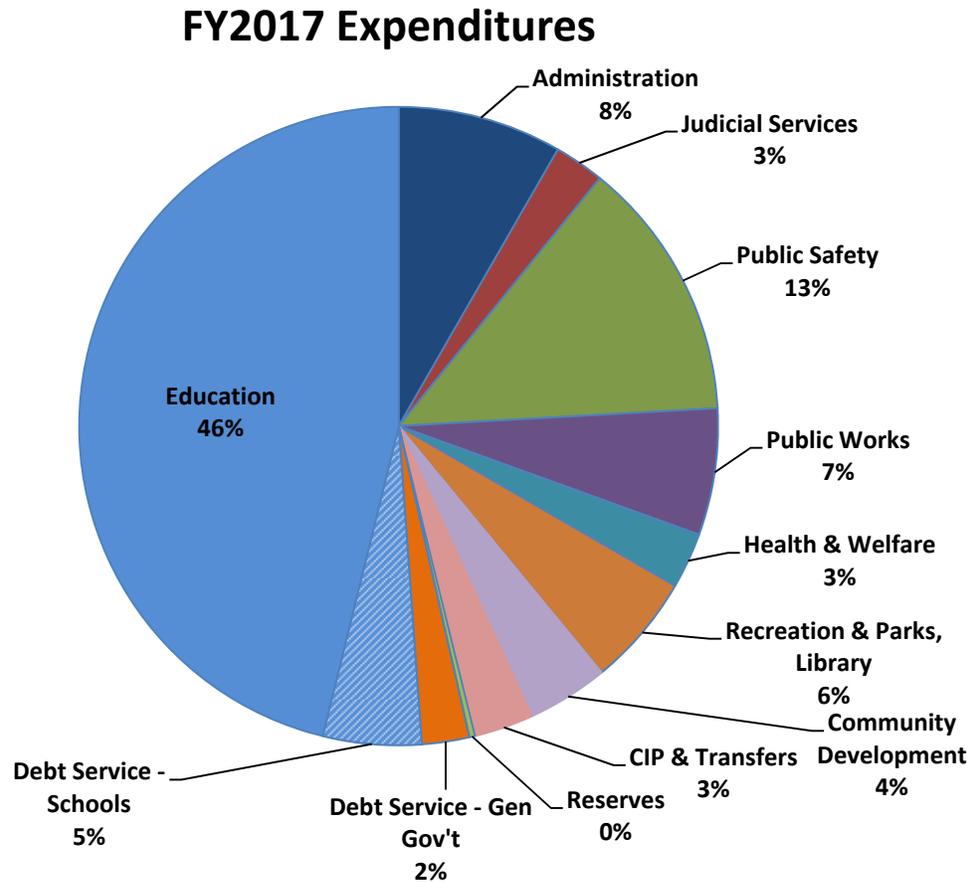
Of the \$121.7 million in new construction, approximately \$86.8 million is in the commercial sector (notably the 301 West Broad and Lincoln at Tinner Hill) and reflects the concerted efforts by the City to promote and grow the commercial tax base of the City. The ongoing additions and teardown/rebuilds of single family homes in the City amounted to \$34.9 million in new construction.

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

	<u>CY2015</u>	<u>CY2016</u>
Single Family:	up 3.7%	up 1.7%
Townhouses:	up 5.8%	down 0.2%
Condominiums:	up 5.7%	up 2.8%
Commercial:	down 1.2%	up 2.9%
Apartments:	<u>up 34.9%</u>	<u>up 26.9%</u>
<b>Overall:</b>	<b>up 4.8%</b>	<b>up 3.8%</b>

## FY2017 Summary of Expenditures

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



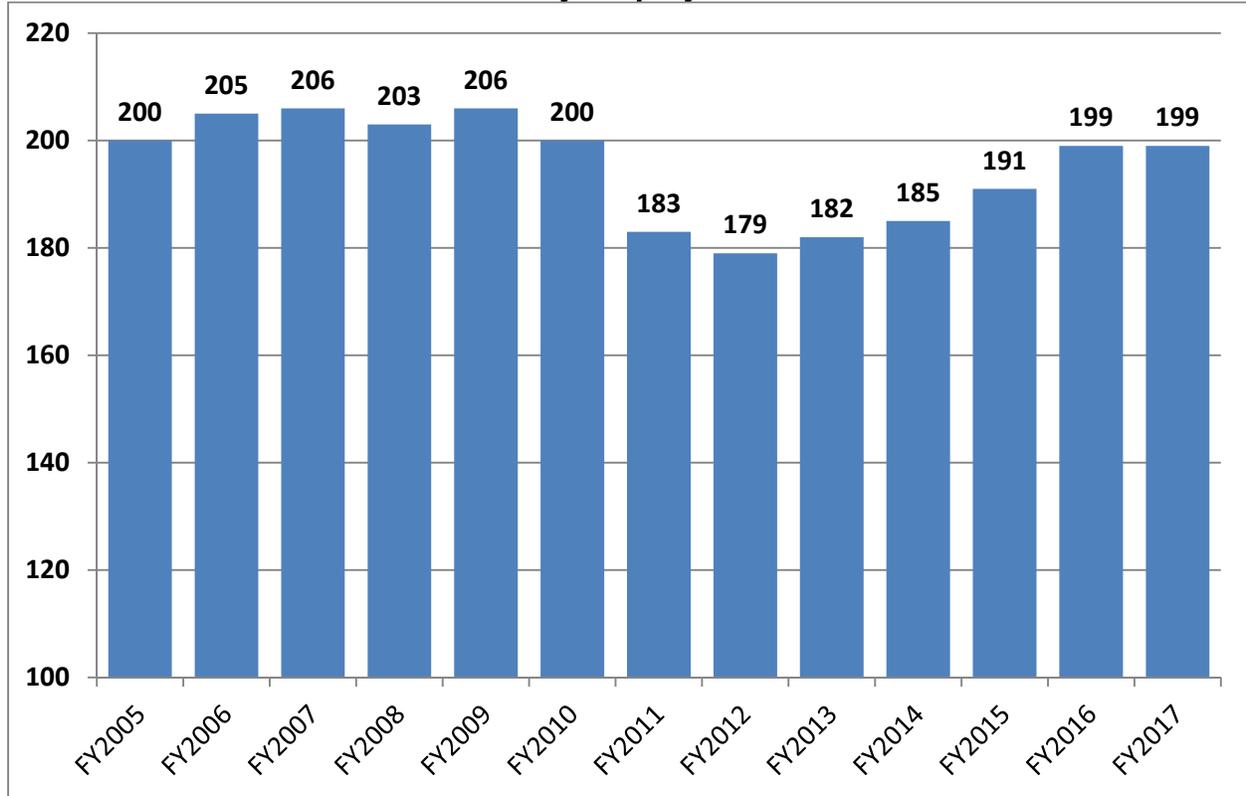
### Staffing Levels

There are no new positions funded in this proposed budget. The FY2017 Budget funds 199 permanent positions in the General Fund, which is unchanged from the prior year, and remains below typical staffing levels for the period between 2000 and 2010.

The budget does sustain funding for several new positions that were included in the current FY2016 budget. These positions include

- *Transportation Planner*
- *Environmental Sustainability Coordinator*
- *Revenue Assistant Treasurer's Office*
- *Building Inspectors (2) plus one Administrative Assistant for Building Permits*

**Number of City Employees over Time**



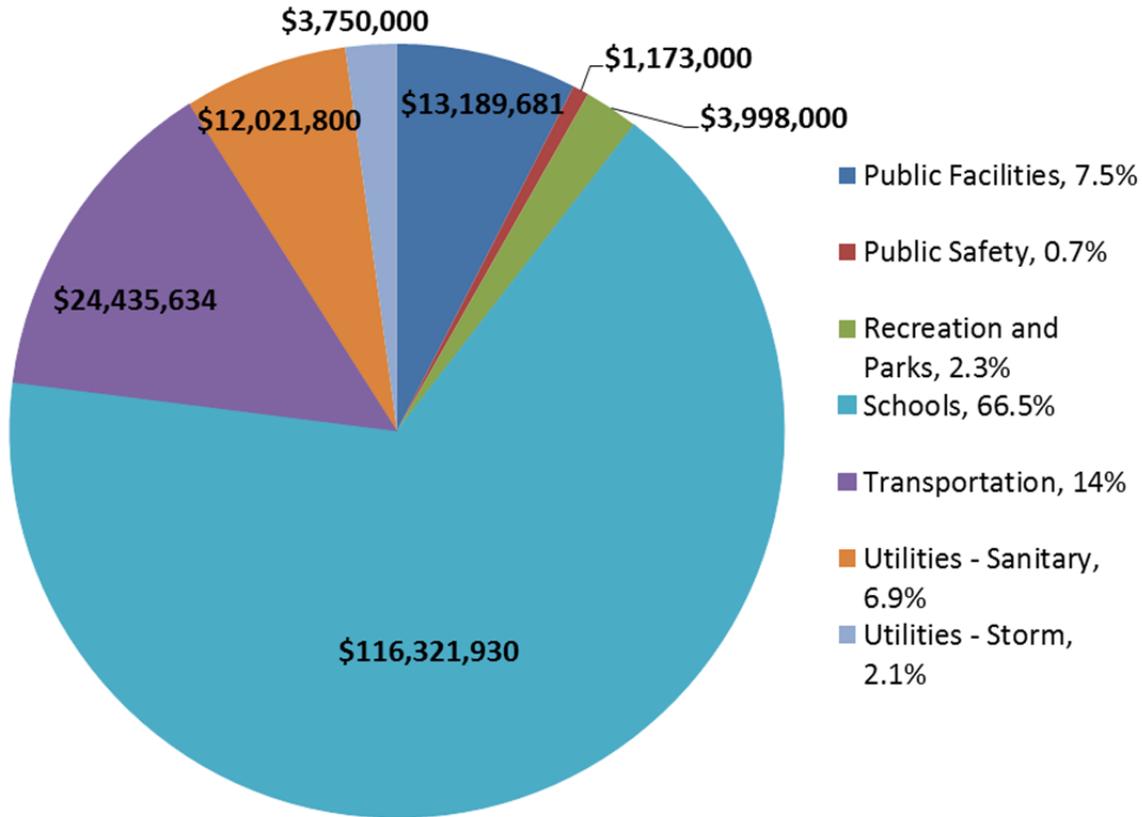
*Note: General Fund supported only (does not include CIP and Enterprise Funded positions).*

**Employee Compensation:** The FY2017 Budget provides a 3.0% merit increase in compensation for City employees and for uniformed police officers. This increase will maintain competitiveness in the region and reward employees for productive work in providing City services. The City Administration will continue to assess compensation rates in the region through the budget process and possibly recommend further adjustments as warranted.

**CAPITAL IMPROVEMENTS PROGRAM (CIP)**

The CIP contains significant projects in FY2017 and the subsequent four year planning period. Major funding is provided for City public facility improvements, downtown commercial area, public safety, transportation improvements on the primary corridors, stormwater mitigation and park improvements. The allocation by percentage is depicted below:

## FY2017-2021 CIP by Program (All Funds)



PROJECT	FY2017	FY2017-FY2021
PUBLIC SAFETY	\$ 300,000	\$ 1,173,000
PUBLIC FACILITIES (includes general govt, library & schools)	4,643,860	129,511,611
PARKS & RECREATION	1,798,000	3,998,000
<b>TOTAL GENERAL GOVERNMENT &amp; SCHOOLS</b>	<b>\$ 6,741,860</b>	<b>\$ 134,682,611</b>
TRANSPORTATION FUND- Special	\$ 6,810,026	\$ 24,435,634
SEWER FUND- Utility Enterprise	1,073,290	12,021,800
STORMWATER FUND- Utility Enterprise	-	3,750,000
<b>TOTAL OTHER FUNDS</b>	<b>\$ 7,883,316</b>	<b>\$ 40,207,434</b>

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

**School Facilities:** 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 2018.

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

**WMATA:** Provide for required transit funding and leverage 30% NVTA transportation funding for grant matches to fund the Downtown POA and W&OD Trail Great Street Improvements.

**Parks:** Open Space; Big Chimney's Park Master Plan, Cherry Hill Park Master Plan.

**Stormwater:** Continuing to implement Watershed Management Plan of 2-3 projects.

**Sanitary Sewer:** Improvements in the collection and treatment of wastewater.

**Downtown Public Plaza:** \$550,000 EDA grant to create a special gathering place to facilitate economic revitalization.

City Council has placed a strong focus on restoring the financial stability of the City as expressed in its adopted Vision statement on Sound Finances and the 2011 Financial Policies. The adopted CIP for FY2017-FY2021 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 STORM WATER FUNDS**

**Sanitary Sewer:** Due to the continuing improvements to sanitary sewer treatment facilities as required by the Environmental Protection Agency, the Sewer Utility commodity rate will increase from \$9.73 to \$9.87 per 1,000 gallons, an increase of 1.4%. This increase is in keeping with the relatively low regional inflation rate, and will 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. 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.

**Storm Water:** In FY2014, 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 storm water 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 storm water 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).

A rate increase of 2% is being proposed in FY2017 to cover increasing costs in debt service as a result of prior year borrowings to implement improvements in the City's storm water

infrastructure such as the Great Falls retention system and the Cherry Street drainage system. The rates will increase to \$18.36/200 square feet of impervious surface from \$18.00/200 square feet of impervious surface last year. This is the first rate increase implemented since the establishment of the fee in FY2014.

	<b>FY2016</b>	<b>FY2017</b>
<b>Sanitary Sewer Fund</b>		
Expenditures	\$4,119,000	\$4,338,000
Rate	\$9.73/1000 gal.	\$9.87/1000 gal. (1.4% increase)
<b>Storm Water Fund</b>		
Expenditures	\$1,530,000	\$1,582,373
Rate	\$18.00 / 200 sq ft. of impervious surface	\$18.36 / 200 sq ft. of impervious surface

\*These numbers include operating expenditures and exclude capital projects.

## LOOKING AHEAD

The FY2017 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 could require an increase in the tax rate of over 21 cents depending on the assumptions used for interest and project timing. The City Council and School Board are exploring the potential for a public private partnership to lower the costs of the high school project, which is by far the largest project in the Capital Program. The City will continue to prioritize its capital projects and ensure that they are accompanied with a sustainable financial plan.
- The City's pension fund is currently fully funded on a market value basis, and 97% funded from an actuarial basis. If current actuarial assumptions hold, City retirement contributions can be expected to decline over the coming five years.

- Continued economic development in the City will provide additional resources for the City government to meet long term obligations. In FY2017, new development currently under construction is projected to generate over \$2.76 million in new recurring revenue – the equivalent of 7 cents on the RE Tax Rate. New development carries costs as well, and while the net fiscal impact of mixed use development is expected to be strongly positive, those costs will factor into annual budgets along with future revenues.
- With the budget constraints in government expenditures, there are important infrastructure, service, and workforce investments that await future funding. In developing the FY2017 budget recommendations, the City and the School Board identified priority needs, should for future funding be available.

There are many reasons to be 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, great schools, safe communities, and high quality of life. Developer interest in the City's key commercial areas continues, and presents the City with an opportunity to grow the tax base and attract new commercial and retail activity.

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.

As the Council and community work through future budget decisions, it will continue to uphold the sound management policies adopted in 2001 and reaffirmed many times since: debt within manageable levels; adequate fund balances; reserves for future capital needs; and avoiding the use of one-time money 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,



F. Wyatt Shields  
City Manager

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**FY2017 ADOPTED BUDGET  
CITY  
INTRODUCTION**



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## CITY COUNCIL & OFFICIALS

### CITY COUNCIL

David Tarter

*Mayor*

Marybeth Connelly

*Vice Mayor*

Phil Duncan

Letty Hardi

Karen Oliver

David F. Snyder

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*

## COUNCIL VISION

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*

## LONG-TERM STRATEGIC PLAN



### 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.

## CITY OVERVIEW

Falls Church is an independent city lying just a few miles from the national capital. This proximity has been a major influence on its development, especially over the last century. Falls Church is small in area (2 square miles) and population (estimated at 13,601 in 2014 per US Census Bureau), 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: David Snyder, Letty Hardi, Dan Sze, Mayor Dave Tarter, Phil Duncan, Vice-Mayor Marybeth Connelly, and Karen Oliver

### 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 13,601 (Estimate for 2014, U.S. Census Bureau)
- \$4,049,002,200 total assessed value of real estate at January 1, 2016; \$3,868,019,700 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, 2016 Median Single Family Home value	\$742,100 <sup>1</sup>	\$371,600 <sup>2</sup>	\$222,700 <sup>3</sup>
Unemployment Rate, December 2015 <sup>4</sup>	2.6%	3.8%	4.8%

**RACE AND ETHNICITY, 2010**

White	80.0%
African American	4.3%
Asian	9.4%
Other, unknown	2.4%
Two or more races	4.0%
<b>Total</b>	<b>100.0%</b>
<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%
<b>Total</b>	<b>100.0%</b>
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%
<b>Total Employed</b>	<b>9,466</b>	<b>100.0%</b>

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:**

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

<sup>1</sup> Source: City of Falls Church Real Estate Assessor's Office; assessments for single family homes and townhouses.

<sup>2</sup> Source: National Association of Realtors; sales price for single family homes and townhouses, excluding foreclosures.

<sup>3</sup> Source: *Ibid.*

<sup>4</sup> 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 \$7.1 million in gross revenue and \$2.8 million in net revenue for the city annually.

Commercial space in the six mixed-use buildings is 95 percent occupied and each is at or approaching full residential occupancy. The Spectrum, with 32,000 square feet of condo office space, sold its final available suite in 2014. The Tax Analysts Building, a physically detached component of the Pearson Square project on South Maple Avenue, contains 85,000 square feet of fully occupied Class A office and retail space. 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 \$21.66 per square foot (full service). Newer space, which is scarce, averages \$30 per square foot, full service. The low cost of office space in the city explains, in part, a low vacancy rate – 8.4 percent – through the third quarter of 2015. By comparison, Fairfax County's office vacancy rate is 17.1 percent and Arlington County averages 20.8 percent vacancy, with rents ranging from \$28.39 – \$39.42 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 will change for Class A office space built close to the East or West Falls Church Metro stations 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 an affiliate of 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. Tenants in the 44,000-square-foot office and retail building include the Falls Church U.S. Postal Service customer center, two restaurants, and multiple office users. 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. CoStar reports the vacancy rate for retail space in the city is 1.7 percent through the third quarter of 2015, with average retail rent in the city at \$25.64 (triple net). This does not include far higher rates for space at the Eden Center, which is not reflected in CoStar data.

Food and beverage businesses have been the source of greatest demand for commercial space in Falls Church. In the past few years Einstein Brothers Bagels, Pizzeria Orso, Chipotle, Pisano’s, Sfizi, Famous Dave’s Barbeque, Honeybaked Ham, Mad Fox, Space Bar, Moby Dick’s, Caribbean Plate, Subway, Dunkin’ Donuts, Sweet Frog, Zinga, Happy Tart, Locker Room, Pita Pouch, Plaka Grill, Lil’ City Creamery, 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 chose Falls Church as the location for its second facility in the Washington, DC region. The company invested more than \$7 million to convert a former Syms clothing store into a state-of-the-art fitness and training center. 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 W. 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 has been replaced by the “Kensington,” a five-story assisted living facility with ground level retail now under construction. 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 EDA.

### **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.

A land entitlement application was approved in early 2016 for a \$155 million mixed-use project on 4.3 acres at the northeast corner of West and Broad streets. "Mason Row" will consist of 340 apartments, a 145-room Hilton Home2 extended stay hotel, and about 100,000 square feet of retail space, including a multi-screen, dine-in movie theater.

An application was filed in 2015 by Insight Property Group for a mixed-use project on three acres at the intersection of Routes 7 and 29 in the center of Falls Church. "Broad and Washington" features a 50,000-square-foot national organic grocery, 36,000 square feet of office, 20,000 square feet of retail, and 324 apartments.

Tradition Homes has purchased two adjacent parcels of commercial land at 819/821 W. Broad Street. The developers have a conceptual plan to build 59 residential condos over a ground floor of retail and a second floor of office, to include their new corporate headquarters, with parking underground. Nearby, at 419/421 W. Broad Street, the owner of Inns of Virginia has conditional approval to replace the small existing hotel with a 76-room Holiday Inn Express.

The owner of a small and aging office building at 400 N. Washington Street 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 still shows strength for new rental housing, especially smaller units targeted to young professionals in the Washington, DC area. The market for age-restricted, active senior apartments is emerging in the city and developers are taking notice. Interest by developers in building multi-family condos on a scale of 50-60 units or fewer is also gaining some momentum in the city.

### **The Eden Center**

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

### **The BJ's Success Story**

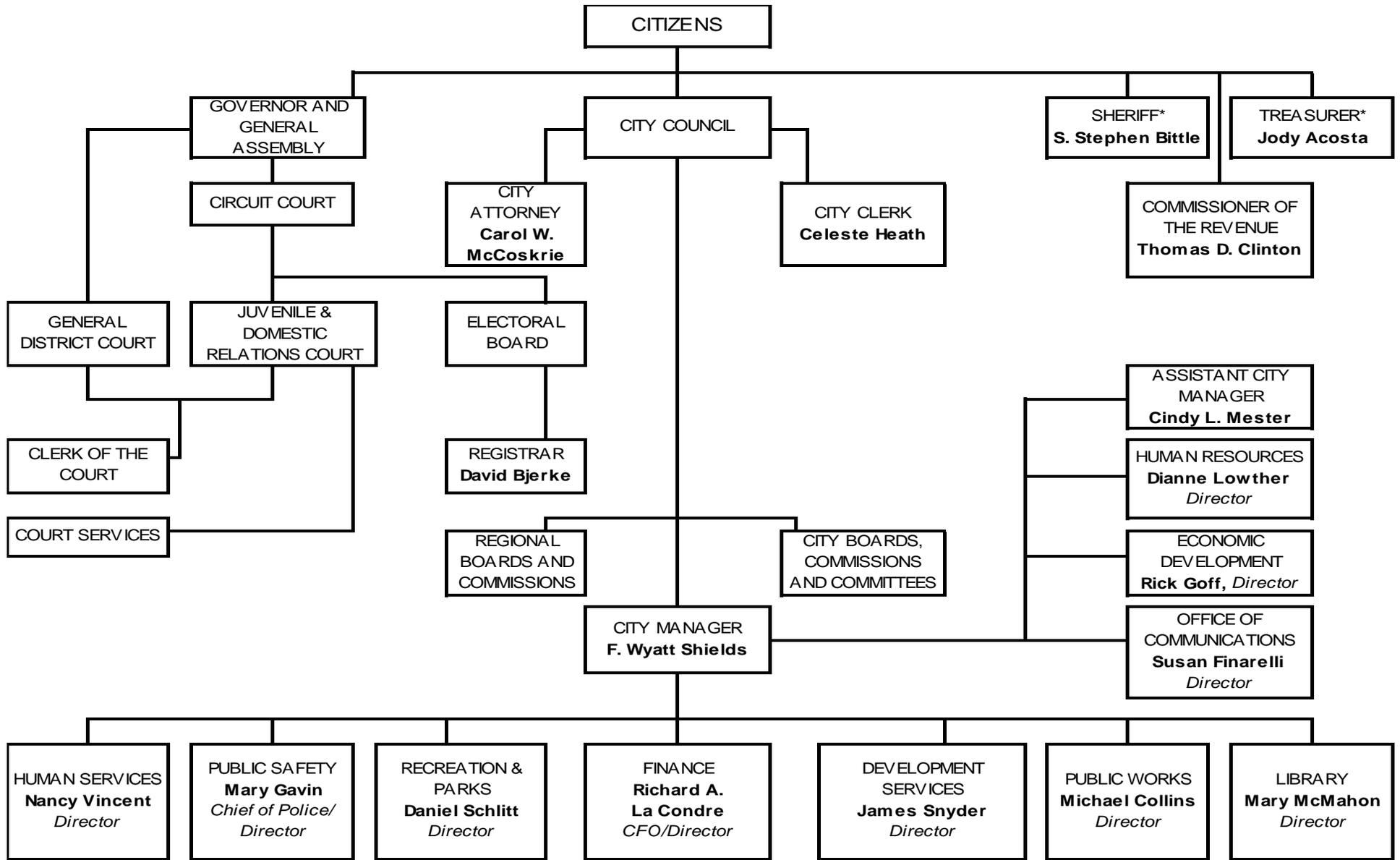
BJ's Wholesale Club opened its 87,000-square-foot Falls Church store in fall 2010. It signed a 20-year lease on an eight-acre former light industrial site on Wilson Boulevard. This deal was facilitated by an agreement between the city and developer JBG Rosenfeld Retail to share a portion of taxes generated 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 each year through June 2015 has exceeded expectations and the Falls Church BJ's store now ranks second only to Giant grocery in generating sales tax revenue for the city.

**Employment, Education and Household Income Trends**

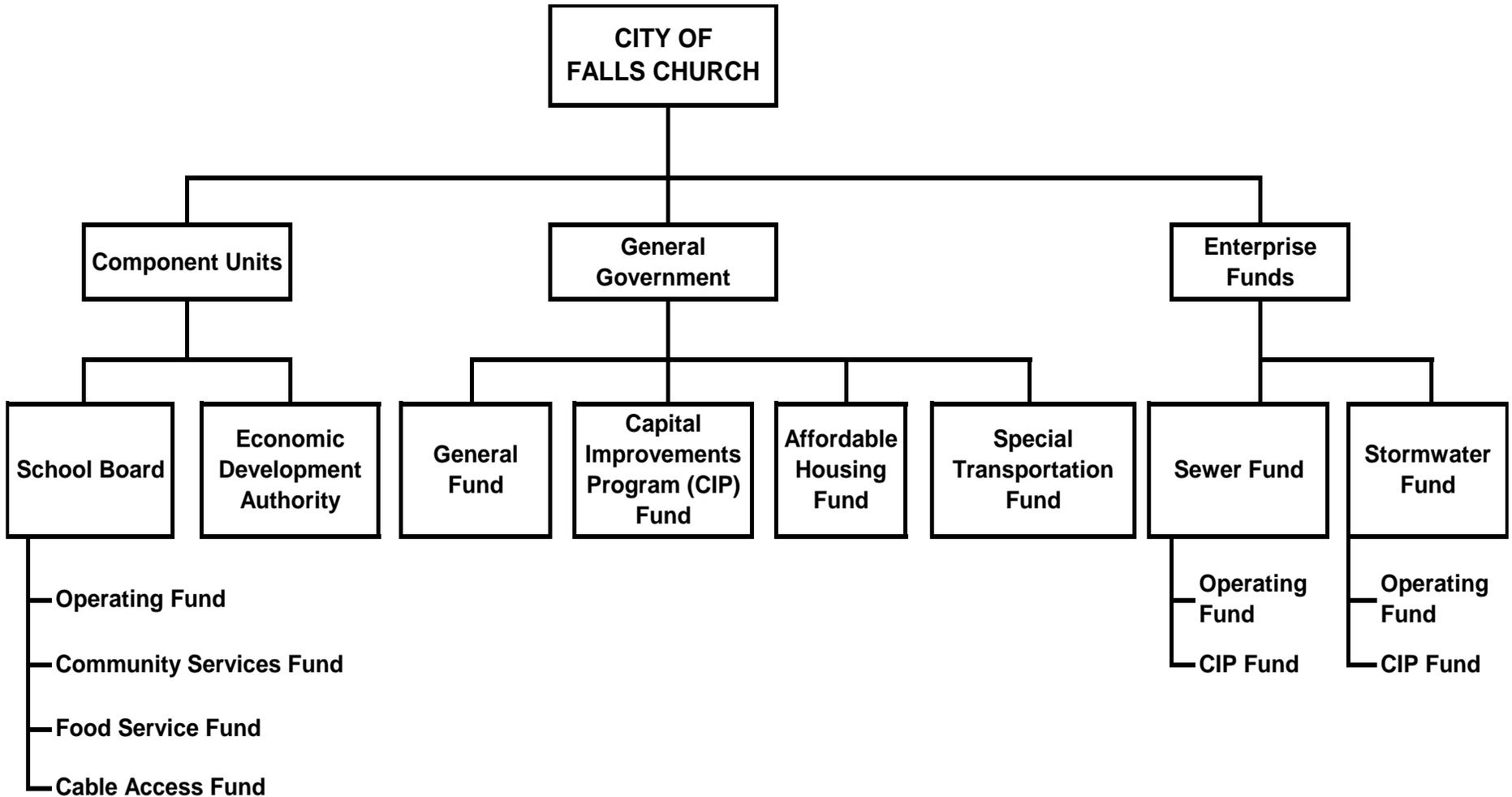
The Bureau of Labor Statistics reported at September 2015 that the City of Falls Church has the lowest unemployment rate for any city in Virginia at 3.0 percent. Forbes reported in 2014 that Falls Church has an annual median household income of \$121,250, the highest in the United States. The U.S. Census Bureau in 2013 reported that 74.4 percent of Falls Church City residents 25 years or older have earned a bachelor's degree or higher – a level of educational attainment unsurpassed 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.



# FUND STRUCTURE



## GENERAL GOVERNMENT

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

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

**Special Transportation Fund:** The Special Transportation Fund is a separate capital program fund established in FY2014 with the main purpose of accounting for the revenues received from the taxes implemented as part of House Bill 2314 and the expenditures thereof. Revenues include: (1) 30% of 1% sales tax, 2% hotel and occupancy taxes and .15% on recordation taxes; (2) the equivalent of Commercial and Industry Tax of 12.5 cents; and (3) if the City has eligible projects, revenues from the Northern Virginia Transportation Authority, the source of which is the 70% of the additional sales, hotel and recordation taxes noted in (1). In addition, 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.
- Cable Access Fund – The Cable Access Fund accounts for all expenditures and revenues relating to the operation of the Falls Church City TV station.

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## FINANCIAL POLICIES

### I. PLANNING AND BUDGETING – ALL FUNDS

#### A. Governing Legislation

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

#### B. General

The City of Falls Church will adopt an annual General Fund budget in which the budgeted revenues and expenditures are equal (a balanced budget). The budget shall clearly delineate the sources of funding for each year's expenditures. Any one-time revenues or use of unassigned fund balance will be used for one-time, non-recurring expenditures such as capital assets, pay-as-you-go projects in the Capital 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*

**FY2017 ADOPTED BUDGET  
BUDGET  
OVERVIEW**



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## ORDINANCE 1950

ORDINANCE FIXING AND DETERMINING THE BUDGET OF EXPENDITURES AND REVENUES, APPROPRIATING FUNDS FOR THE FISCAL YEAR 2017: GENERAL FUND; SCHOOL OPERATING FUND; SCHOOL COMMUNITY SERVICE FUND; SCHOOL FOOD SERVICE FUND; CABLE ACCESS FUND; SEWER FUND; AND STORMWATER FUND

THE CITY OF FALLS CHURCH HEREBY ORDAINS THAT:

SECTION 1: The annual budget of the City of Falls Church, Virginia, for the General Fund, School Operating Fund, School Community Service Fund, School Food Service Fund, Cable Access Fund, Sewer Fund and Stormwater Fund for the Fiscal Year 2017, is hereby fixed, determined and appropriated as hereinafter set forth:

- a. \$86,304,420 for the General Fund revenues; and  
\$86,304,420 for the General Fund expenditures.
- b. \$48,142,000 for the School Operating Fund revenues; and  
\$48,142,000 for the School Operating Fund expenditures.
- c. \$2,199,630 for the School Community Service Fund revenues; and  
\$2,199,630 for the School Community Service Fund expenditures.
- d. \$1,099,200 for the School Food Service Fund revenues; and  
\$1,099,200 for the School Food Service Fund expenditures.
- e. \$255,645 for the Cable Access Fund revenues; and  
\$255,645 for the Cable Access Fund expenditures,
- f. \$4,338,000 for the Sewer Fund revenues; and  
\$4,338,000 for the Sewer Fund expenditures.
- g. \$1,582,373 for the Stormwater Fund revenues; and  
\$1,582,373 for the Stormwater Fund expenditures.

FY2017 APPROPRIATION OF FUNDS				
		FY2016 Adopted	FY2017 Proposed	FY2017 Adopted
1	<b>General Fund - Expenditures by Department</b>			
2				
3	Legislative	1,103,609	1,108,874	1,103,120
4	Executive	3,597,435	3,692,084	3,660,752
5	Finance	1,363,923	1,460,296	1,470,454
6	Commissioner of the Revenue	793,913	787,673	797,876
7	Treasurer	738,158	795,126	768,307
8	Registrar	295,812	299,809	302,087
9	Sheriff	1,608,191	1,473,187	1,479,843
10	Clerk of Court	42,140	42,934	42,919
11	Public Safety	9,943,097	9,519,418	9,515,603
12	Public Works	5,816,432	5,994,992	5,955,304
13	Human Services	3,818,425	3,784,984	3,761,763
14	Recreation and Parks	3,092,531	3,251,708	3,229,715
15	Library	2,013,299	2,013,306	2,018,921
16	Development Services	2,030,042	2,187,438	2,167,427
17	Education and Transfers to Schools	38,448,913	40,514,512	39,848,512
18	Non-departmental	8,321,230	10,319,079	10,181,817
19				
20	<b>Total General Fund</b>	<b>83,027,150</b>	<b>87,245,420</b>	<b>86,304,420</b>
21				
22	<b>General Fund Revenue</b>			
23				
24	Property Taxes	54,099,896	57,116,464	56,149,464
25	Property Taxes - Non Assessed	300,000	350,000	350,000
26	General Sales & Use Taxes	4,150,000	4,649,000	4,649,000
27	Selective Sales & Use Taxes	5,976,000	6,067,000	6,067,000
28	Gross Receipts Business Taxes	3,775,000	4,200,000	4,200,000
29	Other Taxes	977,000	1,100,000	1,100,000
30	Licenses & Permits	1,484,412	1,730,100	1,730,100
31	Federal Grants	246,632	354,671	354,671
32	State Operating Grants	980,742	990,843	990,843
33	State Shared Revenue	3,005,877	3,058,069	3,058,069
34	Charges for Services	3,432,231	3,317,977	3,317,977
35	Fines & Forfeitures	769,000	665,100	691,100
36	Investment Revenues	139,100	50,000	50,000
37	Rental Income	193,260	233,260	233,260
38	Contributions Private Sources	13,000	12,500	12,500
39	Interfund Operating Transfers	-	942,126	942,126
40	Use of Fund Balance	2,533,000	1,700,310	1,700,310
41	Dispositions & Sales	88,000	29,000	29,000
42	Recovered Costs	30,000	30,000	30,000
43	Debt Proceeds	834,000	649,000	649,000
44				
45	<b>Total General Fund Revenues</b>	<b>83,027,150</b>	<b>87,245,420</b>	<b>86,304,420</b>
46				

<b>FY2016 APPROPRIATION OF FUNDS</b>				
		<b>FY2016 Adopted</b>	<b>FY2017 Proposed</b>	<b>FY2017 Adopted</b>
47	<b>School Operating Fund - Expenditures</b>			
48				
49	Uses of Funds	46,323,200	48,623,400	48,142,000
50				
51	<b>Total School Operating Fund Expenditures</b>	<b>46,323,200</b>	<b>48,623,400</b>	<b>48,142,000</b>
52				
53	<b>School Operating Funds - Revenues</b>			
54				
55	Use of Fund Balance	650,000	465,000	465,000
56	Sales Tax	2,435,500	2,725,000	2,704,700
57	Federal Funds	499,800	514,400	514,400
58	State Funds	3,509,700	3,619,200	3,732,100
59	Other	929,500	937,800	1,017,800
60	City Appropriation	38,298,700	40,362,000	39,708,000
61				
62	<b>Total School Operating Fund Revenues</b>	<b>46,323,200</b>	<b>48,623,400</b>	<b>48,142,000</b>
63				
64	<b>School Community Service Fund - Expenditures</b>			
65				
66	Uses of Funds	1,831,100	1,831,100	<u>2,199,630</u>
67				
68	<b>Total School Community Services Fund Expenditures</b>	<b>1,831,100</b>	<b>1,831,100</b>	<u>2,199,630</u>
69				
70	<b>School Community Services Fund - Revenue</b>			
71				
72	Use of Fund Balance	188,000	178,000	245,000
73	User Fees	1,473,900	1,483,900	1,672,500
74	Other Income	50,000	50,000	173,100
75	City Appropriation	119,200	119,200	<u>109,030</u>
76				
77	<b>Total Community Services Fund Revenues</b>	<b>1,831,100</b>	<b>1,831,100</b>	<u>2,199,630</u>
78				
79	<b>School Food Service Fund Expenditures</b>			
80				
81	Non-Instructional	988,700	1,090,300	1,099,200
82				
83	<b>Total School Food Service Fund Expenditures</b>	<b>988,700</b>	<b>1,090,300</b>	<b>1,099,200</b>
84				
85	<b>School Food Service Fund Revenues</b>			
86				
87	Use of Fund Balance	75,000	100,000	100,000
88	Federal and State Grants	118,200	132,400	163,200
89	Cafeteria Sales	746,000	783,400	761,500
90	Miscellaneous Income	2,000	2,000	2,000
91	School Board Transfer	47,500	72,500	72,500
92				
93	<b>Total School Food Service Fund Revenues</b>	<b>988,700</b>	<b>1,090,300</b>	<b>1,099,200</b>

FY2016 APPROPRIATION OF FUNDS				
		FY2016 Adopted	FY2017 Proposed	FY2017 Proposed
94	<b>Cable Access Fund Expenditures</b>			
95				
96	TV Station Programming	-	254,065	255,645
97				
98	<b>Total Cable Access Fund Expenditures</b>	-	<b>254,065</b>	<b>255,645</b>
99				
100	<b>Cable Access Fund Revenues</b>			
101				
102	Transfer from City	-	254,065	255,645
103				
104	<b>Total Cable Access Fund Revenue</b>	-	<b>254,065</b>	<b>255,645</b>
105				
106	<b>Sewer Fund Expenditures</b>			
107				
108	Sewer Division	4,119,000	4,338,000	4,338,000
109				
110	<b>Total Sewer Fund Expenditures</b>	<b>4,119,000</b>	<b>4,338,000</b>	<b>4,338,000</b>
111				
112	<b>Sewer Fund Revenues</b>			
113				
114	Charges for Services	4,109,000	4,023,000	4,023,000
115	Investment Income	10,000	10,000	10,000
116	Use of Fund Balance	-	305,000	305,000
117				
118	<b>Total Sewer Revenue</b>	<b>4,119,000</b>	<b>4,338,000</b>	<b>4,338,000</b>
119				
120	<b>Stormwater Fund Expenditures</b>			
121				
122	Stormwater Division	1,530,000	1,582,373	1,582,373
123				
124	<b>Total Stormwater Fund Expenditures</b>	<b>1,530,000</b>	<b>1,582,373</b>	<b>1,582,373</b>
125				
126	<b>Stormwater Fund Revenues</b>			
127				
128	Charges for Services	1,529,000	1,582,373	1,582,373
129	Investment Income	1,000	-	-
130	Borrowings and Use of Fund Balance	-	-	-
131				
132	<b>Total Stormwater Revenue</b>	<b>1,530,000</b>	<b>1,582,373</b>	<b>1,582,373</b>
133				

ORDINANCE 1950  
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1st Reading: 3/28/16  
2nd Reading: 4/25/16  
(TO16-05)

IN WITNESS WHEREOF, the foregoing was adopted by the City Council of the City of Falls Church, Virginia on April 25, 2016 as Ordinance 1950.

A handwritten signature in blue ink that reads "Celeste Heath". The signature is written in a cursive style and is positioned above a horizontal line.

Celeste Heath  
City Clerk

ORDINANCE 1951

ORDINANCE FIXING AND DETERMINING THE FY2017-FY2021  
CAPITAL IMPROVEMENTS PROGRAM AND APPROPRIATING  
EXPENDITURE AND REVENUE FUNDS FOR FISCAL YEAR 20176

THE CITY OF FALLS CHURCH HEREBY ORDAINS THAT: The Capital  
Improvements Program for FY2017 is hereby fixed, determined, and appropriated, and  
the Capital Improvements Program for FY2017 through FY2021 is hereby adopted, as  
follows:

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ORDINANCE 1951  
Page 2 of 4

Capital Improvements Program (CIP) for FY2017-FY2021

	FY2017	FY2018	FY2019	FY2020	FY2021
<b>PUBLIC SAFETY</b>					
Public Safety Firearms Range	300,000	300,000	-	-	-
Fire Station 6 Facility Reinvestment	-	200,000	223,000	150,000	-
<b>Total Public Safety</b>	<b>300,000</b>	<b>500,000</b>	<b>223,000</b>	<b>150,000</b>	<b>-</b>
<b>PUBLIC FACILITIES</b>					
Library New Constructed Building	-	1,000,000	7,381,605	-	-
City Facilities Reinvestment	321,930	255,000	255,000	255,000	255,000
Park Avenue Public Parking	-	-	3,466,146	-	-
GMHS Construction	-	106,800,000	-	-	-
MEH School Construction	-	5,200,000	-	-	-
School Facility Modernization	321,930	-	-	-	-
Land Acquisition	4,000,000	-	-	-	-
<b>Total Public Facilities</b>	<b>4,643,860</b>	<b>113,255,000</b>	<b>11,102,751</b>	<b>255,000</b>	<b>255,000</b>
<b>RECREATION &amp; PARKS</b>					
Big Chimney Park & Transportation Improvements	1,000,000	-	-	-	-
Howard E. Herman Stream Valley Park	148,000	-	-	-	-
Park Master Plan Implementation	100,000	400,000	200,000	600,000	-
Acquisition of Open Space	-	1,000,000	-	-	-
Downtown Public Plaza	550,000	-	-	-	-
<b>Total Recreation &amp; Parks</b>	<b>1,798,000</b>	<b>1,400,000</b>	<b>200,000</b>	<b>600,000</b>	<b>-</b>
<b>TOTAL GENERAL FUND</b>	<b>6,741,860</b>	<b>115,155,000</b>	<b>11,525,751</b>	<b>1,005,000</b>	<b>255,000</b>
<b>GENERAL FUND SOURCES</b>					
Grant/Other Funded	550,000	-	-	-	-
Total Debt Financed	4,548,000	1,500,000	7,604,605	750,000	-
Only if grant/revenue offset	-	1,655,000	455,000	255,000	255,000
School Financing Plan/Referendum Approval Based	-	112,000,000	-	-	-
Total "Pay as you go" Financed (Includes Land Sale Proceeds)	1,643,860	-	3,466,146	-	-
<b>TOTAL SOURCES</b>	<b>6,741,860</b>	<b>115,155,000</b>	<b>11,525,751</b>	<b>1,005,000</b>	<b>255,000</b>

ORDINANCE 1951  
Page 3 of 4

	FY2017	FY2018	FY2019	FY2020	FY2021
<b>SPECIAL TRANSPORTATION FUND</b>					
Infrastructure Program – Bridges Grant	600,000	350,000	350,000	350,000	350,000
Infrastructure Program – Bridges NVTA 30%	150,000	-	-	-	-
Infrastructure Program – Bridges Local (CIE)	150,000	-	-	-	-
Infrastructure Programs – Pavement Grant	600,000	600,000	600,000	-	-
Infrastructure Programs – Pavement Local (CIE)	-	600,000	600,000	-	-
Infrastructure Programs – Signals Revenue-Sharing Gant	-	-	-	300,000	300,000
Infrastructure Programs – Signals Local (CIE)	-	-	-	300,000	300,000
Downtown POA – Federal TAP Grant	240,000	800,000	800,000	800,000	-
Downtown POA –NVTA 30%	60,000	200,000	200,000	200,000	-
Downtown POA – Grant (HB-2)	800,000	-	-	-	-
Infrastructure Program – Ped & Safety Grant	1,000,000	-	-	-	-
Neighborhood Traffic Calming	-	200,000	200,000	200,000	200,000
W&OD Trail Improvements – Grant	160,000	200,000	160,000	200,000	-
W&OD Trail Improvements – NVTA 30%	40,000	50,000	40,000	50,000	-
Infrastructure Programs – Bicycles Grant	2,000,000	-	-	-	-
West Broad Street POA Program – Local	-	-	-	60,000	-
West Broad Street POA Program – Grant	-	-	-	800,000	1,600,000
West Broad Street POA Program – Local (CIE)	-	-	-	200,000	400,000
Regional Transportation – Local (CIE)	564,626	564,626	564,626	564,626	564,26
Regional Transportation – NVTA 30%	210,000	235,374	275,374	317,374	361,474
<b>TOTAL SPECIAL TRANSPORTATION FUND</b>	<b>6,574,626</b>	<b>3,800,000</b>	<b>3,790,000</b>	<b>4,342,000</b>	<b>4,076,100</b>
<b>TRANSPORTATION FUND SOURCES</b>					
Total Grants	5,860,000	835,374	865,374	917,374	711,474
Total Debt Financed	150,000	600,000	600,000	560,000	700,000
Only if grant/revenue offset	-	1,800,000	1,760,000	2,300,000	2,100,000
Total "Pay as you go"	564,626	564,626	564,626	564,626	564,626
<b>TOTAL SOURCES</b>	<b>6,574,626</b>	<b>3,800,000</b>	<b>3,790,000</b>	<b>4,342,000</b>	<b>4,076,100</b>

ORDINANCE 1951  
Page 4 of 4

	FY2017	FY2018	FY2019	FY2020	FY2021
<b>SEWER UTILITY</b>					
Arlington WPCP Non-expansion Capital	73,920	270,000	301,000	230,000	62,000
Alexandria/Fairfax Wastewater Treatment Plant Upgrades	450,000	434,790	481,140	446,040	423,540
WWTP Capacity Expansion	-	1,870,000	1,870,000	1,860,000	-
Sanitary Sewer Rehabilitation	550,000	600,000	650,000	700,000	750,000
<b>TOTAL SEWER UTILITY</b>	<b>1,073,290</b>	<b>3,174,790</b>	<b>3,302,140</b>	<b>3,236,040</b>	<b>1,235,540</b>

<b>SEWER UTILITY SOURCES</b>					
Debt Funded	523,290	2,574,790	2,652,140	2,536,040	485,540
"Pay as you go"	550,000	600,000	650,000	700,000	750,000
<b>TOTAL SOURCES</b>	<b>1,073,290</b>	<b>3,174,790</b>	<b>3,302,140</b>	<b>3,236,040</b>	<b>1,235,540</b>

<b>STORMWATER UTILITY</b>					
Stormwater Facility Reinvestment	-	-	1,000,000	1,250,000	1,500,000
<b>TOTAL STORMWATER UTILITY</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>	<b>1,250,000</b>	<b>1,500,000</b>

<b>STORMWATER SOURCES</b>					
Debt Funded	-	-	1,000,000	1,250,000	1,500,000
<b>TOTAL SOURCES</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>	<b>1,250,000</b>	<b>1,500,000</b>

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: 3/28/16  
2nd Reading: 4/25/16  
(TO16-06)

IN WITNESS WHEREOF, the foregoing was adopted by the City Council of the City of Falls Church, Virginia on April 25, 2016 as Ordinance 1951.

  
Celeste Heath  
City Clerk

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 FY2017 budget process:

## 2015

Monday, Nov 16	City Council & School Board Joint Work Session
Saturday, Dec 5	Town Hall Meeting
Tuesday, Dec 8	City Council & School Board Joint Work Session
Saturday, Dec 12	Town Hall Meeting
Monday, Dec 14	City Council & School Board Joint Work Session

## 2016

Tuesday, Jan 12	School Superintendent Presents FY2017 Budget Recommendations to School Board
Tuesday, Jan 19	FY2017-FY2021 Capital Improvements Program Draft Presentation and Policy Discussion with Planning Commission
Monday, Feb 2	FY2017-FY2021 CIP Presented to the Planning Commission
Tuesday, Feb 16	CIP Public Hearing and Work Session with Planning Commission
Monday, Feb 22	Planning Commission Public Hearing and Adoption of CIP Recommendations
Tuesday, March 1	School Board Adopts FY2017 Budget Request
Monday, March 14	City Manager Presents FY2017 Operating Budget and FY2017-2021 CIP
Saturday, March 19	Town Hall Meeting #1 CIP and Operating Budget
Monday, March 21	City Council Budget Work Session
Monday, March 28	Public Hearing #1, 1st Reading of Budget Ordinance & Tax Rate Ordinance
Monday, April 4	City Council Budget Work Session
Saturday, April 9	Town Hall Meeting #2
Monday, April 11	Public Hearing #2, 2nd Reading of Budget Ordinance & Tax Rate Ordinance
Monday, April 18	City Council Budget Work Session: Final Mark-up
Monday, April 25	Public Hearing #3 and Adoption of FY2017 Operating Budget and FY2017-2021 CIP
Friday, May 27	School Board Adopts FY2017 School Budget
July 1, 2016	Fiscal Year 2017 Commences

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

## FUND SUMMARIES

### GENERAL FUND

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
<b>Revenues</b>				
Taxes	\$ 65,661,023	\$ 69,277,896	\$ 72,515,464	4.67%
Licenses and Permits	1,543,975	1,484,412	1,730,100	16.55%
Grants & Contributions	4,380,410	4,246,251	4,416,083	4.00%
Charges for Services	3,757,046	3,432,231	3,332,977	-2.89%
Fines and Forfeitures	662,700	769,000	676,100	-12.08%
Revenue from Property and Money	275,503	332,360	283,260	-14.77%
Miscellaneous	350,316	118,000	59,000	-50.00%
Transfers from Special Transportation Fund	-	-	942,126	-
Other Financing Sources	612,326	3,367,000	2,349,310	-30.23%
<b>Total General Fund Revenues</b>	<b>\$ 77,243,299</b>	<b>\$ 83,027,150</b>	<b>\$ 86,304,420</b>	<b>3.95%</b>
<b>Expenditures</b>				
<b>Legislative</b>				
City Council	\$ 89,993	\$ 100,724	\$ 104,314	3.56%
City Clerk	221,661	236,653	231,216	-2.30%
City Attorney	379,512	429,492	417,725	-2.74%
Judicial Services	314,612	336,740	349,865	3.90%
Total Legislative	1,005,778	1,103,609	1,103,120	-0.04%
<b>Executive</b>				
City Manager	545,818	551,169	557,932	1.23%
Communications	244,534	249,397	253,244	1.54%
TV Station <i>(moved to a separate fund)</i>	173,335	240,260	-	-100.00%
Human Resources	436,480	426,616	388,446	-8.95%
Risk Management	190,478	204,106	194,117	-4.89%
Information Technology	1,256,858	1,463,699	1,716,326	17.26%
Economic Development	420,937	462,188	439,548	-4.90%
Environmental Sustainability	-	-	111,139	#DIV/0!
Total Executive	3,268,439	3,597,435	3,660,752	1.76%
<b>Department of Finance</b>				
Finance	978,612	967,122	1,074,100	11.06%
Real Estate Assessment	403,452	396,801	396,354	-0.11%
Total Department of Finance	1,382,064	1,363,923	1,470,454	7.81%
Commissioner of The Revenue	749,112	793,913	797,876	0.50%
<b>Treasurer</b>				
Treasurer	538,376	556,158	546,307	-1.77%
Property Relief Programs	-	182,000	222,000	21.98%
Total Treasurer	538,376	738,158	768,307	4.08%
Registrar	249,121	295,812	302,087	2.12%
<b>Sheriff</b>				
Sheriff	929,214	756,747	869,707	14.93%
Adult Corrections	870,663	851,444	610,136	-28.34%
Total Sheriff	1,799,877	1,608,191	1,479,843	-7.98%

**GENERAL FUND – CONTINUED**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures - Continued</b>				
Clerk of Court	39,055	42,140	42,919	1.85%
<b>Department of Public Safety</b>				
Police Administration	563,733	1,046,123	622,879	-40.46%
Police Photo Enforcement Program	262,598	287,128	272,425	-5.12%
Police Operations	2,767,914	3,054,366	2,922,195	-4.33%
Police Services	2,130,004	1,974,538	2,080,219	5.35%
Police Dispatch	815,937	882,382	829,349	-6.01%
Animal Control	44,780	39,829	41,367	3.86%
Emergency Operations	106,018	109,144	111,615	2.26%
Fire Marshal Services	98,153	122,203	123,340	0.93%
Fire Services	2,359,831	2,427,384	2,512,214	3.49%
<b>Total Department of Public Safety</b>	<b>9,148,968</b>	<b>9,943,097</b>	<b>9,515,603</b>	<b>-4.30%</b>
<b>Department of Public Works</b>				
Administration	633,652	453,689	365,022	-19.54%
Construction Management	1,766	198,892	187,911	-5.52%
Transportation Engineering	633,007	628,240	915,513	45.73%
Solid Waste & Recycling	808,088	853,090	870,223	2.01%
Highways, Streets, & Sidewalks	1,180,709	1,379,383	1,255,511	-8.98%
Snow & Ice Removal	293,728	205,680	234,185	13.86%
Leaf Collection	150,228	151,845	154,888	2.00%
General Services	766,866	751,138	739,857	-1.50%
Fleet Maintenance	488,199	448,408	476,779	6.33%
Urban Forestry	716,216	746,067	755,415	1.25%
<b>Total Department of Public Works</b>	<b>5,672,460</b>	<b>5,816,432</b>	<b>5,955,304</b>	<b>2.39%</b>
<b>Department of Human Services</b>				
Aurora House	860,851	895,144	921,769	2.97%
Court Services	315,674	310,183	294,715	-4.99%
Juvenile Services	309,044	314,230	326,971	4.05%
Juvenile & Domestic Relations Court	3,442	4,818	3,999	-17.00%
Housing and Human Services	517,369	524,815	508,119	-3.18%
Public Assistance Programs	694,582	817,166	706,862	-13.50%
Community Services Board	629,819	684,595	731,851	6.90%
Health Department	250,490	267,474	267,477	0.00%
<b>Total Department of Human Services</b>	<b>3,581,271</b>	<b>3,818,425</b>	<b>3,761,763</b>	<b>-1.48%</b>
<b>Department of Recreation and Parks</b>				
Recreation Administration	786,837	800,203	841,178	5.12%
Parks Maintenance	329,616	339,773	341,222	0.43%
Recreation Programs & Special Events	1,483,190	1,452,126	1,531,924	5.50%
Athletic Programs	430,135	445,591	453,802	1.84%
Community Cultural & Arts Programs	50,094	54,838	61,589	12.31%
<b>Total Department of Recreation and Parks</b>	<b>3,079,871</b>	<b>3,092,531</b>	<b>3,229,715</b>	<b>4.44%</b>
Library	2,080,346	2,013,299	2,018,921	0.28%
Department of Development Services	1,895,390	2,030,042	2,167,427	6.77%

**GENERAL FUND – CONTINUED**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures - Continued</b>				
<b>Education</b>				
Transfers to Schools	36,859,530	38,417,900	39,817,030	3.64%
Community College Programs and Other Education	30,204	31,013	31,482	1.51%
<b>Total Education</b>	<b>36,889,734</b>	<b>38,448,913</b>	<b>39,848,512</b>	<b>3.64%</b>
Post-Retirement Benefits	156,361	146,130	189,000	29.34%
Regional Transportation/Transit	596,863	152,370	779,482	411.57%
Debt Service	5,199,590	5,830,730	6,369,704	9.24%
<b>Transfers</b>				
Transfers to CIP	1,917,000	1,122,000	1,643,860	46.51%
Transfers to CIP - Special Transportation Fund	-	820,000	732,126	-24.33%
Transfers to FCCTV Fund	-	-	217,645	-
<b>Total Transfers</b>	<b>2,509,007</b>	<b>2,089,514</b>	<b>2,593,631</b>	<b>24.13%</b>
<b>Reserves</b>				
Tax Credits	-	250,000	250,000	0.00%
<b>Total Reserves</b>	<b>-</b>	<b>250,000</b>	<b>250,000</b>	<b>0.00%</b>
<b>Total General Fund Expenditures</b>	<b>\$ 79,249,678</b>	<b>\$ 83,027,150</b>	<b>\$ 86,304,420</b>	<b>3.95%</b>

**SEWER FUND**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Revenues</b>				
Charges for Services	\$ 3,827,459	\$ 4,009,000	\$ 3,923,000	-2.15%
Availability Fees & Other Charges	70,720	100,000	100,000	0.00%
Revenue from Use of Property and Money	5,986	10,000	10,000	0.00%
Other Financing Sources	-	-	305,000	-
<b>Total Sewer Fund Revenues</b>	<b>\$ 3,904,165</b>	<b>\$ 4,119,000</b>	<b>\$ 4,338,000</b>	<b>5.32%</b>
<b>Expenditures</b>				
Sewer Administration	\$ 476,020	\$ 485,508	\$ 477,842	-1.58%
Collection and Disposal	1,600,528	1,744,354	1,917,699	9.94%
Debt Service	1,176,061	1,234,938	1,288,459	4.33%
Other Post-Employment Benefits	3,000	4,200	4,000	-4.76%
Transfers to CIP	620,720	650,000	650,000	0.00%
Reserves	-	-	-	-
<b>Total Sewer Fund Expenditures</b>	<b>\$ 3,876,329</b>	<b>\$ 4,119,000</b>	<b>\$ 4,338,000</b>	<b>5.32%</b>

**STORMWATER FUND**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Revenues</b>				
Charges for Services	\$ 1,540,380	\$ 1,529,000	\$ 1,582,373	3.49%
Revenue from Use of Property and Money	2,254	1,000	-	-100.00%
<b>Total Stormwater Fund Revenues</b>	<b>\$ 1,542,634</b>	<b>\$ 1,530,000</b>	<b>\$ 1,582,373</b>	<b>3.42%</b>
<b>Expenditures</b>				
Stormwater Administration	\$ 679,119	\$ 672,250	\$ 624,146	-7.16%
Stormwater Operations	666,615	728,439	712,422	-2.20%
Debt Service	87,728	129,311	221,087	70.97%
Reserves	-	-	24,718	-
<b>Total Stormwater Fund Expenditures</b>	<b>\$ 1,433,462</b>	<b>\$ 1,530,000</b>	<b>\$ 1,582,373</b>	<b>3.42%</b>

**AFFORDABLE HOUSING FUND**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Revenues</b>				
Use of Fund Balance	\$ -	\$ -	\$ -	-
Revenue from Use of Property and Money	350	-	-	-
<b>Total Affordable Housing Fund Revenues</b>	<b>\$ 350</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Expenditures</b>				
First-Time Homebuyers' Loan Program	\$ 141,038	\$ -	\$ -	-
<b>Total Affordable Housing Fund Expenditures</b>	<b>\$ 141,038</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

**SCHOOL BOARD – OPERATING FUND**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Revenues</b>				
Transfer from City	\$ 36,746,200	\$ 38,298,700	\$ 39,708,000	3.68%
State Grants	3,457,524	3,509,700	3,732,100	6.34%
Sales Tax	2,283,831	2,435,500	2,704,700	11.05%
Federal Grants	473,904	499,800	514,400	2.92%
Other	1,103,088	929,500	1,017,800	9.50%
Use of Fund Balance	-	650,000	465,000	-28.46%
<b>Total School Board Operating Fund Revenue</b>	<b>\$ 44,064,547</b>	<b>\$ 46,323,200</b>	<b>\$ 48,142,000</b>	<b>3.93%</b>
<b>Expenditures</b>				
Education	\$ 44,472,365	\$ 46,323,200	\$ 48,142,000	3.93%
<b>Total School Board Operating Fund Expenditures</b>	<b>\$ 44,472,365</b>	<b>\$ 46,323,200</b>	<b>\$ 48,142,000</b>	<b>3.93%</b>

**SCHOOL BOARD – COMMUNITY SERVICES FUND**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Revenues</b>				
User Fees	\$ 1,668,248	\$ 1,473,900	\$ 1,661,770	12.75%
Transfer from City	113,330	119,200	121,030	1.54%
Other	111,366	50,000	173,030	246.06%
Use of Fund Balance	-	188,000	243,800	29.68%
<b>Total School Board Community Service Fund Revenue</b>	<b>\$ 1,892,944</b>	<b>\$ 1,831,100</b>	<b>\$ 2,199,630</b>	<b>20.13%</b>
<b>Expenditures</b>				
Community Services Expenditures	\$ 1,675,368	\$ 1,831,100	\$ 2,199,630	20.13%
<b>Total School Board Community Service Fund Expenditures</b>	<b>\$ 1,675,368</b>	<b>\$ 1,831,100</b>	<b>\$ 2,199,630</b>	<b>20.13%</b>

**SCHOOL BOARD – FOOD SERVICES FUND**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Revenues</b>				
User Fees	\$ 709,950	\$ 746,000	\$ 781,500	4.76%
State and Federal Funds	122,789	118,200	170,600	44.33%
Other Miscellaneous	3,190	2,000	2,100	5.00%
Transfer from School Operating Fund	100,000	47,500	45,000	-5.26%
Use of Fund Balance	-	75,000	100,000	33.33%
<b>Total School Board Food Service Fund Revenue</b>	<b>\$ 935,929</b>	<b>\$ 988,700</b>	<b>\$ 1,099,200</b>	<b>11.18%</b>
<b>Expenditures</b>				
Food Service	\$ 905,392	\$ 988,700	\$ 1,099,200	11.18%
<b>Total School Board Food Service Fund Expenditures</b>	<b>\$ 905,392</b>	<b>\$ 988,700</b>	<b>\$ 1,099,200</b>	<b>11.18%</b>

**CABLE ACCESS FUND**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Revenues</b>				
Transfer from City	\$ 173,335	\$ 240,260	\$ 254,065	5.75%
<b>Total Cable Access TV Fund Revenue</b>	<b>\$ 173,335</b>	<b>\$ 240,260</b>	<b>\$ 254,065</b>	<b>5.75%</b>
<b>Expenditures</b>				
Cable Access TV Programming	\$ 173,335	\$ 240,260	\$ 254,065	5.75%
<b>Total School Board Food Service Fund Expenditures</b>	<b>\$ 173,335</b>	<b>\$ 240,260</b>	<b>\$ 254,065</b>	<b>5.75%</b>

**CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – GENERAL GOVERNMENT**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Revenues</b>				
Transfer from General Fund	\$ -	\$ -	\$ -	-
Transfer from General Fund - Capital Reserves	-	1,122,000	1,643,860	46.51%
Transfer from General Fund - Capital Reserves Water	1,117,000	-	-	-
Proceeds from issuance of bonds	10,400,000	7,850,000	4,548,000	-42.06%
Grants	606,695	-	550,000	-
Only If grant/revenue offset	-	-	-	-
<b>Total CIP Fund Revenues - General Fund &amp; School Board</b>	<b>\$ 12,123,695</b>	<b>\$ 8,972,000</b>	<b>\$ 6,741,860</b>	<b>-24.86%</b>
<b>Expenditures</b>				
Transportation	\$ 850,045	\$ -	\$ -	-
Facilities	4,341,848	7,500,000	4,643,860	-38.08%
Public Safety	266,755	600,000	300,000	-50.00%
Recreation & Parks	699,946	872,000	1,798,000	106.19%
Information Technology	534,928	-	-	-
<b>Total CIP Fund Revenues - General Fund &amp; School Board</b>	<b>\$ 6,693,522</b>	<b>\$ 8,972,000</b>	<b>\$ 6,741,860</b>	<b>-24.86%</b>

**CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – SPECIAL TRANSPORTATION FUND**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Revenues</b>				
Transfer from General Fund	\$ 1,392,007	\$ 967,514	\$ 564,626	-41.64%
Proceeds from Issuance of Bonds	-	1,800,000	150,000	-91.67%
Grants	1,018,885	1,450,000	6,095,400	320.37%
Only if grant/revenue offset	-	-	-	-
<b>Total CIP Fund Revenues - Sewer Utility</b>	<b>\$ 2,410,892</b>	<b>\$ 4,217,514</b>	<b>\$ 6,810,026</b>	<b>61.47%</b>
<b>Expenditures</b>				
Capital Improvements	\$ 1,061,651	\$ 4,217,514	\$ 6,810,026	61.47%
<b>Total CIP Fund Expenditures - Sewer Utility</b>	<b>\$ 1,061,651</b>	<b>\$ 4,217,514</b>	<b>\$ 6,810,026</b>	<b>61.47%</b>

**CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – SEWER UTILITY**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
<b>Revenues</b>				
Proceeds from Bonds	\$ 678,564	\$ 946,000	\$ 523,290	-44.68%
Transfer from Sewer Fund	520,720	550,000	550,000	0.00%
<b>Total CIP Fund Revenues - Sewer Utility</b>	<b>\$ 1,199,284</b>	<b>\$ 1,496,000</b>	<b>\$ 1,073,290</b>	<b>-28.26%</b>
<b>Expenditures</b>				
Capital Improvements	\$ 1,576,727	\$ 1,496,000	\$ 1,073,290	-28.26%
<b>Total CIP Fund Expenditures - Sewer Utility</b>	<b>\$ 1,576,727</b>	<b>\$ 1,496,000</b>	<b>\$ 1,073,290</b>	<b>-28.26%</b>

**CAPITAL IMPROVEMENTS PROGRAM (CIP) FUND – STORMWATER UTILITY**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
<b>Revenues</b>				
Proceeds from Bonds	\$ 741,214	\$ -	\$ -	-
Federal Grant	865,968	-	-	0.00%
<b>Total CIP Fund Revenues - Sewer Utility</b>	<b>\$ 1,607,182</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Expenditures</b>				
Capital Improvements	\$ 2,519,546	\$ -	\$ -	-
<b>Total CIP Fund Expenditures - Sewer Utility</b>	<b>\$ 2,519,546</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

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## POSITION SUMMARIES

The following are the adopted permanent positions in full-time equivalency (FTE). Certain departments also employ temporary personnel throughout the year.

### GENERAL FUND

	FY2015 Adopted	FY2016 Adopted	FY2017 Adopted
<b>Legislative</b>			
City Clerk	2.00	2.00	2.00
City Attorney	2.00	2.00	2.00
Total Legislative	4.00	4.00	4.00
<b>Executive</b>			
City Manager	3.00	3.00	3.00
Office of Communications	2.00	2.00	2.00
TV Station <i>(moved to a different fund)</i>	1.84	-	-
Human Resources	2.50	2.50	2.50
Risk Management	0.50	0.50	0.50
Information Technology	8.40	8.40	8.40
Economic Development	3.00	3.00	3.00
Environmental Sustainability	-	1.00	1.00
Total Executive	21.24	20.40	20.40
<b>Department of Finance</b>			
Finance	7.00	7.00	8.00
Real Estate Assessment	3.00	3.00	3.00
Total Department of Finance	10.00	10.00	11.00
<b>Voter Registration and Electoral Board</b>	1.50	1.50	1.50
<b>Commissioner of The Revenue</b>	8.00	8.75	8.75
<b>Treasurer</b>	4.00	5.00	5.00
<b>Sheriff</b>	5.88	6.50	6.50
<b>Department of Public Safety</b>			
Police Administration	2.50	2.00	2.00
Police Photo Enforcement Program	0.25	1.00	0.75
Police Operations	21.00	21.00	20.75
Police Services	14.75	14.50	15.00
Dispatch	6.00	6.00	6.00
Emergency Management	0.50	0.50	0.50
Fire Marshall	0.50	0.50	0.50
Total Department of Public Safety	45.50	45.50	45.50
<b>Department of Public Works</b>			
Public Works Administration	4.55	3.32	2.32
Construction Management	-	1.50	1.50
Transportation Engineering	1.05	1.60	1.60
Recycling and Solid Waste	1.00	1.00	1.00
Highways, Streets, and Sidewalks	10.85	10.85	10.85
General Services	2.05	1.85	1.85
Fleet Maintenance	4.00	4.00	4.00
Urban Forestry	3.90	4.00	4.00
Total Department of Public Works	27.40	28.12	27.12

**GENERAL FUND – CONTINUED**

	<b>FY2015 Adopted</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>
<b>Department of Human Services</b>			
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
Total Department of Human Services	15.63	15.63	15.63
<b>Department of Recreation and Parks</b>			
Parks and Recreation Administration	5.80	5.80	5.80
Parks Maintenance	3.00	3.00	3.00
Recreation Programs & Special Events	5.40	6.80	6.80
Athletic Programs	1.00	1.00	1.00
Community Cultural & Arts Programs	0.20	0.20	0.20
Total Department of Recreation and Parks	15.40	16.80	16.80
<b>Library</b>	17.85	17.85	17.85
<b>Department of Developmental Services</b>	15.00	19.00	19.00
<b>Total General Fund</b>	<b>191.39</b>	<b>199.05</b>	<b>199.05</b>

**SEWER FUND**

	<b>FY2015 Adopted</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>
Sewer Management & Engineering	1.00	1.37	1.03
Collection and Disposal	4.00	3.55	3.55
<b>Total Sewer Fund</b>	<b>5.00</b>	<b>5.00</b>	<b>4.58</b>

**STORM WATER FUND**

	<b>FY2015 Adopted</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>
Stormwater Management & Engineering	3.60	2.93	3.27
Stormwater Operations	4.55	4.55	4.55
<b>Total Stormwater Fund</b>	<b>8.15</b>	<b>7.48</b>	<b>7.82</b>

**CABLE ACCESS FUND**

	<b>FY2015 Adopted</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>
TV Station Programming ( <i>moved from General Fund</i> )	-	-	2.00
<b>Total Cable Access Fund</b>	<b>-</b>	<b>-</b>	<b>2.00</b>

**CAPITAL IMPROVEMENT PROGRAM (CIP) FUNDS**

	<b>FY2015 Adopted</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>
General & Special Transportation CIP Funds	3.45	2.98	2.98
Stormwater CIP	-	0.50	0.50
<b>Total Capital Improvement Program Funds</b>	<b>8.15</b>	<b>3.48</b>	<b>3.48</b>

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**TAX RATES**

	<b>ADOPTED RATE*</b>	<b>PER</b>
<b>Property Taxes</b>		
Real Estate	\$1.315	\$100
Personal and Business Property (effective January 1, 2016)	\$5.00	\$100
Local Sales & Use Tax	1%	total sale
<b>Consumer's Utility Taxes</b>		
Water & Sewer, residential	10.00%	first \$50 of bill
Water & Sewer, multi-unit	8.00%	monthly bill
Water & Sewer, commercial	8.00%	monthly bill
Electric, residential	\$0.70 + \$0.007535 not to exceed \$5.00	kWh
Electric, commercial	\$0.92 + \$0.004807	kWh
Natural gas, single unit residential	\$0.70 + \$0.0039	CCF, max \$5.00
Natural gas, multi-unit residential	\$1.016 + \$0.01759	CCF
Natural gas, commercial	\$0.676 + \$0.04098	CCF
Natural gas, industrial	\$0.676 + \$0.098	CCF
Cigarette Taxes	\$0.85/\$0.425	pack/piece
Admission & Amusement Tax - Bowling	\$0.05	admission
Transient Occupancy Tax	7.00%	total bill
Restaurant Food Tax	4.00%	total bill
<b>Gross Receipts Business Taxes</b> <i>(Minimum fee of \$30 on gross receipts over \$10,000 up to \$50,000)</i>		
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
<b>Other Taxes</b>		
Short Term Rental Tax	1.00%	gross rentals
<b>Vehicle License</b>		
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, 2016 unless otherwise indicated. For FY2017, the Real Estate Tax, the Personal Property Tax and the Cigarette Taxes are being proposed to increase.

**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***

<b>Department</b>	<b>Description of Expenditure</b>	<b>Expenditure Amount</b>
Public Safety	4 Sworn Police Officers	\$ 320,000
Public Safety	2 Communications Dispatchers	120,000
Public Safety	Records Clerk	50,000
Public Works	Concrete maintenance	400,000
Public Works	Paving	1,000,000
Public Works	Vacuum Units	50,000
Executive Management	IT Equipment Refresh	115,000
Recreation & Parks	Community Center facility reinvestment	5,000
Library	Upgrade platform for Integrated Library Services	59,000
Registrar	Voting Equipment	200,000
	<b>TOTAL</b>	<b>\$ 2,319,000</b>

**GENERAL FUND – Continued**

<b>Total Department of Public Safety</b>		<b>911,000</b>
<b>DEPARTMENT OF PUBLIC WORKS</b>		
Transportation Eng.	Concrete Maintenance	400,000
Transportation Eng.	Paving	1,000,000
Leaf Colleciton	Vacuum Units	50,000
Solid Waste & Recycling	Compost Programs	25,000
Solid Waste & Recycling	Expansion of Recycling Options at the Recycling Center	10,000
Urban Forestry	Maintenance Worker	55,000
Solid Waste & Recycling	Expansion of Community Education and Outreach Programs	5,000
Solid Waste & Recycling	Additional Household Hazardous Waste Event	12,000
Administration/IT	Senior Systems Engineer for Public Works & Development Services (also included in Executive Management)	-
Administration Transportation Engineering	Replacement Plotter	12,000
	Infrastructure Management Engineer	120,000
Construction Mgmt	Mobile Computing Device & Software	10,000
General Services	Facility Reinvestment	<u>300,000</u>
<b>Total Department of Public Works</b>		<b><u>1,999,000</u></b>
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	<u>35,000</u>
<b>Total Department of Public Safety</b>		<b><u>4,435,000</u></b>
<b>DEPARTMENT OF PUBLIC WORKS</b>		
Administration	Plotter Replacement	12,000
Administration	Mobile computing	4,000
Solid Waste & Recycling	New solid waste & recycling brochure	9,000

**GENERAL FUND – Continued**

<b>Division</b>	<b>Description of Expenditure</b>	<b>Expenditure Amount</b>
<b>DEPARTMENT OF HUMAN SERVICES</b>		
Public Assistance	Development of Low-Income Housing Program	\$ 15,300
Public Assistance	Additional Funding for Community Services Fund	<u>45,000</u>
<b>Total Department of Human Services</b>		<b>60,300</b>
<b>EXECUTIVE</b>		
City Manager	Administrative Assistant	50,000
HR	Organizational Development Training	166,000
HR	Tuition Assistance	10,000
HR	Deferred Compensation Match	111,396
IT	Public Safety Senior System Engineer/ Project Manager	120,000
IT	Training	20,000
IT	Development Services & Public Works Senior System Engineer/ PM	120,000
IT	Equipment Refresh	<u>115,000</u>
<b>Total Executive</b>		<b>712,396</b>
<b>DEPARTMENT OF RECREATION &amp; PARKS</b>		
Administration	Community Center facility reinvestment	5,000
Parks Maintenance	Repair & replacement of equipment	25,000
Parks Maintenance	Development of maintenance standards	15,000
Parks Maintenance	Maintenance of Ball Fields	10,000
Community Arts & Cultural Programs	Administrative support	<u>5,000</u>
<b>Total Department of Recreation &amp; Parks</b>		<b>60,000</b>
<b>DEPARTMENT OF DEVELOPMENT SERVICES</b>		
DDS	0.5 FTE for Counter Services	25,000
DDS	Lease of Two Vehicles to Replace Old Ones	12,000
DDS	Part-time Employees and Consultants	150,000
DDS	Professional Development	6,800
DDS	Tablets for Planning Commission	14,000
DDS	Bicycle Plan, Neighborhood Traffic Calming, Demonstration Projects	175,000
DDS	Plan Digitization	10,000
DDS	Office Repair and Maintenance	<u>10,000</u>
<b>Total Department of Development Services</b>		<b>402,800</b>

**GENERAL FUND - Continued**

<b>Division</b>	<b>Description of Expenditure</b>	<b>Expenditure Amount</b>
<b>DEPARTMENT OF LIBRARY</b>		
Library	Upgrade platform for Integrated Library Services	59,000
Library	Redundant Server	15,550
<b>Total Department of Library</b>		<b>74,550</b>
<b>SHERIFF</b>		
Sheriff	Deputy Sheriff	70,000
<b>Total Sheriff</b>		<b>70,000</b>
<b>FINANCE</b>		
Real Estate Assesor	Senior Real Estate Appraiser	140,000
Finance	(2) Budget Analysts	200,000
<b>Total Finance</b>		<b>340,000</b>
<b>LEGISLATIVE</b>		
City Council	Internal auditor	\$ 130,000
City Attorney	Part-time Assistant Attorney	60,000
<b>Total Legislative</b>		<b>190,000</b>
<b>VOTER REGISTRATION &amp; ELECTORAL BOARD</b>		
Registrar	Voting Equipment	200,000
Registrar	Assistant Registrar Salary Adjustment	1,600
<b>Total Voter Registration &amp; Electoral Board</b>		<b>201,600</b>
<b>CLERK OF COURT</b>		
Clerk of Court	Replacement of photocopy machine	1,000
<b>Total Clerk of Court</b>		<b>1,000</b>
<b>GRAND TOTAL</b>		<b>\$5,022,646</b>

### STORMWATER FUND

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

### AFFORDABLE HOUSING FUND

Description of Expenditure	Expenditure Amount
Acquisition of affordable housing units	\$ 200,000
Fields of Falls Church	80,000
<b>Total Affordable Housing Fund</b>	<b>\$ 280,000</b>

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## SCHOOL BOARD

Description of Expenditure	Expenditure Amount
Teachers (preschool; ESOL; Gifted; Speech; Music; Guidance)	\$725,100
Technology Team Member	\$105,200
Support Staff (Custodian; Clerical; Food Service; Health Aides)	\$229,700
Expanded and Enhanced Summer School Services	\$78,200
EPED Stipends for Co-Curricular Teams/Clubs (e.g. Lego League)	\$51,700
Enhanced Professional Development Activities	\$64,000
Classroom/Instructional Supplies	\$184,000
Expanded and Enhanced Technology Security	\$25,000
Technology and Security Equipment (Cameras; Access Points)	\$88,800
Equipment Replacements (Visual/Performing Arts; Kitchens; Gyms)	\$75,000
Classroom Furniture Replacements and Additions	\$50,000
Building Repairs and Preventative Maintenance (Aging Facilities)	\$350,000
Maintenance Equipment (e.g. Snow Blowers, Buffers, Vacuums)	\$45,000
<b>Total School Board</b>	<b>\$2,071,700</b>

## CABLE ACCESS FUND

Description of Expenditure	Expenditure Amount
Operating Funds	\$ 7,000
<b>Total Cable Access Fund</b>	<b>\$ 7,000</b>

## FINANCIAL SUMMARY

While the budget process concentrates on activities for the upcoming year, it is necessary to understand where FY2017 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 FY2015, the City's financial results of operations left the City's unassigned fund balance at 19% 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 FY2016. The FY2017 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 FY2017 through FY2021.

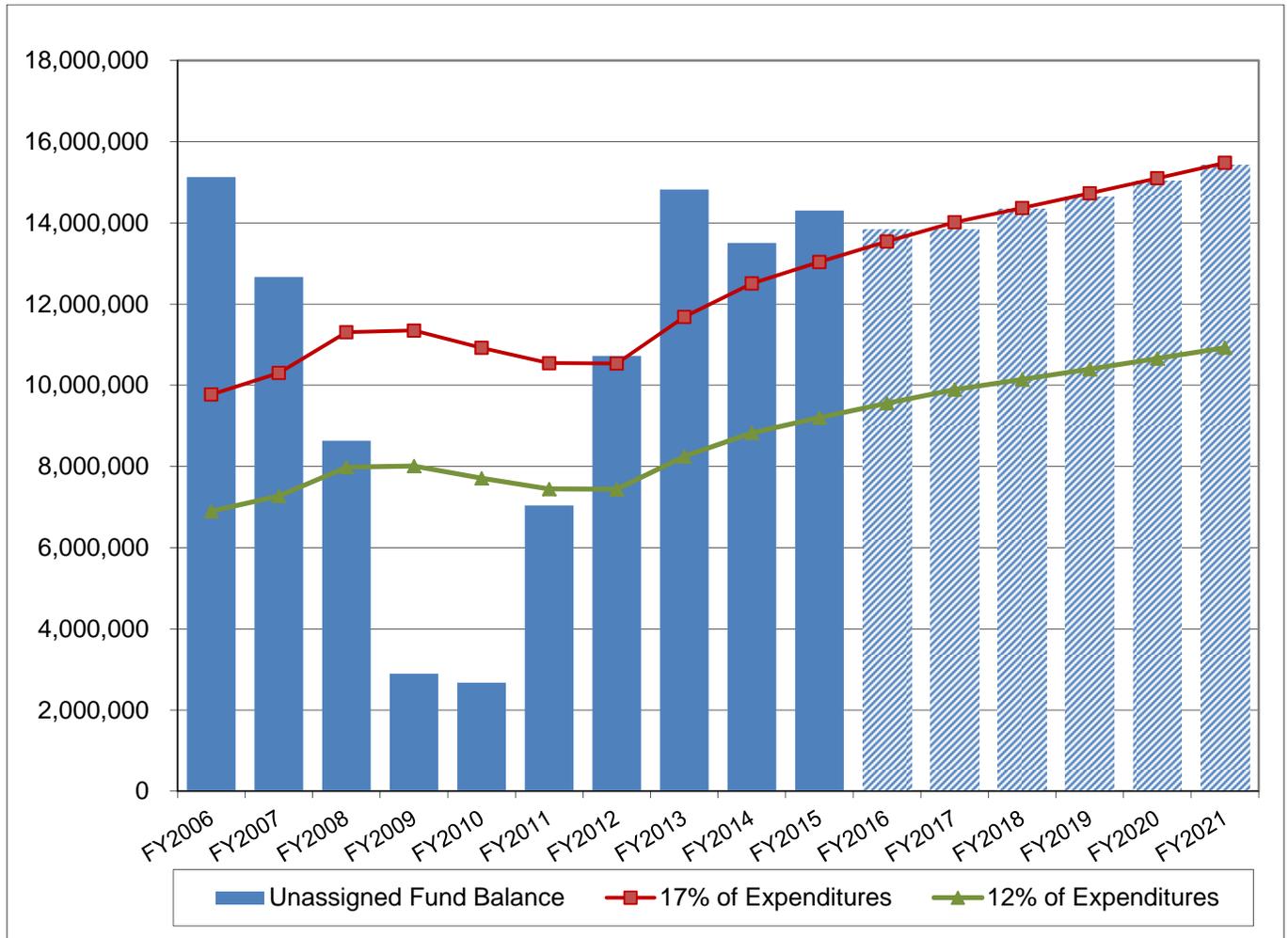
	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>
Operating Revenues	\$ 83,012,984	\$ 85,088,309	\$ 87,215,516	\$ 89,395,904	\$ 91,630,802
Expenditures	(76,185,012)	(77,872,293)	(79,420,606)	(80,752,513)	(82,707,236)
Net Operating	6,827,972	7,216,016	7,794,910	8,643,391	8,923,566
Use of Fund Balance	1,643,860	-	3,466,146	-	-
Debt Service	(6,263,346)	(6,651,390)	(7,230,285)	(8,078,765)	(8,358,940)
Capital PAUG	(2,208,486)	(564,626)	(4,030,772)	(564,626)	(564,626)
Addition to Fund Balance	-	500,000	300,000	400,000	400,000
Beginning Unassigned Fund Balance	13,838,563	13,838,563	14,338,563	14,638,563	15,038,563
Ending Unassigned Fund Balance	\$ 13,838,563	\$ 14,338,563	\$ 14,638,563	\$ 15,038,563	\$ 15,438,563
As a Percent of Expenditures	<b>16.8%</b>	<b>17.0%</b>	<b>16.9%</b>	<b>16.9%</b>	<b>17.0%</b>

These projections include revenue assumptions of 2.5% growth from FY2017 through FY2021. 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 FY2021.

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 pages 299-300.



## DEBT DISCUSSION

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

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

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

The Sewer Fund also holds a revenue bond and a note payable to Fairfax County a result of its participation in regional treatment plants. Revenue bonds are backed by the revenues of the Sewer Fund.

The projected outstanding principal balances for the City’s debt at June 30, 2016 are as follows:

Function	General Obligation Bond	Revenue Bonds	Note Payable	Total
Schools	\$ 40,235,993	\$ -	\$ -	\$ 40,235,993
General Government	12,112,634	-	-	12,112,634
Special Transportation	2,309,224	-	-	2,309,224
Subtotal - General Fund	54,657,851	-	-	54,657,851
Sanitary Sewer	7,985,494	1,905,979	2,441,101	12,332,574
Storm Water	2,534,317	-	-	2,534,317
<b>Total</b>	<b>\$ 65,177,662</b>	<b>\$ 1,905,979</b>	<b>\$ 2,441,101</b>	<b>\$ 69,524,742</b>

The following table shows the debt service in FY2017.

Function	Principal	Interest	Total
School	\$ 3,064,935	\$ 1,225,111	\$ 4,290,046
General Government	1,345,292	418,015	1,763,307
Transportation Fund	133,003	76,990	209,993
Subtotal - General Fund	4,543,230	1,720,116	6,263,346
Sanitary Sewer	834,608	453,849	1,288,457
Stormwater	144,512	76,574	221,086
<b>Total</b>	<b>\$ 5,522,350</b>	<b>\$ 2,250,539</b>	<b>\$ 7,772,889</b>

**DEBT SERVICE POLICY**

Section II (A) (2) of the City’s financial policies for General Fund 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 FY2017 is budgeted to be 7.6% of total expenditures.

Section II (A) (6) of the City’s financial policies for General Fund 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, 2016 the projected debt repayment schedule for General Fund supported debt will be:

<b>Fiscal Years</b>	<b>Principal Amount</b>	<b>Percent Paid</b>
2017-2021	\$ 23,416,006	42.8%
2022-2026	17,455,135	74.8%
2027-2031	8,719,029	90.7%
2032-2036	5,067,681	100.0%
<b>Total Principal</b>	<b>\$ 54,657,851</b>	

**FUTURE DEBT ISSUANCE**

The City intends to issue short-term (5 year maturity) debt in FY2017 for approximately \$1.0 million to fund the purchase of vehicles and equipment. In the CIP for FY2017, \$4.0 million is being proposed to be financed to purchase a property. Depending on the timing of the purchase, this may also be issued in FY2017 as a long-term (20 year maturity) debt.

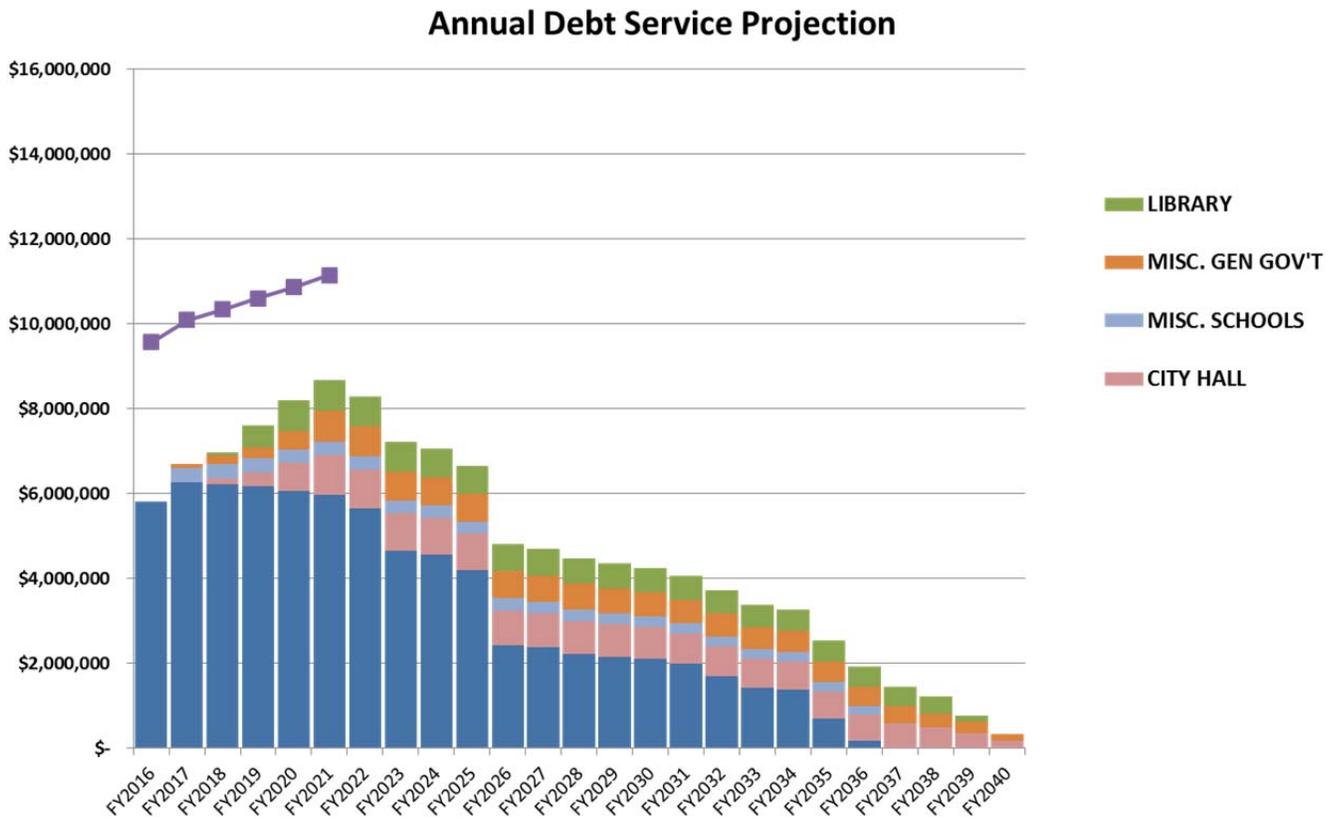
The City last issued general obligation bonds in August 2015 to purchase various vehicles, replace the Thomas Jefferson Elementary School HVAC system, construct new traffic signals, reconstruct roadbeds, and perform improvements on the sewer and storm water facilities.

Some projects previously approved by Council in the Capital Improvements Programs to be debt-funded have not yet been issued. These consist of the following:

<b>Project</b>	<b>Amount</b>
Fairfax City FireArms Range Upgrade	\$ 600,000
City Hall/Public Safety Front Expansion	4,300,000
City Hall/Public Safety Rear Expansion	5,325,000
City Campus Parking	1,650,000
Open space	1,075,000
Roadbed Reconstruction	100,000
Sub-total General Fund Projects	13,050,000
Sewer - Fairfax/ASA Upgrade	413,284
Stormwater Improvements	914,000
<b>Total</b>	<b>\$ 14,377,284</b>

The FY2017 General Fund budget also includes the financing of vehicles, machinery, and equipment in the amount of \$649,000. In addition, the FY2017-FY2021 Five-Year Capital Improvements Program (CIP) assumes the issuance of new debt in the amount of \$17.0 million to fund projects for both the School Board and General Fund for a total future debt issuance of \$30.7 million. 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 9.2% of total expenditures in the General Fund by FY2021 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 \$12.5 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 263.

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**FY2017 ADOPTED BUDGET  
GENERAL FUND**



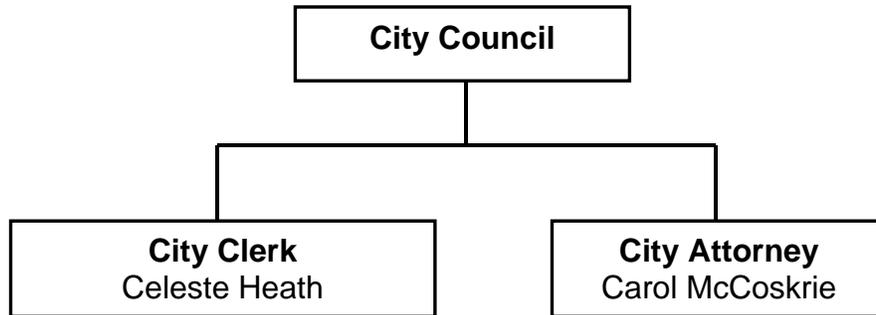
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	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Real Estate Taxes	\$ 45,944,803	\$ 49,151,896	\$ 51,941,464	5.68%
Personal Property Taxes	4,642,386	4,948,000	5,175,000	4.59%
Non-Assessed Property Taxes	374,228	300,000	350,000	16.67%
Local Sales and Use Taxes	4,003,421	4,150,000	4,649,000	12.02%
Utility Tax	2,179,672	2,250,000	2,250,000	0.00%
Cigarette Tax	360,142	340,000	340,000	0.00%
Meals Tax	2,820,872	2,913,000	2,948,000	1.20%
Other Sales and Use Taxes	470,610	473,000	529,000	11.84%
Gross Receipts Business Taxes	3,772,082	3,775,000	4,200,000	11.26%
Other Taxes	1,092,807	977,000	1,100,000	12.59%
<b>Total Taxes</b>	<b>65,661,023</b>	<b>69,277,896</b>	<b>73,482,464</b>	<b>6.07%</b>
Building and Inspection Fees	1,303,214	1,269,112	1,490,000	17.40%
Other Licenses, Fees & Permits	240,761	215,300	240,100	11.52%
<b>Total Licenses, Fees &amp; Permits</b>	<b>1,543,975</b>	<b>1,484,412</b>	<b>1,730,100</b>	<b>16.55%</b>
Grant Revenue - Federal	307,354	246,632	354,671	43.81%
Other State CategoricalAid	704,779	640,742	644,843	0.64%
State Non-Categorical	3,005,808	3,005,877	3,058,069	1.74%
State Categorical	341,037	340,000	346,000	1.76%
Other Contributions	21,432	13,000	12,500	-3.85%
<b>Total Grants &amp; Contributions</b>	<b>4,380,410</b>	<b>4,246,251</b>	<b>4,416,083</b>	<b>4.00%</b>
Charges for Services - GenGovt	52,962	17,000	19,500	14.71%
Charges for Services - Judicial	48,418	64,792	57,792	-10.80%
Charges for Services - Public Safety	1,044,014	828,739	612,085	-26.14%
Charges for Services - Sanitation	48,960	59,000	57,000	-3.39%
Charges for Services - HHS	6,300	5,700	6,100	7.02%
Charges for Services - Culture and Recreation	1,944,493	1,926,000	1,987,000	3.17%
Admin & Motor Pool Fees - Sewer Fund	173,183	148,000	153,000	3.38%
Admin & Motor Pool Fees - Stormwater Fund	181,838	111,500	161,500	44.84%
Other Charges	252,409	230,000	230,000	0.00%
<b>Total Charges for Services</b>	<b>3,757,046</b>	<b>3,432,231</b>	<b>3,317,977</b>	<b>-3.33%</b>
Court Fines & Forfeitures	259,497	325,000	250,000	-23.08%
Red Light Violations	194,355	215,000	200,000	-6.98%
Parking Fines	156,759	173,000	160,000	-7.51%
Library Fines	43,689	45,000	45,000	0.00%
Other	8,400	11,000	10,100	-8.18%
<b>Total Fines and Forfeitures</b>	<b>662,700</b>	<b>769,000</b>	<b>665,100</b>	<b>-13.51%</b>

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Investment Revenues	37,103	139,100	50,000	-64.05%
Rental Income	238,400	193,260	233,260	20.70%
<b>Total Revenue from Use of Property and Money</b>	<b>275,503</b>	<b>332,360</b>	<b>283,260</b>	<b>-14.77%</b>
Dispositions and Sales	149,223	33,000	19,000	-42.42%
Recovered Costs	196,224	30,000	30,000	0.00%
Other	4,869	55,000	10,000	-81.82%
<b>Total Miscellaneous</b>	<b>350,316</b>	<b>118,000</b>	<b>59,000</b>	<b>-50.00%</b>
Transfer from Special Transportation Fund	-	-	942,126	-
<b>Total Interfund Transfers</b>	<b>-</b>	<b>-</b>	<b>942,126</b>	<b>-</b>
Proceeds from sale of bonds	612,326	834,000	649,000	-22.18%
Use of Fund Balance	-	2,533,000	1,700,310	-32.87%
<b>Total Other Financing Sources</b>	<b>612,326</b>	<b>3,367,000</b>	<b>2,349,310</b>	<b>-30.23%</b>
<b>TOTAL REVENUES - GENERAL FUND</b>	<b>\$ 77,243,299</b>	<b>\$ 83,027,150</b>	<b>\$ 86,304,420</b>	<b>3.95%</b>

**GENERAL FUND  
EXPENDITURES**

# LEGISLATIVE



## **MAYOR AND CITY COUNCIL**

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

## CITY COUNCIL

### SUMMARY OF SERVICES PROVIDED

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

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

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

### TRENDS AND ISSUES

- Internal Auditor position remains a desirable goal.
- Conference attendance and mileage expenditures are expected to continue to increase annually.
- Regional and State organization dues are expected to continue to increase annually.

### FY2017 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.

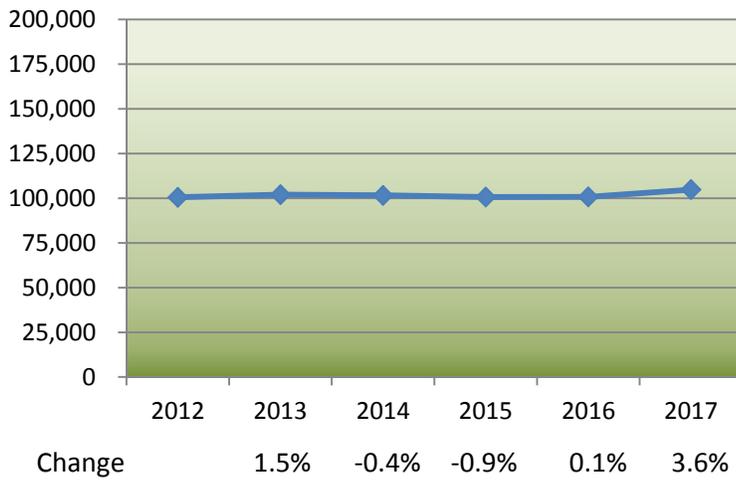
### PRIORITIES FOR FUTURE FUNDING

1. Internal Auditor - \$130,000: Perform internal audits to improve efficiency and effectiveness of service delivery.
2. Regional Dues Increase - \$1,400: Regional dues continue to increase.
3. Education & Travel – Increase \$2,500: Council will continue to travel to accomplish City business and obtain education.
4. Food & Food Service – Increase \$500: Costs have increased for food items and Council will be meeting more with volunteer boards and will want to provide nourishment at those meetings.

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 63,223	\$ 65,000	\$ 65,000	0.00%
Benefits	4,837	4,973	4,973	0.00%
Materials, Supplies, and Other	21,934	30,751	34,341	11.67%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 89,993</b>	<b>\$ 100,724</b>	<b>\$ 104,314</b>	<b>3.56%</b>

**BUDGET TREND: FY2012-2017**



## 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

- City Manager's office staffing continues to be an issue with the Deputy City Clerk performing reception duties for the City Manager's phone lines.
- Software to streamline Board and Commission management would free up Deputy City Clerk for more administrative functions.
- Purchase of an additional Granicus encoder will allow live streaming of multiple meetings at the same time.
- Trend of technological advances and subsequent hardware and software upgrades will continue with added upfront and annual costs to be expected. Savings will be found in greater efficiencies.

### SIGNIFICANT CHANGES IN FY2017

- None

**FY2017 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.
  - Coordinating with the Office of Communications and FCCTV for video coverage of City Council meetings. Uploading videos to web site when FCCTV can't provide that function.
- Respond to approximately 40 Freedom of Information Act requests annually with 100% on-time compliance with FOIA law.
- Facilitate communication between boards and commissions and the City Council by providing regular training and updates to staff liaisons and scheduling boards and commissions to meet with City Council.
- Manage 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 Encoder - \$5,000 one-time cost. Hardware to stream two meetings at the same time, eliminating need to upload work session videos at a later date, decreasing dependence on FCCTV.
2. 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.

**ADOPTED POSITIONS BY FTE – 2.00 TOTAL**

- 1.00 City Clerk
- 1.00 Deputy City Clerk

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 138,475	\$ 144,161	\$ 148,365	2.92%
Benefits	54,868	55,425	46,224	-16.60%
Professional and Contractual	22,100	28,500	28,500	0.00%
Materials, Supplies, and Other	6,218	8,567	8,127	-5.14%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 221,661</b>	<b>\$ 236,653</b>	<b>\$ 231,216</b>	<b>-2.30%</b>

**BUDGET TREND: FY2012-2017**



## 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, and advises staff on legal issues that affect their work.

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.

**FY2017 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>CY2015*</u>	<u>FY2017 est.</u>
Written Legal Opinions provided in 2014:	12	15
Ordinances/Resolutions reviewed for Council meetings:	65	60
Other assignments:	60	80
<u>Claims and Litigation</u>	<u>7</u>	<u>5</u>
Total	144	160

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

**PRIORITIES FOR FUTURE FUNDING**

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

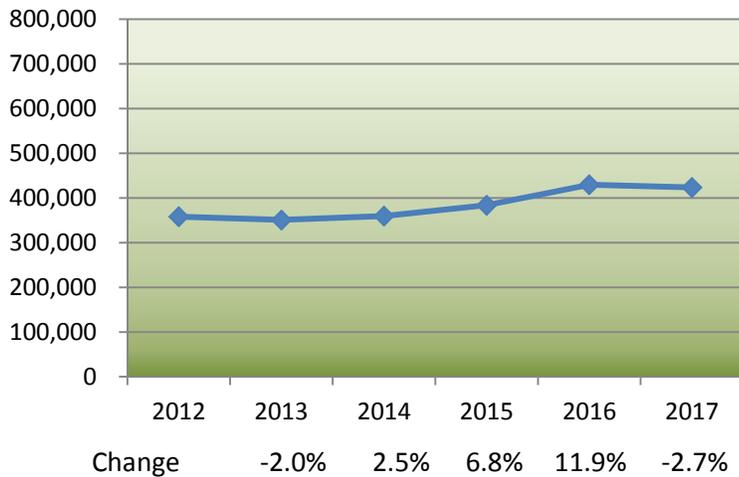
**ADOPTED POSITIONS BY FTE – 2.00 TOTAL**

- 1.00 City Attorney
- 1.00 Paralegal

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 213,444	\$ 263,925	\$ 270,805	2.61%
Benefits	62,706	83,013	73,582	-11.36%
Professional and Contractual	87,827	70,000	60,000	-14.29%
Materials, Supplies, and Other	15,535	12,554	13,338	6.25%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 379,512</b>	<b>\$ 429,492</b>	<b>\$ 417,725</b>	<b>-2.74%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

- 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.

## JUDICIAL SERVICES WITH ARLINGTON COUNTY

### TRENDS AND ISSUES

- Increasing population requires increasing judicial services.

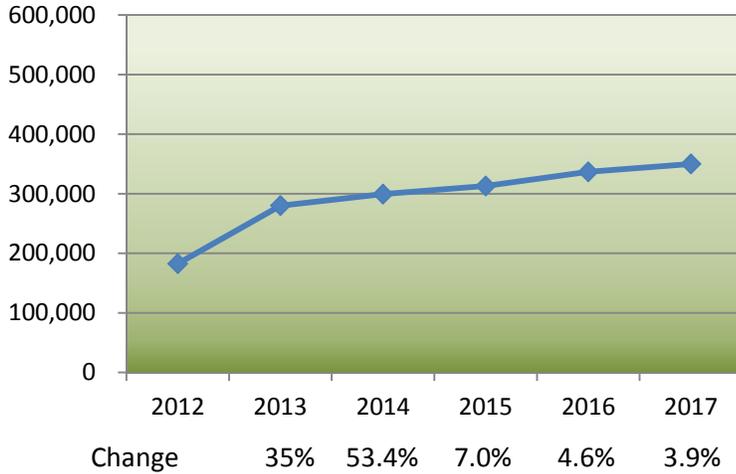
### FY2017 DELIVERABLES

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

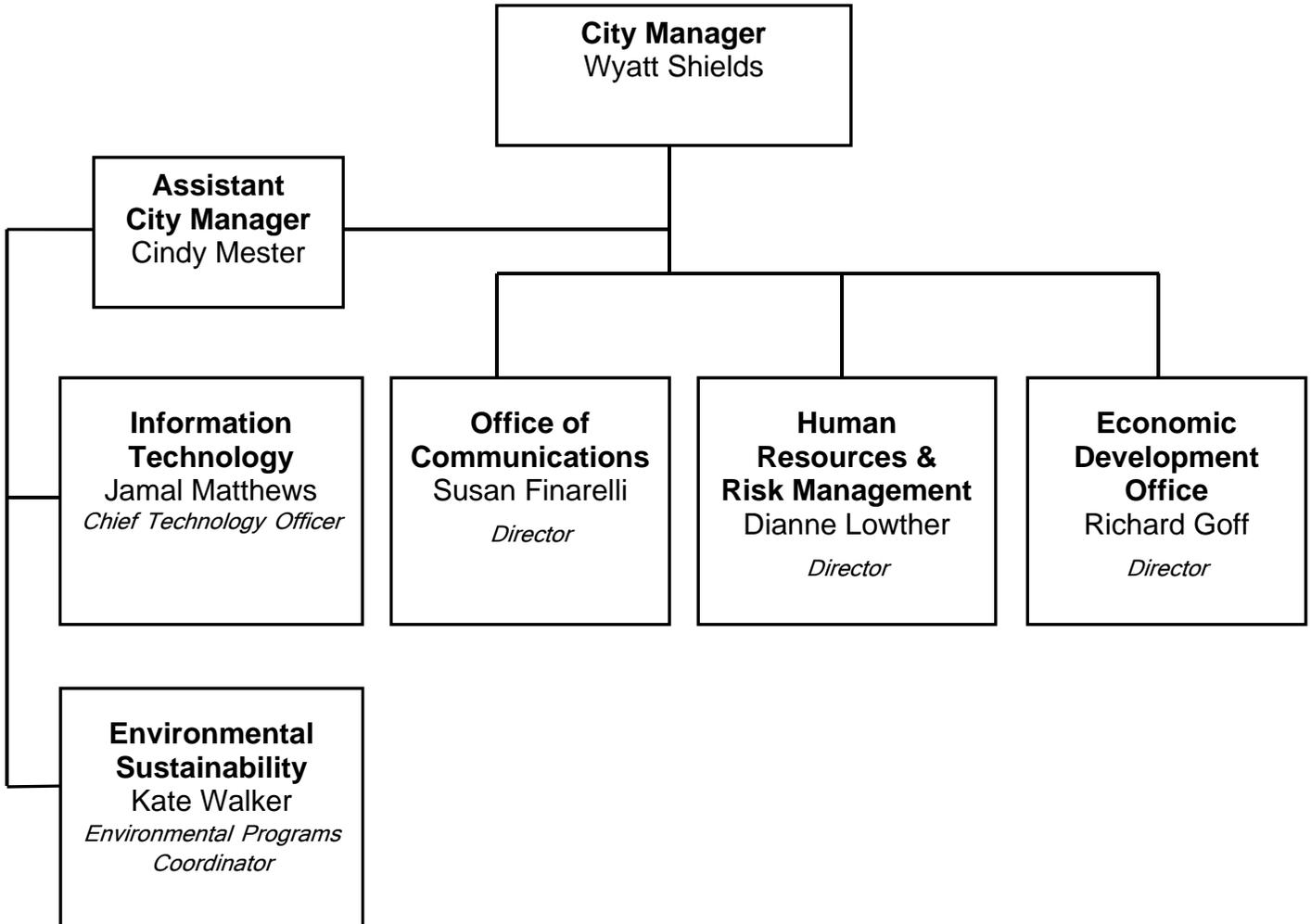
### ADOPTED BUDGET

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 314,612	\$ 336,740	\$ 349,865	3.90%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 314,612</b>	<b>\$ 336,740</b>	<b>\$ 349,865</b>	<b>3.90%</b>

### BUDGET TREND: FY2012-2017



# EXECUTIVE MANAGEMENT



## CITY MANAGER

### SUMMARY OF SERVICES PROVIDED

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.

### FY2017 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:

1. 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.

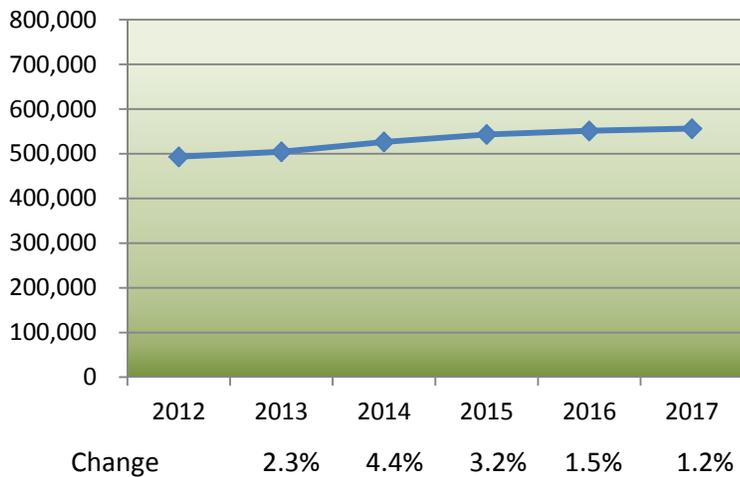
### ADOPTED POSITIONS BY FTE – 3.00 TOTAL

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 387,058	\$ 398,765	\$ 414,597	3.97%
Benefits	134,099	128,844	120,185	-6.72%
Professional and Contractual	3,185	2,281	2,281	0.00%
Materials, Supplies, and Other	21,476	21,279	20,869	-1.93%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 545,818</b>	<b>\$ 551,169</b>	<b>\$ 557,932</b>	<b>1.23%</b>

**BUDGET TREND: FY2012-2017**



**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 240 news releases; creating over 650 posts on Facebook for 2,100 followers; posting over 2,200 times on Twitter for 2,200 followers; sharing 300 Instagram photos for 300 followers; distributing 44 eFocus Newsletters to 1,000 subscribers; and distributing 12 employee newsletters. OCOM also manages the City's public website, employee intranet, Falls Church Alerts, Citizen Information Line, Employee Information Line, Emergency Radio 1680 AM, and creates a number of print marketing and information pieces.

Working with Police, Emergency Manager, NVRC, and MWCOC, 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 large-scale incidents 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 newspaper. 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 42%, thanks in part to 300 followers on Instagram, a new platform for the City; Facebook gained 24% and Twitter gained 42%.
- 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.

### FY2017 SIGNIFICANT CHANGES

- OCOM has managed the Community Television (FCCTV) Station since 2014. In FY17, management of the Station will return to the School Division given the higher use by the schools, and its location in a school facility (GMHS). Funding for the Station is no longer shown as a cost center in the OCOM budget, but rather as a separate, special purpose fund. The goal of producing videos by FCCTV that promote the City will remain, as noted below.

**FY2017 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 additional subscribers).
- Manage production of six or more videos by FCCTV that promote, market, or communicate government programs and services.

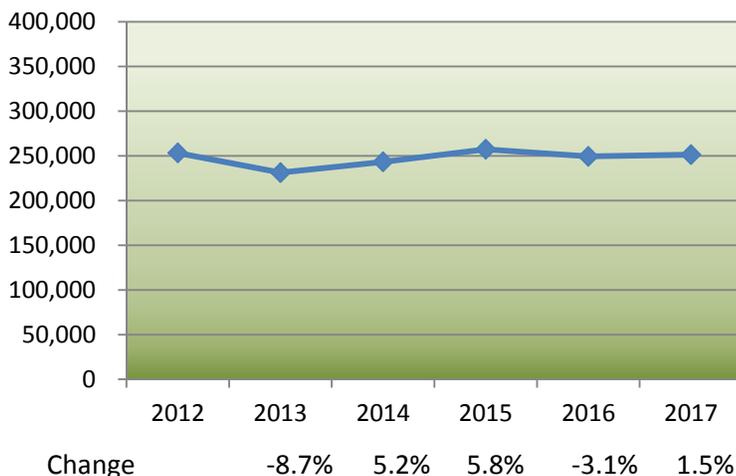
**ADOPTED POSITIONS BY FTE – 2.00 TOTAL**

- 1.00 Communications Director
- 1.00 Online Communications Specialist

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 165,652	\$ 168,813	\$ 176,966	4.83%
Benefits	57,772	54,707	50,838	-7.07%
Professional and Contractual	14,363	21,700	21,700	0.00%
Materials, Supplies, and Other	6,746	4,177	3,740	-10.46%
Capital Outlay	-	-	-	0.00%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 244,534</b>	<b>\$ 249,397</b>	<b>\$ 253,244</b>	<b>1.54%</b>

**BUDGET TREND: FY2012–2017**



**Notes:**

- FY2013 reduction is due to turnover in the two positions.

## 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, employee 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.

### TRENDS AND ISSUES

- Focus on employee development and recognition.

### SIGNIFICANT CHANGES IN FY2017

- After 30 years of service to the City, the Director of Human Resources retired and a new Human Resources Director was hired in February 2016.

### FY2017 DELIVERABLES:

- Ensure the City's Pay & Benefit Plans are comparable and competitive with surrounding jurisdictions.
- Administer the City's Benefit Programs to be cost effective and competitive.
- Provide training and development 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 and to fill positions within 90 days of receiving the requisition.

**Human Resources**

- Continue to review the City’s Performance Evaluation System and recommend changes to correlate goals and employee development and review approximately 180 employee evaluations for timeliness and consistency.

**PRIORITIES FOR FUTURE FUNDING**

- Employee development such as training (\$166,000), tuition reimbursement (\$10,000) and recognition.
- Reinstate City match for employee 457 Plan (\$111,396).

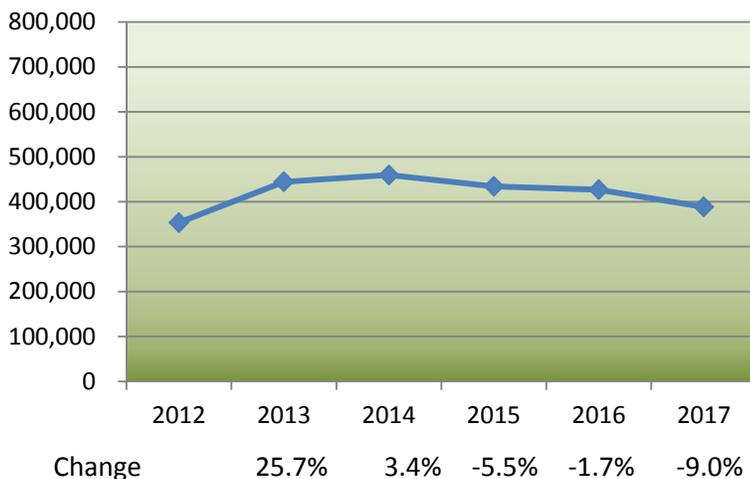
**ADOPTED POSITIONS BY FTE – 2.5 TOTAL**

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 241,474	\$ 248,723	\$ 236,930	-4.74%
Benefits	108,723	92,811	70,420	-24.13%
Professional and Contractual	65,424	35,728	35,700	-0.08%
Materials, Supplies, and Other	19,600	48,354	44,396	-8.19%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 436,480</b>	<b>\$ 426,616</b>	<b>\$ 388,446</b>	<b>-8.95%</b>

**BUDGET TREND: FY2012–2017**



**Notes:**

- The increase in FY2013 is due to the following:
  - Human Resources Analyst position was reclassified and changed to full-time.
  - FY2014, \$50,000 increase in City’s Training Program.
- FY2016, Training reduced to \$30,000.
- The decrease for FY2017 is due to cost salary change for new Director and overall pension decrease.

## 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.

### TRENDS AND ISSUES

- Take fuller advantage of tools and resources offered by VML Insurance.

### SIGNIFICANT CHANGES IN FY2017

- Take advantage of the significant tools and resources provided for training and cost savings.
- Reduce costs by implementing more best practices.

### FY2017 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.
- Apply for grants that will reduce our Workers Compensation costs and provide needed resources for safety improvements.

### ADOPTED POSITIONS BY FTE – .50 TOTAL

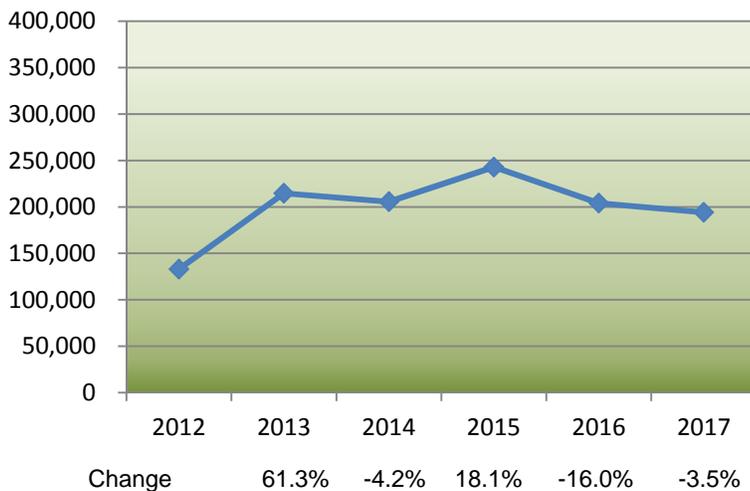
- 0.25 Human Resources Director
- 0.25 Human Resources Generalist

**Risk Management**

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 51,083	\$ 52,680	\$ 47,686	-9.48%
Benefits	17,651	16,962	11,031	-34.97%
Professional and Contractual	4,290	4,000	4,000	0.00%
Materials, Supplies, and Other	117,455	130,464	131,400	0.72%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 190,478</b>	<b>\$ 204,106</b>	<b>\$ 194,117</b>	<b>-4.89%</b>

**BUDGET TREND: FY2012-2017**



- 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.
  - FY2017 Increase in Health insurance is due to health industry trend and experience rating.

## INFORMATION TECHNOLOGY

### SUMMARY OF SERVICES PROVIDED

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

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

In FY2015, the City ended its outsourced IT services contract and moved to an in-house support model for IT services. City IT staffing consists of 8.4 FTEs to deliver these critical services more effectively and at lower cost. The CTO develops IT policies and processes in conjunction with City leadership, develops the 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, project implementation, and ensuring the City's IT environment is secure and fully operational 24x7x365 days a year.

### TRENDS AND ISSUES

- FY16 and proposed FY17 system equipment replacement and enhancement funding reduced due to budget guidelines to remain at FY2014 funding level. Need to restore to a refresh cycle of one quarter to one third refresh per year.
- 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.
- Increased costs due to the common industry business model with IT vendors sub-dividing their products into distinct separate costs, and planned obsolescence or support retirement of products forcing a continued cycle of re-purchasing that is higher than current budget projects sustain.
- Citizen demands for more streamlined services and technology based solutions continues to expand the required support and maintenance costs beyond budgetary resources. ITS has significantly increased the number of active projects to address initiatives by the organization
- Shift from an outsourced model to in-house operations has resulted in greater overall efficiency, adaptability, redundancy and resiliency. The previous blended outsourced model would have cost at least an additional \$200,000 starting in FY2016.

**Information Technology****SIGNIFICANT CHANGES IN FY2017**

- Completed the telecommunications service consolidation to reduce expenditures
- Significant expansion to system redundancy furthering the disaster recovery (DR) and continuity of operations (COOP) capabilities
  - Expanded core system redundancy at DR site
  - Expanded redundant connectivity for City infrastructure and sites
  - Completed the critical basic core network infrastructure upgrade
- Significant expansion to the mobility capabilities for staff to be able to perform more functions and deliver expanded services.
  - Completed the mobile device management and full support and deployment of modern devices (tablets & smart phones) that can provide more capabilities (phase 1 only)
  - Expanded remote access capabilities to securely and more effectively connect to services and information off-site in the field.
- Completed an interim offering of publically accessible Wi-Fi internet at the Community Center.

**FY2017 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.
- Refine the 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.
- Refine the reporting structure of 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 mobility expansions to fully support tablets and enhanced remote access.
- Expand the disaster recovery / continuity of operations (DR/COOP) infrastructure of core systems to City operations and complete the network core infrastructure upgrade.

**PRIORITIES FOR FUTURE FUNDING**

Industry standards recommend IT staffing to currently be at 12 to 14 FTEs (not including telecommunications, radio, or administrative) for full service technology requirements. The City currently operates with 8.4 FTE. Despite the City's small size, the same operational requirements are needed here as are for the larger localities, but the City does not gain the benefit of the economy of scale.

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

1. Public Safety Senior System Engineer / Project Manager – \$120,000 (salary & benefits): 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

**Information Technology**

independent IT departments. The City operates more efficiently with a single ITS team model, but a Senior Systems Engineer support is needed to focus on ongoing public safety needs and emerging new requirements.

2. Staff Development / Training – \$20,000: ITS must be provided funding toward continued IT staff development to support new systems and technologies to properly support the City’s evolving needs and tailored to fit the environment as well as cover the breadth of City services support. Many systems and software require specialized training to limit downtime and ensure effective operations. The adopted FY16 budget provided no training funding specifically for ITS.
3. Development Services & Public Works Senior System Engineer / Project Manager – \$120,000 (salary & benefits): ITS is responsible for providing regular ongoing support to these divisions; however the 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.
4. Equipment Refresh – \$115,000: Under the budget guidance constraint, funding was cut for equipment replacement and system enhancement line items. Funds needs to be restored for these line items in FY2017 to avoid loss of productivity due to aging systems. The minimum staggered phases is: \$30,000 for network infrastructure on a 7 – 10 year cycle, \$30,000 servers on a ~7 year cycle, and base systems on a 4 – 5 year cycle.

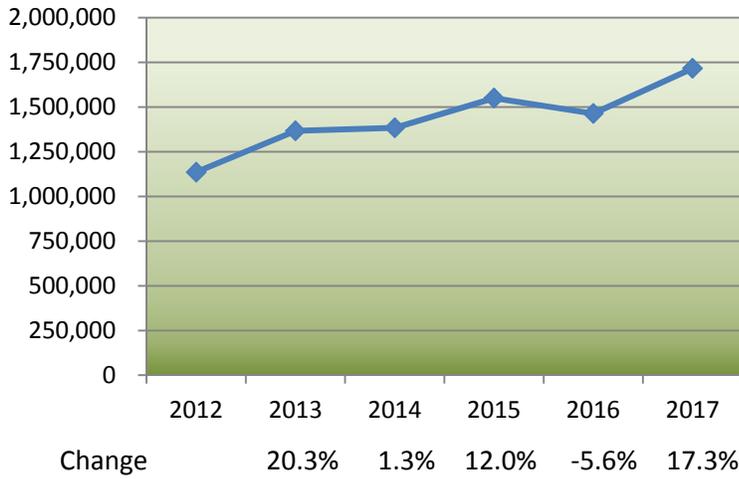
**ADOPTED POSITIONS BY FTE – 8.40 TOTAL**

- 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**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 624,154	\$ 689,721	\$ 707,734	2.61%
Benefits	170,060	214,766	207,769	-3.26%
Professional and Contractual	242,988	452,575	487,500	7.72%
Materials, Supplies, and Other	47,571	53,000	52,600	-0.75%
Capital Outlay	172,085	53,637	260,723	386.09%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 1,256,858</b>	<b>\$ 1,463,699</b>	<b>\$ 1,716,326</b>	<b>17.26%</b>

**BUDGET TREND: FY2012-2017**



- 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 created and is implementing 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.

### FY2017 DELIVERABLES

- Conduct medical professional office marketing and recruitment campaign to fill existing office space and create demand for new office development.
- 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.
- Utilize updated and upgraded fiscal impact model in more comprehensive analyses of new development proposals.

**Economic Development**

- Pending City Council approval of program revisions, market aggressively Technology Zone and Commercial Property Tax Abatement programs to attract technology businesses and investment in rehabilitated, expanded and new office space in the City.

**PRIORITIES FOR FUTURE FUNDING**

1. Advertising, Events, Printing - \$10,000: expenses for development and distribution of marketing materials to commercial prospects, including special events, tours.
2. Professional services - \$10,000: Adequate resources needed for outside consulting such as website development, appraisals, and other specialized analytical work.

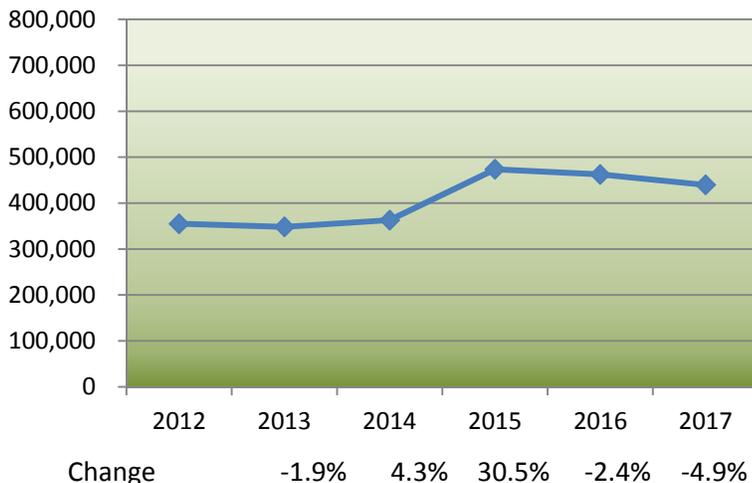
**ADOPTED POSITIONS BY FTE – 3.00 TOTAL**

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 298,719	\$ 329,195	\$ 335,968	2.06%
Benefits	87,609	89,893	75,680	-15.81%
Professional and Contractual	25,422	33,100	18,100	-45.32%
Materials, Supplies, and Other	9,187	10,000	9,800	-2.00%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 420,937</b>	<b>\$ 462,188</b>	<b>\$ 439,548</b>	<b>-4.90%</b>

**BUDGET TREND: FY2012–2017**



**Notes:**

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

## ENVIRONMENTAL SUSTAINABILITY

### SUMMARY OF SERVICES PROVIDED

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

Among the responsibilities of the Coordinator is compiling and reporting data on the City's greenhouse gas emissions and energy consumption. In the coming year, these data will be used to establish greenhouse gas emissions reduction targets and develop action plans, including a Community Energy Plan, to achieve them. The Coordinator will develop those plans, carry them through the approval process, and measure progress toward the goals of those plans. The Coordinator will lead the City's effort to gain regional, state and federal funds and collaboration to achieve meaningful progress toward these goals.

In FY2016, the Coordinator achieved the City's renewed status as an EPA Green Power Partner & Community.

The Environmental Sustainability Coordinator supports the City government as a whole and works closely with the Department of Public Works, Recreation and Parks, Development Services and Finance departments. The Coordinator serves as liaison to the Environmental Sustainability Council (ESC) and its three subcommittees, as well as the City employee Green Team and regional energy and environmental government and non-profit organizations.

Environmental harmony in the City of Falls Church has been a key part of the City's Comprehensive Plan Goals and Objectives, and the Council Vision Statement. With the sale of the water utility in 2013, the City lost key staff support for climate change programs. The ESC has continued to respond to growing citizen interest in energy sustainability, and staff resources are essential to help these citizen efforts produce long lasting results. In FY2016, 1.0 FTE was funded as a term position. In order to build on momentum and meet the City's environmental goals, the position is built into the FY17 Budget as a full time position.

### TRENDS AND ISSUES

- Attitudes to climate change and the need to take action to mitigate it have changed globally, and the US government has committed to an ambitious carbon emissions reduction goal. National support for local action is growing, and is expected to expand in the future. The City will seek to be ready to apply for new funding opportunities as they arise.
- The City is leveraging regional effort from organizations such as MWCOG and the Northern Virginia Regional Commission. Arlington is also very willing to partner with, and provide assistance to, the City.
- The City Council has called for environmental sustainability and energy-efficiency principles in City facilities, and private development approvals. Projects such as the successful Solarize campaign and replacement of street lighting with low-energy LEDs show the strength of community support for environmental action.
- Local renewable energy generation and high-efficiency heat and lighting systems improve resiliency during weather-related emergencies.

**Environmental Sustainability**

**SIGNIFICANT CHANGES IN FY2017**

- Increased focus on energy efficiency and GHG emissions reduction.
- Staff position is fully funded in the FY17 operating budget for the first time.

**FY2017 DELIVERABLES**

- Greenhouse gas inventory for community and City.
- Community Energy Plan.
- Grant funding for renewable energy, energy efficiency and environmental projects.
- Continuation of EPA Green Power Partnership and Green Power Community programs.
- Continuation of wildlife habitat certification.
- Solarize II.
- Environment newsletter.

**ADOPTED POSITIONS BY FTE – 1.00 TOTAL**

- 1.00 Environmental Program Coordinator

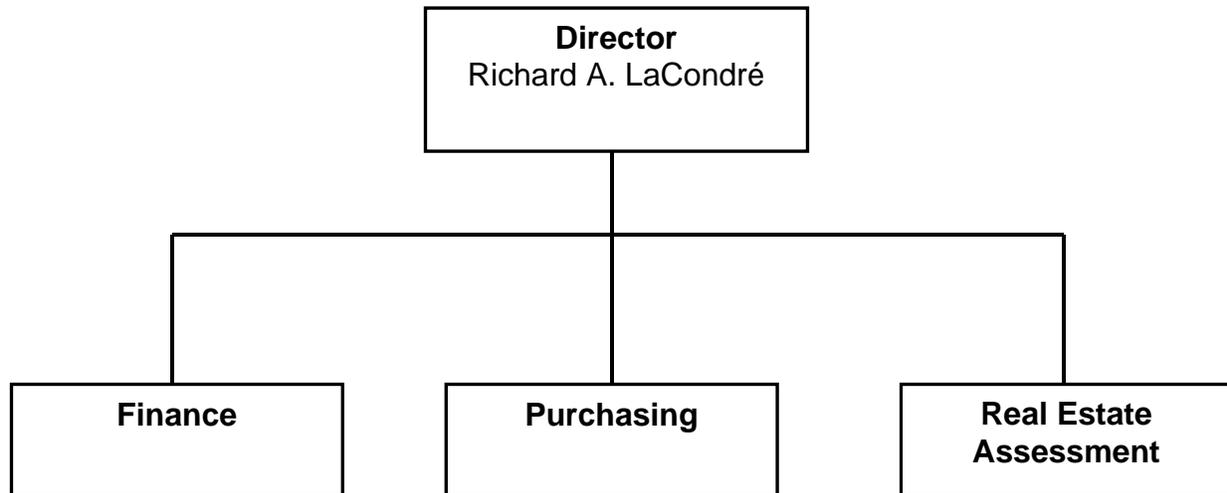
**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ -	\$ -	\$ 80,132	-
Benefits	-	-	21,981	-
Professional and Contractual	-	-	1,100	-
Materials, Supplies, and Other	-	-	7,926	-
<b>Total Expenditures</b>	-	-	<b>111,139</b>	-
Revenues				
Grants & Contributions	-	-	1,000	-
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 110,139</b>	<b>-</b>

**BUDGET TREND: FY2012–2017**

This is a new cost center in FY2017.

# 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.

### FY2017 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

**Finance & Purchasing**

**PRIORITIES FOR FUTURE FUNDING**

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

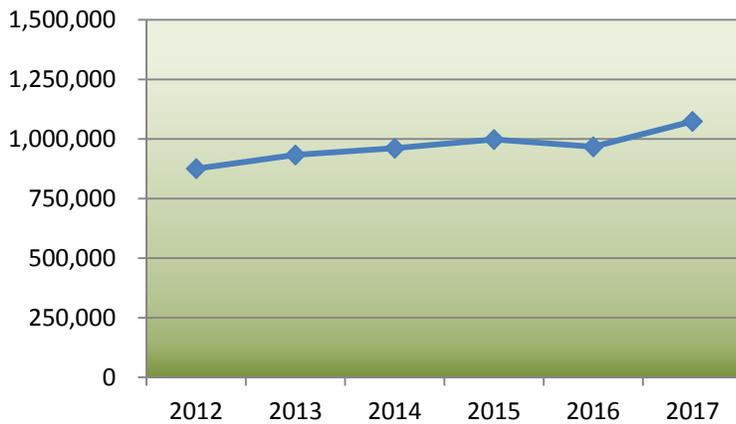
**ADOPTED POSITIONS BY FTE – 8.0 TOTAL**

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 645,032	\$ 663,083	\$ 747,463	12.73%
Benefits	208,820	204,139	227,317	11.35%
Professional and Contractual	93,546	73,500	73,500	0.00%
Materials, Supplies, and Other	31,213	26,400	25,820	-2.20%
<b>Net Expenditures Supported by General Revenues</b>	<b>\$ 978,612</b>	<b>\$ 967,122</b>	<b>\$ 1,074,100</b>	<b>11.06%</b>

**BUDGET TREND: FY2012–2017**



**Notes:**

- Increase in FY2013 reflects the funding to hire a temporary part-time personnel to assist in finance and purchasing functions.
- Increase in FY2017 is due to the addition of a records management person.

Change      6.6%      3.0%      3.8%      -3.1%      11.1%

## 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 ISSUES

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

### FY2017 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. New and anticipated development activity requires the addition of a real estate appraiser to ensure accurate appraisal of such activities.

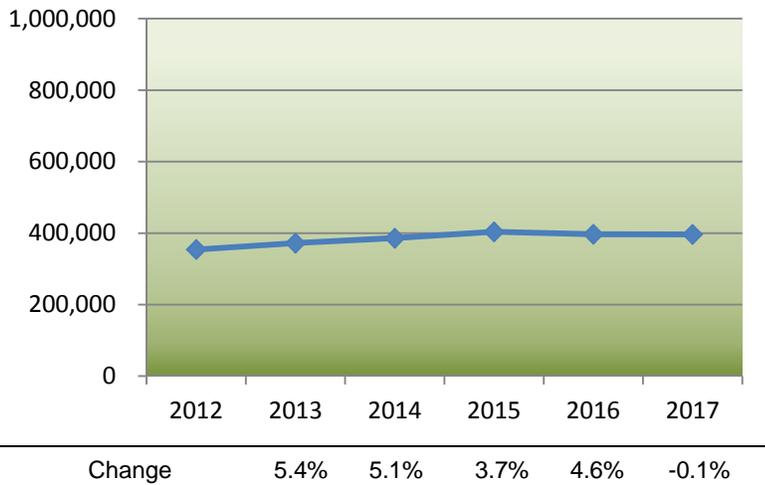
### ADOPTED POSITIONS BY FTE – 3.00 TOTAL

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 264,583	\$ 269,647	\$ 280,024	3.85%
Benefits	88,614	85,279	74,878	-12.20%
Professional and Contractual	32,762	33,251	33,251	0.00%
Materials, Supplies, and Other	17,493	8,624	8,201	-4.90%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 403,452</b>	<b>\$ 396,801</b>	<b>\$ 396,354</b>	<b>-0.11%</b>

**BUDGET TREND: FY2012-2017**



# COMMISSIONER OF THE REVENUE

**Thomas Clinton**  
Commissioner of Revenue

## SUMMARY OF SERVICES PROVIDED

Tom Clinton is a direct elected representative of the citizens of the City of Falls Church. He has had the honor of serving as the Commissioner since January of 2002. Tom was first elected in November of 2001, and re-elected to three four-year terms in 2006, 2010 and 2014 and is currently in his 14<sup>th</sup> year as Commissioner. Tom was born in Falls Church, attended FCCPS schools grades K-12, is active in the community and lives here with his wife and two children.

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

The Commissioner works closely with the Treasurer's Office, the Economic Development Office, the Economic Development Authority, the Falls Church Chamber of Commerce and the local business community providing, among other services, critical tax information 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 in the very near future, adding to the existing heavy office workload. For most City residents and businesses, we are their primary contact with City Hall because of their vehicle registrations, tax returns, Notarizations, and commercial or home-based business transactions. The Commissioner's Office receives the most mail, email and walk-in traffic, the highest number of phone calls and the most Public Notary requests in City Hall. The Commissioner's Office is the most directly affected office when the City's population increases and turns over.

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

## TRENDS AND ISSUES

- Two new mixed use buildings will open in 2016 at the West Broad Residences (Harris Teeter) and the Lincoln at Tinner Hill together adding 512 residential units, at least 700-800 more cars, numerous businesses located on the ground floor and in the residential units of these buildings, and the filing of hundreds of state income tax returns on behalf of the new residents.

- Mason Row was approved in January of 2016 with 322 new residential units, the project will start with many contractor business licenses, then when finished, 500 or more cars are projected to be added in that building, more resident income tax returns will be filed, numerous commercial and residential businesses open including a dine-in movie theatre with the admissions tax to be audited by the Commissioner's Office.
- Our New Resident Outreach Program has been very successful in orientating new residents and property managers to the need for all residents to register their vehicles, pay their share of car taxes and to get a City decal on their vehicles within 60 days, to avoid getting a \$50 ticket.
- Personal property assessments could increase significantly with the City's acquisition of a license plate tag reader.
- The DMV2Go Mobile Unit currently visits City Hall on the 2<sup>nd</sup> Friday of every month from 9 am until 4 pm with more dates, including up to a week of continuous service, coming soon when a new mobile unit joins the Northern VA DMV2Go fleet.
- 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 operate as a part-time office.
- In calendar year 2015, the office tracked 1759 construction permits issued from the Department of Development Services (DDS) to ensure that business licenses and/or contractor waivers were correctly administered, the appropriate taxes were assessed and that the Workers' Compensation forms were collected and submitted to the state, protecting those that work here.

#### **FY2017 DELIVERABLES**

- The office issues 1,800 business licenses and processes 1,800 tangible personal property tax assessments based on the business equipment owned or leased by companies in the City.
- The office processes many business related taxes including: utility, right-of-way, phone line charges, hotel occupancy, short-term rental, bank franchise taxes, and the labor-intensive Meals Tax (transferred from the Treasurer's Office in 2005 with no workload exchange or 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, errors are detected and corrected 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 (also called vehicle or car) 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 and issues most of the temporary decals. The office performs about 2,000 annual personal property assessment adjustments, including vehicle dispositions and other assessment valuation changes, both saving taxpayers money.

**PRIORITIES FOR FUTURE/EXISTING FUNDING**

- Retain part-time .75 FTE Outreach Coordinator: Annual cost already absorbed in the proposed FY2017 budget due to savings from staff turnover and reduced overtime costs due to the closure of the DMV Select Office. Convert the position from term employee to permanent employee.

This part-time position has allowed us to efficiently reach out to the many apartment and condo building managers resulting in many more vehicles added to the tax rolls, all while staying within our 2015 adopted budget. This has helped reduce parking tickets, allowed researching of landlord tenant lists and provided an exchange of information to the people that regularly promote Falls Church City and its amenities to potential and existing tenants and condo homeowners. These special projects have generated additional revenue far exceeding his part-time salary; and have involved the Police Department, the Economic Development Office, the Department of Development Services and the City Manager's Office. He also has many years of experience of working closely with the Falls Church Chamber of Commerce.

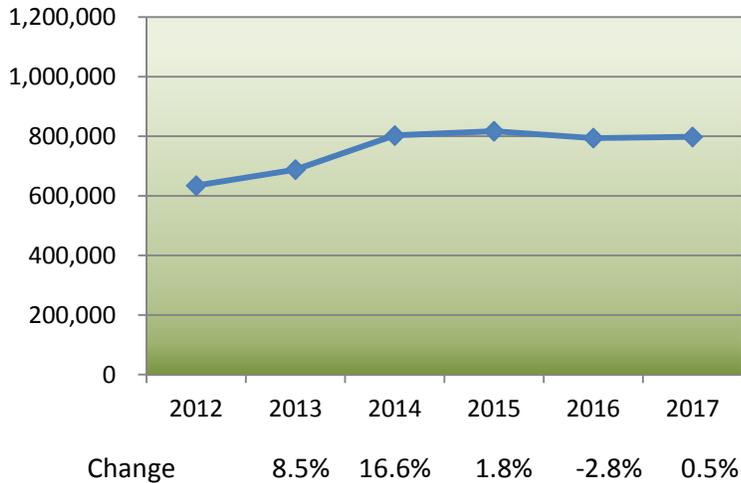
**ADOPTED POSITIONS BY FTE – 8.75 TOTAL**

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 553,595	\$ 592,294	\$ 591,252	-0.18%
Benefits	162,247	177,381	175,658	-0.97%
Professional and Contractual	12,963	5,951	9,850	65.52%
Materials, Supplies, and Other	20,307	18,287	21,116	15.47%
<b>Total Expenditures</b>	<b>749,112</b>	<b>793,913</b>	<b>797,876</b>	<b>0.50%</b>
Revenues				
State Grants	90,431	90,000	91,000	1.11%
Charges for Services	26,895	-	-	0.00%
<b>Total Revenues</b>	<b>117,325</b>	<b>90,000</b>	<b>91,000</b>	<b>1.11%</b>
<b>Net Expenditures Supported by General Revenues</b>	<b>\$ 631,786</b>	<b>\$ 703,913</b>	<b>\$ 706,876</b>	<b>0.42%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

- 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 had savings from staff turnover and a sizable reduction in overtime because the Select Office closed. This has allowed funding of the Outreach Coordinator position entirely from within our adopted FY2016 budget. The overall office budget was reduced by 2.8% from FY2015, and a proposed .8% reduction from FY2016, we are doing more with less.
- In FY2016, we continued to host the full-service DMV2Go Mobile unit on the second Friday of every month, located at the front of City Hall, from 9 am until 4 pm.
- In FY2017, we expect to expand the number of DMV2Go dates at City Hall to a full week, once an additional vehicle is added to the Northern VA DMV2Go fleet. This small friendly service will continue to help City residents, City businesses, City and School System employees, and our nearby neighbors process their full-service DMV transactions, without having to travel far distances and wait in long lines. This is all done at no cost to the City. The DMV2Go partnership and the DMV Select Office were initiated by Tom Clinton.

# OFFICE OF THE TREASURER

**Jody Acosta**  
Treasurer

## SUMMARY OF SERVICES PROVIDED

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

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

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

## TRENDS AND ISSUES

- The first Annual Vehicle Decal Design competition was instituted in January 2016. The design contest reached approximately 700 City residents who voted online for the decal design of their choice, plus garnered attention in the press, raising awareness of the City decal and the importance of paying personal property taxes. The winning design will be displayed on the 2016-2017 City decal. The design competition will be continued in FY2017.
- The City joined the VML/VACo investment program, the Virginia Investment Pool (VIP) in May 2015. Treasurer Acosta was elected to the VIP Board of Directors in October 2015, representing the City of Falls Church in the statewide investment program.
- The Treasurer's office continues to bring City residents the ability to pay all City fees online, with the launch this year of the online payment portal for parking tickets. City residents now have the ability to make online payments for their real estate tax bills, personal property tax bills, special trash pick-up bills and parking tickets.

## SIGNIFICANT CHANGES IN FY2017

- Administer zone parking permit program for approximately 477 residences and 650 vehicles in the Winter Hill neighborhood.
- Maintain online payment portal for the payment/collection of parking tickets; launched in 2016.
- Continue to improve the City's tax collection process with the addition of a License Plate Reader (purchased in FY16) for use in the collection of personal property tax; work with Sheriff's office and the Police Department to establish procedures for the tag reader's installation and use.
- Work with the City's Library staff to establish online payment ability for library fees and fines.
- Assume collections for delinquent Business License taxes from COR office.

**FY2017 DELIVERABLES**

- Bill and collect payments on more than 9,000 real estate bills each year with a 30-day delinquency rate of 0.80% and 120-day delinquency rate of 0.40%.
- 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 businesses with a 30-day delinquency rate of 4.0% and 120-day delinquency rate of 2.0%.
- Process all other miscellaneous receipts.
- Invest City (non-pension and non-OPEB) funds.

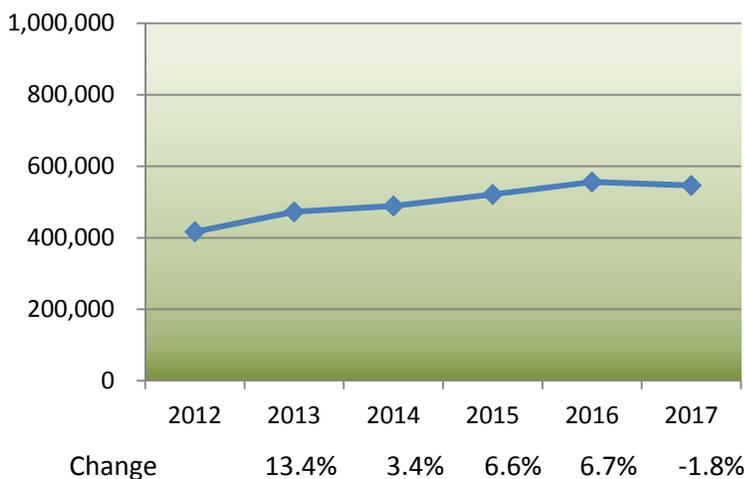
**ADOPTED POSITIONS BY FTE – 5.00 TOTAL**

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 296,208	\$ 375,421	\$ 346,803	-7.62%
Benefits	83,347	105,391	118,487	12.43%
Professional and Contractual	126,144	44,371	41,500	-6.47%
Materials, Supplies, and Other	32,677	30,975	39,517	27.58%
<b>Total Expenditures</b>	<b>538,376</b>	<b>556,158</b>	<b>546,307</b>	<b>-1.77%</b>
<b>Revenues</b>				
State Grants	73,078	69,000	74,000	7.25%
Charges for Services	16,046	7,000	7,000	0.00%
<b>Total Revenues</b>	<b>89,124</b>	<b>76,000</b>	<b>81,000</b>	<b>6.58%</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 449,252</b>	<b>\$ 480,158</b>	<b>\$ 465,307</b>	<b>-3.09%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

- FY2017 budget is flat with the exception of salaries & benefits.

## PROPERTY TAX RELIEF PROGRAM

### SUMMARY OF SERVICES PROVIDED

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

In 2015, the Treasurer's Office received and processed 65 completed Applications, and granted Tax Relief and/or Deferral to 61 individuals. The cost for traditional Tax Relief was \$146,489 and the cost for the Veteran's Relief Program was \$71,214 for a total of \$217,703.

The Treasurer's office also administers the Tax Deferral program for 15 senior citizens who deferred a total of \$77,417 in real estate taxes in 2015. Additionally, there were a total of 23 citizens receiving personal property tax relief for a total of \$1,508 in relief.

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

### TRENDS AND ISSUES

- Tax Relief for surviving spouses of servicemen and women "Killed In Action", passed the Virginia legislature as a Constitutional amendment in November 2014 and took effect on January 1, 2015, providing 100% real estate tax relief for the surviving spouse. The fiscal impact for FY2016 was approximately \$12,000.

### SIGNIFICANT CHANGES IN FY2017

- Tax Relief increased by approximately \$40,000 over the previous year due to the restructuring of the program implemented in 2015. The new program resulted in 8 new participants.

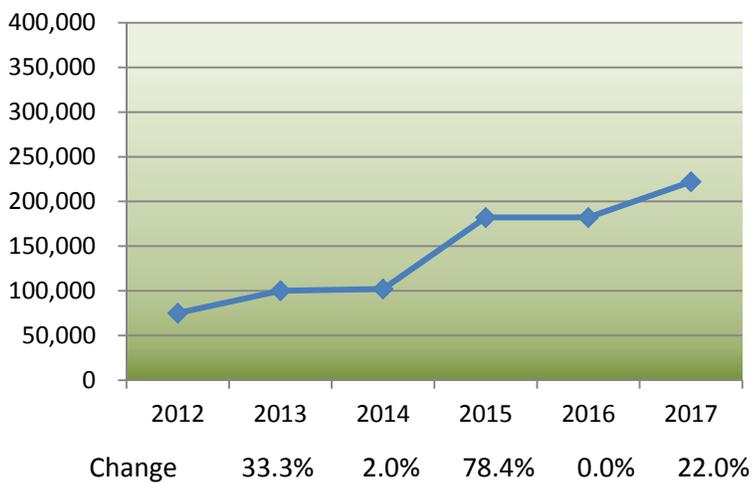
### FY2017 DELIVERABLES

- Outreach to senior citizens – present Tax Relief Program to seniors at the Falls Church Community Senior Center in April of 2016.

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Property Tax Relief	\$ -	\$ 182,000	\$ 222,000	21.98%
<b>Net Expenditures Supported by General Revenues</b>	<b>\$ -</b>	<b>\$ 182,000</b>	<b>\$ 222,000</b>	<b>21.98%</b>

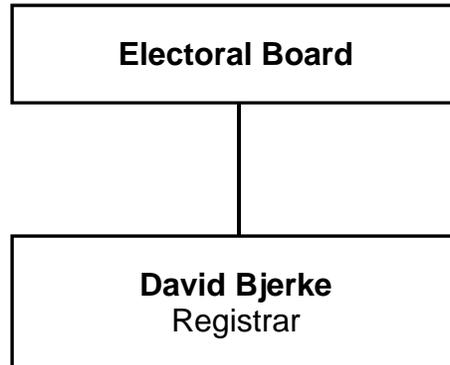
**BUDGET TREND: FY2012-2017**



**Notes:**

- The Tax Relief program was updated in 2015. The restructuring of the program resulted in 8 new participants who were able to receive real estate tax relief.

# 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**

- Two elections:
  - General Election on November 8<sup>th</sup>, 2016 (Presidential)
  - Primary Elections on June 13<sup>th</sup>, 2017.
- 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 5% raise in financial compensation to all Assistant Registrars.

**SIGNIFICANT CHANGES IN FY2017**

- Presidential Election: Highest turnout election of the four year election cycle demands the most resources in election officers, training, and equipment.
- Due to expected General Assembly Action, the City may need to procure new voting equipment.

**FY2017 DELIVERABLES**

- Over the past several years, this office has implemented several reforms that have generated efficiencies both in workload and savings for the city but also increased service to the residents/citizens. These reforms include:
  - Moving City Council and School Board elections from May to November
  - Reducing the number of polling places from five to three and redrawing the borders of the Wards
  - Successful “Bailout” from the 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)
- May be looking to successful implementation of a new voting system in 2017.
- After the Presidential election, and successful implementation of a new voting system, we expect a budget decrease in 2018.

**PRIORITIES FOR FUTURE FUNDING**

1. Voting Equipment - \$200,000: The General Assembly is likely to pass legislation that will not allow the continued use of our current DRE Hart voting system. Our timeline for replacement should be moved up one year to comply with the likely new law for acceptance in January, 2017.
2. Assistant Registrars Salary Adjustment - \$1,600: The City’s Assistant Registrars have not had a pay increase in several years.

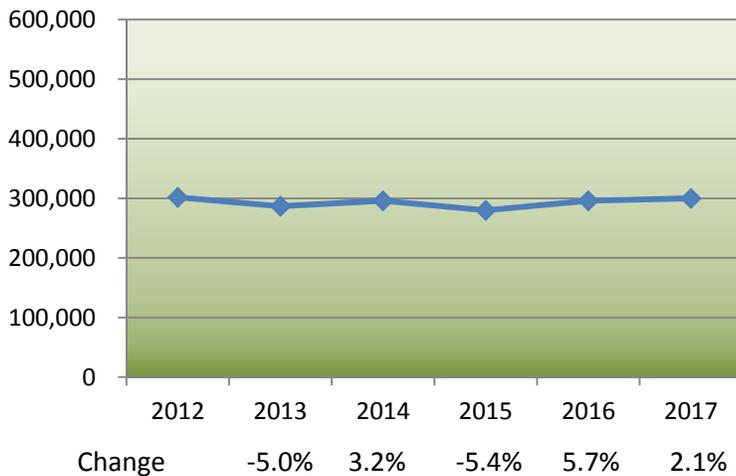
**ADOPTED POSITIONS BY FTE – 1.50 TOTAL**

- 1.00 Registrar
- 0.50 Assistant Registrar

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 154,126	\$ 166,178	\$ 172,044	3.53%
Benefits	61,537	60,506	58,589	-3.17%
Professional and Contractual	10,406	38,872	40,504	4.20%
Materials, Supplies, and Other	23,052	30,256	30,950	2.29%
<b>Total Expenditures</b>	<b>249,121</b>	<b>295,812</b>	<b>302,087</b>	<b>2.12%</b>
<b>Revenues</b>				
State Grants	40,067	41,000	41,000	0.00%
Fines	100	-	100	-
<b>Total Revenues</b>	<b>40,167</b>	<b>41,000</b>	<b>41,100</b>	<b>0.24%</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 208,955</b>	<b>\$ 254,812</b>	<b>\$ 260,987</b>	<b>2.42%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

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

# SHERIFF'S OFFICE

**S. Stephen Bittle**  
Sheriff

## **SUMMARY OF SERVICES PROVIDED**

The Falls Church City Sheriff's Office is a constitutional office responsible, in accordance with the Code of Virginia, for courtroom security (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 20 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 \$69,755.00 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 2015, 20 people were diverted from jail and assigned to the Program, resulting in 1050 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

#### **TRENDS AND ISSUES**

- Rising cost of housing inmates at Arlington Detention Center
- Increase in Court Papers
- Increase in Evictions

#### **SIGNIFICANT CHANGES IN FY2017**

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.

#### **FY2017 DELIVERABLES**

- Provide court security for at least 76 court days
- Provide 330 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 200 child safety seat installations

#### **PRIORITIES FOR FUTURE FUNDING**

- Deputy Sheriff \$70,000: 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.

#### **ADOPTED POSITIONS BY FTE – 6.50 TOTAL**

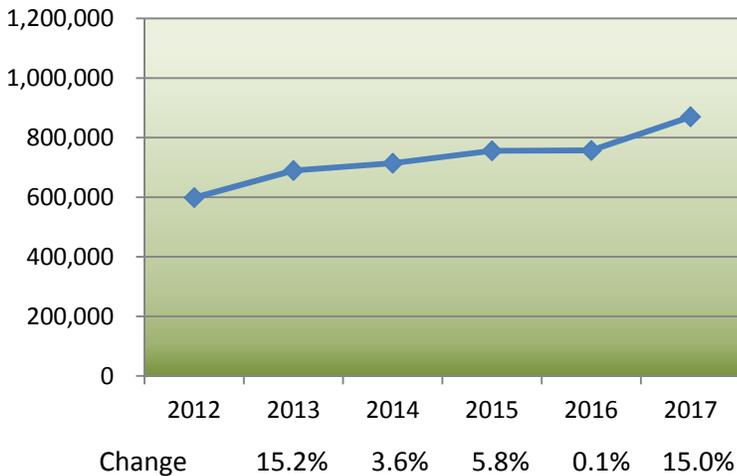
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| • 1.00 Sheriff (Elected)                        | • 1.00 Chief Deputy Sheriff     |
| • 4.00 Deputy Sheriffs (3 Full and 2 Part-time) | • 1.00 Administrative Assistant |

The Sheriff's Office also has one part-time corporal, 1 part-time deputy sheriff, and seventeen volunteer reserve deputy sheriffs who assist the office in various venues. The savings to the City by utilizing volunteer services is approximately \$70,000 (in salaries).

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 549,297	\$ 518,107	\$ 569,446	9.91%
Benefits	173,919	156,477	169,845	8.54%
Professional and Contractual	12,628	16,647	16,647	0.00%
Materials, Supplies, and Other	74,738	60,516	63,769	5.38%
Capital Outlay	118,632	5,000	50,000	900.00%
<b>Total Expenditures</b>	<b>929,214</b>	<b>756,747</b>	<b>869,707</b>	<b>14.93%</b>
<b>Revenues</b>				
Federal Grants	475	-	-	0.00%
State Grants	137,461	140,000	140,000	0.00%
Charges for Services	47,269	61,792	55,792	-9.71%
Fines	55,362	66,234	55,993	-15.46%
<b>Total Revenues</b>	<b>240,567</b>	<b>268,026</b>	<b>251,785</b>	<b>-6.06%</b>
<b>Net Expenditures Supported by General Revenues</b>	<b>\$ 688,647</b>	<b>\$ 488,721</b>	<b>\$ 617,922</b>	<b>26.44%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

- 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.

### SIGNIFICANT CHANGES IN FY2017

- Move more inmates to Alexandria
- Encourage the state to pick up their inmates

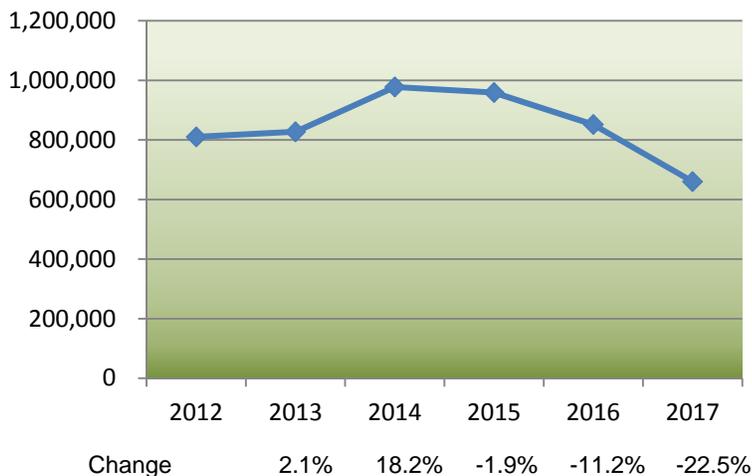
### ADOPTED POSITIONS BY FTE – 0.00 TOTAL

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

### ADOPTED BUDGET

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 870,663	\$ 851,444	\$ 610,136	-28.34%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 870,663</b>	<b>\$ 851,444</b>	<b>\$ 610,136</b>	<b>-28.34%</b>

### BUDGET TREND: FY2012 – 2017



**Notes:**

- Cost decreases and increases in this cost center are driven by the number of individuals held in the Adult Detention Center.

The Sheriff has an MOU with Alexandria Sheriff to house inmates who are sentenced to 30 days or more and state prisoners at a reduced rate in an effort to cut cost.

# CLERK OF THE GENERAL DISTRICT COURT

## SUMMARY OF SERVICES PROVIDED

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

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

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

## TRENDS AND ISSUES

- Citizens depend on the courts and personnel to assist with issues that may arise and with that citizen traffic to our office is on the rise
- Crime rate is overall on the decrease; however, to maintain staff at a competitive level the salary supplement is necessary
- New officers both in the Police Department and the Sheriff's Office may increase the overall numbers in cases for FY 2017
- Increase in the amount of contested parking citations per month, which bring revenue to the City of Falls Church
- Increase in the amount of citizens requesting protective orders through the City of Falls Church
- Preliminary numbers for 2015:
  - Traffic: 4,738 cases
  - Criminal: 948 cases
  - Civil: 402
  - Juvenile: 248
  - Domestic Relations: 168

**SIGNIFICANT CHANGES IN FY2017**

- Funding for the JDR Judges' position may not be approved post Judge Wiggins' retirement
  - This in turn would impact the JDR dockets in Falls Church with more cases being heard in Arlington to meet timeline requirements
  - More cases and paperwork would need to be completed to ensure paperwork is correct as each jurisdiction has their own case files

**FY2017 DELIVERABLES**

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

**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 dependent on which machine is purchased.

**ADOPTED POSITIONS BY FTE – 0.00 TOTAL**

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

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 23,894	\$ 24,611	\$ 25,349	3.00%
Benefits	1,849	1,883	1,939	2.97%
Professional and Contractual	7,644	7,396	7,396	0.00%
Materials, Supplies, and Other	5,668	8,250	8,235	-0.18%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 39,055</b>	<b>\$ 42,140</b>	<b>\$ 42,919</b>	<b>1.85%</b>

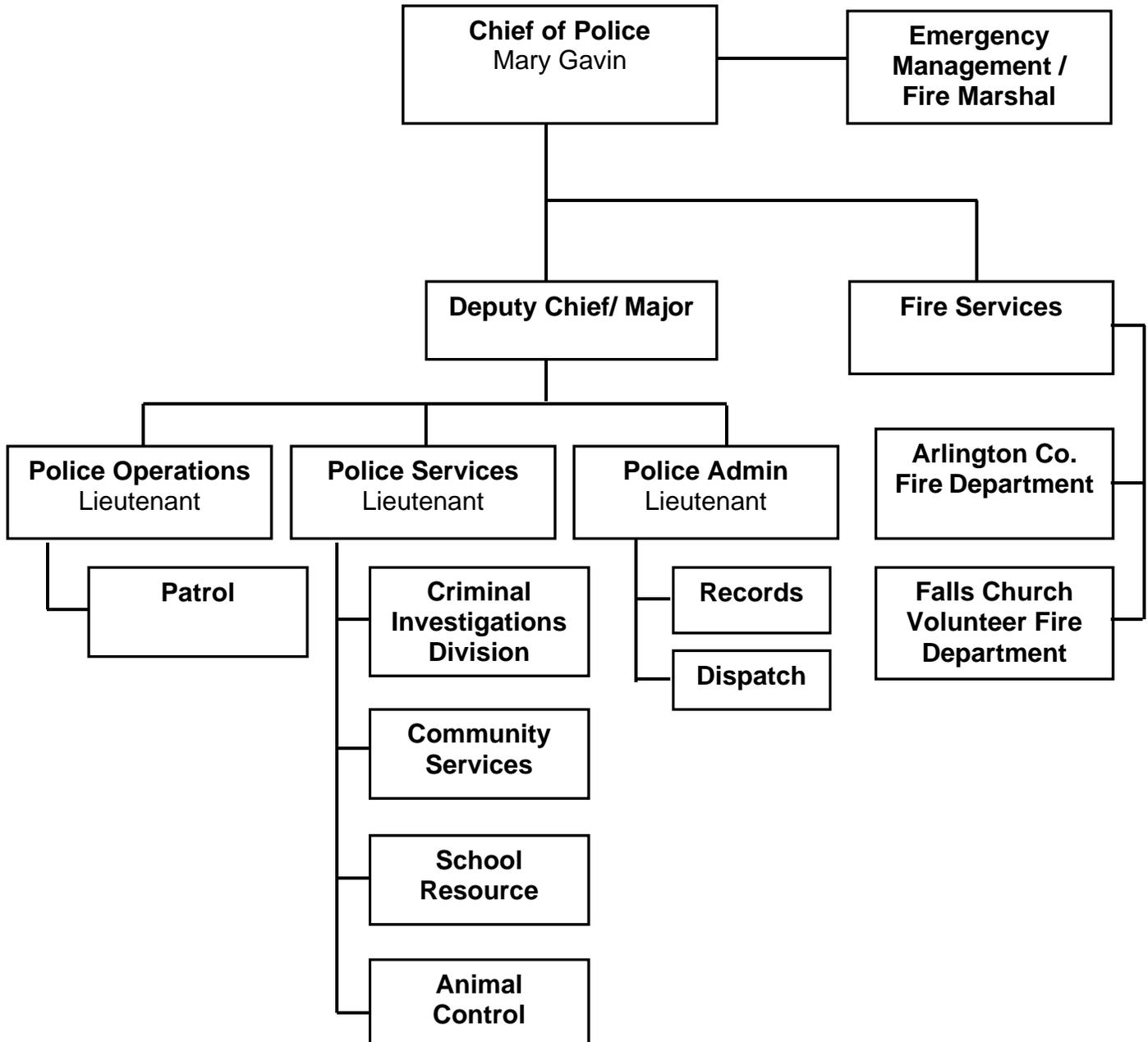
**BUDGET TREND: FY2012-2017**



**Notes:**

- A salary supplement equal to 15% of current salary was included in the FY2015 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.

### FY2017 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 July 2016.

**Administration**

**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 United States. This estimate is a rough estimate of startup cost of new technology if the demand is warranted.

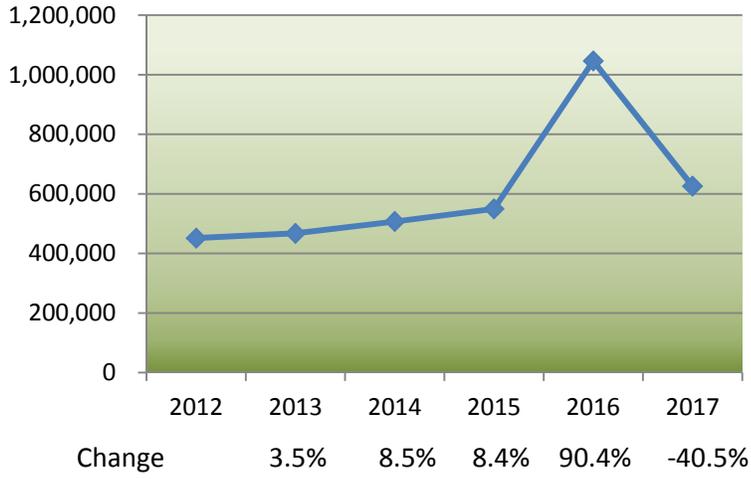
**ADOPTED POSITIONS BY FTE – 2.00 TOTAL**

- 1.00 Chief of Police
- 1.00 Senior Administrative Assistant

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 261,658	\$ 217,718	\$ 220,693	1.37%
Benefits	120,323	102,993	94,678	-8.07%
Professional and Contractual	10,494	7,866	7,866	0.00%
Materials, Supplies, and Other	146,374	132,546	299,642	126.07%
Capital Outlay	24,885	585,000	-	-100.00%
<b>Total Expenditures</b>	<b>563,733</b>	<b>1,046,123</b>	<b>622,879</b>	<b>-40.46%</b>
<b>Revenues</b>				
Licenses, Fees, and Permits	8,430	8,300	8,600	3.61%
Federal Grants	66,512	-	150,000	-
Other Grants and Contributions	305	-	-	0.00%
<b>Total Revenues</b>	<b>75,247</b>	<b>8,300</b>	<b>158,600</b>	<b>1810.84%</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 488,485</b>	<b>\$ 1,037,823</b>	<b>\$ 464,279</b>	<b>-55.26%</b>

**BUDGET TREND: FY2012 – 2017**



**Notes:**

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

**Photo Enforcement Program****PHOTO ENFORCEMENT PROGRAM****SUMMARY OF SERVICES PROVIDED**

The Police Department continues to monitor and enforce Red Light violations at two intersections in the City utilizing photo enforcement technology. Expanding the use of this technology at other intersections in the City would have a positive effect on driving behavior and traffic safety. This technology has other valuable applications as well. During FY2014, the Falls Church City Public School system implemented a Public Safety program aimed at enforcing the laws regarding motorists passing school buses while loading. While this is a school program, the enforcement and the majority of the administration of the program is the responsibility of the Police Department. On October 2, 2015 the School Bus Stop Arm Program was suspended following an opinion by Virginia's Attorney General regarding enforcement under the current code. It is anticipated that the program will be reinstated for the 2016-2017 school year.

**TRENDS AND ISSUES**

- Increased traffic and congestion in the region has likely been the cause of the increase in accidents in the City. For 2015, accidents are up 6% from 2014.
- With the City's goal of increased walkability there is a potential for an increase in personal injury accidents.
- Since the program's inception the total number of violations has been trending downward each year as has the number of accidents at the monitored intersections.
- There has been a slight increase in accidents at non-participating intersections in the City.

**SIGNIFICANT CHANGES IN FY2017**

- No significant changes are anticipated in this program unless expansion of the program is approved.

**FY2017 DELIVERABLES**

- Continue to monitor existing photo enforcement intersections.
  - 4,750 Notices of Violations issued in 2014
  - 4,446 Notices of Violations issued in 2015
- Continue to administer the School's Stop Arm Enforcement Program.
  - 808 Notices of Violations issued in 2014
  - 546 Notices of Violations issued in 2015 (Through October 2, 2015)

**PRIORITIES FOR FUTURE FUNDING**

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

**ADOPTED POSITIONS BY FTE – 0.75 TOTAL**

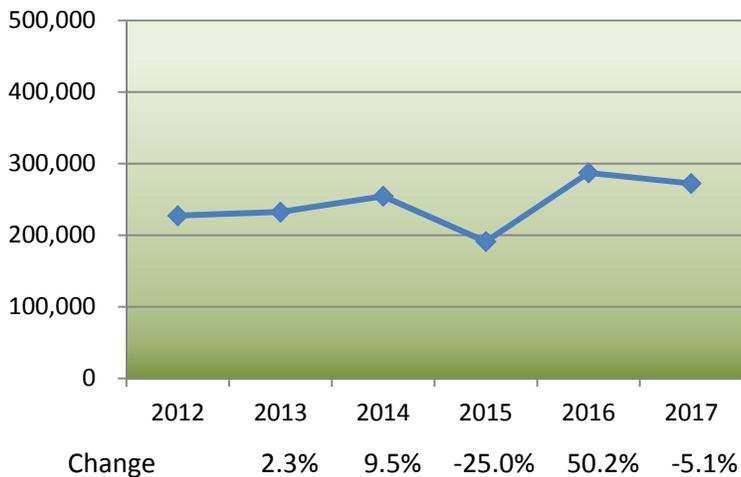
- 0.50 Administrative Lieutenant
- 0.25 Community Services Officer

**Photo Enforcement Program**

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 68,622	\$ 83,413	\$ 71,587	-14.18%
Benefits	27,012	35,595	27,675	-22.25%
Materials, Supplies, and Other	166,965	168,120	173,163	3.00%
<b>Total Expenditures</b>	<b>262,598</b>	<b>287,128</b>	<b>272,425</b>	<b>-5.12%</b>
<b>Revenues</b>				
Charges for Services	-	15,000	15,000	0.00%
Fines	194,355	215,000	200,000	-6.98%
<b>Total Revenues</b>	<b>194,355</b>	<b>230,000</b>	<b>215,000</b>	<b>-6.52%</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 68,243</b>	<b>\$ 57,128</b>	<b>\$ 57,425</b>	<b>0.52%</b>

**BUDGET TREND: FY2012 - 2017**



**Notes:**

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

## POLICE DEPARTMENT – OPERATIONS

### SUMMARY OF SERVICES PROVIDED

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

### TRENDS AND ISSUES

- Increase in overtime because of caseload, mandatory training and court.
- Increase in vehicle maintenance with aging fleet.
- Overall decrease in State 599 aid to local Governments.
- Decrease in Federal (UASI), State aid support of LinX, LPR, and Gang Taskforce.
- Steady inter-jurisdictional contract increases for 911-Maintenance.
- Increase of calls for service due to the steady growth of population and development density.
- Increase regional planning related to national and international terrorist threats.

### SIGNIFICANT CHANGES IN FY2017

- Re-establish a K-9 Unit using seized assets to fund startup costs.

### FY2017 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.

**Police Operations**

- 4 FTE Police Officers (\$320,000): The minimum staffing level for Patrol Officers on the street has been at 3 for over 30 years. In that span of time the City has grown from a population of 9,800 to what is now approaching 14,000. Adding four officers would allow for the minimum staffing level to increase to 4.
- 2 Additional Police Cruisers (\$80,000): With the addition of a K-9 unit one of the new existing fleet vehicle will have to be a dedicated K-9 vehicle. Adding a second vehicle would maintain the current officer/vehicle ratio so as not to operate vehicles 24 hours a day.

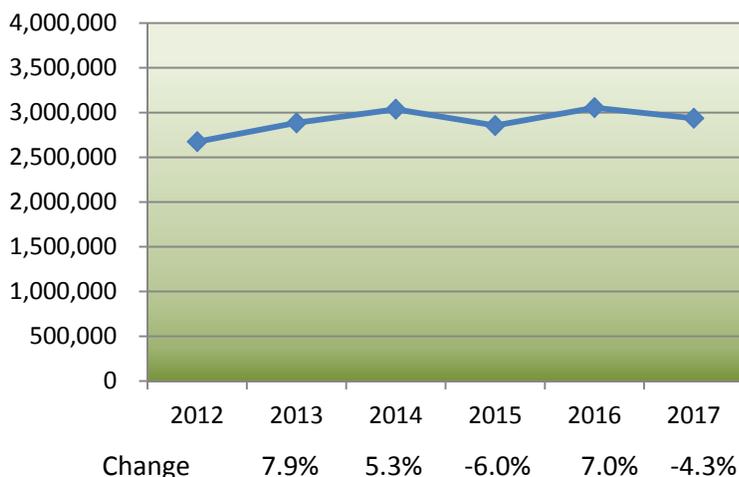
**ADOPTED POSITIONS BY FTE – 20.75 TOTAL**

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 1,361,980	\$ 1,500,941	\$ 1,484,657	-1.08%
Benefits	957,085	1,105,356	975,864	-11.71%
Professional and Contractual	65,033	69,829	70,000	0.24%
Materials, Supplies, and Other	250,318	219,240	232,674	6.13%
Capital Outlay	133,499	159,000	159,000	0.00%
<b>Total Expenditures</b>	<b>2,767,914</b>	<b>3,054,366</b>	<b>2,922,195</b>	<b>-4.33%</b>
<b>Revenues</b>				
Charges for Services	2,818	4,000	3,000	-25.00%
Federal Grants	1,200	7,200	7,200	0.00%
State Grants	322,724	322,000	322,336	0.10%
Fines	360,894	431,766	365,007	-15.46%
<b>Total Revenues</b>	<b>687,636</b>	<b>764,966</b>	<b>697,543</b>	<b>-8.81%</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 2,080,278</b>	<b>\$ 2,289,400</b>	<b>\$ 2,224,652</b>	<b>-2.83%</b>

**BUDGET TREND: FY2012 – 2017**



**Notes:**

- The increase in FY2016 is primarily due to all officer vacancies being filled, vehicle maintenance costs, and inter-jurisdictional contract for 911-Maintenance.
- The modest decrease in FY2017 is primarily due to personnel transfers between divisions.

## POLICE SERVICES

### SUMMARY OF SERVICES PROVIDED

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

The Criminal Investigations Unit conducts investigations on all major crimes ranging from homicides and robberies to thefts and financial crimes. The detectives not only investigate criminal matters, but they are also responsible for processing crime scenes. The Criminal Investigations Unit is assigned and investigates between 250 and 300 cases annually. The School Resource Officer (SRO) is assigned full time to the George Mason High School and Mary Ellen Henderson Middle School and provides community resources, crime prevention, and educational services to the students, parents, and school staff. The Community Services 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.

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 Recruitment/Hiring and succession planning.

### TRENDS AND ISSUES

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

### SIGNIFICANT CHANGES IN FY2017

- Re-accreditation on-site assessment due in July 2016.

**FY2017 DELIVERABLES**

- Criminal Investigations Unit to maintain a case closure rate above 80% (86% for 2015).
- Communications Unit will answer approximately 50,000 telephone calls and dispatch over 24,000 calls for service.
  - Maintain a criminal warrant file containing approximately 400 warrants
  - Conduct computer records checks for 8,000 vehicles and 8,500 drivers
- The Records Unit will conduct data entry and manage:
  - Over 200 Criminal Warrants
  - Over 4,000 Traffic Citations
  - Over 3,500 Parking Tickets
- Maintain certifications for all department personnel through mandatory in-service retraining as established by Virginia Department of Criminal Justice Services.

**PRIORITIES FOR FUTURE FUNDING**

- Increase Records Staff by 1 FTE – Administrative Assistant \$50,000. Due to the staff reduction in 2010 and 2011, there is only one Records Clerk. As a result, in calendar year 2015, the Records window had to remain closed 22% of the total business hours it should have been open to the public.

**ADOPTED POSITIONS BY FTE – 15.00 TOTAL**

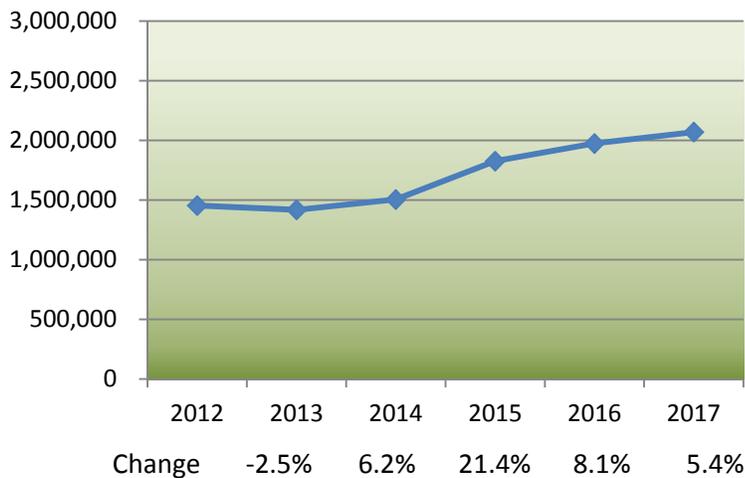
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|---------------------------------|--|
| • 1.00 Deputy Chief/Major       | • 2.00 Sergeant - Investigations       |
| • 1.50 Lieutenants              | • 0.75 Community Services Officer      |
| • 4.00 Investigators            | • 2.75 Crossing Guards                 |
| • 1.00 School Resource Officer  | • 1.00 Senior Administrative Assistant |
| • 1.00 Administrative Assistant |  |

Police Services

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 1,176,349	\$ 1,109,326	\$ 1,204,774	8.60%
Benefits	548,558	491,784	494,328	0.52%
Professional and Contractual	199,946	247,313	245,057	-0.91%
Materials, Supplies, and Other	178,293	126,115	136,060	7.89%
Capital Outlay	26,858	-	-	0.00%
<b>Total Expenditures</b>	<b>2,130,004</b>	<b>1,974,538</b>	<b>2,080,219</b>	<b>5.35%</b>
<b>Revenues</b>				
Charges for Services	1,273	1,000	1,000	0.00%
Federal Grants	46,845	-	-	0.00%
<b>Net Expenditures Supported by General Revenues</b>	<b>\$ 2,081,886</b>	<b>\$ 1,973,538</b>	<b>\$ 2,079,219</b>	<b>5.35%</b>

**BUDGET TREND: FY2012 - 2017**



- Notes:**
- The increase in materials and supplies is due to an increase in telecommunications services and replacement equipment.
  - The increase in salaries and wages for FY2016 is due to a realignment of supervisory responsibilities and reassignment of personnel.

## POLICE DEPARTMENT - DISPATCH

### SUMMARY OF SERVICES PROVIDED

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

The Dispatch Center answers over 50,000 emergency and non-emergency telephone calls and dispatches more than 25,000 calls for service, annually. In addition, the dispatch center maintains the criminal warrant file system that handles approximately 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 FY2017

- Text to 911 will begin in March 2016 in Arlington's Emergency Communications Center and will be added in the Falls Church Communications Center by the beginning of FY17. It is anticipated that this will only add to the volume of calls/complaints received.

### FY2017 DELIVERABLES

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

### PRIORITIES FOR FUTURE FUNDING

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

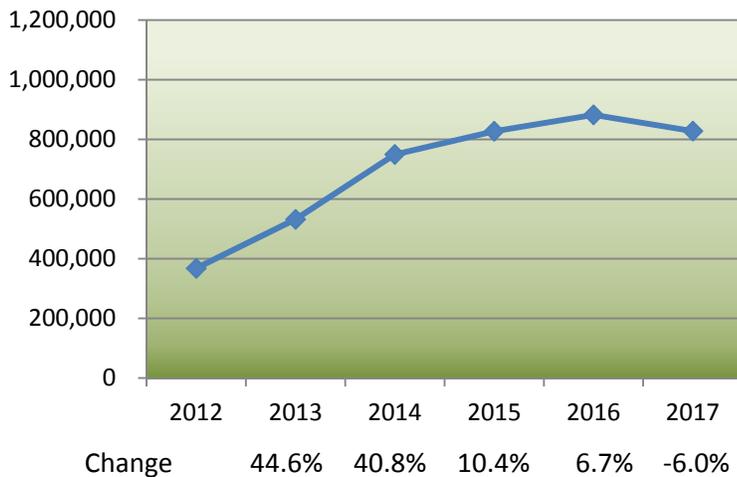
### ADOPTED POSITIONS BY FTE – 6.00 TOTAL

- 6.00 Emergency Communications Technicians

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 301,272	\$ 297,068	\$ 306,867	3.30%
Benefits	103,876	103,512	89,022	-14.00%
Professional and Contractual	410,289	481,767	433,460	-10.03%
Materials, Supplies, and Other	500	35	-	-100.00%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 815,937</b>	<b>\$ 882,382</b>	<b>\$ 829,349</b>	<b>-6.01%</b>

**BUDGET TREND: FY2012 - 2017**



**Notes:**

- Beginning in FY2013, the City and Arlington County renegotiated public safety services contracts, resulting in changes to the allocation costs of their E911 services.
- The overall decrease for FY17 is due to an adjustment in our 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.

### SIGNIFICANT CHANGES IN FY2017

- No significant changes are anticipated for FY17.

### FY2017 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 approaching the \$60,000 mark for 2015.

### ADOPTED POSITIONS BY FTE – 0 TOTAL

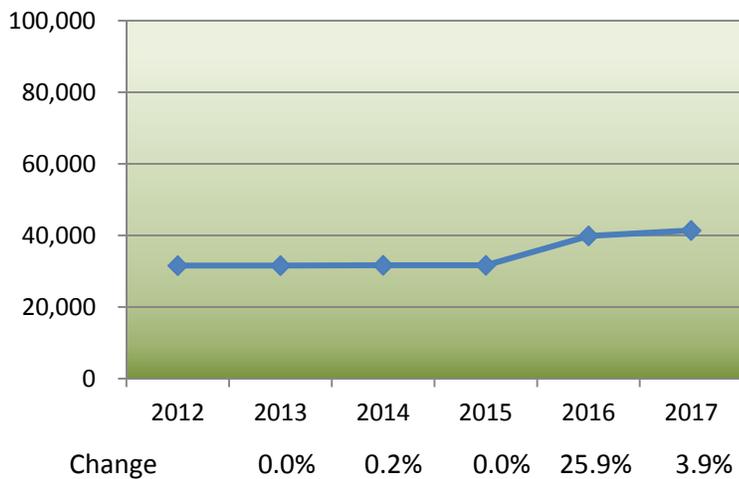
- The position of 0.40 Animal Control Officer is a part-time temporary position.

**Animal Control**

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 37,695	\$ 35,472	\$ 36,536	3.00%
Benefits	3,411	3,119	3,306	6.00%
Professional and Contractual	3,675	1,213	1,500	23.66%
Materials, Supplies, and Other	-	25	25	0.00%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 44,780</b>	<b>\$ 39,829</b>	<b>\$ 41,367</b>	<b>3.86%</b>

**BUDGET TREND: FY2012 - 2017**



**Notes:**

- No significant change to the Animal Control budget for FY2017.

## 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

- Nationally and regionally, there is a growing demand for Emergency Management to be the focus for planning, preparing and coordination for law enforcement's response to coordinated threats to the community.
- Locally there are greater requests to OEM from the community including Faith-Based, NGO's, Daycare facilities and businesses to assist in training and advice on preparing for Active Violence Events.
- Community resilience is reviewed during the plan review process for new construction projects.
- 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 FY2017

- Increased demand to coordinate the planning and preparation for a regional response to all threats with an emphasis terrorism and coordinated acts of violence. Emergency Management has been identified as the source to regionalize this approach.

**Emergency Management**

**FY2017 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.
- Continue to try to meet the training demand for Run-Hide-Fight program.

**PRIORITIES FOR FUTURE FUNDING**

- See Future Funding under Fire Marshal.

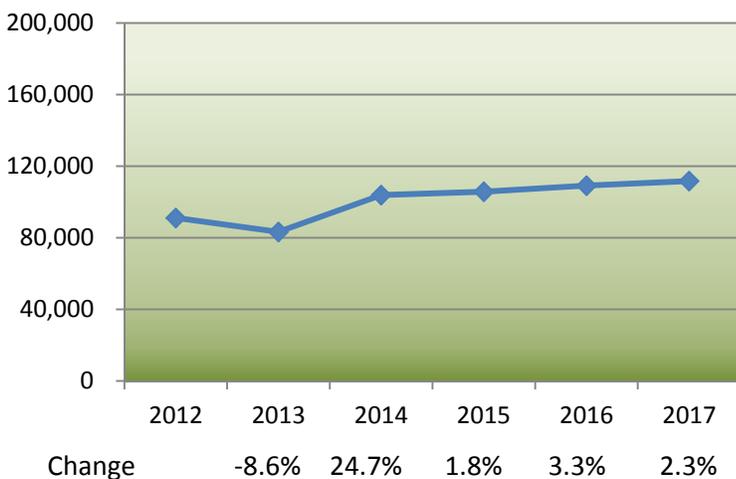
**ADOPTED POSITIONS BY FTE – 0.50 TOTAL**

- 0.50 Emergency Management Coordinator

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 56,974	\$ 56,479	\$ 59,385	5.15%
Benefits	22,987	22,254	21,887	-1.65%
Materials, Supplies, and Other	10,430	14,784	14,716	-0.46%
Capital Outlay	15,627	15,627	15,627	0.00%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 106,018</b>	<b>\$ 109,144</b>	<b>\$ 111,615</b>	<b>2.26%</b>

**BUDGET TREND: FY2012 – 2017**



**Notes:**

- No significant change to the Emergency Management budget for FY2017.

## FIRE MARSHAL

**SUMMARY OF SERVICES PROVIDED**

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

The Fire Marshal is also charged with investigations involving fire and explosions as well as environmental crimes. There were five fires reported with an estimated fire loss (CY2015) of over \$1,700,000 which includes one explosion that seriously injured three. 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.

<b>Fire Inspection Program</b>	<b>INSPECTIONS</b>	<b>PERMITS</b>	<b>VIOLATIONS</b>	<b>REVENUE</b>
CY 2015	290	280	1036	\$62,290
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**

- The addition of the Part-Time Fire Inspector has proven to be a success by accomplishing 100 percent of the inspectable businesses that meet the criteria for annual inspections and permits under the Virginia Statewide Fire Prevention Code. This also shows an increase in revenue for CY2015 resulting in this program.
- Growth will continue to have a high demand on the Fire Inspection Program for existing structures. As new mixed use structures replace single use occupancies the density increases resulting in the need for increase annual inspections and permits required by the Fire Code.
- The addition of new construction projects includes a plan review process under the Statewide Fire Prevention Code. As these projects increase, so does the demand for plan reviews.

**SIGNIFICANT CHANGES IN FY2017**

- 2015 showed a success by accomplishing 100 percent of the inspectable businesses that meet the criteria for annual inspections and permits under the Virginia Statewide Fire Prevention Code. This was only possible by the hiring of the part-time Fire Inspector.

**Fire Marshal**

- There is an increasing need for support staff to support the workload for administration of the fire inspection program, the issuance of Fire Permits, and the organization of plan review.

**FY2017 DELIVERABLES**

- The Part-Time Fire Inspector will continue to target the inspection of 100% of the City’s inspectable properties

**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.

**ADOPTED POSITIONS BY FTE – 0.50 TOTAL**

- 0.50 Fire Marshal

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 68,340	\$ 87,842	\$ 91,723	4.42%
Benefits	24,327	24,678	21,934	-11.12%
Materials, Supplies, and Other	5,487	9,683	9,683	0.00%
<b>Total Expenditures</b>	<b>98,153</b>	<b>122,203</b>	<b>123,340</b>	<b>0.93%</b>
<b>Revenues</b>				
Charges for Services	58,905	45,000	80,000	77.78%
Use of Building Fee Reserves	-	35,000	-	-100.00%
<b>Total Revenues</b>	<b>58,905</b>	<b>80,000</b>	<b>80,000</b>	<b>0.00%</b>
<b>Net Expenditures Supported by General Revenues</b>	<b>\$ 39,248</b>	<b>\$ 42,203</b>	<b>\$ 43,340</b>	<b>2.69%</b>

**BUDGET TREND: FY2012 – 2017**



**Notes:**

- No significant change in FY2017.

## FIRE AND RESCUE SERVICES

**SUMMARY OF SERVICES PROVIDED**

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

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

The budget shown below also includes \$35,150 grant to the Falls Church Volunteer Fire Department as well as payment towards the Virginia Line-of-Duty-Act fund for the volunteers.

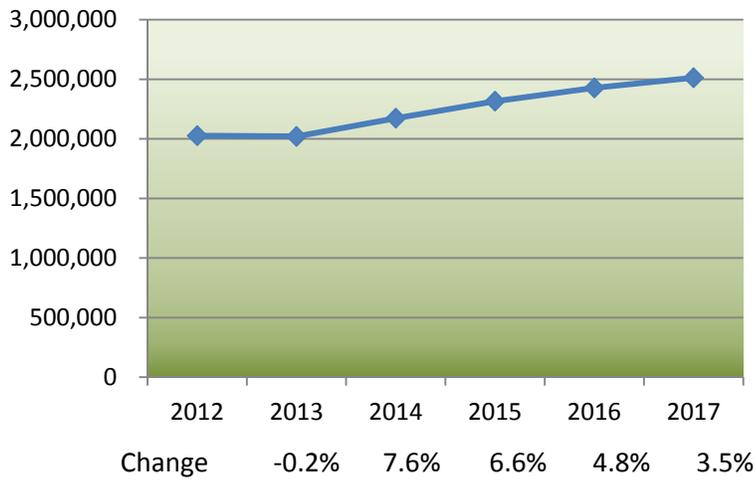
**ADOPTED POSITIONS BY FTE – 0.00 TOTAL**

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

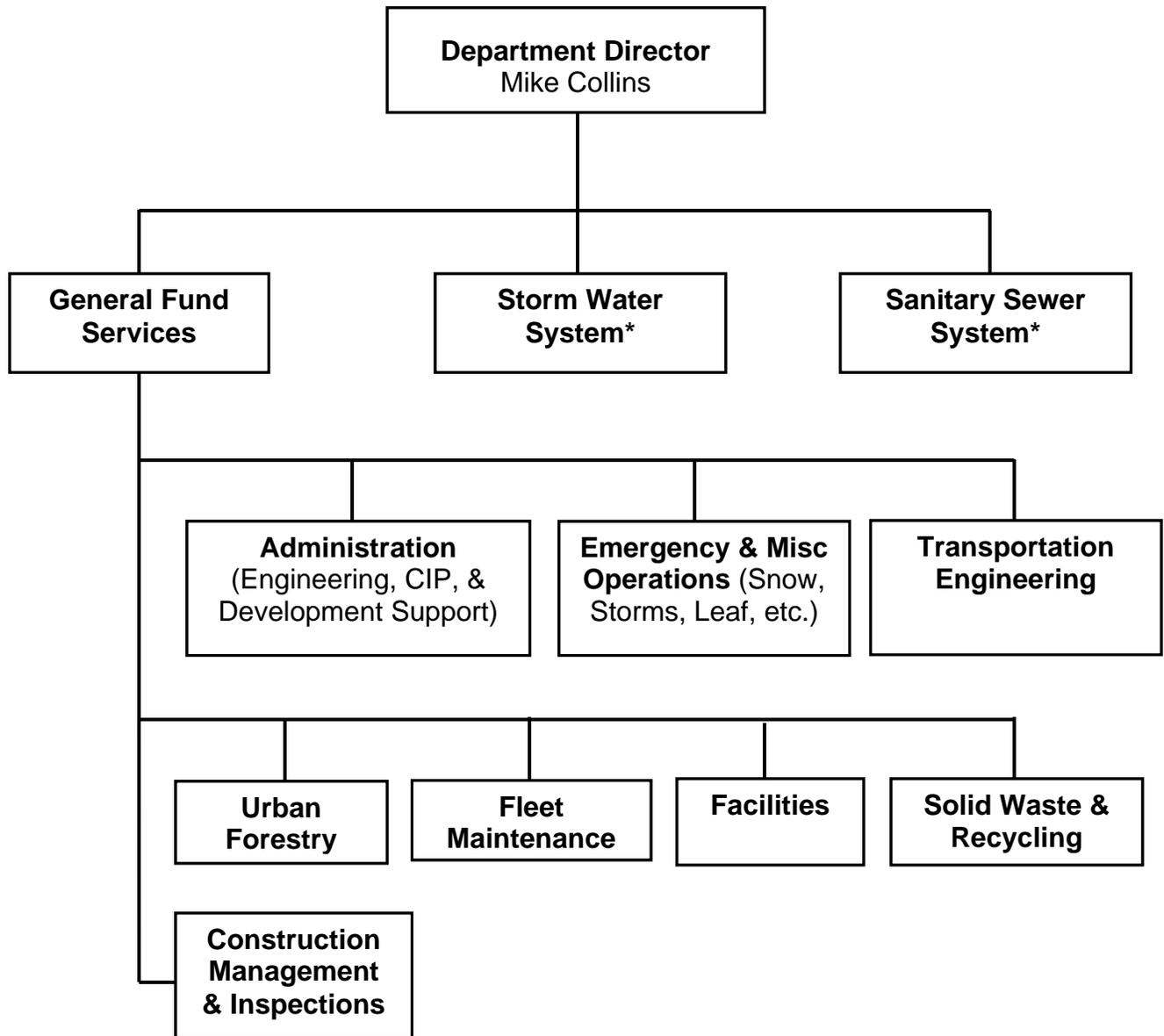
**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Benefits	\$ 4,540	\$ 4,600	\$ 4,994	8.57%
Professional and Contractual	2,304,867	2,385,784	2,158,538	-9.53%
Materials, Supplies, and Other	50,424	37,000	44,300	19.73%
Total Expenditures	2,359,831	2,427,384	2,512,214	3.49%
Revenues				
State Grants	55,698	-	56,450	-
Charges for Services	345,444	120,000	146,000	21.67%
Total Revenues	401,141	120,000	202,450	68.71%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 1,958,690</b>	<b>\$ 2,307,384</b>	<b>\$ 2,309,764</b>	<b>0.10%</b>

**BUDGET TREND: FY2012 - 2017**



# DEPARTMENT OF PUBLIC WORKS



\*The Department of Public Works also manages the Sanitary Sewer Fund and the Stormwater Fund, which are enterprise funds that have their own separate budgets, as well as many projects in the Capital Improvements Program. The Sanitary Sewer Fund budget can be found on page 227. The Stormwater Fund budget can be found on page 237. The CIP Funds budgets begin on page 263.

## 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 FY2017

- Reduction in engineering support was necessary to accommodate operational needs and software/technology needs

### FY2017 DELIVERABLES

- (2) Attendees for APWA Mid-Atlantic Conference

### PRIORITIES FOR FUTURE FUNDING

1. Sr. Systems Eng. (\$30,000): Proposed new FTE shared with DDS to coordinate with IT and implement technology improvements focused around Development Review & Permitting and GIS
2. Replacement of Plotter (\$12,000): DPW's existing plotter dates will be out of warranty in FY2017.

### ADOPTED POSITIONS BY FTE – 2.32TOTAL

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 428,359	\$ 293,945	\$ 243,035	-17.32%
Benefits	146,995	91,294	62,697	-31.32%
Professional and Contractual	7,243	31,500	10,750	-65.87%
Materials, Supplies, and Other	44,502	32,450	46,040	41.88%
Capital Outlay	6,552	4,500	2,500	-44.44%
<b>Total Expenditures</b>	<b>633,652</b>	<b>453,689</b>	<b>365,022</b>	<b>-19.54%</b>
<b>Revenues</b>				
Licenses, Fees, and Permits	212,546	215,000	221,500	3.02%
Charges for Services	7,273	10,000	4,000	-60.00%
Fines	3,300	10,000	5,000	-50.00%
<b>Total Revenues</b>	<b>223,119</b>	<b>235,000</b>	<b>230,500</b>	<b>-1.91%</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 410,533</b>	<b>\$ 218,689</b>	<b>\$ 134,522</b>	<b>-38.49%</b>

**ADOPTED BUDGET TREND: FY2012-2017**



**Notes:**

- 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.
- FY2017 reflects the transfer of one FTE position to Finance Department.

## 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

### FY2017 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

### ADOPTED POSITIONS BY FTE – 1.50 TOTAL

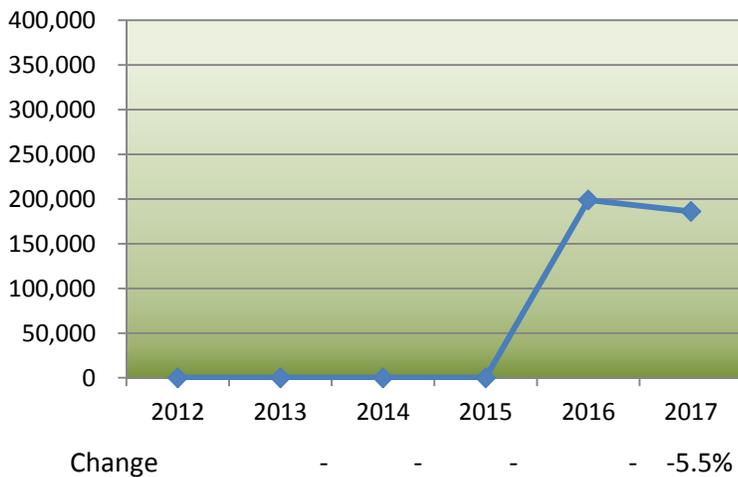
- 0.50 Construction Management Supervisor
- 1.00 Civil Engineering Inspector

Construction Management

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
<b>Expenditures</b>				
Salaries and Wages	\$ 1,349	\$ 109,930	\$114,041	3.74%
Benefits	272	39,412	41,010	4.05%
Professional and Contractual	-	34,000	19,000	-44.12%
Materials, Supplies, and Other	145	15,550	13,860	-10.87%
Capital Outlay	-	-	-	0.00%
Reserves	-	-	-	0.00%
<b>Total Expenditures</b>	<b>1,766</b>	<b>198,892</b>	<b>187,911</b>	<b>-5.52%</b>
<b>Revenues</b>				
Charges for Services	-	20,000	10,000	-50.00%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 1,766</b>	<b>\$ 198,892</b>	<b>\$187,911</b>	<b>0.00%</b>

**ADOPTED BUDGET TREND: FY2012-2017**



## TRANSPORTATION ENGINEERING

### SUMMARY OF SERVICES PROVIDED

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

- 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 and recommending improvements for development plans and transportation impact studies
- 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 FY2017

- The Paving Program Budget (\$270,000) was moved from 4102 to this cost center
- \$45,000 was provided for new pavement markings, signage, and crosswalk improvements

### FY2017 DELIVERABLES

- Preventative maintenance for all traffic signals
- 2 traffic signal cabinets and 4 streetlight replacements
- Approximately ½ mile of milling and paving along residential streets
- 2-3 marked crosswalks with new curb ramps

### PRIORITIES FOR FUTURE FUNDING

- Concrete Maintenance (\$400,000): Necessary annual funding to establish a 25 year replacement cycle for our concrete infrastructure, and fund a position to manage the program. Initial "catch-up" costs would likely be somewhat higher.
- 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.
- Infrastructure Management Engineer (\$120,000): A dedicated staff position for managing and maintaining the infrastructure systems listed above

**Transportation Engineering**

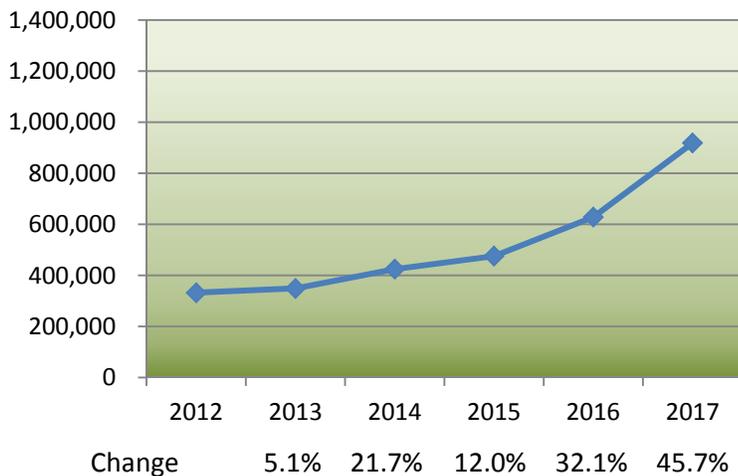
**ADOPTED POSITIONS BY FTE – 1.60 TOTAL**

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 155,671	\$ 148,485	\$ 154,905	4.32%
Benefits	48,911	41,215	52,683	27.82%
Professional and Contractual	116,192	150,000	485,000	223.33%
Materials, Supplies, and Other	177,504	288,540	222,925	-22.74%
Capital Outlay	134,730	-	-	0.00%
<b>Total Expenditures</b>	<b>633,007</b>	<b>628,240</b>	<b>915,513</b>	<b>45.73%</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 633,007</b>	<b>\$ 628,240</b>	<b>\$ 915,513</b>	<b>0.00%</b>

**BUDGET TREND: FY2012-2017**



**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.
- FY2017 increase is due to the transfer of paving costs to this cost center from Highways, Streets, & Sidewalks.

## 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 program performs extensive public outreach and organizes/staffs special events including:

- Spring & Fall Recycling Extravaganza;
- Household Hazardous Waste;
- Spring & Fall Community Clean-Up;
- Spring Mulch Distribution;
- Composting Workshops; and
- School and community outreach including FCCPS recycling presentations, field trips to the waste transfer station, and tours/presentations for community groups.

### TRENDS AND ISSUES

- The City's recycling rate has consistently ranked in the top tier of Virginia jurisdictions, fluctuating between 60% and 70% annually. The latest data (from CY 2014) had the City ranked #1 in the state at 66%.
- Contract costs have continued to increase. In FY2016, solid waste disposal fees increased 3.7% (annual impact ~\$4,000) and Recycling Center hauling costs increased 66% (annual impact ~\$18,000).
- Recycling revenues have declined \$72,000 since FY20123 as a result of market changes, contract costs, and fluctuating volume.
- Food waste continues to represent one of the largest fractions of solid waste in Falls Church, and in 2015, the EPA acknowledged its priority by announcing the nation's first food waste reduction goals. Regional composting capacity – formerly a barrier to program development – has increased since 2013. Food waste diversion will remain a high priority and high impact arena to achieve the goals outlined in the City's Solid Waste Management Plan.

### SIGNIFICANT CHANGES IN FY2017

- The Environmental Coordinator position has taken several responsibilities, including staffing of the Environmental Services Council, and allowed the Solid Waste Coordinator to focus upon specific Solid Waste program improvements
- The recycling market continues to decline due to low oil prices, decreased demand for building products in global markets, and environmental regulations
- The Recycling Center hauling contract increased by \$18,000 in FY16, and the residential waste hauling contract is expected to increase \$18,000 during FY17

**Solid Waste & Recycling**

**FY2017 DELIVERABLES**

- See services above

**PRIORITIES FOR FUTURE FUNDING**

1. Compost programs (\$25,000): The Solid Waste Program piloted a food waste collection station at the farmers market in FY2016. After five months, 11 tons were composted and an average of 100 people visited the collection station each Saturday to discuss composting and/or participate. Funding will grow citywide compost programs including a permanent drop off location, curbside pickup, and commercial/multi-family pilots.
2. Expanding recycling options at the City’s Recycling Center (\$10,000): The public recycling center of the leading jurisdiction in Virginia should be emblematic of innovative recycling options. This funding will expand current offerings from items accepted in a curbside cart to hard-to-recycle items such as expanded polystyrene foam, plastic bags, etc.
3. Expanded education and outreach programs (\$5,000): Sustained public outreach is critical to achieving waste diversion goals outlined in the City’s Solid Waste Management Plan. This funding includes outreach programs directed to the City’s business and multi-family community who generate 60% of the City’s waste but have not traditionally been targets of such programs.
4. Additional Household Hazardous Waste (HHW) Event (\$12,000): 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.

**ADOPTED POSITIONS BY FTE – 1.00 TOTAL**

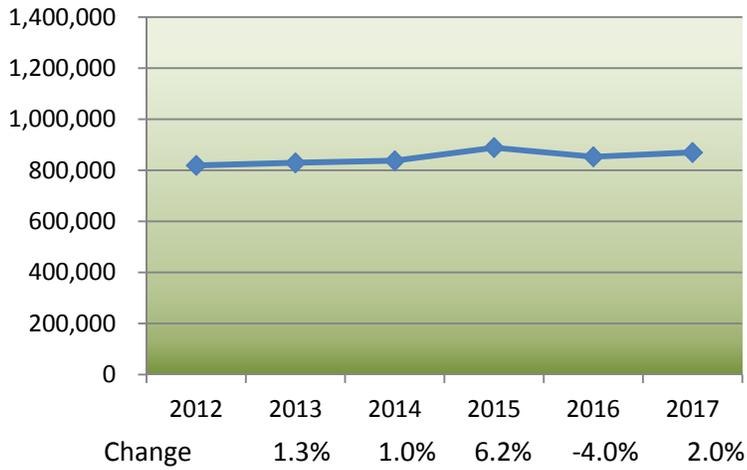
- 1.00 Solid Waste Programs Coordinator

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 81,577	\$ 76,680	\$ 85,589	11.62%
Benefits	24,484	23,968	22,668	-5.42%
Professional and Contractual	674,132	731,427	748,094	2.28%
Materials, Supplies, and Other	21,539	16,015	13,872	-13.38%
Capital Outlay	6,357	5,000	-	-100.00%
<b>Total Expenditures</b>	<b>808,088</b>	<b>853,090</b>	<b>870,223</b>	<b>2.01%</b>
Revenues				
State Grants	12,189	7,200	6,500	-9.72%
Charges for Services	78,332	82,000	72,000	-12.20%
<b>Total Revenues</b>	<b>90,521</b>	<b>89,200</b>	<b>78,500</b>	<b>-12.00%</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 717,567</b>	<b>\$ 763,890</b>	<b>\$ 791,723</b>	<b>3.64%</b>

Solid Waste & Recycling

ADOPTED BUDGET TREND: FY2012-2017



Notes:

- FY2015 reflects increasing hauling, handling, and disposal costs; and decreasing revenues from Recycling.
- FY2016 reflects less drastic reduction in recycling revenues and increases in contract costs than had been anticipated for FY2015.

## HIGHWAYS, STREETS, & SIDEWALKS

### SUMMARY OF SERVICES PROVIDED

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

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

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

### 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
- The cost of maintain the nearly 20 year old backhoes is becoming excessive.

### SIGNIFICANT CHANGES IN FY2017

- The Annual Paving program (\$270,000) was relocated to the Transportation Engineering cost center

### FY2017 DELIVERABLES

- Replacement of approximately 300 feet of curb, gutter, and sidewalk (0.1% of city's inventory)
- Specialized equipment training for crews
- Refresh of 1/3 of city's crosswalks and stop bars

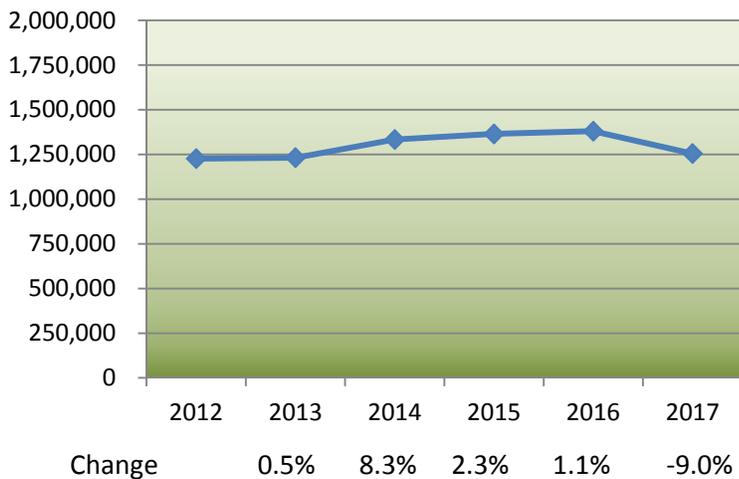
**ADOPTED POSITIONS BY FTE – 10.85 TOTAL**

- 0.25 Superintendent of Public Works
- 0.20 Asst. Superintendent
- 0.40 Sr. Administrative Assistant
- 2.00 Senior Maintenance
- 2.00 Crew Leader
- 5.00 Maintenance Worker
- 1.00 Equipment Operator
- Salary from this cost center is allocated to Storm 4121, Snow 4105, and Leaf Collection 4205

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 390,041	\$ 493,601	\$ 505,665	2.44%
Benefits	187,692	211,057	181,791	-13.87%
Professional and Contractual	112,533	386,340	111,340	-71.18%
Materials, Supplies, and Other	332,079	288,385	306,715	6.36%
Capital Outlay	158,352	-	150,000	-
<b>Total Expenditures</b>	<b>1,180,697</b>	<b>1,379,383</b>	<b>1,255,511</b>	<b>-8.98%</b>
<b>Revenues</b>				
Charges for Services	3,169	-	2,500	-
State Grants	621,673	691,160	736,319	6.53%
<b>Total Revenues</b>	<b>621,673</b>	<b>691,160</b>	<b>736,319</b>	<b>6.53%</b>
<b>Net Expenditures Supported by General Revenues</b>	<b>\$ 559,025</b>	<b>\$ 688,223</b>	<b>\$ 519,192</b>	<b>-24.56%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

- 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
- FY2017 reduction due to transfer of paving funds to Transportation Engineering Cost Center

## 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 inhibit the formation of ice on our streets. DPW tries to apply the minimum amount of salt necessary to establish safe conditions with each event in order to minimize the salt’s effects upon the City’s trees and streams. Crews plow and/or treat 72 lane miles with each complete pass through the City.

**TRENDS AND ISSUES**

- Aging backhoes and appurtenances (salt spreaders and plows) require significant investment to maintain
- The frequency and intensity of storms seems to be increasing

**FY2017 DELIVERABLES**

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

**ADOPTED POSITIONS BY FTE – 0.00 TOTAL**

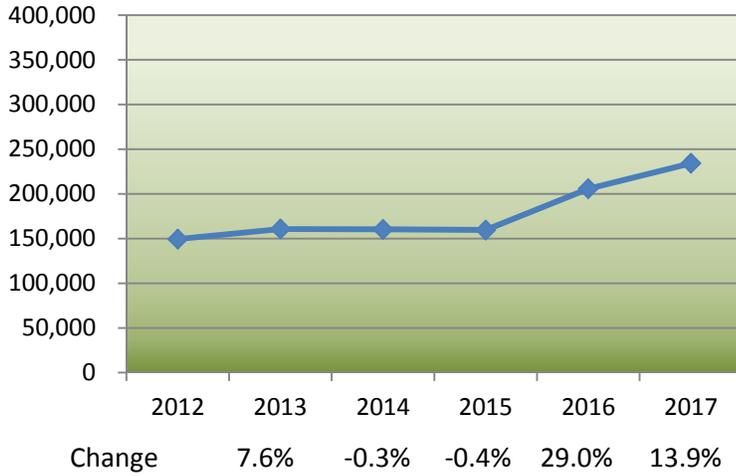
- Employees are assigned from the Highways, Streets and Sidewalks crews as needed.

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 115,633	\$ 57,425	\$ 65,952	14.85%
Benefits	25,241	15,155	16,733	10.41%
Professional and Contractual	7,720	11,100	11,500	3.60%
Materials, Supplies, and Other	113,022	102,000	100,000	-1.96%
Capital Outlay	32,113	20,000	40,000	100.00%
Total Expenditures	293,728	205,680	234,185	13.86%
Revenues				
State Grants	254,239	176,680	185,185	4.81%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 39,489</b>	<b>\$ 29,000</b>	<b>\$ 49,000</b>	<b>68.97%</b>

Snow and Ice Removal

**BUDGET TREND: FY2012-2017**



**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.
- FY2017 includes the purchase of a spreader rack.

## 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

**FY2017 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.

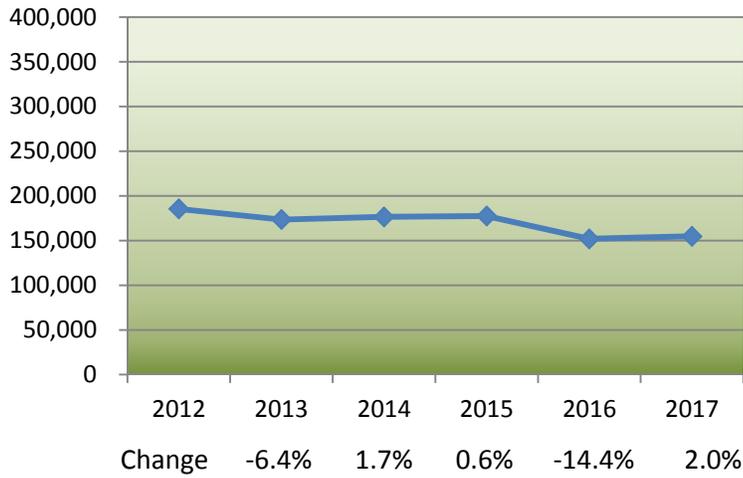
**ADOPTED POSITIONS BY FTE – 0.00 TOTAL**

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 86,574	\$ 95,200	\$ 80,200	-15.76%
Benefits	33,629	32,645	24,688	-24.37%
Professional and Contractual	11,285	-	30,000	-
Materials, Supplies, and Other	18,739	24,000	20,000	-16.67%
<b>Total Expenditures</b>	<b>150,228</b>	<b>151,845</b>	<b>154,888</b>	<b>2.00%</b>
Revenues				
State Grants	108,963	117,160	115,688	-1.26%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 39,489</b>	<b>\$ 29,000</b>	<b>\$ 9,000</b>	<b>-68.97%</b>

**BUDGET TREND: FY 2012-2017**



**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 and Barn
- Gage House
- Aurora House
- Property Yard Admin and Fleet Maintenance Shop (7100 Gordon Road)
- Property Yard Warehouse (Fairfax Water Lease Space – 217 Gordon Road)
- Property Yard B (7111 Gordon Road)
- Homeless Shelter
- Fire Station #6 (owned by Falls Church, routine maintenance by Arlington County)

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

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

### TRENDS AND ISSUES

- Critical strategic decisions must be made regarding maintenance and/or replacement of existing building components at City Hall and the Library – facilities which are expected to be substantially renovated in the coming years
- Operation and maintenance of the proposed Library parking garage would add significant funding obligations to the General Services

### SIGNIFICANT CHANGES IN FY2017

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

### FY2017 DELIVERABLES

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

**PRIORITIES FOR FUTURE FUNDING**

- Continued investment in the Capital Replacement of facilities

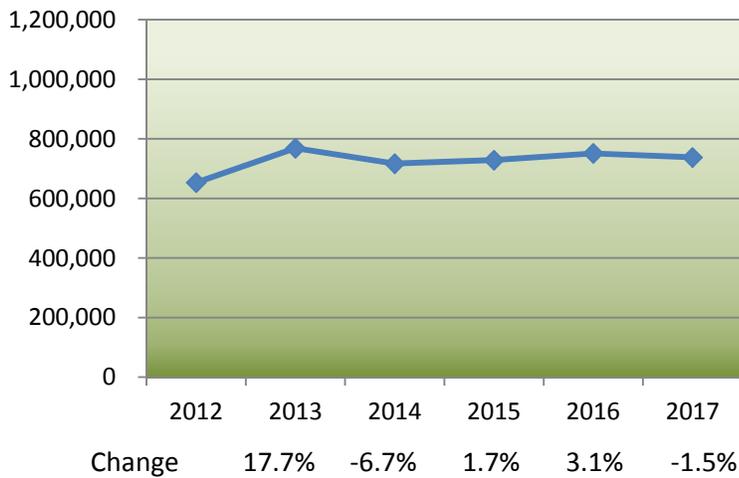
**ADOPTED POSITIONS BY FTE – 1.85 TOTAL**

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

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 146,199	\$ 139,265	\$ 143,487	3.03%
Benefits	56,168	49,323	53,120	7.70%
Professional and Contractual	399,138	392,000	377,000	-3.83%
Materials, Supplies, and Other	159,337	170,550	166,250	-2.52%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 766,866</b>	<b>\$ 751,138</b>	<b>\$ 739,857</b>	<b>-1.50%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

- 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.

**TRENDS AND ISSUES**

- Aging equipment and vehicles

**FY2017 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

**ADOPTED POSITIONS BY FTE – 4.00 TOTAL**

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

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 263,213	\$ 274,527	\$ 279,446	1.79%
Benefits	110,506	105,508	98,479	-6.66%
Professional and Contractual	111,730	108,650	103,650	-4.60%
Materials, Supplies, and Other	2,752	(40,277)	(4,796)	-88.09%
Total Expenditures	488,199	448,408	476,779	6.33%
Revenues				
Charges for Services	296,050	259,500	264,500	1.93%
<b>Net Expenditures Supported by General Revenues</b>	<b>\$ 192,150</b>	<b>\$ 188,908</b>	<b>\$ 212,279</b>	<b>12.37%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

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

### TRENDS AND ISSUES

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

### FY2017 DELIVERABLES

- Trunk lighting of the trees in the 100 & 200 blocks of West Broad Street
- At least monthly servicing of the commercial streetscape installations (landscape maintenance, litter removal, etc.)

**PRIORITIES FOR FUTURE FUNDING**

1. 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.

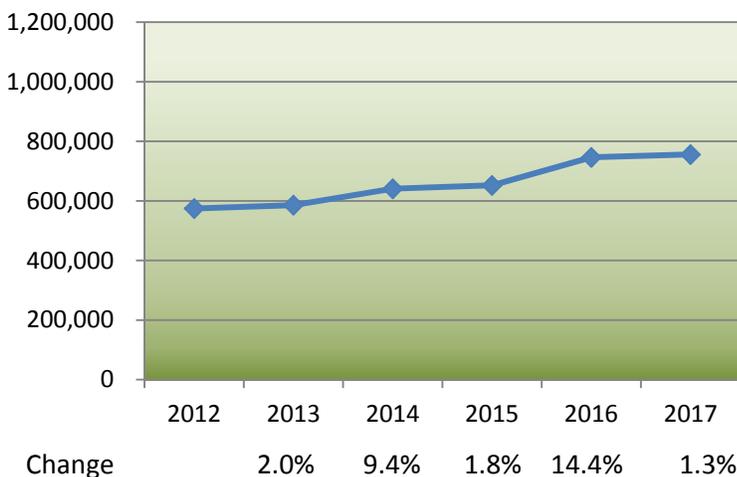
**ADOPTED POSITIONS BY FTE – 4.00 TOTAL**

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

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
<b>Expenditures</b>				
Salaries and Wages	\$ 254,276	\$ 245,883	\$ 252,510	2.70%
Benefits	98,946	93,034	90,566	-2.65%
Professional and Contractual	249,042	300,000	299,200	-0.27%
Materials, Supplies, and Other	113,952	107,150	113,139	5.59%
<b>Total Expenditures</b>	<b>716,216</b>	<b>746,067</b>	<b>755,415</b>	<b>1.25%</b>
<b>Revenues</b>				
Charges for Services	1,300	21,500	21,500	0.00%
Fines	5,000	1,000	5,000	400.00%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 711,216</b>	<b>\$ 745,067</b>	<b>\$ 750,415</b>	<b>0.72%</b>

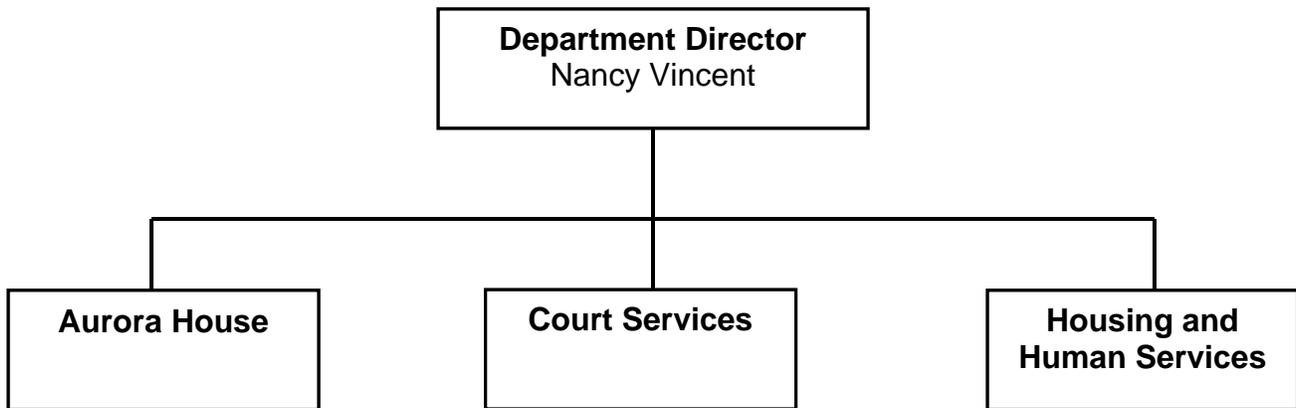
**BUDGET TREND: FY2012-2017**



**Notes:**

- 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 or who are referred through the Comprehensive Services Act programs for children with serious emotional or behavioral issues. The Group Home has capacity for 12 and serves the Cities of Falls Church and Alexandria as well as Arlington and Fairfax Counties. The City of Falls Church administers the program and receives revenue for its operation from participating jurisdictions based on their proportionate use.

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

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

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

### TRENDS AND ISSUES

- Utilization has increased during the first two quarters of FY 2016.
- Needs of clients continue to change with increasing cases with mental health needs and issues, decrease in delinquency cases
- Aurora house has been increasingly providing transitional/step down and reintegration services for children leaving treatment centers

### SIGNIFICANT CHANGES IN FY2017

- New standards will need to be implemented in FY 2017 requiring additional staff/resident training and facilities improvements. Specialized training will include investigations, medical, and mental health care
- An additional part-time Counselor will be hired to cover weekend shifts and to increase staff to client ratio when warranted

**FY2017 DELIVERABLES**

- Maintain or exceed a parental participation rate of 85%
- Maintain or exceed an annual utilization of 75%
- Maintain or exceed a 90% successful discharge rate
- Maintain or exceed an improvement rate of 75% in school attendance
- Maintain or reduce recidivism rate by 5%

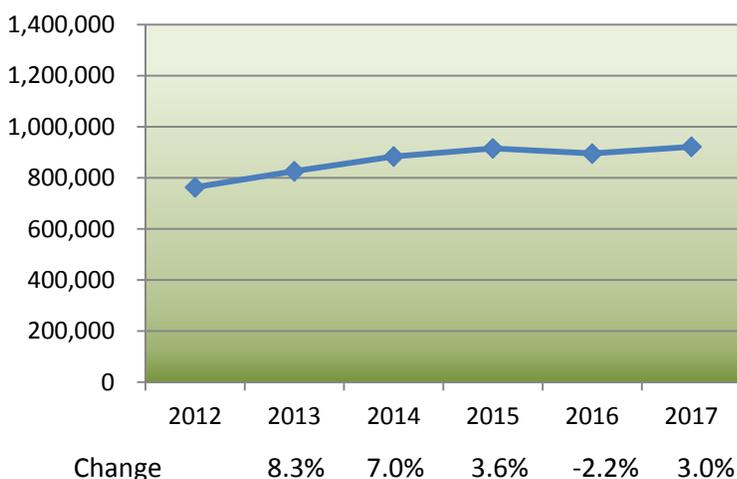
**ADOPTED POSITIONS BY FTE – 7.73 TOTAL**

- 0.10 Director of Human Services
  - 1.00 Group Home Manager
  - 1.00 Residential Supervisor
  - 4.00 Group Home Counselors
  - 0.63 Food Services Coordinator
  - 1.00 Senior Administrative Assistant
  - 0.50 Family Therapist/Clinician
- Temporary staff are employed as relief counselors.

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 566,807	\$ 598,679	\$ 631,872	5.54%
Benefits	172,294	179,635	162,847	-9.35%
Professional and Contractual	15,182	15,900	14,000	-11.95%
Materials, Supplies, and Other	88,223	100,930	93,050	-7.81%
Capital Outlay	18,345	-	20,000	-
<b>Total Expenditures</b>	<b>860,851</b>	<b>895,144</b>	<b>921,769</b>	<b>2.97%</b>
<b>Revenues</b>				
Federal Grants	2,077	2,000	2,100	5.00%
State Grants	117,007	120,679	120,679	0.00%
Charges for Services	689,598	681,739	455,085	-33.25%
Other Grants and Contributions	699	5,000	5,000	0.00%
<b>Total Revenues</b>	<b>809,381</b>	<b>809,418</b>	<b>582,864</b>	<b>-27.99%</b>
<b>Net Expenditures Supported by General Revenues</b>	<b>\$ 51,470</b>	<b>\$ 85,726</b>	<b>\$ 338,905</b>	<b>295.34%</b>

**BUDGET TREND: FY2012-2017**



**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 Detention 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. Competency development is achieved through a variety of services that build positive skills and cognitive abilities that allow juveniles to become law-abiding members of the community upon their release from supervision. The community safety component is accomplished through the use of community supervision and/or secure confinement. Finally, a structured system of incentives and graduated sanctions is used to ensure accountability.

### TRENDS AND ISSUES

- In fiscal years 2013 and 2014, we saw an increase in the number of petitions filed. In fiscal year 2015, the number of petitions decreased by 7 percent. We anticipate a continued decline in the number of petitions that will be filed by the intake officer in FY2017.
- More cases are being diverted from the court system which accounts for the decline in the number of petitions filed. This is in accordance with Department of Juvenile Justice guidance.
- The number of youth with substance abuse disorders rose approximately 42% over the previous year
- The number of youth diagnosed with mental health disorders has risen by 33% over the previous year.

### SIGNIFICANT CHANGES IN FY2017

- The City has begun an electronic monitoring program for juvenile offenders in order to divert children from being sent to the Detention Center.

### FY2017 DELIVERABLES

- The intake officer will prepare and file approximately 103 petitions with the Clerk of the Court in FY2017. These will include 57 misdemeanor, 3 felony, 6 truancy, 3 child abuse and neglect complaints, 7 child custody petitions, 7 child support petitions, 3 adult protective orders, and 17 juvenile probation violations
- Work with the schools to identify at risk youth in danger of involvement with the juvenile justice system

**Court Services**

- Follow best practices on effectively managing juveniles with substance abuse (21 youth) and mental health issues (12 youth)
- Use the electronic monitoring system for juvenile offenders when appropriate. The typical cost is \$2.50 per day compared to an average cost of \$214.81 per day to house a juvenile in the Northern Virginia Juvenile 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 10 percent
- At least 75 percent of all adult cases will successfully complete probation, and the recidivism rate, within one year, among adults will be no greater than 20 percent
- Staff is working with the Falls Church City Public Schools to identify those juveniles involved with substance abuse and provide services prior to any court involvement.

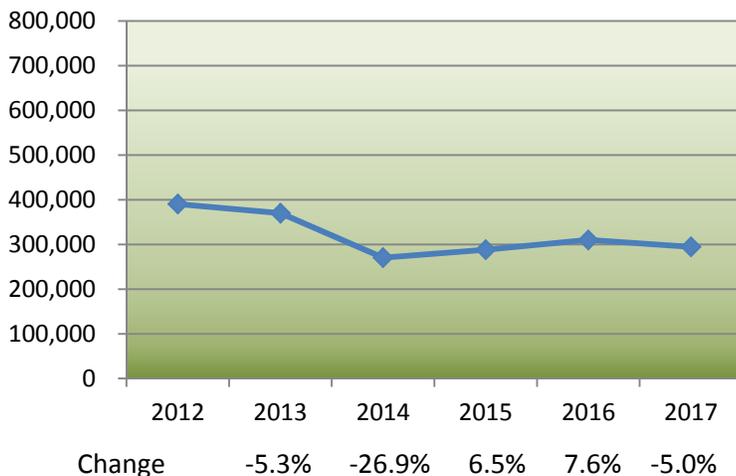
**ADOPTED POSITIONS BY FTE – 3.10 TOTAL**

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 197,343	\$ 205,460	\$ 184,950	-9.98%
Benefits	62,803	61,297	62,174	1.43%
Professional and Contractual	19,261	20,640	20,871	1.12%
Materials, Supplies, and Other	14,513	22,786	26,720	17.26%
<b>Total Expenditures</b>	<b>315,674</b>	<b>310,183</b>	<b>294,715</b>	<b>-4.99%</b>
Revenues				
State Grants	54,037	50,000	54,000	8.00%
<b>Total Revenues</b>	<b>54,037</b>	<b>50,000</b>	<b>54,000</b>	<b>8.00%</b>
<b>Net Expenditures Supported by General Revenues</b>	<b>\$ 261,637</b>	<b>\$ 260,183</b>	<b>\$ 240,715</b>	<b>-7.48%</b>

**BUDGET TREND: FY2012-2017**



**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 there will still be certain juvenile offenses that will require the detention facility.

	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Falls Church Juvenile Detention Bed Days:	265	41	93

The drop between FY2013 and FY2014 can be attributed to different forms of non-judicial sanctions. The increase between FY2014 and FY2015 can be attributed to multiple juveniles absconding from court ordered placements.

- 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 FY2017

- Northern Virginia Juvenile Detention Center (NVJDH): An increase in the City's financial contribution is a direct result of the reduction of federal assistance to the NVJDH and an increase in the number of days served by City youth.

### FY2017 DELIVERABLES

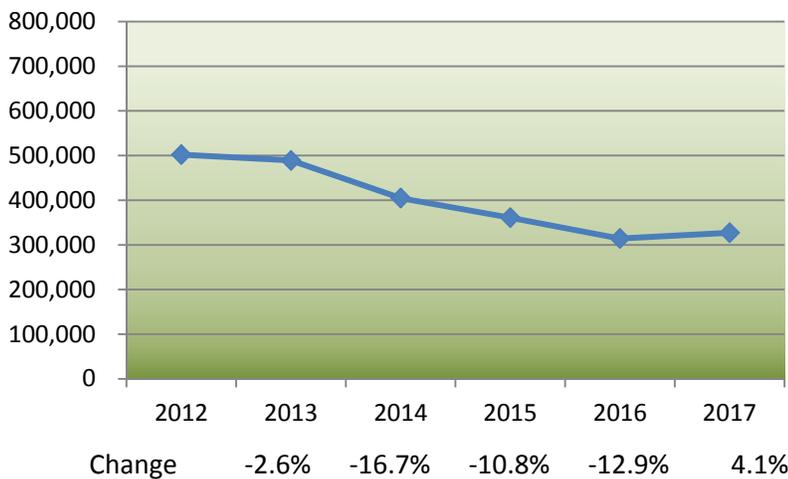
- 100% of juveniles who require mental health services receive them within a timely fashion.
- 85% of juveniles who require substance abuse services will complete them successfully.
- Utilizing other case management directives, the number of juvenile detention bed days in FY2017 is expected to remain under 125.
- Coordinate placement of one boy in the Argus House Boys' Group Home, two girls in Aurora House Girls' Group Home, approximately four youths in the Detention-Diversion Program, and refer 20 clients to perform community service through Offender Aid and Restitution (OAR).
- Through the Fairfax-Falls Church Comprehensive Services Act (CSA), arrange for approximately seven to ten youths to receive Home-Based counseling and psychological and psychiatric assessments, and one youth to enter residential treatment.
- Work with Northern Virginia Family Services and Recreation and Parks to provide mentoring to approximately 25 at-risk middle and high school youth.

**ADOPTED POSITIONS BY FTE – 0.00 TOTAL** (Services are Contracted with Arlington County)

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Professional and Contractual	\$ 309,044	\$ 314,230	\$ 326,971	4.05%
Revenues				
State Grants	-	-	-	0.00%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 309,044</b>	<b>\$ 314,230</b>	<b>\$ 326,971</b>	<b>4.05%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

- City use of Argus House boys group home has increased
- Reduction in federal funds increased the City's contribution to the Northern Virginia Juvenile Detention Center.

## JUVENILE & DOMESTIC RELATIONS COURT – ARLINGTON

### SUMMARY OF SERVICES PROVIDED

The 17<sup>th</sup> 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 FY2017, 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 from 19 to 15.
- Increase in the number of CHINS (Child In Need of Services/Supervision) from 8 to 10. CHINS cases are typically associated with juveniles who abscond, are identified as incorrigible youth, or those with truancy issues.
- Reduction in civil cases (custody and support) from 21 to 13.

### SIGNIFICANT CHANGES IN FY2017

- A new judge is expected to be sworn in on July 1, 2016 replacing retiring Judge Esther Wiggins who provided the City of Falls Church with 20 years of service.

### FY2016 DELIVERABLES

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

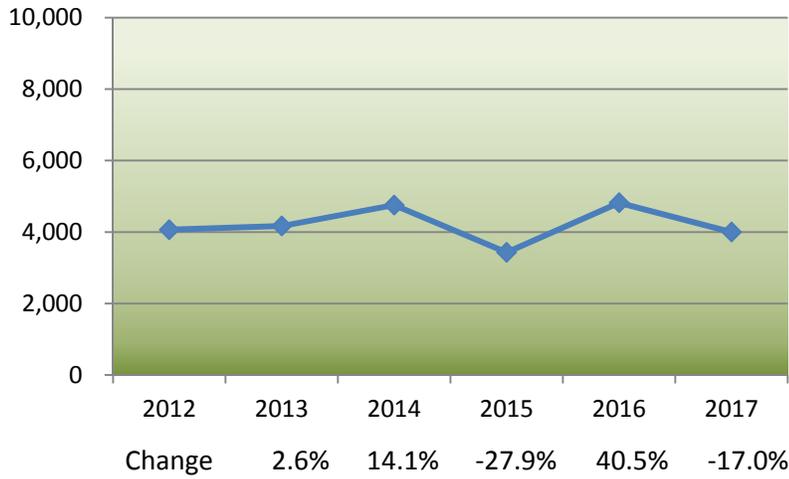
### ADOPTED POSITIONS BY FTE – 0.00 TOTAL

- Contractual services provided through agreement with Arlington County.

### ADOPTED BUDGET

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 3,442	\$ 4,818	\$ 3,999	-17.00%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 3,442</b>	<b>\$ 4,818</b>	<b>\$ 3,999</b>	<b>-17.00%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

- The City pays Arlington a proportionate share of costs for Judicial Services. For FY2017, 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 provide 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
- Provision of information and referral services remained consistent from last year
- Number of housing counseling requests decreased 14% last year
- Landlord/tenant interventions were up 31% last year while assistance with evictions decreased from previous year.
- Number of Affordable Dwelling Units increased from 46 to 64 last year
- Rental –The median rents in the City have seen a 65% increase from \$965 to \$1,588 since 2000. The percentage of City renters paying greater than 30% of monthly income towards rent have increased from 31% to 41% since 2000.
- Homeownership – From 2000 to 2014 the cost of detached single family homes has increased by 132%. In addition the attached homeownership units have increased by 137% and condos by 226%.
- Number of referrals for food has been consistent from last year
- Number of referrals for dental services has been consistent from last year

### SIGNIFICANT CHANGES IN FY2017

- An additional 14 rental ADUs will open in FY 2017

### FY2017 DELIVERABLES

- Make at least 300 contacts to provide advocacy and intervention services
- Provide 2,200 responses to information and referral requests
- Provide housing information in response to 200 requests
- Provide landlord/tenant counseling to 40 residents
- Provide eviction prevention information to 25 residents
- Administer 78 Affordable Dwelling Units (includes 14 new units scheduled to open in 2016)
- Advocacy for the retention and creation of housing affordable to households with low, moderate, and workforce incomes
- Use a variety of tools to maintain the current stock of affordable market rate housing
- Make 35 referrals for food
- Make 30 referrals for dental services

**HHS Administration**

- Monitor contract services with Fairfax Department of Family Services, Fairfax-Falls Church Community Services Board, and Fairfax County Health Department
- Develop a plan for use of City property for a group home for 5 adults with disabilities with preference being given to City residents.

**PRIORITIES FOR FUTURE FUNDING**

1. Development of a low-income housing program, \$15,300

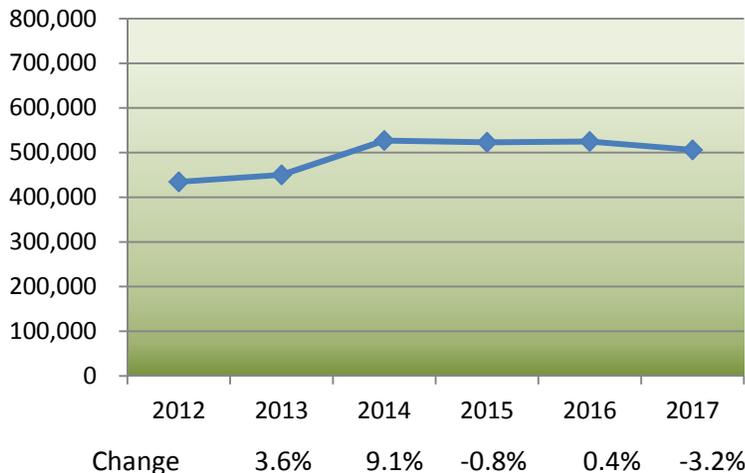
**ADOPTED POSITIONS BY FTE – 4.80 TOTAL**

- 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 Contract grants specialist

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 361,663	\$ 381,322	\$ 375,749	-1.46%
Benefits	123,770	120,866	110,064	-8.94%
Professional and Contractual	6,660	5,167	4,396	-14.92%
Materials, Supplies, and Other	25,276	17,460	17,910	2.58%
<b>Total Expenditures</b>	<b>517,369</b>	<b>524,815</b>	<b>508,119</b>	<b>-3.18%</b>
<b>Revenues</b>				
Charges for Services	50	100	100	0.00%
<b>Total Revenues</b>	<b>50</b>	<b>100</b>	<b>100</b>	<b>0.00%</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 517,319</b>	<b>\$ 524,715</b>	<b>\$ 508,019</b>	<b>-3.18%</b>

**BUDGET TREND: FY2012-2017**



**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 45% when compared to the previous year
- Families receiving supplemental nutrition assistance (food stamps) remained consistent from last year%
- Child Protective Services and Adult Protective Services investigations increased by 37% from the previous year
- Fare Wheels transportation program remained consistent in providing taxi vouchers to income eligible elderly and disabled individuals
- The number of households requesting emergency financial assistance to meet their urgent needs decreased 30% over the previous year.
- Yearly Rent Relief is provided to 7 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 42 individuals; legal services 31 residents; reading services for 2 hearing impaired residents; emergency and supportive services and monthly rental assistance to 3 households; and emergency and supportive services to meet basic needs was provided to 30 households
- Provided federally funded Community Development Block Grant and HOME program funds to benefit low and moderate income households such as:
  - Provided 8 households with monthly rental assistance; rehabilitation for 1 home; emergency rental assistance to 7 households; literacy education for 14 households
  - There have been regular decreases in CDBG funding for the past 3 years.

### SIGNIFICANT CHANGES IN FY2017

- The Kensington assisted living facility currently under construction will provide services for 1 or 2 low-income City residents.

### FY2017 DELIVERABLES

- Provide an array of services to families and individuals in order to support and strengthen families, protect the vulnerable from abuse and neglect, help older adults and those with disabilities maintain their independence, help individuals and families become economically self-sufficient.
- Maintain 140 Medicaid cases monthly through Department of Family Services

**Public Assistance Programs**

- Provide Supplemental Nutrition Assistance Program (SNAP) support to 50 families per month through Department of Family Services
- Conduct Child Protective or Adult Protective Services investigations through Fairfax County
- Provide Fare Wheels taxi vouchers to 60 low income senior/disabled individuals
- Provide emergency financial assistance to 12 households
- Provide Rent Relief to 7 low income senior/disabled households
- Administer the Community Services Fund
- Administer the federal Community Development Block Grant and HOME program grants. Over 120 City residents will be served.

**PRIORITIES FOR FUTURE FUNDING**

1. Community Services Fund \$45,000 – will help meet the demand for increases in human services.

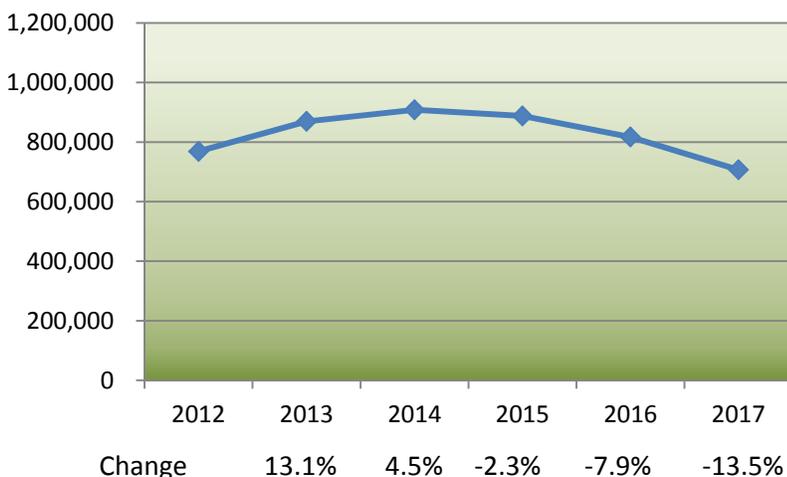
**ADOPTED POSITIONS BY FTE – 0.00 TOTAL**

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Professional and Contractual	\$ 519,136	\$ 587,073	\$ 504,925	-13.99%
Materials, Supplies, and Other	175,447	230,093	201,937	-12.24%
<b>Total Expenditures</b>	<b>694,582</b>	<b>817,166</b>	<b>706,862</b>	<b>-13.50%</b>
Revenues				
Federal Grants	72,502	119,242	76,541	-35.81%
Charges for Services	6,250	5,600	6,000	7.14%
<b>Total Revenues</b>	<b>78,752</b>	<b>124,842</b>	<b>82,541</b>	<b>-33.88%</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 615,830</b>	<b>\$ 692,324</b>	<b>\$ 624,321</b>	<b>-9.82%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

- Fairfax County Department of Family Services experienced a reduction in force.

## COMMUNITY SERVICES BOARD

**SUMMARY OF SERVICES PROVIDED**

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

**TRENDS AND ISSUES**

- Residents receiving mental health services remained consistent from the previous year
- Residents receiving intellectual disabilities services remained consistent
- Residents receiving alcohol and drug services decreased by 50%
- Residents receiving services through the Infant and Toddler Connection were consistent from the previous year.

**FY2017 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

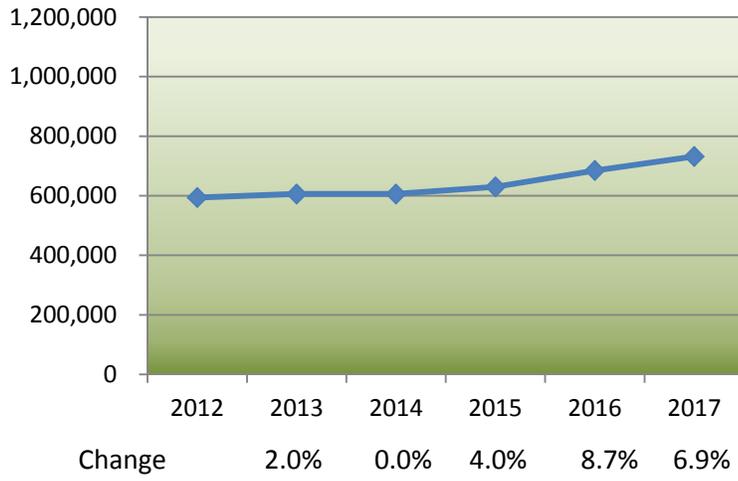
**ADOPTED POSITIONS BY FTE – 0.00 TOTAL**

- Contractual services provided through agreement with Fairfax County

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 629,819	\$ 684,595	\$ 731,851	6.90%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 629,819</b>	<b>\$ 684,595</b>	<b>\$ 731,851</b>	<b>6.90%</b>

**BUDGET TREND: FY2012-2017**



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

**FY2017 DELIVERABLES**

- 285 health clinic visits
- 300 environmental health inspections
- 270 days of adult day care and 400 Fastran rides for 2 residents
- Primary health care services to 25 (90 visits) low-income, uninsured residents. 75 residents are currently enrolled.

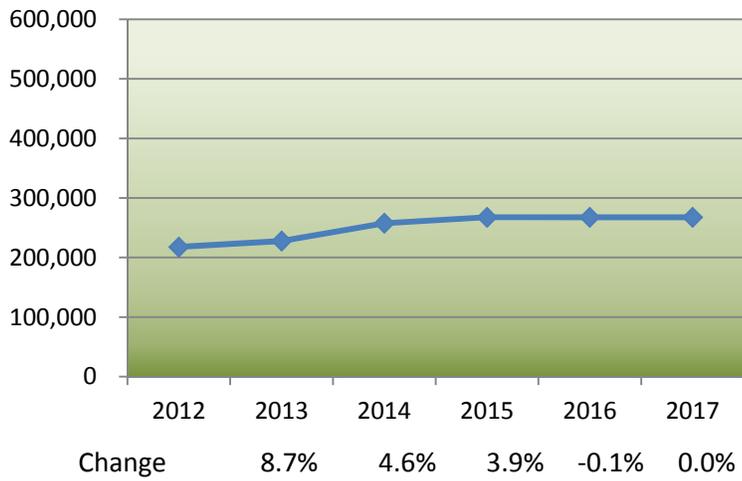
**ADOPTED POSITIONS BY FTE – 0.00 TOTAL**

- Contractual services provided through agreement with Fairfax County

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 250,490	\$ 267,474	\$ 267,477	0.00%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 250,490</b>	<b>\$ 267,474</b>	<b>\$ 267,477</b>	<b>0.00%</b>

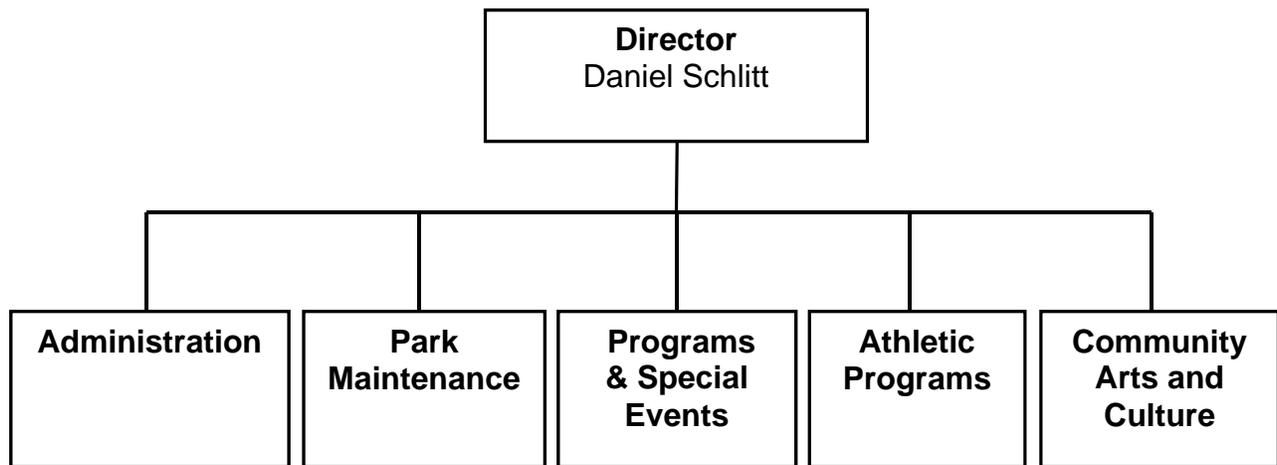
**BUDGET TREND: FY2012-2017**



**Notes:**

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

# DEPARTMENT OF RECREATION & PARKS



## RECREATION AND PARKS ADMINISTRATION

### SUMMARY OF SERVICES PROVIDED

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

The Falls Church Community Center houses the administrative offices of the Recreation & Parks Department. The Center, open 357 days a year, operates more than 4,300 hours annually with an estimated 200,000 visits each year. Programs for toddlers, elementary aged children, teenagers, adults of all ages, and seniors are offered. The Community Center serves as a teen center, recreation center, special event venue, senior center, 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, 200 picnic shelter reservations, 700 tennis court reservations, and 36,000 phone calls annually. In addition, the Department anticipates the collection of approximately two million dollars 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 2015. In 2015, the Recreation Department registered 1567 new households, which is 272 more new households than registered in 2014.

### SIGNIFICANT CHANGES IN FY2017

- There are no significant changes anticipated.

### FY2017 DELIVERABLES

- This Administration cost center will provide administrative support that will allow us to offer a fun, safe and recreational environment for 200,000 visitors per year in a building that is used for 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 16.6 FTE professional, maintenance and administrative staff of the Recreation and Parks Department.

**Administration**

**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.

**ADOPTED POSITIONS BY FTE – 5.80 TOTAL**

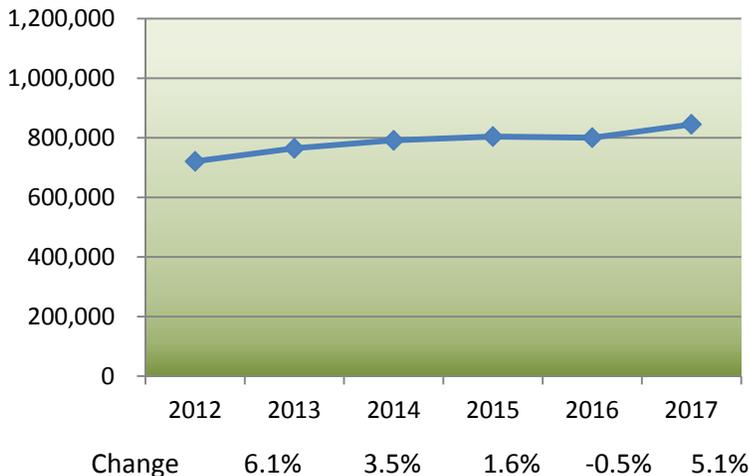
- 1.00 Director of Recreation and Parks
- 1.00 Senior Administrative Assistant
- 1.00 Administrative Assistant
- 2.80 Maintenance Workers

Temporary seasonal labor is also used as needed.

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 391,589	\$ 402,954	\$ 414,964	2.98%
Benefits	128,904	126,815	120,253	-5.17%
Professional and Contractual	39,723	40,393	42,500	5.22%
Materials, Supplies, and Other	226,621	230,041	238,461	3.66%
Capital Outlay	-	-	25,000	-
<b>Total Expenditures</b>	<b>786,837</b>	<b>800,203</b>	<b>841,178</b>	<b>5.12%</b>
<b>Revenues</b>				
Charges for Services	34,540	33,000	33,000	0.00%
Other Grants and Contributions	1,835	-	4,000	-
<b>Total Revenues</b>	<b>36,375</b>	<b>33,000</b>	<b>37,000</b>	<b>12.12%</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 750,462</b>	<b>\$ 767,203</b>	<b>\$ 804,178</b>	<b>4.82%</b>

**BUDGET TREND: FY2012-2017**



**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 or FY2017.

## 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.
- City parks have been experiencing major renovations park by park. Recently Lincoln Park, West End Park and Howard E Herman Stream Valley Park have all been through these renovations. This is the new trend, to make improvements park by park. This will continue with major improvements to Cherry Hill Park and Big Chimneys Park in the near future.

### SIGNIFICANT CHANGES IN FY2017

- With the reopening of Howard E Herman Stream Valley Park, and West End Park, we have seen a large increase in park attendance. This results in increased maintenance needs.

### FY2017 DELIVERABLES

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

**Parks Maintenance**

**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. With City Council’s approval of the recently updated “Parks for People” plan in the City’s Comprehensive Plan, the Advisory Board of Recreation & Parks and other organizations within the City recommended that best possible scenario for implementing Master Park Plans is to develop and implement a set of maintenance standards. These standards would address turf maintenance, adding color with flowers, annuals and other landscaping features, drainage issues in addition to many other basic maintenance needs related to park aesthetics and functionality.
3. Funding to Maintain Ball Fields – \$10,000 Annually. Our contracted services expense to maintain our ball fields is increasing. For FY2017, savings from supplies were moved to this line item to fund our FY2017 needs, but as these costs continue to increase we will need added funding.

**ADOPTED POSITIONS BY FTE – 3.00 TOTAL**

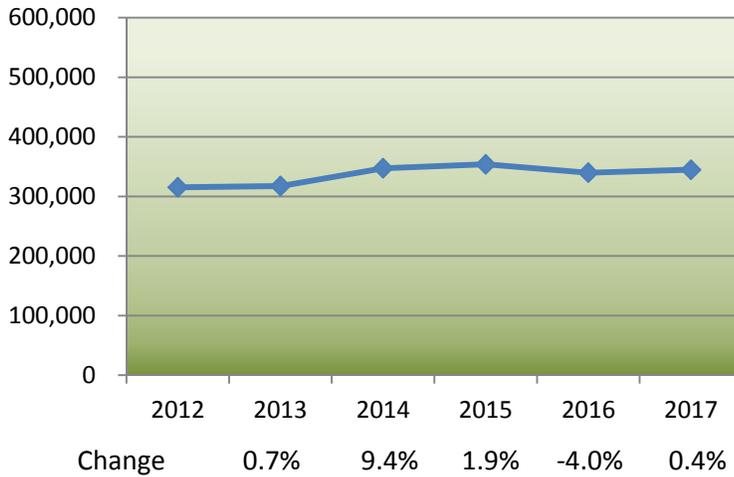
- 1.00 Senior Crew Leader
- 2.00 Maintenance Workers

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 120,410	\$ 132,451	\$ 130,776	-1.26%
Benefits	71,851	67,556	69,505	2.89%
Professional and Contractual	102,231	103,756	106,383	2.53%
Materials, Supplies, and Other	35,124	36,010	34,558	-4.03%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 329,616</b>	<b>\$ 339,773</b>	<b>\$ 341,222</b>	<b>0.43%</b>

**Parks Maintenance**

**BUDGET TREND: FY2012-2017**



- 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.
  - In FY2017, funding from Materials and Supplies was moved to Contractual Services to cover the rising costs of maintaining our natural turf fields.

## 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.
- 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 FY2017

- The Recreation and Parks Department has been going to Council the past few years for a late budget amendment in our Instructor Fees. These fees are directly offset by the revenues for classes and camps. \$73,000 has been added to our Instructor fees line.
- The City's mentoring program had previously been housed under Court Services and was contracted out to Northern Virginia Family Services is now being coordinated by the Recreation and Parks Department. The \$25,000 previously contracted has been moved from Court Services to Recreation and Parks and now covers salary, supplies and a contracted portion.

### FY2017 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 nearly 500 hobby classes with over 2,500 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.

**Programs & Special Events**

**ADOPTED POSITIONS BY FTE – 6.80 TOTAL**

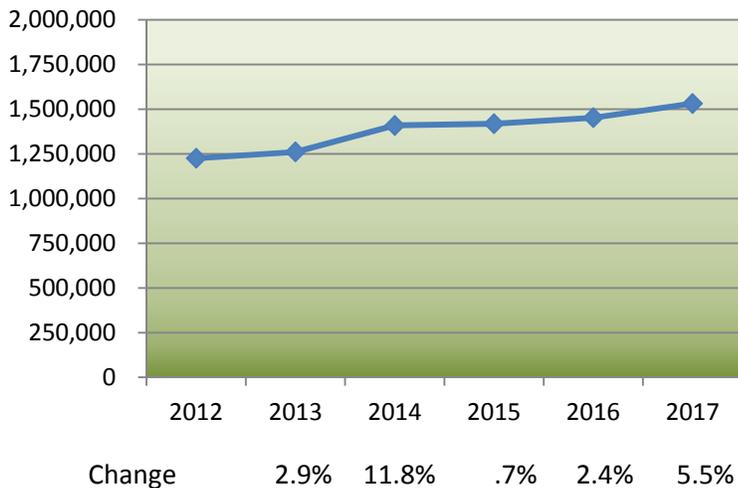
- 3.00 Program Supervisors
- 0.8 Preschool Teacher
- 2.80 Recreation Specialists

Temporary seasonal labor is also used as needed.

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 429,093	\$ 499,444	\$ 519,008	3.92%
Benefits	133,739	154,988	138,166	-10.85%
Professional and Contractual	735,753	630,000	703,000	11.59%
Materials, Supplies, and Other	184,605	167,694	171,750	2.42%
<b>Total Expenditures</b>	<b>1,483,190</b>	<b>1,452,126</b>	<b>1,531,924</b>	<b>5.50%</b>
<b>Revenues</b>				
Charges for Services	1,544,381	1,510,500	1,554,500	2.91%
Other Grants and Contributions	567	-	1,000	-
<b>Total Revenues</b>	<b>1,544,948</b>	<b>1,510,500</b>	<b>1,555,500</b>	<b>2.98%</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ (61,759)</b>	<b>\$ (58,374)</b>	<b>\$ (23,576)</b>	<b>-59.61%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

- 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; also 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.
- Instructor fees have been increased \$73,000 to correct a line item that has needed a budget amendment that last several years.
- For FY2017, \$25,000 was moved from Court Services to Recreation and Parks for the administration of the City's mentoring programs.

## 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 youth sport programs continue to grow every year. Our most recent youth leagues included 34 teams in flag football, 61 teams in fall soccer and 86 teams in our winter basketball program.
- Contracted costs for franchise fees and referees continue to increase.

### SIGNIFICANT CHANGES IN FY2017

- Franchise fees for our youth sports have increased. Registration fees for these sports are increasing to cover the cost of the increased fees. \$17,000 has been added to Franchise fees to cover this cost and will be made up in revenues.

### FY2017 DELIVERABLES

- In FY2017, the Recreation and Parks department will continue to provide a safe and fun environment for youth play sports as well as provide a variety of athletic leagues for adults in different competition levels.

**Athletic Programs**

**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. As franchise fees and referee costs continue to rise along with increased individual and team registrations, the Recreation and Parks Department will require additional funding in both official and franchise fee costs.

**ADOPTED POSITIONS BY FTE – 1.00 TOTAL**

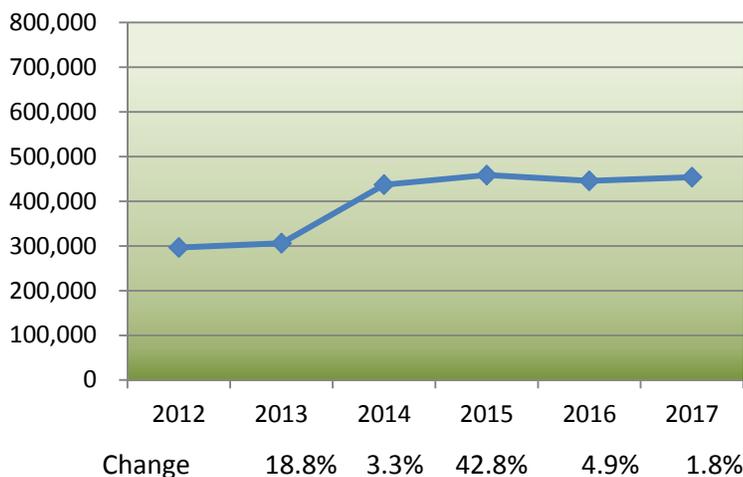
- 1.00 Program Supervisor

Temporary seasonal labor is also used as needed.

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 95,510	\$ 95,448	\$ 96,067	-3.14%
Benefits	19,349	20,151	16,035	-19.77%
Professional and Contractual	87,361	100,000	102,000	9.68%
Materials, Supplies, and Other	233,418	243,000	239,700	2.69%
<b>Total Expenditures</b>	<b>435,639</b>	<b>458,599</b>	<b>453,802</b>	<b>1.84%</b>
Revenues				
Charges for Services	413,604	385,000	432,500	4.09%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 22,035</b>	<b>\$ 73,599</b>	<b>\$ 21,302</b>	<b>-29.21%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

- 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
- In FY2017, \$17,000 was added to Franchise fees which will be made up in revenues.

## COMMUNITY ARTS AND CULTURAL PROGRAMS

### SUMMARY OF SERVICES PROVIDED

This Cost Center provides administrative support to the City's Arts & Humanities Council houses the funding for the cultural arts grant program and provides 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. 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.

### TRENDS AND ISSUES

- Arts and Culture programs increase quality of life and property values.
- 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 Humanities Council forward.

### SIGNIFICANT CHANGES IN FY2017

- There are no financial changes expected in FY2017. The Arts and Humanities Council completed a strategic plan in 2015 that resulted in five primary goals for the Arts and Humanities Council. Through FY2017, the goals of branding, establishing a sustainable funding source, dedicated space for the Council, promotions and a public art policy will continue to be the focus of this cost center.

### FY2017 DELIVERABLES

- The annual grants program which consists of program and operational grant funding will continue to be awarded to City non-profits advancing culture and arts in the community, and will continue to be awarded competitively.
- Recreation and Parks staff will continue to act as an active member of the Council and advocate for culture and arts in the community.

### PRIORITIES FOR FUTURE FUNDING

1. Administrative/Professional Support - \$5,000. Each year when we award these grants, we use \$5,000 of the program grants as leverage to apply for a \$5,000 grant from the Virginia Art Council. The timing of this grant cycle does not match our fiscal year. We would like to one time additional \$5,000 for program grants so that we can keep up with the additional award given.

### ADOPTED POSITIONS BY FTE – 0.20TOTAL

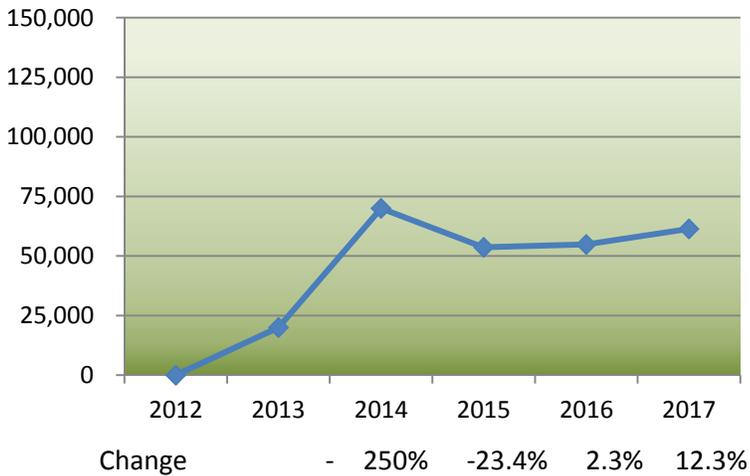
- 0.20 Recreation Specialist

Community Arts & Cultural Programs

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 81	\$ 6,816	\$ 11,787	72.93%
Benefits	13	3,022	4,802	58.90%
Materials, Supplies, and Other	50,000	45,000	45,000	0.00%
<b>Total Expenditures</b>	<b>50,094</b>	<b>54,838</b>	<b>61,589</b>	<b>12.31%</b>
<b>Revenues</b>				
State Grants	5,000	-	-	0.00%
<b>Total Revenues</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 45,094</b>	<b>\$ 54,838</b>	<b>\$ 61,589</b>	<b>12.31%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

- The only changes in FY2017 are in salaries. This continues to be funded as .2FTE.

# DEPARTMENT OF LIBRARY SERVICES

**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 answered and computer help as well as one on one trainings on eDevices
- Local History of Falls Church collection and questions answered
- Interlibrary loan services for City of Falls Church citizens
- A wide variety of programs for children, teens, and adults throughout the year
- For the eighth year won the Star Library national award—one of only three in Virginia and one of only two that have been selected all eight years the award has been given

## TRENDS AND ISSUES

- 785 programs last year, 28,119 people attended them--attendance up 32.7% from the previous year
- Summer Reading Program for children, teens, and adults: 2,170 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 469,102 items annually—a new record—up 22% in last ten years
- Over 325,500 visits annually by patrons—up 35% 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
- Increased use of space for tutoring, use of Wi-Fi to conduct patrons’ own research, study groups
- Declining revenues from State Aid to Libraries continue
- Neighboring Fairfax County regional library closed for the next 18 months due to renovation

**SIGNIFICANT CHANGES IN FY2017**

- 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 temporary library assistants to help with workload in Youth Services, Circulation, and Reference (those salaries were moved to Temporary Salaries and became part of the library's Operating Budget)
- Almost all IT expenditures were moved to one line item in the Operating Budget, thus showing a significant increase while other lines were reduced
- Materials, supplies, and other monies continue to decline in budget as does State Aid to libraries

**FY2017 DELIVERABLES**

- Provide approximately 700-750 programs a year for all ages
- Answer approximately 67,000 reference questions per year
- Circulate over 465,000 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

**PRIORITIES FOR FUTURE FUNDING**

1. Upgrade platform for the integrated library system (catalog and circulation system) to Sierra, \$59,000
2. Purchase a redundant server for the public network and licenses to operate it, \$15,550
3. Security measures for library, costs to be determined

**ADOPTED POSITIONS BY FTE –17.85 TOTAL**

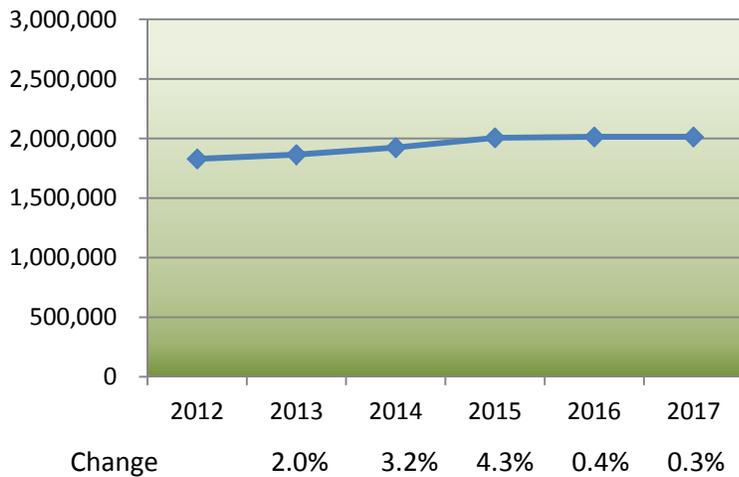
- |                                      |  |
|--------------------------------------|--|
| • 1.00 Library Director              | • 1.00 Reference Services Supervisor     |
| • 1.00 Youth Services Supervisor     | • 1.00 Senior Administrative Assistant   |
| • 2.50 Librarians                    | •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

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

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 1,182,650	\$ 1,195,259	\$ 1,166,329	-2.42%
Benefits	403,643	382,561	340,146	-11.09%
Professional and Contractual	87,466	53,300	3,810	-92.85%
Materials, Supplies, and Other	406,586	382,179	508,636	33.09%
Capital Outlay	-	-	-	0.00%
<b>Total Expenditures</b>	<b>2,080,346</b>	<b>2,013,299</b>	<b>2,018,921</b>	<b>0.28%</b>
<b>Revenues</b>				
State Grants	137,803	140,863	141,028	0.12%
Charges for Services	6,084	7,000	7,000	0.00%
Fines	43,689	45,000	45,000	0.00%
Other Grants and Contributions	13,336	-	-	0.00%
<b>Total Revenues</b>	<b>200,912</b>	<b>192,863</b>	<b>193,028</b>	<b>0.09%</b>
<b>Net Expenditures Supported by General Revenues</b>	<b>\$ 1,879,434</b>	<b>\$ 1,820,436</b>	<b>\$ 1,825,893</b>	<b>0.30%</b>

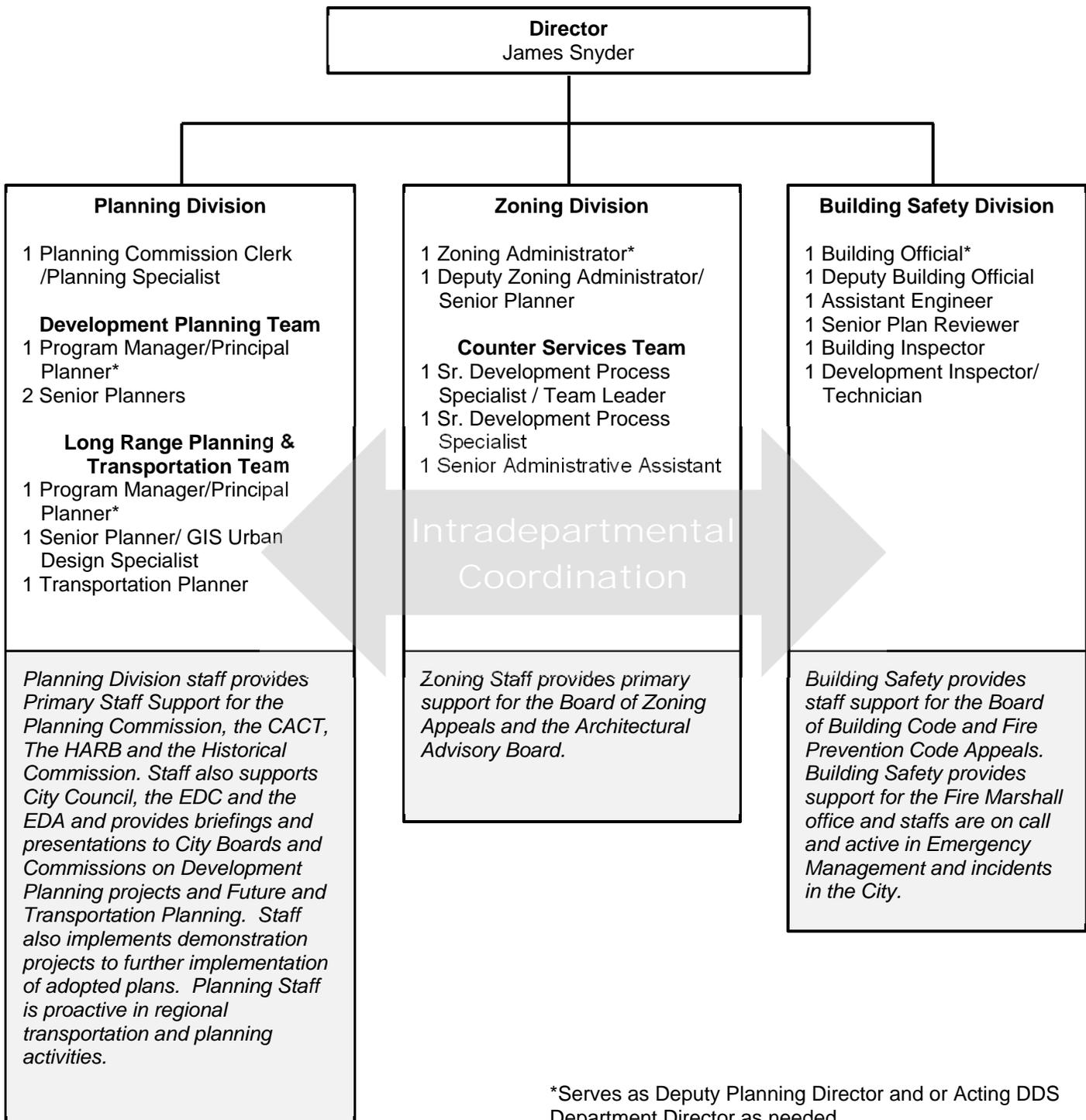
**BUDGET TREND: FY 2012-2017**



**Notes:**  
 For FY2017, the following are the major changes in the library's budget:

- Shifting IT monies from individual lines within the budget to one line
- Expect a decrease in State Aid funds
- Use of temporary staff to try to cover the increase in service demands and work load

# DEPARTMENT OF DEVELOPMENT SERVICES



**SUMMARY OF SERVICES PROVIDED**

The Department of Planning and Development Services (DDS) provides services in four overarching areas: (1) Current Planning, (2) Future Planning, (3) Zoning, and (4) Building Safety.

The Current Planning and Future Planning teams perform the following work:

1. Development and Plan Review and Associated Land Use and Zoning Map Changes,
2. City Council support of legislative action on Special Exceptions, Rezoning, and Comprehensive Plan Map Amendments
3. Zoning Ordinance Text Amendments (e.g. Parking Update, Split Lot Update)
4. Comprehensive Planning, Small Area Planning, Functional Master Planning,
5. Regional Coordination and Inter-jurisdictional Coordination,
6. Local Transportation Planning,
7. Regional Transportation Coordination with the Northern Virginia Transportation Authority (NVTA), Northern Virginia Transportation Commission (NVTC), Washington Metropolitan Area Transit Authority (WMATA), and Transportation Planning Board (TPB)
8. Grant Applications and Capital Improvement Program (CIP) Planning
9. Board and Commission Staff Support for standing groups, including Planning Commission, Citizens Advisory Committee on Transportation (CACT), Historic Architecture Review Board (HARB), Historical Commission. Regular reporting and interaction with the City Council, Economic Development Authority (EDA), Environmental Services Council (ESC)
10. Staff Support for Ad-hoc groups including the Joint City Council Schools Task Force

The Zoning team provides the following services:

1. Zoning review of all planning and development projects, including special exceptions, rezonings, site plans, subdivisions, and grading plan.
2. Zoning review of building plans, building permits.
3. Zoning review of sign applications, variances, special use permits.
4. Zoning enforcement and compliance, including monitoring compliance with conditions of approval (e.g. voluntary concessions, site plan conditions, and variance conditions).
5. Zoning Administrator review and analysis of properties, authoring zoning opinion and compliance letters, and assisting in the development of zoning text amendments.
6. Staff support for the Board of Zoning Appeals (BZA) and the Architecture Advisory Board (AAB).

The Building Safety team performs the following services

1. Enforces the Virginia Uniform Statewide Building Code and the Virginia Maintenance Code.
2. Enforces the City's Property Maintenance Code
3. Reviews all building plans and trades permits for compliance with the Virginia State building maintenance and fire codes.
4. Conducts field inspections of projects.
5. Staff support and training for the "Board of Building Code and Fire Prevention Code Appeals".
6. Coordinates with the Fire Marshal to conduct full code inspections
7. On call as part of the emergency management response team.

The Counter Services team provides the following services

1. Intake, application and payment processing.
2. Review and issuance of all building and trades permits (e.g. plumbing, electrical, gas) and certificates of occupancy.
3. Review and scheduling of annual pool inspections.
4. Permit intake and issuance to support the Department of Public Works and the Fire Marshal
5. In calendar year 2015 there were **4,088** in-person visitors to the counter, and **5,153** phone calls. Note that in-person visits and phone call are trending down as email and electronic communication use increases.

**TRENDS AND ISSUES**

1. Permits: Permits issued over the last five-years show an upward trend and a continued high level of activity
  - o 2011 – 2,099
  - o 2012 – 2,213
  - o 2013 – 2,277
  - o 2014 – 2,725
  - o 2015 – 2,689
2. Certificates of Occupancy: Certificates of Occupancy issues over the last five-years show an upward trend
  - o 2011 – 102
  - o 2012 – 167
  - o 2013 – 211
  - o 2014 – 202
  - o 2015 – 244
3. Permit Fees: Permit fees collected have increased. This increase reflects an increase in fee amounts to better cover staff time. It also reflects an increase in the number and complexity of redevelopment projects.
  - o 2011 - \$363,329
  - o 2012 - \$717,763
  - o 2013 - \$809,307
  - o 2014 - \$1,842,055
  - o 2015 - \$1,304,529
4. Single Family Home Activity: Single family home construction continues. The bulk of the activity is tear-downs (note the low number of net new homes in comparison to the number of permits).
  - o 2011 – 10 permits, net 9
  - o 2012 – 16 permits, net 3
  - o 2013 – 17 permits, net 7
  - o 2014 – 37 permits, net 6
  - o 2015 – 33 permits, net 7
5. Electronic Plan Review: To keep up with increasing activity, greatly speed up plan review, and reduce the need for paper copies; City staff has increased use of electronic plan review, increased availability of online fillable forms, and electronic scheduling.
6. Development Activity: Development continues throughout the City.

Project Name	Size	Year
Recently Completed Projects		
24-Hour Fitness		opened 2012
Annandale Road Shopping Center		
Easter Seals Child Care Center	serves 162 children	opened 2013
Good Fortune Grocery	40,000 sq ft commercial	opened 2014
Dominion Jewelers	3,200 sq ft commercial	opened 2014
Hilton Garden Inn	110 rooms	opened 2014

Northgate	105 units 36,735 sq ft commercial	opened 2014
PMA Doctor's Office	11,332 sq ft commercial	opened 2015
Jessie Thackrey School		opened 2015
Projects Under Construction		
Lincoln at Tinner Hill	224 units 45,000 sq ft commercial	expected completion 2016
301 West Broad Street	288 units 64,522 sq ft commercial	expected completion 2016
Kensington Assisted Living Building	120 beds 3,000 sq ft commercial and art space	expected completion 2017
Projects Approved		
Mason Row	322 units 122-145 hotel rooms 20,000-33,000 sq ft movie theater 67,839 sq ft commercial	approved 2016
Project Applications		
Tradition Place	60 units 29,510 sq ft commercial	submitted 2016
Broad & Washington	304 units 101,300 sq ft commercial	submitted 2016

7. Staff continues to complete long range planning, zoning, and building safety efforts.

Project	Completed
Comprehensive Planning	
Mobility for all Modes	2014
Parks for People	2015
Small Area Planning	
Review and Analysis of Density, Land Values, and Square Footage in Planning Opportunity Areas (POAs)	2011
N Washington Street Small Area Plan	2012
S Washington Street Small Area Plan	2013
Downtown Small Area Plan	2014
Schools Area ULI-TAP	2015
Gordon Road Mini-TAP	2015
Work with City Council and School Board on joint planning for the proposed new 1,500 student high school, expanded middle school, and up to 10 acres of commercial redevelopment at the current schools site.	
Master Planning	
Bus Stop and Bus Shelter Master Plan	2013

TDM Report	2013
Neighborhood Traffic Calming Program Update	2015
Bicycle Master Plan	2015
Park Avenue Great Street Concept	2015
Four Mile Run Restoration and Redevelopment Action Plan	2016
Zoning Updates	
Split Lot Zoning Ordinance Amendment	2014
Increased setback to 20' on Washington and Broad Streets	2014
Updated Commercial Parking Requirements	2016
Building Safety	
Insurance Services Office audit resulting in improved commercial rating and sustained residential rating	2014
Board of Building Code and Fire Prevention Code Appeals	2015
Began using tablets for field inspection and recording results	2015

**FY2017 DELIVERABLES**

The following list of suggested deliverables assumes the following

- All unfunded needs will be provided for, including sufficient staff and consulting services
- Assignments will be flexed in the event unscheduled work is assigned
- Council, Planning Commission, and Advisory Board and Commissions will have sufficient agenda capacity to review and approve projects

Projects will be scheduled according to priorities set by the City Council and the City Manager.

<b>Project</b>
Development Activity
Mason Row, site plan
400 N. Washington, special exception and rezoning
Tradition Place, special exception and rezoning
Broad and Washington (Insight), special exception and rezoning
Stratford Motor Lodge, special exception and rezoning
Inns of Virginia, site plan
Project Tracking and Voluntary Concession (VC) Compliance – Lincoln at Tinner Hill, 301 West Broad, Kensington
Comprehensive Planning
Vision Chapter Update
Paper Streets Land Use Map Update
Demographics Chapter Update
Housing Chapter Update, “Housing for All”
Small Area Planning
West Broad Street Small Area Plan
Schools area planning: future land use map changes, zoning map changes, transportation plan (TLC grant).
Gordon Road and West End Small Area Plan launch
East End ULI TAP (COG-ULI grant)
Master Planning
Adopt W&OD Master Plan
Streetscape Update, South Washington Street
Streetscape Update, North Washington Street
Streetscape Update, West Broad Street

Design Guidelines update
Pedestrian Friendly Design Standards update
Wayfinding Sign Program
Transportation Planning and Implementation
Neighborhood Traffic Calming
Residential Parking Districts
Route 7 Alternatives Analysis
NVTA TransAction Update
I-66 Inside the Beltway
Transportation CIP
Transportation Grant Applications
TDM Monitoring
Implementation and Demonstration Projects
Bus Shelter Installation
Bike Route Implementation
West Broad Street street furniture
Bike-share ridership study and implementation
Redevelop W&OD Walter Mess Plaza and Veterans Common and adjacent crossings
Continued Implementation of Bicycle Master Plan
Zoning Updates
Establish Arts & Culture District
B-Use update
Residential Parking Update
Greenway Downs Zoning Code Amendment
Address nonconforming residential setbacks
Building Safety
Launch the "Build Falls Church" Webpage
Continue rollout of Electronic Plan Review
Create fillable online forms
Plan review and field inspection for Lincoln at Tinner Hill, 301 West Broad, Kensington
Prioritize plan review for small business, commercial fit-outs

**PRIORITIES FOR FUTURE FUNDING**

1. One Half Time Position Counter Services \$25,000: This part time position will help staff to handle and to assist with the mid-day rush at the Counter. During peak times mid-day when there is heavy customer volume at the Development Services Counter. This will help staff to provide timely service to homeowners, builders and small business owners who frequently need in person assistance at the counter. Funding for this position is potentially available from the fees collected for building and trades permit fees.
2. Replacement of two old inspector vehicles \$12,000: Lease two vehicles and dispose of two aging vehicles in need of significant repairs.
3. Funding for part-time employees, consultants, and interns for planning and zoning support \$150,000: Temporary and specialized help provide quality, quick products in a cost-efficient way. Planned efforts for FY2017 include, Schools Planning Project, updates to the Vision Chapter and other Chapters of the Comprehensive Plan, zoning updates, design guidelines.

4. Professional Development \$6,800: Department staffs are increasing their professional capabilities, leading to higher quality products. Additional funds are needed to maintain certifications and continue ongoing training.
5. Tablets for Planning Commission \$14,000: Printing Planning Commission packages is time consuming and expensive. Some Commissioners are using personal tablets and receiving electronic distribution. City-provided tablets or a tablet stipend would save on printing costs and staff hours (0.1 FTE).
6. Implementation Funds \$175,000: Funds are needed to implement adopted plans and policies. This includes funding for the Bicycle Master Plan, and the Neighborhood Traffic Calming, Demonstration Projects.
7. Plan Digitization \$10,000: Digitize old, paper plans to make them easier to research and publish for public review.
8. Office Repair and Maintenance \$10,000: Replace aging furniture and provide privacy screens in crowded working spaces.

**ADOPTED POSITIONS BY FTE – 19.00 TOTAL**

1.00 Director, Planning and Development Services

**Planning Division**

1.00 Planning Specialist/Planning Commission Clerk

Development Planning Team

1.00 Program Manager / Principal Planner, Development Planning  
 2.00 Senior Planners

Long Range Planning & Transportation Team

1.00 Program Manager / Principal Planner Future/Transportation Planning  
 1.00 Senior Planner/GIS/Urban Design Specialist  
 1.00 Planner, Transportation

**Zoning Division**

1.00 Zoning Administrator  
 1.00 Deputy Zoning Administrator / Senior Planner

Counter Services Team

1.00 Senior Development Process Specialists / Team Leader  
 1.00 Senior Development Process Specialists  
 1.00 Senior Administrative Assistant

**Building Safety Division**

1.00 Building Official  
 1.00 Deputy Building Official /Electrical Plan Reviewer Inspector  
 1.00 Multi Code Plan Reviewer and Inspector  
 1.00 Structural Engineer/Plan Reviewer  
 1.00 Building Inspector  
 1.00 Development Services Inspector/Zoning Technician

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Proposed</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Salaries and Wages	\$ 1,334,870	\$ 1,461,279	\$ 1,600,831	9.55%
Benefits	438,338	473,091	454,051	-4.02%
Professional and Contractual	27,606	34,084	38,285	12.33%
Materials, Supplies, and Other	67,029	61,588	60,260	-2.16%
<b>Total Expenditures</b>	<b>1,895,390</b>	<b>2,030,042</b>	<b>2,167,427</b>	<b>6.77%</b>
<b>Revenues</b>				
Licenses, Fees, and Permits	1,049,083	1,059,888	1,420,000	33.98%
Use of Inspection Fee Reserves	-	286,000	-	-100.00%
<b>Total Revenues</b>	<b>1,049,083</b>	<b>1,345,888</b>	<b>1,420,000</b>	<b>5.51%</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>846,307</b>	<b>684,154</b>	<b>747,427</b>	<b>9.25%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

**FY 2013**

- 2 new planners were added.
- 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.

**FY 2014**

- The removal of the one-time grant in FY2013 accounts for the decrease in expenditures in FY2014.
- Revenue increased resulted from approvals of major mixed use approvals.

**FY 2015**

- Projected revenues reflect ongoing increased development activity and building permits.
- A Senior Administrative Assistant was added
- A Transportation Planner was added

**FY 2016**

- A Structural Building Engineer was added

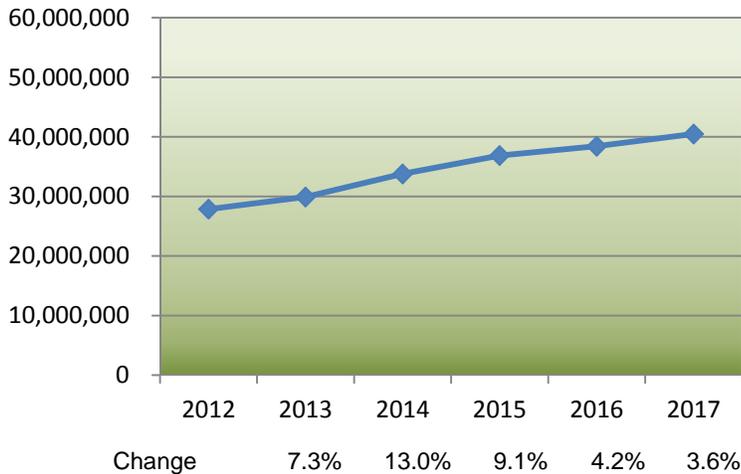
## TRANSFER TO SCHOOL BOARD

The following shows the transfer of funds from the General Fund to the School Board. More information can be found regarding the School Board’s budget beginning on page 251.

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Transfer to School Board - Operating	\$ 36,746,200	\$ 38,298,700	\$ 39,696,000	3.65%
Transfer to School Board - Community Services	113,330	119,200	121,030	1.54%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 36,859,530</b>	<b>\$ 38,417,900</b>	<b>\$ 39,817,030</b>	<b>3.64%</b>

**BUDGET TREND: FY2012–2017**



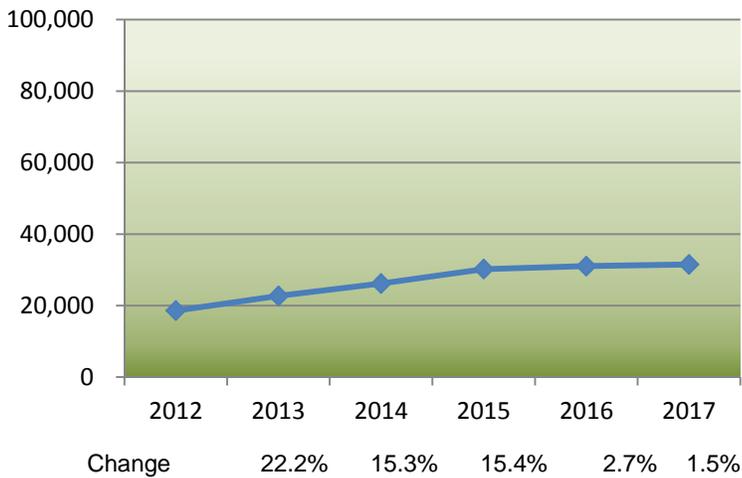
## OTHER EDUCATION EXPENDITURES

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

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Northern Virginia Community College Contribution	\$ 30,204	\$ 31,013	\$ 31,482	1.51%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 30,204</b>	<b>\$ 31,013</b>	<b>\$ 31,482</b>	<b>1.51%</b>

**BUDGET TREND: FY2012-2017**



# NON-DEPARTMENTAL EXPENDITURES

The following categories of expenditures are considered to be non-departmental:

- ❖ Debt service
- ❖ Post-Employment Benefits Other than Pension for Retirees
- ❖ Regional Transportation/Transit
- ❖ Contingencies and Tax Credits
- ❖ Transfers to Other Funds

## 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 noted on page 35.

Debt service for the General Fund includes all general obligations of the City, including those debts issued for the School Board but excludes debts issued for the utility funds. Debt issued for the use of the utility funds is included in their respective budgets and are covered by their user rates.

During FY2016, the City issued \$4.7 million in new debt to fund the purchase of vehicles as well as transportation infrastructure improvements and school facility improvements. The debt service for this issuance is included in the FY2017 budget.

In 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.

This budget includes the issuance of new debt for approximately \$1.0 million. The proceeds will be used to fund the purchase of vehicles and equipment and the debt will be issued with a five-year maturity. Additional debt may be issued depending on the necessity of funding FY2017 capital projects. The City still has \$13 million of debt that was authorized as part of its previous Capital Improvement Program that has not yet been issued. These are mostly for the City Hall improvement projects.

Additional information on the City’s debt can be found on pages 72-75.

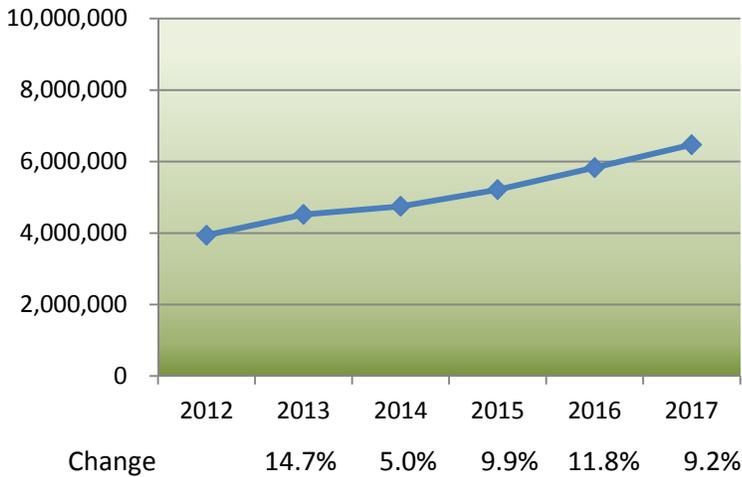
The FY2017 debt service expenditure break-down functionally as follows:

Function	Amount
Schools	\$ 4,290,046
General Government	1,763,307
Transportation	209,993
Fees & Other Expenses	17,200
Bond Issuance Costs	89,158
<b>Total FY2017 Debt Service</b>	<b>\$ 6,369,704</b>

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
<b>Expenditures</b>				
Professional and Contractual	\$ 206,670	\$ 17,000	\$ 106,358	525.64%
Principal	3,421,537	4,045,000	4,543,230	12.32%
Interest	1,571,383	1,768,730	1,720,116	-2.75%
<b>Total Expenditures</b>	<b>5,199,590</b>	<b>5,830,730</b>	<b>6,369,704</b>	<b>9.24%</b>
<b>Revenues</b>				
Use of Fund Balance	66,000	305,000	-	-100%
Other Grants and Contributions	118,193	118,190	118,830	0.54%
<b>Total Revenues</b>	<b>184,193</b>	<b>423,190</b>	<b>118,830</b>	<b>-71.92%</b>
<b>Net Expenditures Supported by General Revenues</b>	<b>\$ 5,015,397</b>	<b>\$ 5,407,540</b>	<b>\$ 6,250,874</b>	<b>9.42%</b>

**BUDGET TREND: FY2012-2017**



**Notes:**

- The City issued new bonds in FY2012-FY2016, 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 FY2017 ARC that is allocable to current retirees. In addition, the departmental budgets include a portion of the ARC that is allocable to active employees. In total for the General Fund, the City will contribute \$567 thousand in FY2017 and contributed \$565 thousand in FY2016. Although the following budget shows an increase of 29%, the total contribution to the OPEB plan, as a whole, has been essentially flat.

### ADOPTED BUDGET

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Benefits	\$ 156,361	\$ 146,130	\$ 189,000	29.34%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 156,361</b>	<b>\$ 146,130</b>	<b>\$ 189,000</b>	<b>29.34%</b>

### BUDGET TREND: FY2012-2017



Change            19.4%    4.2%    2.7%    -5.1%    29.3%

## REGIONAL TRANSPORTATION

The City, along with other jurisdictions in the region, is required to contribute an annual subsidy to the Washington Metropolitan Area Transportation Authority (WMATA) for its operating and capital needs. WMATA provides bus and rail service throughout the region. In FY2017, the City’s estimated share of the WMATA costs is \$2.9 million.

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

1. Local revenues: \$564,626. The portion funded with local revenues is also shown as a transfer to the Special Transportation Fund as it can be used as our funding towards the Commercial and Industrial Equivalent (C&IE). Funding our C&IE allows us to access 30% of our share of the regional transportation taxes that are being assessed that were enacted in FY2014 as part of the Virginia House Bill 2313. For more information on the Special Transportation Fund, see page 261.
2. Northern Virginia Transportation Authority (NVTA) 30% funds: \$200,000.
3. Fuel taxes: \$970,000. The City imposes taxes on fuel sold within the City. By law, these taxes are deposited directly with the Northern Virginia Transportation Authority (NVTC) and NVTC makes the payments directly to WMATA on the City’s behalf. These amounts are therefore not included in the City’s budget.
4. State grants from the Virginia Department of Rail and Transportation (DRPT): \$1,180,000. NVTC applies for grants with DRPT to be used towards the City’s share of the WMATA costs. These funds are also deposited directly with NVTC and are not included in the City’s budget.

The City pays NVTA for its share of NVTA’s administration costs. These are funded with 30% funds.

The City also participates in regional cooperation and makes an annual contribution to the Northern Virginia Transportation District. These are funded with local funds.

### ADOPTED BUDGET

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
<b>Expenditures</b>				
Northern Virginia Transportation District	\$ 4,856	\$ 4,856	\$ 4,856	0.00%
Northern Virginia Transportation Authority	-	-	10,000	-
WMATA Obligations	592,007	147,514	764,626	418.34%
<b>Total Expenditures</b>	<b>596,863</b>	<b>152,370</b>	<b>779,482</b>	<b>411.57%</b>
<b>Revenues</b>				
NVTA 30% Funds	-	-	210,000	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>210,000</b>	<b>-</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 596,863</b>	<b>\$ 152,370</b>	<b>\$ 569,482</b>	<b>273.75%</b>

## CONTINGENCIES & TAX CREDITS

\$250,000 is being reserved to pay to BJ's pursuant to the Economic Development Agreement entered into with 6607 Wilson Retail, LLC. Since the credit implementation, the City has been paying the maximum amount of \$250,000 to BJ's, although these are shown as reductions to revenue for accounting purposes.

This budget does not include contingency reserves to offset potential changes to revenues and expenditures that are not yet known at the time this budget is adopted.

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Council Contingency	\$ -	\$ -	\$ -	-
Contingency Reserve	-	-	-	-
Contingency Reserve - BJ's	250,000	250,000	250,000	0.00%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>	<b>0.00%</b>

Note: The above numbers do not include \$222,000 in tax relief which is included instead in the treasurer's budget as they administer the program.

## TRANSFERS TO OTHER FUNDS

Transfers to other funds are made out of the General Fund to provide funding for projects in the Capital Improvements Program (CIP) accounted for in the General Government and School Capital Project Fund and the Special Transportation Fund. The adopted transfers are to provide for matches to federal grants and to provide funding for critical facilities and infrastructure maintenance.

In FY2017, a total of \$2,630,051 is being transferred to three funds:

- General Government and School Capital Project Fund: \$1,643,860. These transfers are funded with proceeds from the sale of land in FY2014. The projects funded are:
  - City Facilities Reinvestment: \$321,930
  - School Facility Modernization: \$321,930
  - Big Chimneys Park & Transportation Improvement: \$1,000,000
- FCCTV Fund: \$254,065. These transfers are funded with general revenues. In FY2017, the transactions for the FCCTV Fund will be accounted for in a separate fund to be managed by the School Board. Prior to FY2017, these transactions were included in the Executive Department's budget and were managed under the auspices of the Office of Communication.
- Special Transportation Fund: \$732,126. This transfer comprises the City's C&I Equivalent funds. These funds will be used to pay for the following expenditures:
  - Obligation to WMATA: \$564,626
  - Transportation Planner: \$90,510
  - Transportation-related Debt: \$76,990

These expenditures are all expended from the General Fund and therefore, a reimbursement from the Special Transportation Fund will be made to the General Fund. A corresponding revenue item labeled Transfer from the Special Transportation Fund is also being recognized in the Revenues section of the General Fund budget.

In 2013, Virginia enacted HB2313, which allowed certain local jurisdictions to raise sales, transient occupancy, and grantor's taxes in order to fund eligible local and regional transportation expenditures. These taxes are deposited with the Northern Virginia Transportation Authority (NVTa). Of the taxes raised in the City, the City is entitled to receive 30% while the remaining 70% is pooled with other jurisdiction's 70% funds to pay for regional transportation projects. However, in order to receive the local share of 30%, the City is required to raise an amount equivalent to 12.5 cents of tax on commercial and industrial properties in lieu of taxing these properties. If the City does not raise the full equivalent amount, the difference is deducted from the City's local share of 30% and is placed in the 70% pool.

The City's C&I Equivalent in FY2017 is \$934,941. In addition to the above transfer of \$732,126, as well the expected borrowing of \$150,000 for the bridge reconstruction project, the City will be able to fund \$882,126 of the required amount, for a difference of \$52,815. The City's local share of 30% is projected to be \$832 thousand. After the adjustment for the C&I Equivalent funds deficit, the City's net distribution is estimated to be \$779 thousand. These funds will be used to pay for additional WMATA obligations as the \$564,626 budgeted above is expected to be insufficient. It will also pay for the reconstruction of bridges, neighborhood traffic calming projects, the improvements at the WO&D Trail, and improvements in the South Washington corridor.

**Transfers**

The City can avail of the 70% funds by applying for the use of it with NVTA. In the past, the City received 70% funds for its bus shelter project. The City is currently applying for 70% funds to pay for a bicycle sharing program.

Additional information regarding the CIP and the Special Transportation Fund can be found beginning on page 263.

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Transfer to CIP	1,917,000	1,122,000	1,643,860	46.51%
Transfer to Special Transportation Fund	-	820,000	-	-100.00%
Transfer to Special Transportation Fund - C&IE	592,007	147,514	732,126	396.31%
Transfer to Stormwater Fund	-	-	-	-100.00%
Transfer to FCCTV Fund	-	-	217,645	-
<b>Total Expenditures</b>	<b>2,509,007</b>	<b>2,089,514</b>	<b>2,593,631</b>	<b>24.13%</b>
Revenues				
Use of Capital Reserves (Water System & Land Sale Proceeds)	1,917,000	1,942,000	1,643,860	-15.35%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>592,007</b>	<b>147,514</b>	<b>949,771</b>	<b>543.85%</b>

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**FY2017 ADOPTED BUDGET  
SANITARY SEWER  
FUND**



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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 FY2017:

- Revenue includes rate increase of 1.4% from \$9.73 to \$9.87 per 1,000 gallons. Although the rate is increasing total revenues are anticipated to drop due to a reduction in water consumption. The City’s sewer treatment costs are also anticipated to drop because they closely track with water consumption.
- An allocation of \$550,000 has been made in FY2017 to continue the City’s sanitary sewer rehabilitation efforts using cured-in-place lining.

**SEWER FUND REVENUES**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Service Charges	\$ 3,588,527	\$ 3,834,000	\$ 3,748,000	-2.24%
Availability Fees	70,720	100,000	100,000	0.00%
Other Charges	238,932	175,000	175,000	0.00%
<b>Total Charges for Services</b>	<b>3,898,179</b>	<b>4,109,000</b>	<b>4,023,000</b>	<b>-2.09%</b>
Investment Revenues	5,986	10,000	10,000	0.00%
<b>Total Revenue from Use of Money and Property</b>	<b>5,986</b>	<b>10,000</b>	<b>10,000</b>	<b>0.00%</b>
Use of Fund Balance	-	-	305,000	-
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>305,000</b>	<b>-</b>
<b>TOTAL REVENUE - SEWER FUND</b>	<b>\$ 3,904,165</b>	<b>\$ 4,119,000</b>	<b>\$ 4,338,000</b>	<b>5.32%</b>

**SEWER FUND EXPENDITURES**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Sewer Administration	\$ 476,020	\$ 485,508	\$ 477,842	-1.58%
Collection and Disposal	1,600,528	1,744,354	1,917,699	9.94%
Debt Service	1,176,061	1,234,938	1,288,459	4.33%
Other Post-Employment Benefits	3,000	4,200	4,000	-4.76%
Transfers to CIP	620,720	650,000	650,000	0.00%
<b>TOTAL EXPENDITURES - SEWER FUND</b>	<b>\$ 3,876,329</b>	<b>\$ 4,119,000</b>	<b>\$ 4,338,000</b>	<b>5.32%</b>

## SEWER MANAGEMENT

**SUMMARY OF SERVICES PROVIDED**

The Department of Public Works administers and manages the City’s sanitary sewer system, including planning, design, construction, and rehabilitation of the system, which serves all of the City’s residents and several hundred households in Fairfax County. The sanitary sewer system is comprised of nearly 4,000 accounts, 47 miles of sewer mains, and more than 1,000 manholes. Approximately 1.4 million gallons of wastewater is collected per day and sent to treatment plants in Alexandria and Arlington County.

**TRENDS AND ISSUES**

- Debt Service in FY2017 is projected at \$1.3M 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. Preliminary efforts to develop a new agreement are underway.

**SIGNIFICANT CHANGES IN FY2017**

- City staff is working on a city-wide sanitary sewer model that will identify capacity needs based on current and future land use. This model will assist Public Works with prioritizing capital improvement projects.

**FY2017 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
- City-wide sewer model

**ADOPTED POSITIONS BY FTE – 0.95 TOTAL**

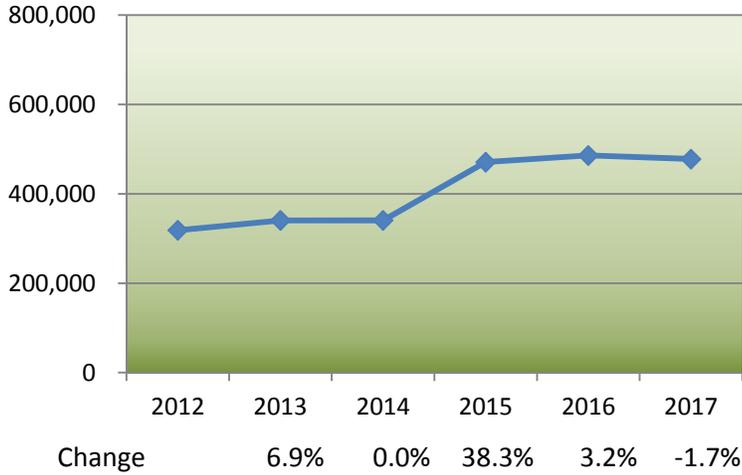
- 0.10 Director, Public Works
- 0.25 GIS Analyst
- 0.25 Engineer
- 0.25 Customer Service Representative
- 0.10 Contract Manager

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Salaries and Wages	\$ 86,078	\$ 107,706	\$ 93,281	-13.39%
Benefits	30,172	33,101	29,134	-11.98%
Professional and Contractual	192,461	183,206	195,232	6.56%
Materials, Supplies, and Other	32,080	41,995	40,195	-4.29%
Reserves	-	-	-	0.00%
Admin Fees to General Fund	135,229	120,000	120,000	0.00%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 476,020</b>	<b>\$ 486,008</b>	<b>\$ 477,842</b>	<b>-1.68%</b>

Sewer Management

**BUDGET TREND: FY2012 - 2017**



**Notes:**

- 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 FY2017**

- The City is using \$305K of fund balance to replace the 16-year old sewer flushing truck and 10-year old van assigned to the sewer crew.

**FY2017 DELIVERABLES**

- Flush entire system 3-4 times
- Convey approximately 1.4 Million Gallons per Day to our partner plants
- Nearly 3 miles of sewer rehabilitation

**ADOPTED POSITIONS BY FTE – 3.55 TOTAL**

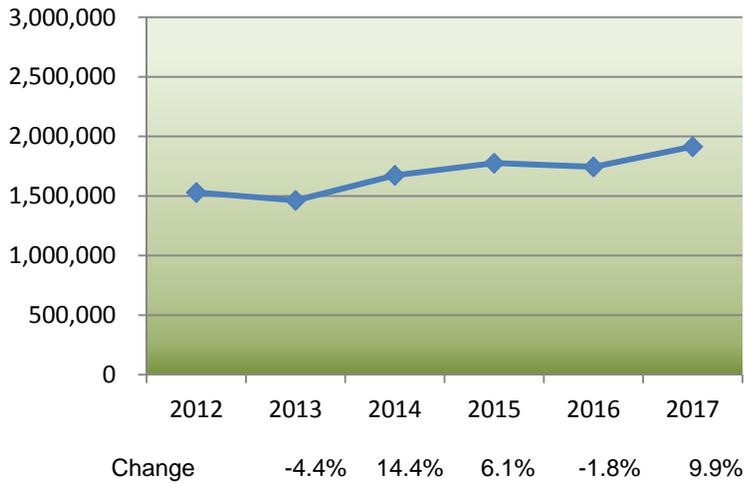
- |  |                                  |
|--|----------------------------------|
| • 0.25 Public Works Superintendent       | • 1.00 Crew Leader               |
| • 0.20 Asst. Public Works Superintendent | • 1.00 Senior Maintenance Worker |
| • 0.10 Sr. Administrative Assistant      | • 1.00 Maintenance Worker        |

Collection And Disposal

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 220,072	\$ 219,093	\$ 224,284	2.37%
Benefits	96,720	81,471	86,659	6.37%
Professional and Contractual	1,223,045	1,359,768	1,235,234	-9.16%
Materials, Supplies, and Other	50,691	84,022	66,522	-20.83%
Capital Outlay	10,000	-	305,000	-
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 1,600,528</b>	<b>\$ 1,744,354</b>	<b>\$ 1,917,699</b>	<b>9.94%</b>

**BUDGET TREND: FY2012 - 2017**



**Notes:**

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

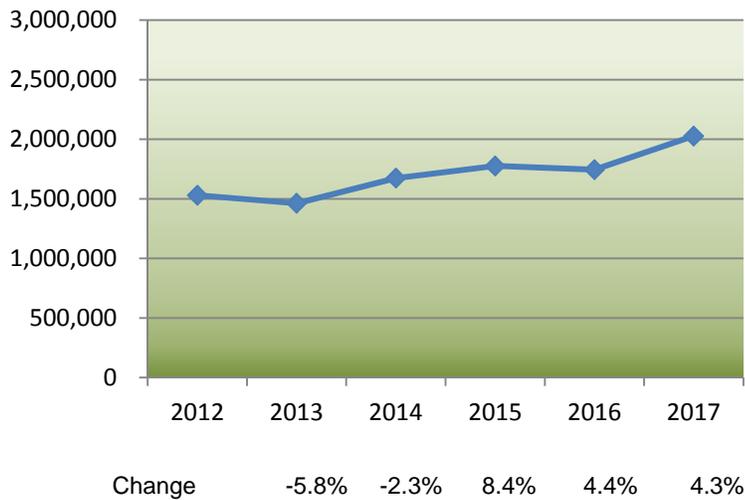
## DEBT SERVICE

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

### ADOPTED BUDGET

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 12,655	\$ -	\$ -	0.00%
Principal	707,837	767,248	834,609	8.78%
Interest	455,569	467,690	453,850	-2.96%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 1,176,061</b>	<b>\$ 1,234,938</b>	<b>\$ 1,288,459</b>	<b>4.33%</b>

### BUDGET TREND: FY2012 - 2017



## 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 \$12 thousand. Portions of the ARC are also allocated to the employees and retirees of the General and Stormwater Funds.

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Benefits	\$ 3,000	\$ 4,200	\$ 4,000	-4.76%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 3,000</b>	<b>\$ 4,200</b>	<b>\$ 4,000</b>	<b>-4.76%</b>

## 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.

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Transfer to CIP	\$ 620,720	\$ 650,000	\$ 650,000	-57.60%
Reserves:				
Machinery & Equipment	-	-	-	-
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 620,720</b>	<b>\$ 650,000</b>	<b>\$ 650,000</b>	<b>0.00%</b>

**FY2017 ADOPTED BUDGET  
STORMWATER FUND**



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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 to 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 FY2017 budget includes a rate increase of 2.0%, which will move the fee from \$18.00 to \$18.36 per 200 square feet of impervious coverage. Additional revenue is anticipated due to increases in impervious surface from development.

**STORMWATER FUND REVENUES**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Service Charges	\$ 1,540,380	\$ 1,529,000	\$ 1,582,373	3.49%
Revenue from Use of Money and Property	2,254	1,000	-	-100.00%
<b>TOTAL REVENUE - STORMWATER FUND</b>	<b>\$ 1,542,634</b>	<b>\$ 1,530,000</b>	<b>\$ 1,582,373</b>	<b>3.42%</b>

**STORMWATER FUND EXPENDITURES**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Administration	\$ 679,119	\$ 672,250	\$ 624,146	-7.16%
Operations	666,615	728,439	712,422	-2.20%
Debt Service	87,728	129,311	221,087	70.97%
Reserves	-	-	24,718	-
<b>TOTAL EXPENDITURES - STORMWATER FUND</b>	<b>\$ 1,433,462</b>	<b>\$ 1,530,000</b>	<b>\$ 1,582,373</b>	<b>3.42%</b>

## **STORMWATER MANAGEMENT**

**SUMMARY OF SERVICES PROVIDED**

The Department of Public Works provides management and operation of the City’s stormwater conveyance system, including planning, design, construction, and rehabilitation of the system. In addition, funding is used to develop and implement capital improvements needed to provide high quality and reliable service. The department also manages the day-to-day operations of the Stormwater Utility Fund, which includes outreach, customer service, impervious coverage mapping updates, and credit program.

**TRENDS AND ISSUES**

- Debt service costs from recent stormwater capital projects is coming online and pressuring the operating budget. Small increases in revenue will be needed in out years to continue investments in the infrastructure.
- The fund’s operating budget continues the trend of shifting expenses from the engineering to operation group to focus on system repairs and rehabilitation.

**SIGNIFICANT CHANGES IN FY2017**

- None anticipated.

**FY2017 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

**ADOPTED POSITIONS BY FTE – 3.27 TOTAL**

- |                                 |  |
|---------------------------------|--|
| • 0.15 Director of Public Works | • 0.75 Senior Engineer                 |
| • 0.50 Principal Engineer       | • 0.67 Customer Service Representative |
| • 0.50 Civil Engineer           | • 0.50 GIS Analyst                     |
| • 0.20 Contract Manager         |  |

**Stormwater Management**

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 287,058	\$ 294,474	\$ 274,457	-6.80%
Benefits	98,310	96,216	84,891	-11.77%
Professional and Contractual	112,865	114,487	97,829	-14.55%
Materials, Supplies, and Other	21,299	29,373	36,369	23.82%
Capital Outlay	3,435	7,700	600	-92.21%
Admin Fees to General Fund	156,151	130,000	130,000	0.00%
<b>Total Expenditures</b>	<b>\$ 679,119</b>	<b>\$ 672,250</b>	<b>\$ 624,146</b>	<b>-7.16%</b>

**BUDGET TREND: FY2012 – 2017**



**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. Since its creation the crew has mainly focused on the City’s greatest immediate needs; inspecting and cleaning storm pipes and performing repairs to stormwater inlets and manholes.
- The crew also coordinates with Stormwater Administration to systematically collect hundreds of feet of pipe condition data using closed circuit television inspections.

### SIGNIFICANT CHANGES IN FY2017

- None anticipated.

### FY2017 DELIVERABLES

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

### ADOPTED POSITIONS BY FTE – 4.55 TOTAL

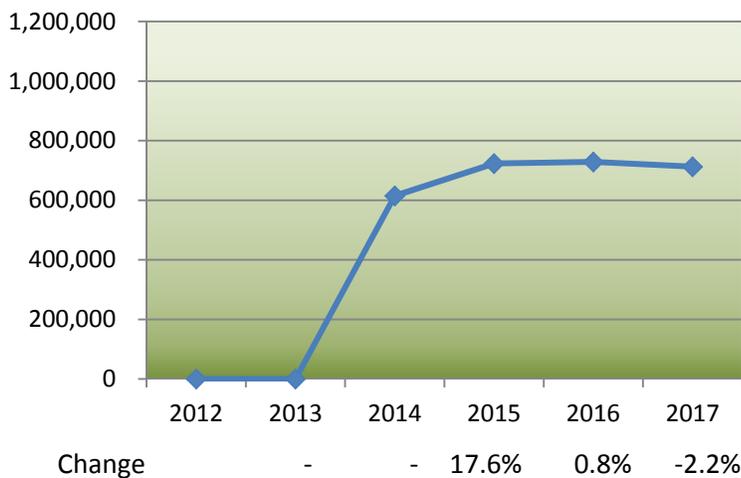
- |   |                           |
|---|---------------------------|
| • 0.25 Superintendent of Public Works       | • 1.00 Crew Leader        |
| • 0.20 Asst. Superintendent of Public Works | • 3.00 Maintenance Worker |
| • 0.10 Sr. Administrative Assistant         |                           |

**Operations and Maintenance**

**ADOPTED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Salaries and Wages	\$ 184,726	\$ 229,224	\$ 243,706	6.32%
Benefits	99,540	110,835	117,636	6.14%
Professional and Contractual	259,097	280,000	270,000	-3.57%
Materials, Supplies, and Other	79,607	108,380	81,080	-25.19%
Capital Outlay	43,645	-	-	0.00%
<b>Total Expenditures</b>	<b>\$ 666,615</b>	<b>\$ 728,439</b>	<b>\$ 712,422</b>	<b>-2.20%</b>

**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.

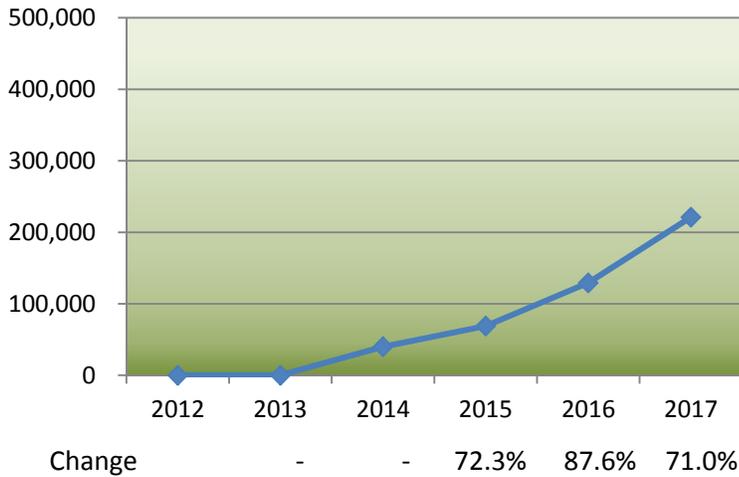
## DEBT SERVICE

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**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Professional and Contractual	\$ 9,078	\$ -	\$ -	0.00%
Principal	35,000	75,000	144,512	92.68%
Interest	43,650	54,311	76,575	40.99%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 87,728</b>	<b>\$ 129,311</b>	<b>\$ 221,087</b>	<b>70.97%</b>

**BUDGET TREND: FY2012 - 2017**



**Notes:**

- Debt service increases every year as the fund addresses capital infrastructure needs with borrowing.

## RESERVES

In FY2017, the Stormwater Fund budget includes an amount to be set aside for reserves. This will begin to establish the reserve for capital replacement so that future capital needs may be addressed while mitigating increases in fees.

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
Expenditures				
Reserves	-	-	24,718	-
Total Expenditures	-	-	24,718	-
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,718</b>	<b>-</b>

**FY2017 ADOPTED BUDGET  
AFFORDABLE HOUSING  
FUND**



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## AFFORDABLE HOUSING PROGRAM

### **SUMMARY OF SERVICES PROVIDED**

The City of Falls Church Affordable Housing Fund (AHF) provides funding both to maintain existing affordable housing and to develop additional affordable housing opportunities in the City for households with gross income less than 120% of the median income for the Washington Metropolitan statistical area. Funds are awarded on a rolling application basis through a public application process. Non-profit, for-profit, or government organizations are eligible for funding.

### *ELIGIBLE ACTIVITIES*

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

### *USE OF FUNDS*

- Bridge loans
- Financing
- Predevelopment Grants

### **TRENDS AND ISSUES**

Staff contacted several non-profit housing developers to explore the possibility of increasing the amount of affordable housing stock in the City. The amount available in the Affordable Housing Fund was not enough to support a project.

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

Approximately \$289,000 is available through the Affordable Housing Fund for eligible activities.

### **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.

**PROPOSED POSITIONS BY FTE – 0.0 TOTAL**

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

**PROPOSED BUDGET**

	<b>FY2015 Actual</b>	<b>FY2016 Adopted</b>	<b>FY2017 Adopted</b>	<b>Percent Change</b>
Expenditures				
Professional and Contractual	\$ 141,038	\$ -	\$ -	-
Materials, Supplies, and Other	-	-	-	-
<b>Total Expenditures</b>	<b>141,038</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenues				
Revenue from Use of Property and Money	349	-	-	-
Loan repayments	-	-	-	-
Use of Fund Balance	141,038	-	-	-
<b>Total Revenues</b>	<b>141,387</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ (349)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

**FY2017 ADOPTED BUDGET  
SCHOOL BOARD**



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## 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 2016, where that number now stands at 2,509, and student enrollment is projected to continue to increase at an average annual rate between two and three percent into the foreseeable future. Next year FCCPS anticipates enrollment will grow by 3.5%, which equates to an increase of 89 additional students.

	FY2016 CURRENT STUDENTS	FY2017 PROJECTED STUDENTS	CHANGE FROM CURRENT
Jessie Thackrey Preschool (PK)	51	58	7
Mt. Daniel Elementary (K-1)	349	369	20
Thomas Jefferson Elementary (2-5)	780	820	40
M.E. Henderson Middle School (6-8)	554	579	25
George Mason High School (9-12)	775	772	(3)
<b>TOTALSTUDENT ENROLLMENT</b>	<b>2,509</b>	<b>2,598</b>	<b>89</b>

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

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

	Bachelors	Bachelors +18	Masters	Masters +30
Year 5	-\$ 2,098	-\$ 2,659	-\$ 1,664	-\$ 1,955
Year 10	-\$6,193	-\$6,431	-\$ 4,953	-\$ 5,376
Year 15		-\$10,171	-\$ 7,456	-\$7,991
Year 25			-\$ 2,682	-\$ 2,943

Finally, fixed cost items such as benefit rates and inflation need to be addressed; this includes some student tuition to special education, career/technical, and gifted programs.

**SIGNIFICANT CHANGES IN FY2017**

The single largest budget driver in the adopted FY17 budget is the competitiveness improvement that is being added to the FCCPS teacher salary scales. This one item represents \$524,600 (29%) of the \$1.8 million budget increase. To address the projected increase in student enrollments and the increased instructional needs of students, a total of 8.7 FTE instructional positions are being added between the current year and FY17. This will maintain overall class sizes and service levels.

**FY2017 DELIVERABLES**

- Provide an average 2% salary increase for all staff while continuing to close the pay gap.

YEAR THREE: For 2016-17, FCCPS anticipates further closure of the teacher pay gap:

	Bachelors	Bachelors +18	Masters	Masters +30
Year 5	-\$ 1,838	-\$ 2,239	-\$ 1,374	-\$ 1,645
Year 10	-\$3,263	-\$3,421	-\$ 3,283	-\$ 3,486
Year 15		-\$8,331	-\$ 4,206	-\$4,461
Year 25			-\$ 2,202	-\$ 2,443

- 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:

Teachers (Preschool; ESOL; Gifted; Speech; Music; Guidance)	\$725,100
Technology team member	\$105,200
Support Staff (Custodian; Clerical; Food Service; Health Aides)	\$229,700
Expanded and Enhanced Summer School Services	\$78,200
EPED Stipends for Co-curricular Teams/Clubs (e.g. Lego League)	\$51,700
Enhanced Professional Development Activities	\$64,000
Classroom/Instructional Supplies	\$184,000
Expanded and enhanced technology security	\$25,000
Technology and Security Equipment (cameras; access points)	\$88,800
Equipment Replacements (visual/performing arts; kitchens; gyms)	\$75,000
Classroom Furniture replacements and additions	\$50,000
Building Repairs and Preventative Maintenance (aging facilities)	\$350,000
Maintenance Equipment (e.g. snow blowers, buffers, vacuums)	\$45,000
<b>TOTAL</b>	<b>\$2,071,700</b>

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

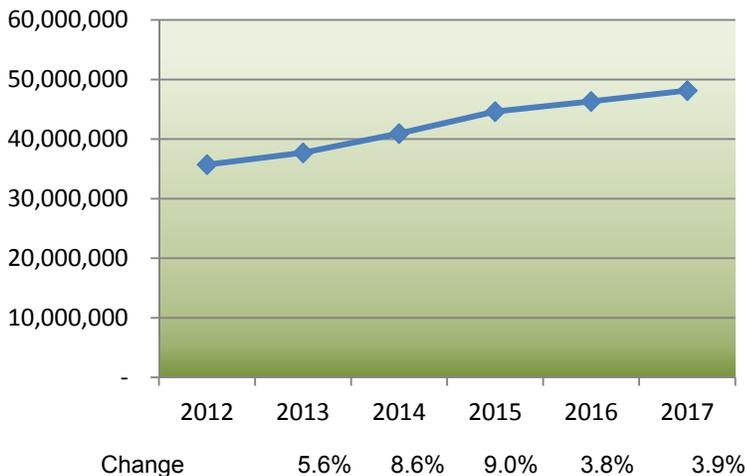
- 21<sup>st</sup> century teaching and learning;
- Excellent staff;
- Modern, secure schools;
- Readiness for learning;
- Small classes; and,
- Responsible fiscal management.

Operating Fund

ADOPTED BUDGET

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
<b>Expenditures</b>				
Salaries	\$ 28,200,711	\$ 29,261,650	\$ 30,439,610	4.03%
Benefits	9,342,078	10,253,760	10,303,570	0.49%
Professional and Contractual	3,821,912	4,018,540	4,771,510	18.74%
Conferences, Travel, & Memberships	172,432	230,020	201,600	-12.36%
Materials, Supplies, and Other	1,352,986	1,303,580	1,213,210	-6.93%
Capital Outlay	1,482,246	678,150	612,500	-9.68%
Transfers to Other Funds	100,000	82,500	45,000	-45.45%
Reserves	-	495,000	555,000	12.12%
<b>Total Expenditures</b>	<b>44,472,365</b>	<b>46,323,200</b>	<b>48,142,000</b>	<b>3.93%</b>
<b>Revenues</b>				
Transfer from City	36,746,200	38,298,700	39,708,000	3.68%
State Grants	3,457,524	3,509,700	3,732,100	6.34%
Sales Tax	2,283,831	2,435,500	2,704,700	11.05%
Federal Grants	473,904	499,800	514,400	2.92%
Other	1,103,088	929,500	1,017,800	9.50%
Use of Fund Balance	-	650,000	465,000	-28.46%
<b>Total Revenues</b>	<b>44,064,547</b>	<b>46,323,200</b>	<b>48,142,000</b>	<b>3.93%</b>
<b>Net Expenditures</b>	<b>\$ 407,818</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

BUDGET TREND: FY2012- 2017



**Notes:**

- Between FY2012 and FY2017, the School Operating Fund increased by \$13,442,300. Of that increase, \$12,046,200 (90%) was needed for salaries, wages, and benefits to address continuous growth in student enrollments and regional competitiveness of teacher pay.

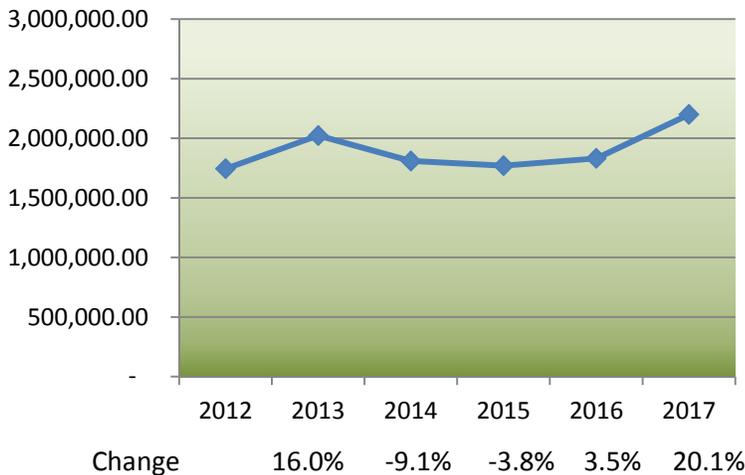
## COMMUNITY SERVICES FUND

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

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
<b>Expenditures</b>				
Salaries	\$ 986,259	\$ 1,016,180	\$ 1,172,930	15.43%
Benefits	260,376	289,830	315,200	8.75%
Professional and Contractual	174,280	115,290	161,350	39.95%
Conferences, Travel, & Memberships	17,196	37,500	23,850	-36.40%
Materials and Supplies	141,610	113,800	202,500	77.94%
Capital Outlay	33,147	86,000	93,800	9.07%
Reserves	-	110,000	160,000	45.45%
Transfer to Operating Fund	62,500	62,500	70,000	12.00%
<b>Total Expenditures</b>	<b>1,675,368</b>	<b>1,831,100</b>	<b>2,199,630</b>	<b>20.13%</b>
<b>Revenues</b>				
User Fees	1,668,248	1,473,900	1,661,770	12.75%
Transfer from City	113,330	119,200	121,030	1.54%
Other	111,366	50,000	173,030	246.06%
Use of Fund Balance	-	188,000	243,800	29.68%
<b>Total Revenues</b>	<b>1,892,944</b>	<b>1,831,100</b>	<b>2,199,630</b>	<b>20.13%</b>
<b>Net Expenditures</b>	<b>\$ (217,576)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

### BUDGET TREND: FY2012- 2017



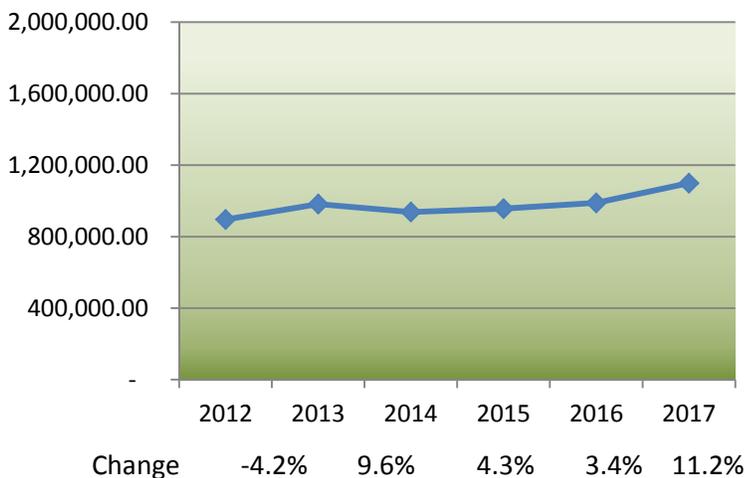
# FOOD SERVICE FUND

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**

	FY2015 Actual	FY2016 Adopted	FY2017 Adopted	Percent Change
<b>Expenditures</b>				
Salaries	\$ 357,916	\$ 385,240	\$ 370,230	-3.90%
Benefits	137,342	161,960	119,820	-26.02%
Professional and Contractual	42,282	24,600	49,450	101.02%
Materials, Supplies, and Other	367,852	366,900	459,700	25.29%
Reserves	-	50,000	100,000	100.00%
<b>Total Expenditures</b>	<b>905,392</b>	<b>988,700</b>	<b>1,099,200</b>	<b>11.18%</b>
<b>Revenues</b>				
User Fees	709,950	746,000	781,500	4.76%
State and Federal Funds	122,789	118,200	170,600	44.33%
Other Miscellaneous	3,190	2,000	2,100	5.00%
Transfer from School Operating Fund	100,000	47,500	45,000	-5.26%
Use of Fund Balance	-	75,000	100,000	33.33%
<b>Total Revenues</b>	<b>935,929</b>	<b>988,700</b>	<b>1,099,200</b>	<b>11.18%</b>
<b>Net Expenditures</b>	<b>\$ (30,537)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

**BUDGET TREND: FY2012-2017**



**FY2017 ADOPTED BUDGET  
CABLE ACCESS FUND**



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## CABLE ACCESS FUND

### SUMMARY OF SERVICES PROVIDED

Falls Church Community Television (FCCTV), administratively managed by the Office of Communications (OCOM), operates under a tripartite agreement between the City government, the public schools, and the public (represented by the Falls Church Cable Access Corporation). FCCTV delivers programming via cable channels (Cox channel 11, RCN channel 2, Verizon channel 35), YouTube video uploads, and public broadcasting and online streaming of City Council, School Board, Planning Commission and other public meetings.

FCCTV is supported by Public-Education-Government (PEG) Grant funds provided by Cox and Verizon via the franchise agreements with the City government. PEG Grants may be spent only on capital expenditures for FCCTV. Operating expenditures are supported by the local taxes from the General Fund.

FCCTV provides services to the government by recording and editing City Council and Planning Commission meetings, town hall-style meetings, marketing promotions, special events, program and services demonstrations, and more. Recorded meetings help the government achieve transparency and accessibility for the community.

FCCTV provides services to the public schools by recording and editing School Board meetings, town hall-style meetings, special events, program and services demonstrations, and more.

FCCTV provides services to the public 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.
- 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.

### SIGNIFICANT CHANGES IN FY2017

- The restrictive nature of how the PEG Grants can be spent means that many daily needs cannot be funded. For example, a \$1,000 new battery was needed for a server, but could not be purchased by PEG Grants. More operating funds are needed for FCCTV to function, not just succeed.

**FY2017 DELIVERABLES**

- Produce 6 or more videos by FCCTV that promote, market, or communicate government programs and services (aside from regularly recorded meetings and town halls).
- Increase FCCTV programing quality.

**ADOPTED POSITIONS BY FTE – 2.00 TOTAL**

- 2.00 Cable TV Videographer

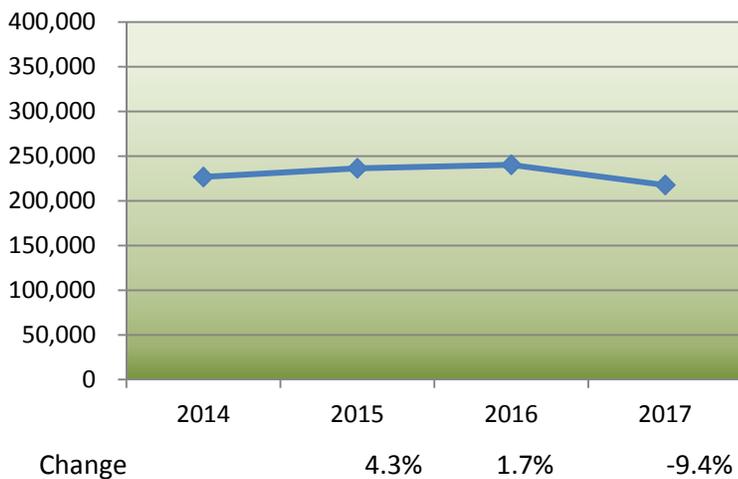
**PRIORITIES FOR FUTURE FUNDING**

1. Operating funds - \$7,000: More operating funds are needed so the station can function, much less succeed.

**ADOPTED BUDGET**

	FY2015 Actual	FY2016 Adopted	FY2017 Proposed	Percent Change
Expenditures				
Salaries and Wages	\$ 122,545	\$ 138,008	\$ 119,919	-13.11%
Benefits	35,754	40,403	29,927	-25.93%
Professional and Contractual	663	-	-	-
Materials, Supplies, and Other	2,195	2,849	2,799	-1.76%
Capital Outlay	12,178	59,000	65,000	10.17%
<b>Net Expenditures</b>				
<b>Supported by General Revenues</b>	<b>\$ 173,335</b>	<b>\$ 240,260</b>	<b>\$ 217,645</b>	<b>-9.41%</b>

**BUDGET TREND: FY2012–2017**



**Notes:**

- Prior to FY2014, the FCCTV activities were accounted for by the School Board in their Community Services Fund.
- In FY2017, the TV Station Supervisor position was eliminated and replaced with a Videographer.

**FY2017 ADOPTED BUDGET  
5-YEAR CAPITAL  
IMPROVEMENTS  
PROGRAM**



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## 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.

For FY2017, the City is embarking on a new two-year CIP cycle process, whereby odd numbered years will be for minor updates to the approved CIP, and even numbered years are open for more significant changes and consideration of new projects. The goal of this "biennial CIP" approach is to allow staff to focus more time and effort on carrying out already approved projects, by redirecting some of the time and effort that is currently dedicated to developing and vetting new projects each year.

As FY2017 is an odd numbered year, the focus on this year's CIP will be for updates to existing projects in the approved CIP, with only minimal attention dedicated to possible new projects in 2021. In FY2018, and subsequent even numbered years, new projects for the out-years will be expected for the planning, vetting, and review that we are familiar with as part of the CIP process. However, since this is a transition year to the new process there are two new CIP projects for FY2017.

### *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, 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](http://www.fallschurchva.gov/CIP).

### PLANNING COMMISSION RECOMMENDATION

The Planning Commission (the Commission) voted on February 22, 2016, to recommend approval of the CIP for inclusion in the City Manager's FY2017 adopted operating budget and 5-year Capital Improvements Program.

The Commission conducted public hearings on February 1, 16 and 22, 2016. Additionally, work sessions were held on February 1 and February 16, 2016, which provided the Commission the opportunity to review the details of all projects proposed under the General, School, Transportation, Stormwater, and Sewer Funds. The Planning Commission discussed the 5-year critical capital needs and the overall lack of funding commitment in terms of Pay Go local funding, transportation match funding and the not funding a proactive capital reserve fund. Additionally, the Commission had a thorough discussion with the Economic Development Authority regarding the design, timing and value of the Downtown Public Plaza.

The Commission requested a financing plan modification to the middle and high school projects to provide a maximum portion as debt financing that would comply with policy and then retain the remainder in the "pink" to be identified financing plan. The intent was to provide a clearer message to the community of the affordability of these projects and the criticality of economic development as part of the joint land use. The result was: 1) MEH Middle School fully \$5M debt financed; 2) GM High School \$32M portion debt financed; and 3) GM High School remaining project cost of \$68M is designated as "pink" requiring a financing plan to be identified. This debt scenario brings the debt service projection up to the 12% policy limit eliminating other debt financed projects until repayments are sufficient to drop below 12%. While policy compliant, it is important to note that this is almost a \$3M increase in debt service in a 5-year period and absent assessed value increases would require an 8 cent tax increase.

The Commission requested the following modifications to the February 1st CIP projects as well as policy statements:

1. The School Financing Plan, for FY2017, as described above;
2. Reduction of Downtown Public Plaza funding to \$250,000;
3. Revise the Public Parking Structure so the A&E begins in FY2019, three years earlier;
4. Redefine the school land acquisition project to land acquisition so that funding is available for quick response but the specific use is not defined prior to community engagement;
5. Prepare 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. Prepare 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**, as modified, pursuant to Section 6.19 of the City Charter and Section 17.08 of the City Code the FY 2017-2021 CIP as presented on February 1, 2016, and amended on February 16, 2016, and February 22, 2016, as summarized on CIP notebook pages 3-1, 3-2, 3-3, 3-4, 3-5, 3-6, and 3-7:

1. Including reference change of Land Acquisition at \$4M and move the Park Avenue Parking Structure to Fiscal Year 2019;
2. Excluding the George Mason High School, Mary Ellen Henderson Middle School Projects (see Motion #2); and
3. Excluding the Downtown Public Plaza.

The motion passed unanimously with all members present.

**Motion #2:** Ms. Teates moved, and Ms. Hockenberry seconded, that the Planning Commission recommend that the City Council **approve** as modified, pursuant to Section 6.19 of the City Charter and Section 17.08 of the City Code the FY 2017-2021 CIP as presented on February 1, 2016 and amended on February 16, 2016 and February 22, 2016 revised timing to FY2018, split financing version and funding amounts for the George Mason High School and the Mary Ellen Henderson Middle School, as summarized on CIP notebook pages 3-1, 3-3, and 3-4.

The motion passed 5-2 with Ms. Hockenberry, Mr. Meeks, Mr. Rankin, Ms. Teates, and Mr. Djan voting “yes”; Ms. Rodgers and Mr. Wodiska voting “no”.

**Motion #3:** Ms. Teates moved, and Mr. Djan seconded, that the Planning Commission recommend that the City Council **approve** a modified project at \$250,000 inclusive of staff, pursuant to Section 6.19 of the City Charter and Section 17.08 of the City Code the FY2017-2021 CIP as presented on February 1, 2016 and amended on February 16, 2016 and February 22, 2016 for Downtown Public Plaza as summarized on CIP notebook pages 3-1, 3-3, and 3-4.

The motion passed 6-1 with Mr. Meeks, Mr. Rankin, Ms. Rodgers, Ms. Teates, Mr. Wodiska, and Mr. Djan voting “yes”; Ms. Hockenberry voted “no”.

**Motion #4:** Mr. Rankin 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 fund the Commercial and Industrial Equivalent (CIE) transportation pedestrian improvements, including sidewalks, match leverage and properly set aside capital reserve funds for facility and equipment replacements, rotational replacement and renovations to prevent future fiscal pressures of all infrastructure requiring funding at the same time. The Commission specifically recommends two (2) cents for transportation, particularly for pedestrian improvements and sidewalks, and one (1) cent for capital reserve.

The motion passed unanimously with all members present.

**Motion #5:** Ms. Teates moved, and Ms. Rodgers seconded, that the Planning Commission affirms to the City Council that the Commission is fully committed to the City Hall/Public Safety Renovation and Expansion Projects, as approved in FY12, FY13, FY14, FY15, and FY16, and expects the design/engineering and construction staff work efforts to proceed expeditiously.

The motion passed unanimously on voice vote with all members present.

### CITY MANAGER RECOMMENDATION

The City Manager's FY2017-2021 recommended CIP is consistent with the Commission's recommendation except for two projects. The proposed budget restores the Downtown Public Plaza funding to the Economic Development Authority's request of \$550,000 and retains the full George Mason High School and Mary Ellen Henderson Middle School as "pink" requiring the financing plan to be refined so consistent with the pending P3 procurement process.

The proposed CIP Ordinance also includes transportation funding revisions identified after the Commission adopted their recommendations. In order to meet WMATA legal funding requirements, \$564,000 in local funding is included in the operating budget for the special transportation fund. This qualifies as Commercial and Industrial Equivalent (CIE) funds so the City is able to match more NVTAs 30% funds than previously projected. This leveraging of dedicated CIE funds permits funding to be allocated to Bridges, Downtown POA, and state and regional grant matches for pending applications. There is no funding for Neighborhood Traffic Calming (NTC) programs as project activities are not eligible under available grant resources.

Additionally, the proposed operating budget includes short term capital outlay funding for the Mobility Access Plan and Wireless Network so this project has been removed from the CIP.

### CITY COUNCIL ACTION

Council adopted the FY2017-2021 Capital Improvements Program (CIP) Ordinance as recommended by the City Manager, which includes FY2017 CIP appropriations, on April 25, 2016.

### KEY POLICY DECISIONS

The Five-Year CIP for the period of FY2017 through FY2021 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 proposes 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.***

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, and the 2011 Financial Policies. Previous 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 FY2017-2021 CIP stay within the City’s policy constraints based on the assumptions used in this forecasting tool.

The proposed FY2017-2021 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 is planned and the PPEA process addresses revenue from economic development and partnership opportunities. The PPEA process is still underway in terms of analyzing the two received proposals and determining next steps. 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 downsizing 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 all but \$5M of the water sale proceeds. The actual dollar

amounts per category are displayed on the 5-year Projection chart in Tab 3; numerous projects are listed as needs but not funded unless a local revenue or grant funding source is identified.

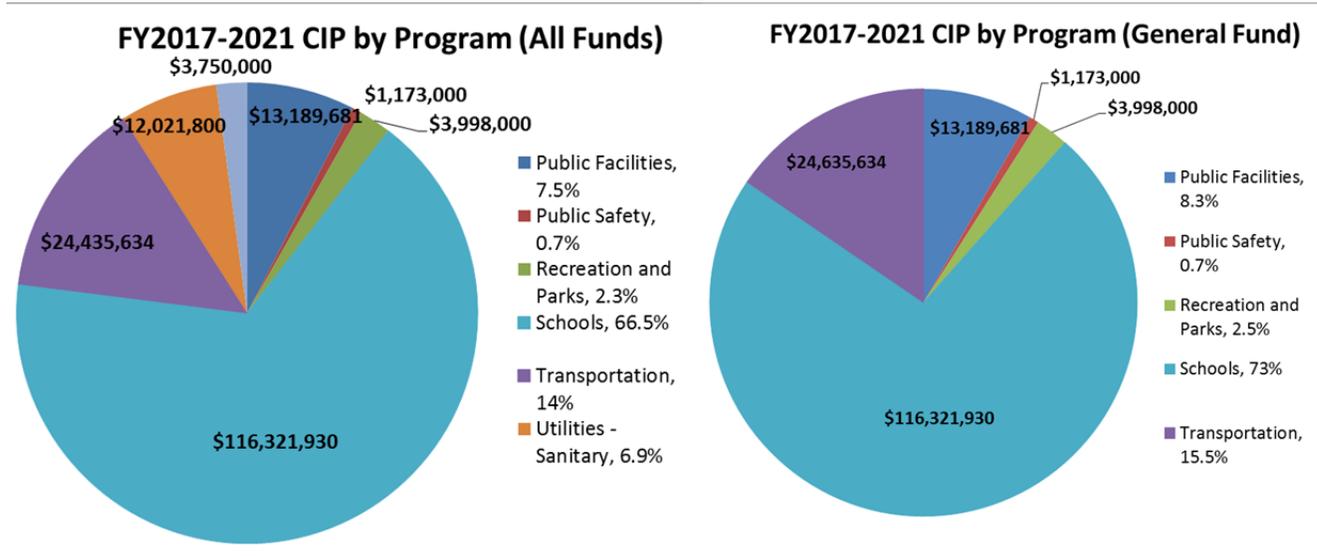
**Key policy discussion and decisions required for this CIP development include the following challenges and opportunity topics:**

- 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 proposed within the FY2017-2021 CIP have taken constrained staff as well as funding resources in mind and therefore phased, this is especially true in the area of transportation.

The following pie charts provide a visual look at how CIP projects are allocated by functional areas:



Recreation and Parks:

There are requests of \$2.9M in park master plan improvements and an additional \$1M in open space funding but due to financial constraints an additional \$848,000 is recommended for funding. These projects are spaced to generally cover one significant effort per year. The dollar amount targeted for park master planning is constant to last year but the project amounts between Howard E. Herman Stream Valley Park and Park Master Planning was shifted to prioritize accessible playground equipment at Cherry Hill Park. The Big Chimneys and Transportation project remains as recommended last year. New to this CIP this year is a Downtown Public Plaza that is fully funded by Economic Development Authority resources to include construction management staff support. The Recreation and Parks Advisory Board submitted recommendations, for full funding, and are noted under Tab 9 of the CIP separate notebook.

Transportation:

The City continues to organized transportation CIP items at the “project” scale, with each project being connected to a single source of grant funding. Moving forward the projects will be 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 draft 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 proposed transportation CIP realistically schedules project implementation based on project priorities and existing staff levels.

With the adoption of HB 2313 in 2013, the City 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 proposed CIP does not recommend adopting the Commercial Transportation Tax overlay but rather to use the option of the equivalent funding, known as C&I equivalent, as part of the overall tax base to reflect the City-wide benefit. **However, a dedicated funding source for the C&I Equivalent (CIE) has not been identified; for policy discussion purposes dedicated 2 to 3 cents on the tax rate would be necessary to leverage the full 30% NVTA funds.** For 2017, the operating budget includes \$564K to meet WMATA obligations and this is being used as CIE to match the NVTA 30% funds.

Schools:

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 has proposed the direction 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 December 2015. The FY2017-2021 FCCPS CIP includes funding for school land acquisition, 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 \$321,930 from \$400,000.

The high school 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 proposed 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.

The School Board full adopted CIP is available under Tab 6 in the separate CIP notebook.

Library:

The Mary Riley Styles Library Board of Trustees worked with consultants in FY2013 to develop a Master Plan for the Library which also included a review of a 2008 Space Study and extensive public consultation. The goal is a library for the future that accommodates City growth and adheres to the City's Comprehensive Plan. The original Library building was constructed in 1957 and expanded in 1968 and 1992 to meet changing demands. The facility analysis conducted as part of the Master Plan process portrays a building that is: ADA deficient in many aspects and in need of many infrastructure repairs or replacements; it lacks storage and sufficient security systems and measures, space for large audiences which routinely occur weekly during story hours, study spaces for students after school and on weekends, larger public restroom space; and Local History room space. Shelving is too high, the elevator is old and unreliable, and the heating/air conditioning system does not work properly.

The Master Plan concludes that additional space is needed to support current and projected future functions, and that the Library should add 14,500 square feet to its existing 18,500 square foot facility to bring its size to 33,000 square feet. In addition to adding square footage, the Master Plan recommends upgrades to the existing building. As a result of the FY2015-2019 CIP process, this project was funded at \$8M with a request for the Library to the complete rebuild approach to one of renovation and 6,000 to 7,000 sf expansion. A revised feasibility study was conducted and as was noted in the FY2016-2020 CIP. This CIP reflects that project scope and cost. The Library Board of Trustees presented this at a joint City Council and Planning Commission meeting in January 2015 and is conducting a community engagement process for this proposed plan. See Tab 6 for further details.

Storm Water Infrastructure:

In many parts of the City, the storm water system is aging, undersized, and unable to convey the standard 10-year storm event. These deficiencies result in frequent flooding along some of the City streets and damage to private property. As the City carries out repairs to its existing storm water infrastructure, there will be opportunities for the implementation of measures that will improve water quality. As appropriate to individual circumstances, this might include daylighting streams, creating bio-engineered streambeds and storm water detention and infiltration systems. CIP funding for storm water improvements increases the ability to implement necessary water quality measures and infrastructure replacement/upgrades. The Watershed Management Plan, authorized by Council, has been adopted and the recommendations of this Plan help formulate a strategy for projects and Council has established the enterprise fund, set the rates, and created the credit policy. 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 were 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 FY2018 at the earliest, as well as plans to increase the reserve fund for sewer rehabilitation.

**EXISTING PROJECTS STATUS**

The following provides an update on current CIP projects, as of fall 2015, authorized for FY2016 and prior.

**Public Safety (Police and Sheriff)**

- Scope:** Reconstruction of the Firearms Training Center in partnership with The Fairfax City Police Department.
- Cost:** \$1.2 million dollars (Falls Church’s share of project)
- Schedule:** The Fairfax City Police have been awarded a grant in FY14 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.
- 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 by 4<sup>th</sup> quarter FY16.

**Public Safety (Police and Sheriff)**

- Scope:** Replace the public safety Motorola radio (s) which supports the communications of each individual officer, public safety official, sheriff's deputy, emergency communication technician and every individual mobile radio in the vehicles are in need of replacement.
- Cost:** \$582,460
- Schedule:** The current handheld radio (end user piece) is a XTS 5000 Motorola model and the XTL 5000 Motorola (mobile for the vehicles). Radios have a life cycle of 7 years. These model radios will not be manufactured or replaced after April 2015. The radios will be phased out of service and no longer capable with surrounding jurisdictions by April 2015. The City currently has 90 portable radios to support all personnel and 40 mobile radios to support all emergency vehicles and consulates at a total of 130 total radios. The proposed 3 year plan of radio replacement would account for: 44 portables the first year, 20 portables and 22 mobiles the second year, and 20 portables the third year for a total of 106 total radios.
- Status:** Equipment has been purchased and delivered. Programming and deployment underway.

**Public Safety (Fire Station #6 Capital Reinvestments)**

- Scope:** Capital investment needs identified in 2013 report and addressed in 2014 Agreement with Arlington County. Includes replacement of HVAC, windows, and overhead doors.
- Cost:** \$788,000
- Schedule:** Window replacements have been completed. HVAC design is halted at 90% while the City and County investigate funding availability. Overhead door replacement has been postponed for several years due to costs exceeding funding.
- Status:** Windows have been replaced for ~\$43,000 less than budgeted cost. The HVAC design is 95% complete, but \$1.25M estimated construction cost is well over the \$200,000 budgeted cost. Overhead door replacement costs of \$545k exceeded budgeted amount of \$345k, so doors were repaired and replacement postponed. Other capital needs have been identified by Arlington County for the out years, including gutter replacement, generator replacement, and sanitary sewer repairs.

**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 FY15 and is currently available.

**Schedule:** As parcels become available

**Status:** Public hearings and discussions during Council work sessions occurred regarding the purchase of property on Lynn Place, but no formal action has been taken. Conversations with no formal discussions continue in regard to a public easement off of Falls Avenue leading into West End Park and an easement into Roberts Park. Land for rectangular field space is still a priority.

*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 Summer and Fall 2015

**Status:** COMPLETED with minor amenities still to be added.

*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 were completed summer 2015 in conjunction with the current daylighting work being done. The remaining design has begun and amenities need to be added when design is complete. Estimated time frame is for amenities to be added after full growing season has completed at the end of 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 of the City’s tennis and basketball courts have gone through the restoration phase. Cherry Hill and Cherry Street tennis courts were completed as part of storm water projects in the Summer of 2015 and all other surfaces were opened previously.  
**Status:** COMPLETED

*Master Park Improvements*

**Scope:** Replace signage at entrances to Parks, improve recycling at parks by adding recycling bins, and add color to parks. Design and outline a timeframe for replacing old and worn out playground structures in Chery Hill Park to include the addition of fully ADA compliant playground structures.  
**Cost:** Varies  
**Schedule:** Ongoing  
**Status:** On schedule. A majority 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, and Roberts Park have recently been replaced.  
**Scope:** Begin the process of replacing old and worn out playground equipment in Cherry Hill Park, to include fully ADA playground components.  
**Cost:** TBD  
**Schedule:** Begin design and public input winter 2015  
**Status:** On schedule

**Storm Water Projects**

*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 Tripp’s 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:** \$220,000 (engineer’s estimate)  
**Schedule:** Survey: complete  
 Engineering Design: 95% complete  
 Construction Start: June 2016  
 Project Completion: October 2015  
**Status:** Finalizing design

*Wren Branch Drainage Improvements:*

**Scope:** Solve the localized flooding issue at the intersection of E. Columbia St. and Underwood St. by upsizing existing pipes behind the homes on Underwood St. and crossing E Columbia St. Staff is investigating a cooperative effort with Arlington County to include a restored outfall and stream in the scope of work. If this is possible the project would provide the City with credits toward Chesapeake Bay TMDL pollutant reduction goals.

**Cost:** \$550,000 (engineer's estimate; does not include stream work)  
**Schedule:** Survey: complete  
 Engineering Design: Preliminary drawings complete  
 Construction Start: June 2016  
 Project Completion: November 2016  
**Status:** Awaiting design scope for possible outfall/stream restoration.

*Harrison Branch Daylighting:*

**Scope:** Remove existing storm infrastructure between E. Jefferson St. and where Harrison Branch meets Four Mile Run and replace it with a naturalized stream channel. This section of piping is in disrepair and was previously identified as a good candidate for daylighting in a 2005 City study. This project will provide the City with credits toward Chesapeake Bay TMDL pollutant reduction goals.  
**Cost:** \$400,000 (planning level estimate)  
**Schedule:** Survey: Spring 2016  
 Engineering Design: Fall 2016  
 Construction Start: Winter 2016  
 Project Completion: Spring 2017  
**Status:** Soliciting scope of work from engineering firms.

**Transportation**

**Commercial Area – South Washington Street Area**

*South Washington Street Intermodal Plaza*

**Scope:** Construct intermodal plaza at Hillwood Avenue and South Washington Street; install traffic signals, pedestrian crossings, and ADA curb ramps. Project is being developed along with South Washington Street Access to Transit.  
**Cost:** \$2,085,000 in state (DRPT) and federal (FTA) funding  
**Schedule:** Engineering Design: Underway  
 Construction Start: Winter 2016  
 Construction Complete: Fall 2017  
**Status:** Public meetings held in January 2013 and May 2013 to provide project update to community. Conceptual corridor design completed June 2013. Public Meetings held March 2015 to discuss intermodal plaza design elements. Final engineering to be completed in Spring 2015. Ongoing coordination with VDOT and local business and property owners.

*South Washington Street Access to Transit*

**Scope:** Along South Washington Street from Hillwood Avenue to Tinner Hill, and east side of Hillwood Avenue from South Washington Street to Annandale Road – improve pedestrian and ADA accessibility, underground utilities, and new streetscape. Project is being developed along with South Washington Street Intermodal Plaza.  
**Cost:** \$700,000 in NVTA 70% funds, \$300,000 in NVTA 30% funds  
**Schedule:** Engineering Design: Underway  
 Utility Undergrounding: Spring 2016  
 Construction Start: Winter 2016  
 Project Completion: Fall 2017

**Status:** Public meetings held in January 2013 and May 2013 to provide project update to community. Conceptual corridor design completed June 2013. Utility undergrounding design is underway with plans for construction in Spring 2016. Main project design is being done concurrently with Intermodal Plaza and will be awarded at the same time.

#### Downtown Revitalization – Downtown Revitalization

##### *Downtown Revitalization*

**Scope:** Convert street lighting to LED, refresh paint on street light poles and for marked crossings, improve pavers and add water supply to brick sidewalks along West Broad Street and upgrade elements of the intersections of North Washington Street with Broad Street, Park Place and Park Avenue

**Cost:** \$600,000 local funds (water sale)

**Schedule:** Engineering Design: Fall 2015  
Construction: April 2016  
Completion: June 2016

**Status:** Intersections – In Design  
Infrastructure Refurbishments – In Progress

#### Infrastructure Maintenance and Investments – Bridges

##### *North Van Buren St*

**Scope:** Rebuild bridge to improve pedestrian accessibility along corridor to East Falls Church Metro

**Cost:** \$600,000

**Schedule:** Engineering Design: Underway  
Construction Summer 2016  
Completion: Winter 2016

**Status:** In Design

#### Infrastructure Maintenance and Investments – Street Paving and Reconstruction

##### *South West Street Reconstruction*

**Scope:** Rebuild and resurface roadways that are either poorly constructed or roadways that have reached the end of their structural life. This project is comprised of several allocations of Revenue Sharing Grant Monies and has been rebranded as the South West Street Roadbed Reconstruction Project.

**Cost:** \$2.2 million

**Schedule:** Engineering Design: Complete  
Construction: May 2015  
Completion: September 2015 (scheduled)

**Status:** COMPLETED November 2015

Infrastructure Maintenance and Investments – Traffic Signals

*East Broad Street and Cherry Street*

**Scope:** Replace existing traffic signal with upgraded equipment and pedestrian facilities.  
**Cost:** \$600,000 in Revenue Sharing and local funds.  
**Schedule:** Engineering Design: Fall 2015  
 R/W Acquisition: Summer 2016  
 Construction Start: Summer 2017  
 Project Completion: Spring 2018  
**Status:** Engineering Consultant Selection

*North West Street and Great Falls Street*

**Scope:** Replace existing traffic signal with upgraded equipment and pedestrian facilities.  
**Cost:** \$600,000 in Revenue Sharing and local funds.  
**Schedule:** Engineering Design: Spring 2017  
 R/W Acquisition: Fall 2017  
 Construction Start: Spring 2018  
 Project Completion: Spring 2019  
**Status:** Working on partnering with Fairfax County

Infrastructure Maintenance and Investments – Transit

*2014 and 2015 Priority Bus Shelters*

**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:** Easement acquisition still on-going, some shelter locations have been relocated that requires additional engineering. Spring 2016 installation of 5 or 6 shelters with the rest to follow later in calendar year 2016.

Non-Commercial Area – Neighborhood Traffic Calming

*Parker Avenue and Kent Street*

**Scope:** Install curb extensions and pedestrians crossings at the intersection of Parker Ave & Kent St  
**Cost:** \$100,000  
**Schedule:** Preliminary Engineering, expected January 2015  
 Construction, expected spring/summer 2015  
**Status:** COMPLETED

*Pennsylvania Avenue*

- Scope:** Install a raised pedestrian crossing at the intersection of Pennsylvania Ave & Fulton St. Remove parallel parking along the bend in Pennsylvania Ave southwest of Great Falls St.
- Cost:** \$50,000
- Schedule:** Preliminary Engineering, completed fall 2015; construction completed summer 2016
- Status:** Project in preliminary design, 75% to be received February 2016.

Non-Commercial Area – Non Commercial

*Roosevelt Avenue Intersection and Sidewalk Improvements*

- Scope:** Rebuild intersection of Roosevelt Blvd & Roosevelt St, and intersection of Roosevelt St. and East Broad St.; improve ADA pedestrian route from Roosevelt to Broad
- Cost:** \$951,000 RSTP funds; \$685,000 HSIP funds
- Schedule:** Engineering Design: currently underway  
R/W Acquisition: Winter 2015-16  
Construction Start: Summer 2016  
Project Completion: Winter 2016-17
- Status:** Final design underway. Right of way acquisition underway.

*Mount Daniel Elementary SRTS*

- Scope:** Provide pedestrian improvements near the intersection of North West Street and North Oak Street, an established student pedestrian crossing.
- Cost:** Safe Routes to Schools Project Funds: \$361k (with option to use RSTP and SYIP Funds to increase)
- Schedule:** Engineering Design: Delayed until Summer 2018 (staff work prioritization and potential tie-in to redevelopment)  
R/W Acquisition: Fall 2018  
Construction Start: Spring 2019  
Project Completion: Fall 2019
- Status:** Survey, deed research, parking study, 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. Recommended alternative would provide curb bump outs at key intersections and new pedestrian crossings across West Street, with no new sidewalk. Planning Commission directed staff to consider other alternatives, including modifying the existing sidewalk on the southeast side of the street to provide access around existing utility poles, which obstruct sidewalk. Additional input is needed to finalize scope, schedule and funding.

Facilities

*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:** COMPLETED

*Thomas Jefferson Elementary:*

**Scope:** Complete HVAC renovation  
**Cost:** \$2.M  
**Schedule:** Design: complete  
 Construction completion: 2016  
**Status:** In process

*Mt. Daniel Elementary School:*

**Scope:** Preliminary design, A&E, County land use/zoning approvals and construction  
**Cost:** \$1M FY14 (along with increased FY15-19 CIP request of \$14.5M)  
**Schedule:** Design: complete  
 County approvals: in process  
 Construction completion: TBD  
**Status:** PPEA RFP issued January 2014; Design and contractor selected; 2232 and site plan approval process underway.

*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 FY16 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 FY16 CIP budget by the Assistant City Manager and a separate project 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:** \$1 million  
**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. Includes complete renovation of West Wing HVAC system and “full gut” interior renovations
- Cost:** \$7.4M
- Schedule:** Design: Ongoing. Endorsement of 20% concept from Council in July 2014.  
Construction: early 2017  
Completion: early 2019
- Status:** Endorsement of 20% concept from Council in July 2014. Scope increased in FY2015. Project is moving into design development and construction documents phase.

*City Hall/ Public Safety Renovations, Expansion (Rear/Front) & Parking:*

- Scope:** Add new central front entrance to City Hall and add meeting rooms to address security, accessibility and way-finding needs. Add rear corridor and rear elevator for security and accessibility needs. On grade secure parking in rear. Includes 2<sup>nd</sup> story on garage (non-secure parking) and additional square footage on rear addition for office space, accessibility, and wayfinding needs.
- Cost:** \$1.6M front, \$6.0M rear, and \$1.95M parking
- Schedule:** Design: Ongoing.  
Construction: early 2017  
Completion: early 2019
- Status:** Endorsement of 20% concept from Council in July 2014. Scope increased in FY2015. Project is moving into design development and construction documents phase.

*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 early spring 2016.

*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 **completed** spring 2015.

*Cherry Hill Farmhouse:* Replace/repair damaged boards and architectural details, scrap 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 **completed** fall 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**, fall 2015.

*Replace Furnace at Aurora House:* one unit replaced in spring 2014 **complete** and second unit replacement **completed** in January 2015.

*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 but not an impending failure so other projects were prioritized.

### **Information Technology**

*Citywide Telecommunication & Infrastructure – Critical Continuity & Modernization Investment: Phase 1*

**Scope:** Phase 1 FY13 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- 4<sup>th</sup> quarter FY13; Completion by 3<sup>rd</sup> quarter FY15

**Status:** **COMPLETED**

*Citywide Telecommunication & Infrastructure – Critical Continuity & Modernization Investment: Phase 2*

**Scope:** Phase 2 FY14 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.

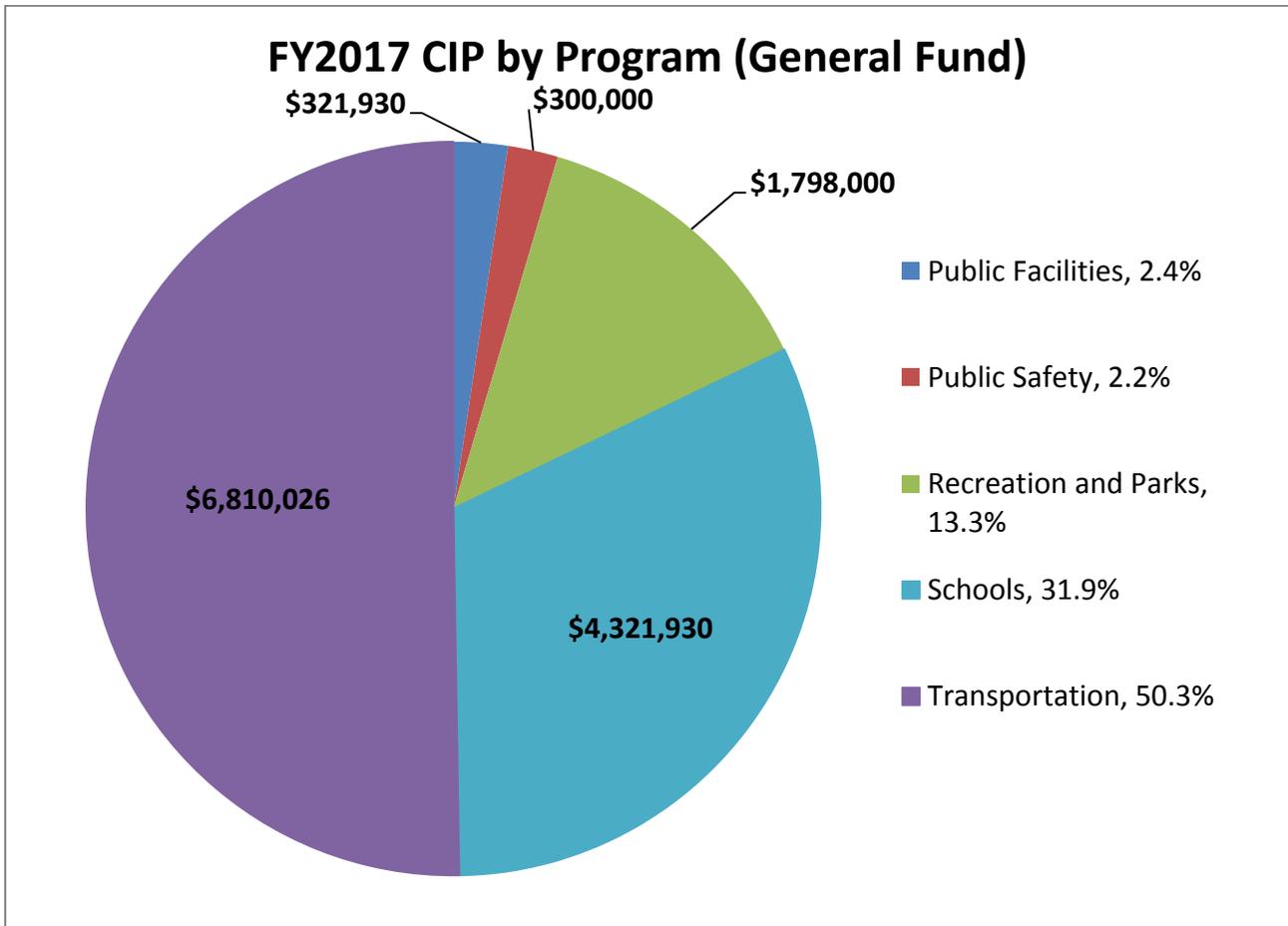
**Cost:** \$507,000

**Schedule:** Design- 4<sup>th</sup> quarter FY14; Completion by 4th quarter FY16

**Status:** Finalizing best phone system replacement solution to provide best modernization features, cost benefit and support to City as a whole. Schools are finalizing a solution that is potentially 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.



**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**

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 presentation of the CIP to the Planning Commission was February 1, 2016. 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 the final public hearing and adopted its CIP recommendations on February 22, 2016 and forwarded them to the City Manager.

#### *Community Engagement*

For the FY2017-2021 CIP process, staff, at the direction of City Council and the Planning Commission, is increasing the various tools to ensure enhanced community engagement opportunities. This includes the following:

- City capital website page ([www.fallschurchva.gov/CIP](http://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
- Planning Commission - February 1, 2016 formal receipt of FY2017-2021 Proposed CIP

- Planning Commission - Work Sessions held on February 1st (Overview, Parks [including Broad Street Plaza], Facility Reinvestment, Fire Station 6, Schools), and 16<sup>th</sup> (Transportation, CIE funding, Library, Public Parking, Project Prioritization and Draft Recommendation)
- Planning Commission Public Hearings held on February 1<sup>st</sup>, 16<sup>th</sup> and 22<sup>nd</sup>
- Two CIP videos posted to the website ([www.fallschurchva.gov/CIP](http://www.fallschurchva.gov/CIP)) with additional ones under production; the City Hall/Public Safety Center one is specifically located at: [www.fallschurchva.gov/CityHallReno](http://www.fallschurchva.gov/CityHallReno)
- CIP survey was completed and provided additional community input to the Planning Commission
  - The FY2017 survey retained the same demographic questions and project prioritization questions as the FY2016 survey. However, more specific policy questions were included this year in response to feedback received from last year’s survey respondents.
  - The CIP survey (non-statistical valid/input resource) was open for public input from February 4<sup>th</sup> - 13<sup>th</sup> with 244 respondents; this is fewer than last year but the weather, holiday and shortened survey period may have contributed to the lower number. Compared to other citywide surveys, this is a good response rate. The following is a summary of the data collected and will be posted to City’s website ([www.fallschurchva.gov/CIP](http://www.fallschurchva.gov/CIP)).
  - Survey analysis:
    - *Outreach efforts:* News release (twice), Facebook, Twitter, Website homepage (with a notice sent to 128 subscribers through that module), survey link on CIP webpages, Chamber and VPIS social media postings, LWV notice, FCCPS morning announcements as well as BIE emails and board and commissions email notifications.

*Demographic Summary:*

Key Questions Respondent Breakdown	Percentage Responses and Comparisons*
244 respondents (some questions skipped)	2% of total population (12,731) 2.5% of over 18 population (9,526)
76 open-ended comments	31% of responses
152 respondents live in the City	63.33% of responses 1.2% of total population (12,731)
70 respondents live and work in the City	29.17% of responses
13 respondents work in the City	5.42% of 244 responses .1% of workers (11,500 employees; including City/School permanent salaried employees)
112 have FCCPS school students (2,400+/- FCCPS students, Feb 2016 website/ not households #)	47.46% of 236 responses; 52.54% did not have students 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:

- Survey provides good informal perspective and input as one tool for developing the FY2017-2021 CIP
- Respondents with and without students in the FCCPS system evenly split; demographically households with students represents 33% of the community
- City residents with students in FCCPS response rate is proportionally higher than the overall households with children under 18

- City residents were the predominant participants
- Employees are underrepresented in the results but when combined with those who live and work category then nears 29% of the respondents

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Questions Analysis:

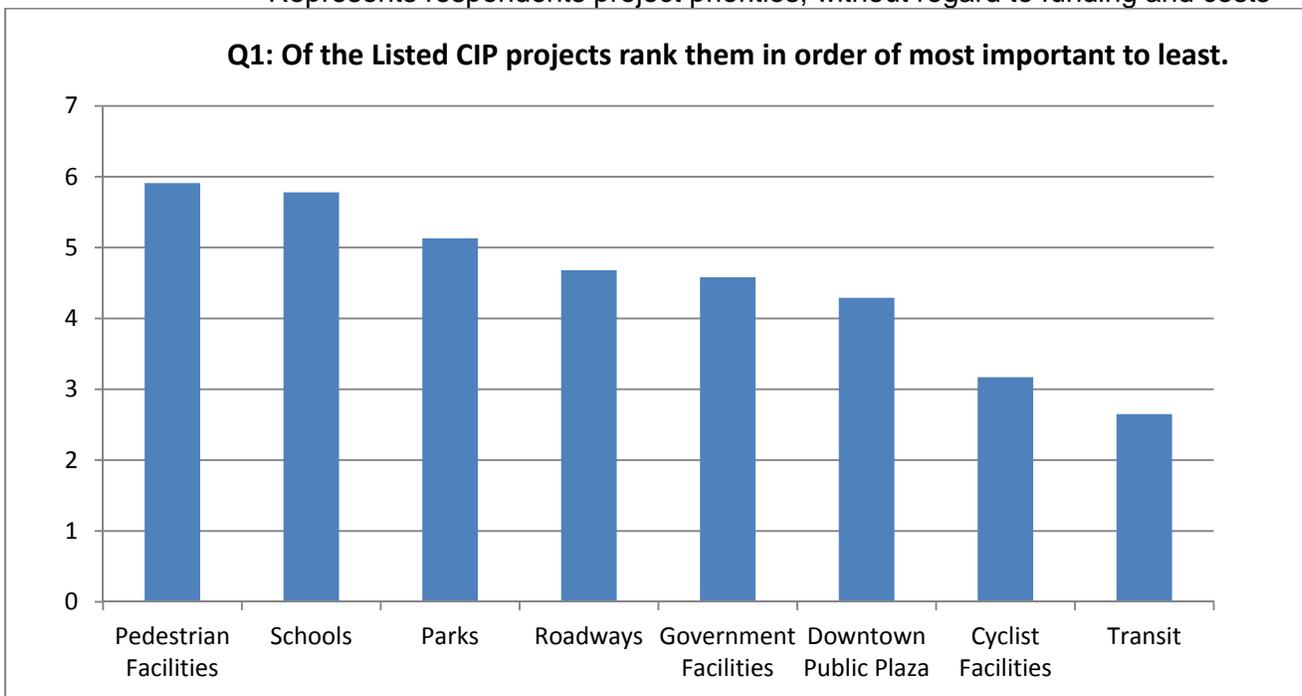
- *Question 1: Project Prioritization Analysis (ranked highest to lowest):*

<b>Ranking: Highest- Lowest</b>	<b>Project Categories*</b>	<b>Score</b>
1	Pedestrian Facilities	5.91
2	Schools	5.78
3	Parks	5.13
4	Roadways	4.68
5	Government Facilities	4.58
6	Downtown Public Plaza	4.29
7	Cyclist Facilities	3.17
8	Transit	2.65

\*Utilities (sewer and stormwater) not included as they are funded through separate user fees

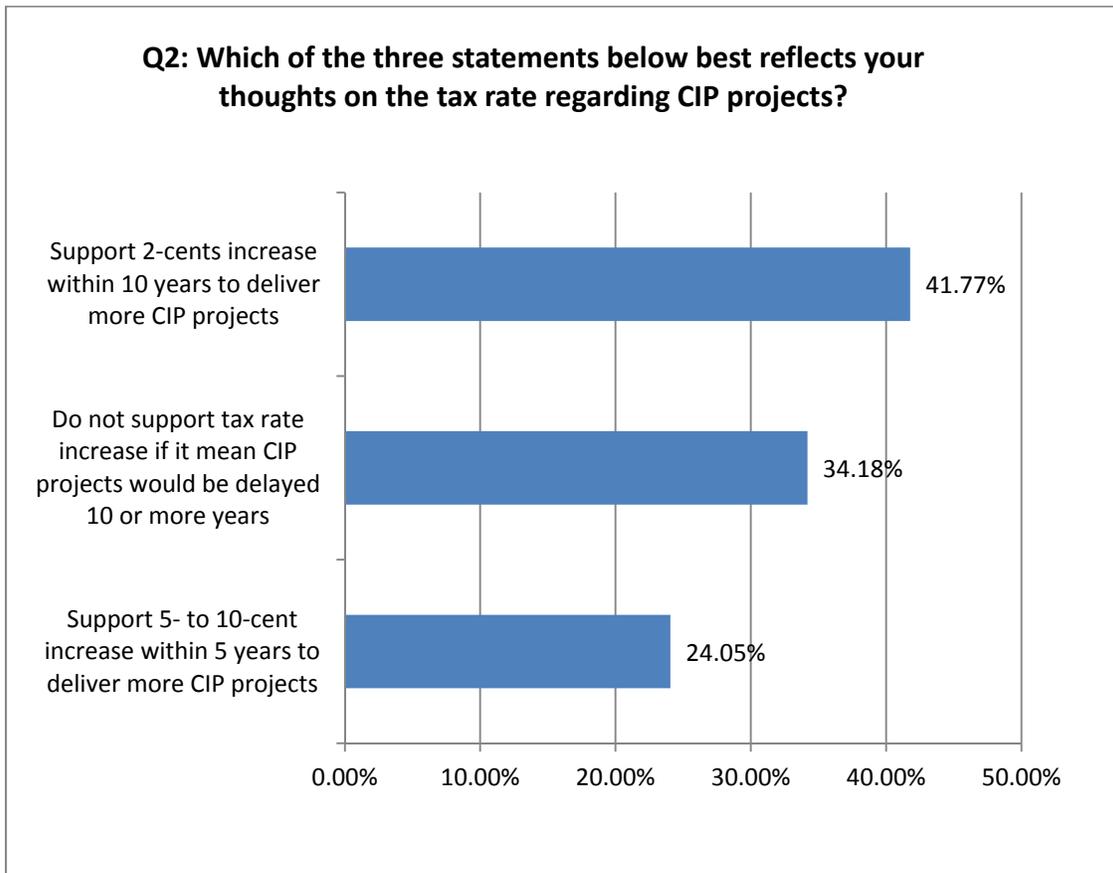
Analysis:

- Survey Monkey data analysis converts qualitative data into quantitative scores so scores must be considered carefully
- Score generally aligns with normal bell curve distribution
  - Score spread between first and last ranking is 3.26 points
- Median score is 4.63 points and average score is 4.52 points
- Core infrastructure ranked as higher priorities overall in FY17 survey compared to FY16
- School Facilities ranking as second aligns with survey response rate of 70.7% with students in City schools
- General Government Facilities ranking aligns with the non-student households and work respondents but is ranked higher than FY16 survey
- Represents respondents project priorities, without regard to funding and costs



o Question 2: Reflects thoughts on Tax Rate Increase

Ranking: Highest- Lowest	Project Categories	Score
1	Support 5-10 cents if within 5 years	23.42%
2	Support 2-5 cents if within 10 years	41.44%
3	I do not support a tax rate increase	35.14%

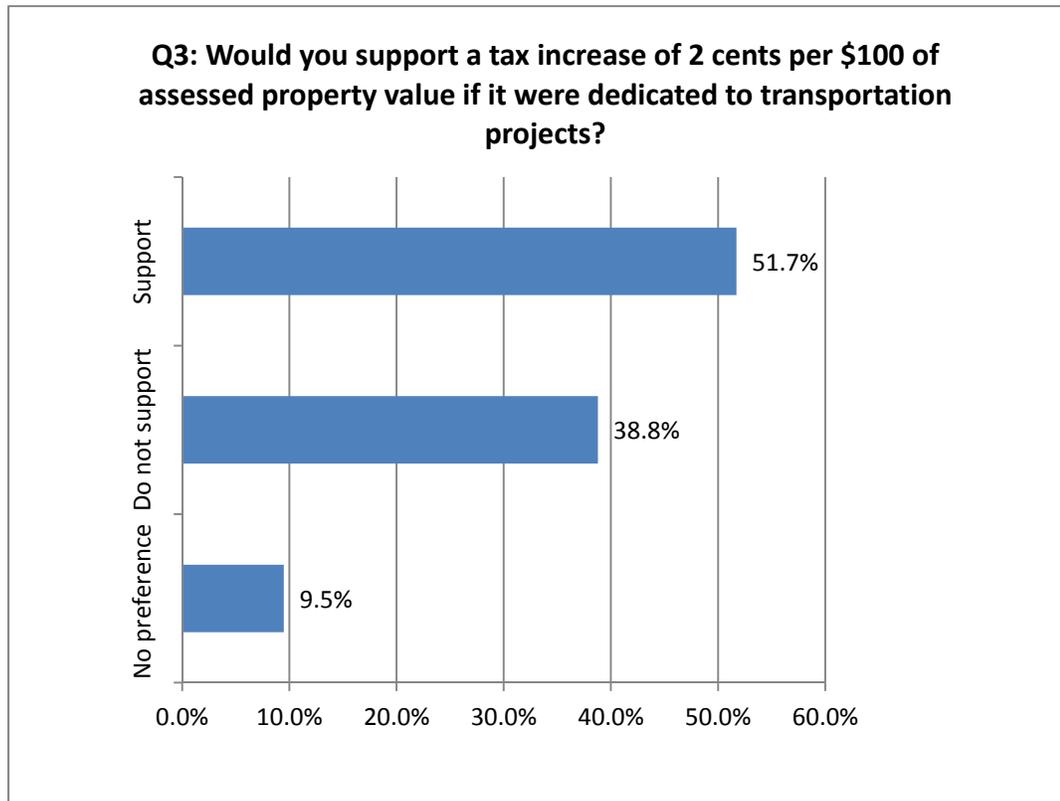


Analysis:

- Survey Monkey data analysis converts qualitative data into quantitative scores so scores must be considered carefully
- The majority response, 42% of the respondents, supported 2-cent tax rate increase if spread over 10 years
- Combined 66% of respondents would support some level of tax increase for the purpose of addressing CIP infrastructure need
- Just under 34% of the respondents selected the category “I do not support a tax rate increase, even if it means the project would be delayed 10 years or more”

o Question 3: Would you support 2-cent tax increase for transportation?

Ranking: Highest- Lowest	Project Categories	Score
1	Yes	51.72%
2	No	38.79%
3	No Preference	9.48%



Analysis:

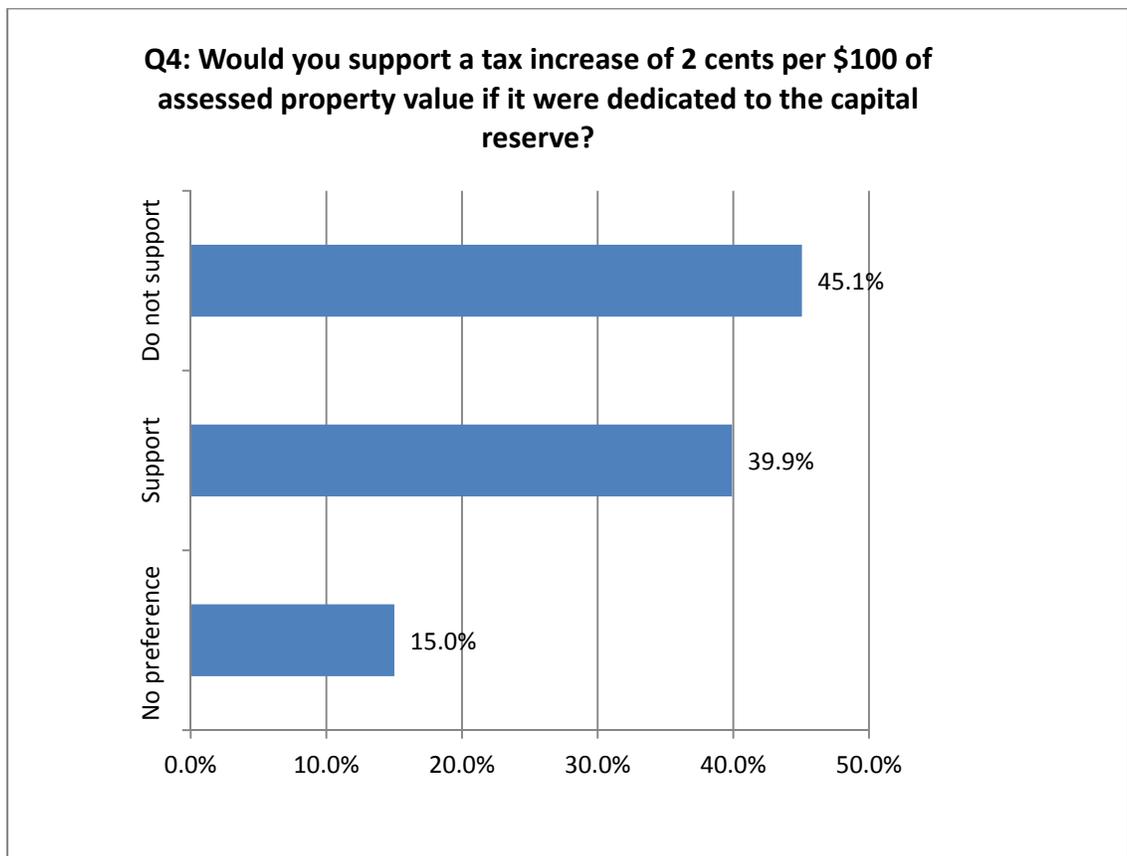
- Survey Monkey data analysis converts qualitative data into quantitative scores so scores must be considered carefully
- Majority of respondents supported a tax increase for leveraging transportation resources while a fair number opposed
- The number of respondents skipping Questions 3-6 as well as noting No Preference was consistently similar

o Question 4: Would you support 2-cent tax increase for capital reserve?

Ranking: Highest- Lowest	Project Categories	Score
1	Yes	39.91%
2	No	45.06%
3	No Preference	15.02%

Analysis:

- Survey Monkey data analysis converts qualitative data into quantitative scores so scores must be considered carefully
- Majority of respondents did not support a tax increase for capital reserves but there was still a fair amount that did support
- The responses to this question were proportionally the opposite to the Question 3 transportation question
- The number of respondents skipping Questions 3-6 as well as noting No Preference was consistently similar

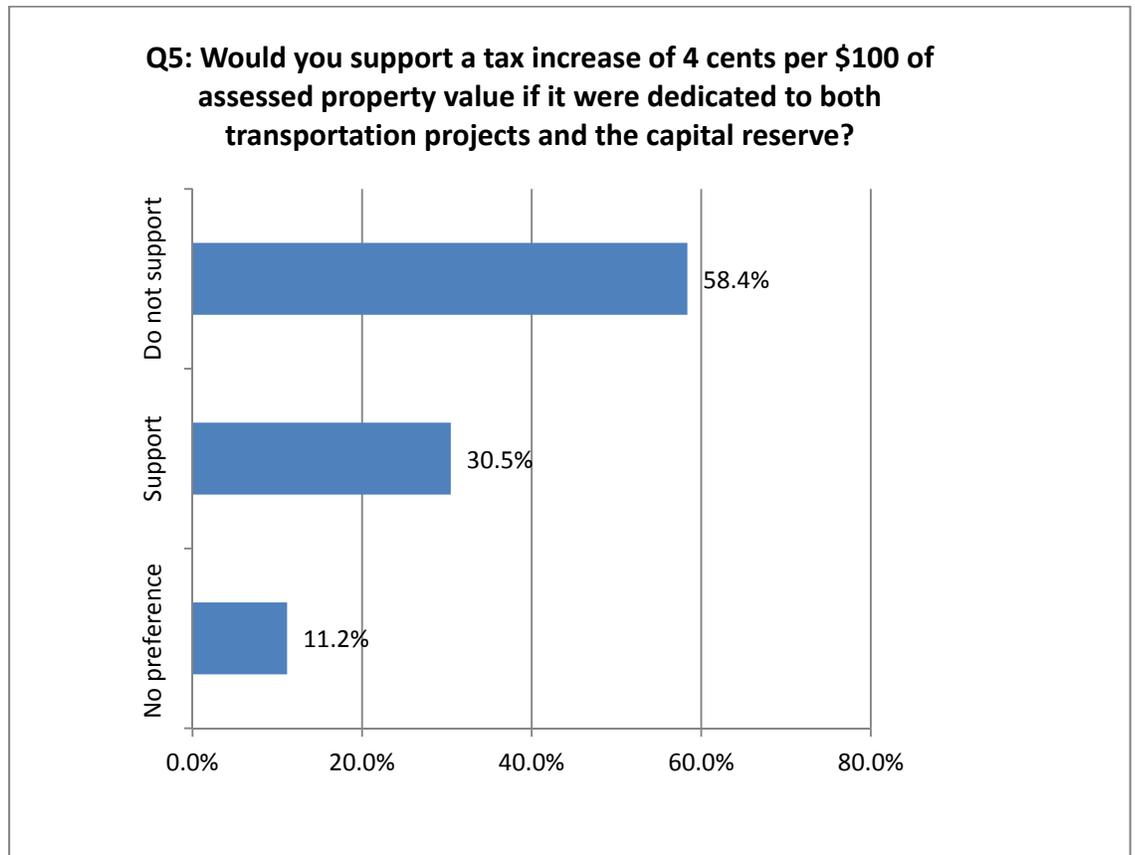


- o Question 5: Would you support 4-cent tax increase for both transportation and capital reserve?

Ranking: Highest- Lowest	Project Categories	Score
1	Yes	30.47%
2	No	58.37%
3	No Preference	11.06%

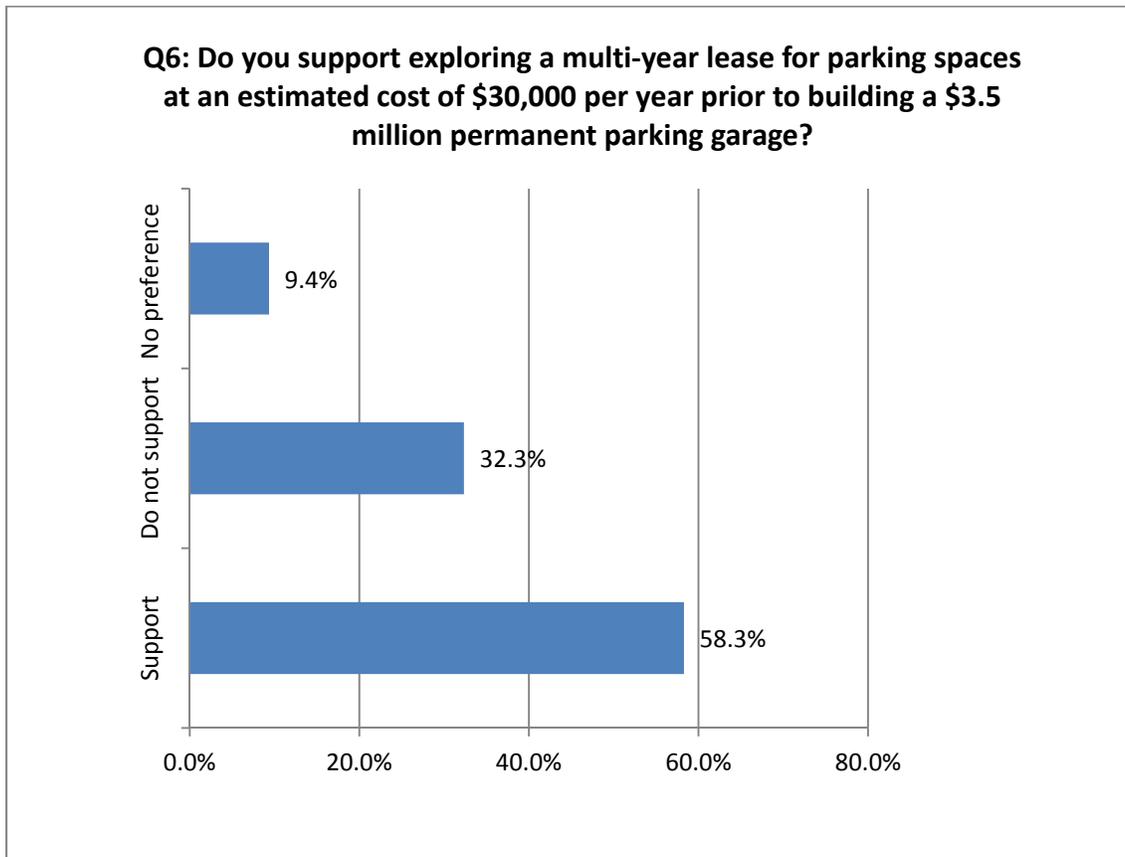
Analysis:

- Survey Monkey data analysis converts qualitative data into quantitative scores so scores must be considered carefully
- Majority of respondents did not support a 4-cent tax rate increase
- Willingness to support a tax rate increase was focused on funding transportation projects
- The number of respondents skipping Questions 3-6 as well as noting No Preference was consistently similar



- Question 6: Do you support exploring shared lease parking prior to building a parking garage?

Ranking: Highest- Lowest	Project Categories	Score
1	Yes	58.30%
2	No	32.34%
3	No Preference	9.36%



Analysis:

- Survey Monkey data analysis converts qualitative data into quantitative scores so scores must be considered carefully
- Almost 60% of the respondents support pursuing the concept of shared/leased parking as a cost effective option
- The number of respondents skipping Questions 3-6 as well as noting No Preference was consistently similar

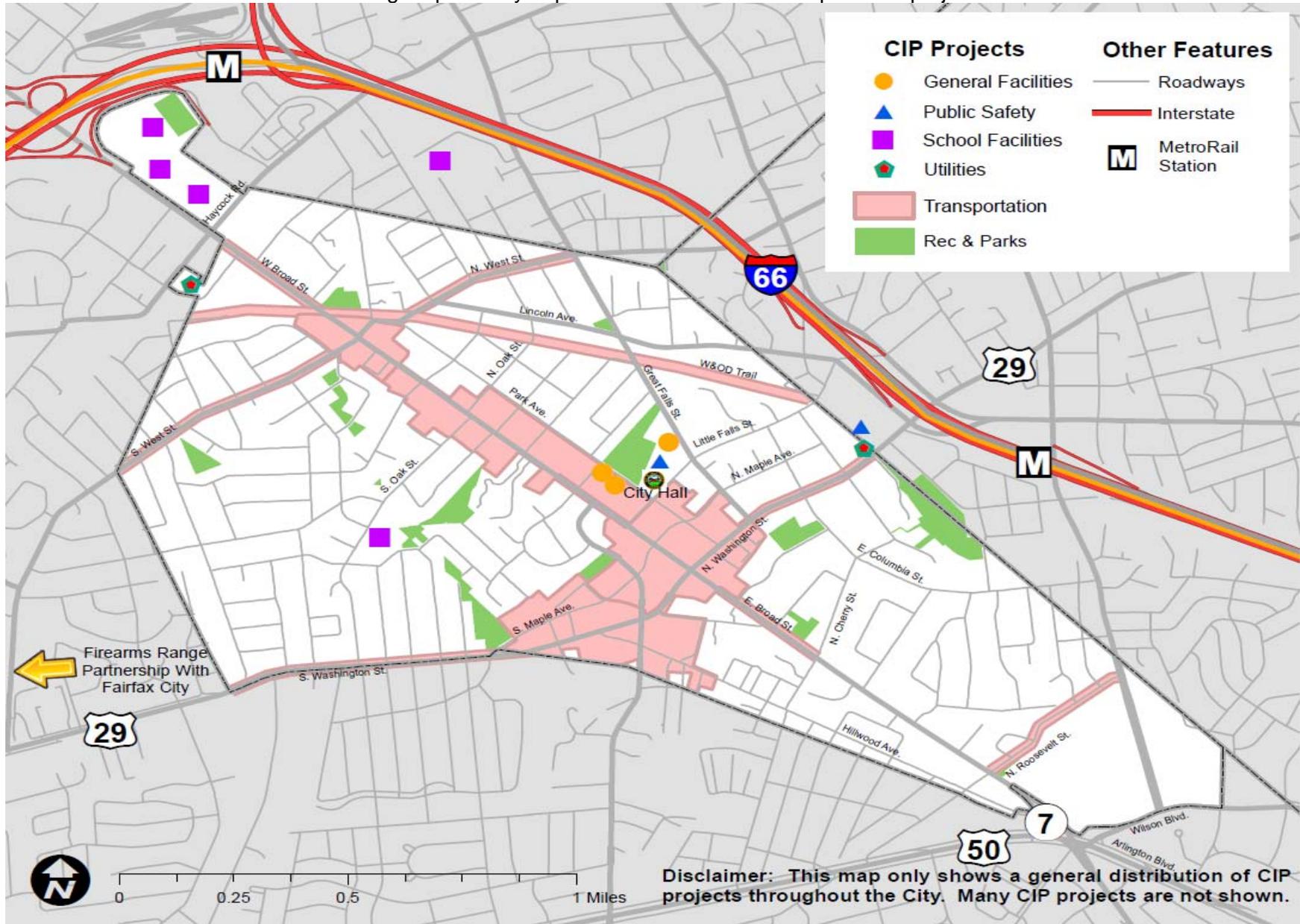
*Council Approval Process*

The City Council will then evaluate these recommendations and hold 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 will go into effect at the beginning of the new fiscal year on July 1, 2016. The Operating Budget and CIP are scheduled for concurrent adoption on April 25, 2016. However, given the impact of the final tax rate and expenditure reductions on the undesignated fund balance the Council has 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 23, 2016. 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 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.

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The following map visually depicts the location of the adopted CIP projects:



**UTILITY FUNDS – SANITARY SEWER AND STORMWATER**

	FY2017	FY2018	FY2019	FY2020	FY2021	Project Totals
<b>SEWER UTILITY</b>						
Arlington WPCP Non-expansion Capital	\$ 73,290	\$ 270,000	\$ 301,000	\$ 230,000	\$ 62,000	\$ 936,290
Alexandria Wastewater Treatment Upgrades	\$ 450,000	\$ 434,790	\$ 481,140	\$ 446,040	\$ 423,540	\$ 2,235,510
Alexandria Wastewater Treatment Plant Capacity	\$ -	\$ 1,870,000	\$ 1,870,000	\$ 1,860,000	\$ -	\$ 5,600,000
Sanitary Sewer Rehabilitation	\$ 550,000	\$ 600,000	\$ 650,000	\$ 700,000	\$ 750,000	\$ 3,250,000
<b>Total Sewer Utility</b>	<b>\$ 1,073,290</b>	<b>\$ 3,174,790</b>	<b>\$ 3,302,140</b>	<b>\$ 3,236,040</b>	<b>\$ 1,235,540</b>	<b>\$ 12,021,800</b>
<b>SOURCES</b>						
Total Debt Financed	\$ 523,290	\$ 2,574,790	\$ 2,652,140	\$ 2,536,040	\$ 485,540	\$ 8,771,800
Total "Pay as you go" Financed	\$ 550,000	\$ 600,000	\$ 650,000	\$ 700,000	\$ 750,000	\$ 3,250,000
Total Sources	\$ 1,073,290	\$ 3,174,790	\$ 3,302,140	\$ 3,236,040	\$ 1,235,540	\$ 12,021,800
<b>STORMWATER UTILITY</b>						
Stormwater Facilities Reinvestments	\$ -	\$ -	\$ 1,000,000	\$ 1,250,000	\$ 1,500,000	\$ 3,750,000
<b>Total Stormwater Utility</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,000,000</b>	<b>\$ 1,250,000</b>	<b>\$ 1,500,000</b>	<b>\$ 3,750,000</b>
<b>SOURCES</b>						
Total Debt Financed	\$ -	\$ -	\$ 1,000,000	\$ 1,250,000	\$ 1,500,000	\$ 3,750,000
Total "Pay as you go" Financed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Sources	\$ -	\$ -	\$ 1,000,000	\$ 1,250,000	\$ 1,500,000	\$ 3,750,000
<b>TOTAL UTILITIES</b>	<b>\$ 1,073,290</b>	<b>\$ 3,174,790</b>	<b>\$ 4,302,140</b>	<b>\$ 4,486,040</b>	<b>\$ 2,735,540</b>	<b>\$ 15,771,800</b>

**GENERAL FUND AND SCHOOL BOARD**

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	FY2017	FY2018	FY2019	FY2020	FY2021	Project Totals
<b>PUBLIC SAFETY (also see IT section above)</b>						
Firing Range Reinvestment	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -	\$ 600,000
Fire Station 6 Reinvestment (Modified)	\$ -	\$ 200,000	\$ 223,000	\$ 150,000	\$ -	\$ 573,000
<b>Total Public Safety</b>	<b>\$ 300,000</b>	<b>\$ 500,000</b>	<b>\$ 223,000</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ 1,173,000</b>
<b>PUBLIC FACILITIES</b>						
MRSPL Expansion/Renovations***	\$ -	\$ 1,000,000	\$ 7,381,605	\$ -	\$ -	\$ 8,381,605
City Facilities Reinvestment	\$ 321,930	\$ 255,000	\$ 255,000	\$ 255,000	\$ 255,000	\$ 1,341,930
Park Avenue Public Parking (New timing)	\$ -	\$ -	\$ 3,466,146	\$ -	\$ -	\$ 3,466,146
George Mason High School (SB adopted 12-14-15)** CC revised 04-18-	\$ -	\$ 106,800,000	\$ -	\$ -	\$ -	\$ 106,800,000
Mary Ellen Henderson Expansion (SB adopted 12-14-15)* CC rev 04-18-16	\$ -	\$ 5,200,000	\$ -	\$ -	\$ -	\$ 5,200,000
School Facility Modernization (SB adopted 12-14-15, CC rev 04-18-16)	\$ 321,930	\$ -	\$ -	\$ -	\$ -	\$ 321,930
Land Acquisition (NEW, SB adopted 12-14-15; PC & CC rev)	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	\$ 4,000,000
<b>Total Public Facilities</b>	<b>\$ 4,643,860</b>	<b>\$ 113,255,000</b>	<b>\$ 11,102,751</b>	<b>\$ 255,000</b>	<b>\$ 255,000</b>	<b>\$ 129,511,611</b>
<b>TRANSPORTATION (see separate special transportation fund)</b>						
<b>RECREATION &amp; PARKS/FIELDS</b>						
Big Chimneys Park and Transportation Improvements	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Howard E. Herman Stream Valley Park	\$ 148,000	\$ -	\$ -	\$ -	\$ -	\$ 148,000
Park Master Plan Implementation (Modified)	\$ 100,000	\$ 400,000	\$ 200,000	\$ 600,000	\$ -	\$ 1,300,000
Acquisition of Open Space	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000
Downtown Public Plaza (With staffing conditions)	\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ 550,000
<b>Total Recreation &amp; Parks/Fields</b>	<b>\$ 1,798,000</b>	<b>\$ 1,400,000</b>	<b>\$ 200,000</b>	<b>\$ 600,000</b>	<b>\$ -</b>	<b>\$ 3,998,000</b>
***REFERENDUM REQUIRED						\$ -
<b>TOTAL GENERAL FUND</b>	<b>\$ 6,741,860</b>	<b>\$ 115,155,000</b>	<b>\$ 11,525,751</b>	<b>\$ 1,005,000</b>	<b>\$ 255,000</b>	<b>\$ 134,682,611</b>
<b>SOURCES</b>						
Grant/Other Funded	550,000	-	-	-	-	550,000
Total Debt Financed	\$ 4,548,000	\$ 1,500,000	\$ 7,604,605	\$ 750,000	\$ -	\$ 14,402,605
Only if grant/revenue offset	\$ -	\$ 1,655,000	\$ 455,000	\$ 255,000	\$ 255,000	\$ 2,620,000
School Financing Plan/Referendum Approval Based	\$ -	\$ 112,000,000	\$ -	\$ -	\$ -	\$ 112,000,000
"Pay as you go"/Capital Reserve Financed	\$ 1,643,860	\$ -	\$ -	\$ -	\$ -	\$ 1,643,860
Total "Pay as you go" Financed Water Sale Proceeds	\$ -	\$ -	\$ 3,466,146	\$ -	\$ -	\$ 3,466,146
<b>Total Sources</b>	<b>\$ 6,741,860</b>	<b>\$ 115,155,000</b>	<b>\$ 11,525,751</b>	<b>\$ 1,005,000</b>	<b>\$ 255,000</b>	<b>\$ 134,682,611</b>

**SPECIAL TRANSPORTATION FUND**

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	FY2017	FY2018	FY2019	FY2020	FY2021	5 Yr Project Totals
Infrastructure Program - Bridges	\$ 300,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 1,700,000
Infrastructure Program - Bridges	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Infrastructure Program - Bridges	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Infrastructure Program - Bridges	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Infrastructure Program - Pavement	\$ 600,000	\$ 600,000	\$ 600,000	\$ -	\$ -	\$ 1,800,000
Infrastructure Program - Pavement	\$ -	\$ 600,000	\$ 600,000	\$ -	\$ -	\$ 1,200,000
Infrastructure Program - Traffic Signals	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ 600,000
Infrastructure Program - Traffic Signals	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ 600,000
Downtown Area POA Program	\$ 240,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ -	\$ 2,640,000
Downtown Area POA Program	\$ 60,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ -	\$ 660,000
Downtown Area POA Program	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ 800,000
Infrastructure Program - Ped and Safety	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Neighborhood Traffic Calming (Modified)	\$ -	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 800,000
W&OD Trail Great Street	\$ 160,000	\$ 200,000	\$ 160,000	\$ 200,000	\$ -	\$ 720,000
W&OD Trail Great Street	\$ 40,000	\$ 50,000	\$ 40,000	\$ 50,000	\$ -	\$ 180,000
Infrastructure Program - Bicycles	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
West Broad Street POA Program	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000
West Broad Street POA Program	\$ -	\$ -	\$ -	\$ 800,000	\$ 1,600,000	\$ 2,400,000
West Broad Street POA Program	\$ -	\$ -	\$ -	\$ 200,000	\$ 400,000	\$ 600,000
WMATA Annual Cost	\$ 564,626	\$ 564,626	\$ 564,626	\$ 564,626	\$ 564,626	\$ 2,823,130
WMATA & NVTA Annual Cost	\$ 210,000	\$ 235,374	\$ 275,374	\$ 317,374	\$ 361,474	\$ 1,399,596
Transportation Grant Match and Reserve (New)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation Grant Match and Reserve (New)	\$ 235,400	\$ 368,283	\$ 359,716	\$ 330,233	\$ 559,276	\$ 1,852,908
<b>TOTAL GENERAL FUND</b>	<b>\$ 6,810,026</b>	<b>\$ 4,168,283</b>	<b>\$ 4,149,716</b>	<b>\$ 4,672,233</b>	<b>\$ 4,635,376</b>	<b>\$ 24,435,634</b>
<b>SOURCES</b>						
<b>Grant Funded</b>	<b>\$ 6,095,400</b>	<b>\$ 1,203,657</b>	<b>\$ 1,225,090</b>	<b>\$ 1,247,607</b>	<b>\$ 1,270,750</b>	<b>\$ 11,042,504</b>
<b>Total Debt Financed</b>	<b>\$ 150,000</b>	<b>\$ 600,000</b>	<b>\$ 600,000</b>	<b>\$ 560,000</b>	<b>\$ 700,000</b>	<b>\$ 2,610,000</b>
<b>Only if grant/revenue offset</b>	<b>\$ -</b>	<b>\$ 1,800,000</b>	<b>\$ 1,760,000</b>	<b>\$ 2,300,000</b>	<b>\$ 2,100,000</b>	<b>\$ 7,960,000</b>
<b>Total "Pay as you go" Financed</b>	<b>\$ 564,626</b>	<b>\$ 2,823,130</b>				
<b>Total Sources</b>	<b>\$ 6,810,026</b>	<b>\$ 4,168,283</b>	<b>\$ 4,149,716</b>	<b>\$ 4,672,233</b>	<b>\$ 4,635,376</b>	<b>\$ 24,435,634</b>

**SOURCE OF FUNDING FOR GENERAL FUND, SCHOOL BOARD & SPECIAL TRANSPORTATION – FY2017**

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	FY2017	FUNDING SOURCE					
		DEBT	CAPITAL RESERVE/PAU	WATER FUND PROCEEDS	GRANTS	TBD	% OF TOTAL
<b>GENERAL FUND</b>							
Firing Range Reinvestment	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -	\$ -	4.45%
City Facilities Reinvestment	\$ 321,930	\$ -	\$ 321,930	\$ -	\$ -	\$ -	4.78%
School Facility Modernization (SB adopted 12-14-15, CC rev 04-18-16)	\$ 321,930	\$ -	\$ 321,930	\$ -	\$ -	\$ -	4.78%
Land Acquisition (NEW, SB adopted 12-14-15; PC & CC rev)	\$ 4,000,000	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	59.33%
Big Chimneys Park and Transportation Improvements	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	14.83%
Howard E. Herman Stream Valley Park	\$ 148,000	\$ 148,000	\$ -	\$ -	\$ -	\$ -	2.20%
Park Master Plan Implementation (Modified)	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	1.48%
Downtown Public Plaza (With staffing conditions)	\$ 550,000	\$ -	\$ -	\$ -	\$ 550,000	\$ -	8.16%
<b>General Gov. and School Subtotal</b>	<b>\$ 6,741,860</b>	<b>\$ 4,548,000</b>	<b>\$ 1,643,860</b>	<b>\$ -</b>	<b>\$ 550,000</b>	<b>\$ -</b>	
<b>TRANSPORTATION</b>							
Infrastructure Program - Bridges	\$ 900,000	\$ 150,000	\$ -	\$ -	\$ 750,000	\$ -	13.22%
Infrastructure Program - Pavement	\$ 600,000	\$ -	\$ -	\$ -	\$ 600,000	\$ -	8.81%
Downtown Area POA Program	\$ 1,100,000	\$ -	\$ -	\$ -	\$ 1,100,000	\$ -	16.15%
Infrastructure Program - Ped and Safety	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000	\$ -	14.68%
W&OD Trail Great Street	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000	\$ -	2.94%
Infrastructure Program - Bicycles	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 2,000,000	\$ -	29.37%
WMATA & NVTA Annual Costs	\$ 774,626	\$ -	\$ 564,626	\$ -	\$ 210,000	\$ -	11.37%
Transportation Grant Match and Reserve (New)	\$ 235,400	\$ -	\$ -	\$ -	\$ 235,400	\$ -	3.46%
<b>Transportation Subtotal</b>	<b>\$ 6,810,026</b>	<b>\$ 150,000</b>	<b>\$ 564,626</b>	<b>\$ -</b>	<b>\$ 6,095,400</b>	<b>\$ -</b>	
<b>TOTAL</b>	<b>\$ 13,551,886</b>	<b>\$ 4,698,000</b>	<b>\$ 2,208,486</b>	<b>\$ -</b>	<b>\$ 6,645,400</b>	<b>\$ -</b>	

## SOURCE OF FUNDING FOR GENERAL FUND, SCHOOL BOARD & SPECIAL TRANSPORTATION - FY2017-FY2021

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	FIVE YEAR TOTAL	FUNDING SOURCE				
		DEBT	CAPITAL RESERVE/PAUG	WATER FUND PROCEEDS	GRANTS	TBD
<b>GENERAL FUND</b>						
Firing Range Reinvestment	\$ 600,000	\$ 600,000	\$ -	\$ -	\$ -	\$ -
Fire Station 6 Reinvestment (Modified)	\$ 573,000	\$ 573,000	\$ -	\$ -	\$ -	\$ -
MRSPL Expansion/Renovations***	\$ 8,381,605	\$ 8,381,605	\$ -	\$ -	\$ -	\$ -
City Facilities Reinvestment	\$ 1,341,930	\$ -	\$ 321,930	\$ -	\$ -	\$ 1,020,000
Park Avenue Public Parking (New timing)	\$ 3,466,146	\$ -	\$ -	\$ 3,466,146	\$ -	\$ -
George Mason High School (SB adopted 12-14-15)** CC revised 04-18-	\$ 106,800,000	\$ -	\$ -	\$ -	\$ -	\$ 106,800,000
Mary Ellen Henderson Expansion (SB adopted 12-14-15)* CC rev 04-18-	\$ 5,200,000	\$ -	\$ -	\$ -	\$ -	\$ 5,200,000
School Facility Modernization (SB adopted 12-14-15, CC rev 04-18-16)	\$ 321,930	\$ -	\$ 321,930	\$ -	\$ -	\$ -
Land Acquisition (NEW, SB adopted 12-14-15; PC & CC rev)	\$ 4,000,000	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -
Big Chimneys Park and Transportation Improvements	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -
Howard E. Herman Stream Valley Park	\$ 148,000	\$ 148,000	\$ -	\$ -	\$ -	\$ -
Park Master Plan Implementation (Modified)	\$ 1,300,000	\$ 700,000	\$ -	\$ -	\$ -	\$ 600,000
Acquisition of Open Space	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Downtown Public Plaza (With staffing conditions)	\$ 550,000	\$ -	\$ -	\$ -	\$ 550,000	\$ -
<b>General Gov. and School Subtotal</b>	<b>\$ 134,682,611</b>	<b>\$ 14,402,605</b>	<b>\$ 1,643,860</b>	<b>\$ 3,466,146</b>	<b>\$ 550,000</b>	<b>\$ 114,620,000</b>
<b>TRANSPORTATION</b>						
Infrastructure Program - Bridges	\$ 2,300,000	\$ 150,000	\$ -	\$ -	\$ 2,150,000	\$ -
Infrastructure Program - Pavement	\$ 3,000,000	\$ 1,200,000	\$ -	\$ -	\$ 600,000	\$ 1,200,000
Infrastructure Program - Traffic Signals	\$ 1,200,000	\$ 600,000	\$ -	\$ -	\$ -	\$ 600,000
Downtown Area POA Program	\$ 4,100,000	\$ -	\$ -	\$ -	\$ 1,700,000	\$ 2,400,000
Infrastructure Program - Ped and Safety	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000	\$ -
Neighborhood Traffic Calming (Modified)	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ 800,000
W&OD Trail Great Street	\$ 900,000	\$ -	\$ -	\$ -	\$ 340,000	\$ 560,000
Infrastructure Program - Bicycles	\$ 2,000,000	\$ -	\$ -	\$ -	\$ 2,000,000	\$ -
West Broad Street POA Program	\$ 3,060,000	\$ 660,000	\$ -	\$ -	\$ -	\$ 2,400,000
WMATA & NVTA Annual Costs	\$ 4,222,726		\$ 2,823,130		\$ 1,399,596	\$ -
Transportation Grant Match and Reserve (New)	\$ 1,852,908	\$ -	\$ -	\$ -	\$ 1,852,908	\$ -
<b>Transportation Subtotal</b>	<b>\$ 24,435,634</b>	<b>\$ 2,610,000</b>	<b>\$ 2,823,130</b>	<b>\$ -</b>	<b>\$ 11,042,504</b>	<b>\$ 7,960,000</b>
<b>TOTAL</b>	<b>\$ 159,118,244</b>	<b>\$ 17,012,605</b>	<b>\$ 4,466,990</b>	<b>\$ 3,466,146</b>	<b>\$ 11,592,504</b>	<b>\$ 122,580,000</b>

**5-YEAR PROJECTION GENERAL FUND**

	FY2015 Actual	FY2016 As Adopted	FY2017 Projected	FY2018 Projected	FY2019 Projected	FY2020 Projected	FY2021 Projected
Total Operating Revenues	\$ 76,311,205	\$ 79,660,150	83,012,984	85,088,309	87,215,516	89,395,904	91,630,802
General Fund Expenditures Before Capital*	71,703,742	73,844,826	76,185,012	77,872,293	79,750,918	81,335,848	82,953,962
Net Operating	4,607,463	5,815,324	6,827,972	7,216,016	7,464,598	8,060,057	8,676,840
Use of Fund Balance	386,066	463,000	-	-	-	-	-
Use of Capital Reserve	1,752,000	\$0	\$1,643,860	\$0	\$0	\$0	\$0
Use of Water Sale Proceeds (\$11.3M)		1,942,000	-	-	3,466,146	-	-
Paygo Transportation Fund	(800,000)	(820,000)	(564,626)	(564,626)	(564,626)	(564,626)	(564,626)
Paygo	(952,000)	(1,122,000)	(1,643,860)	-	(3,466,146)	-	-
Debt Service	(4,993,529)	(5,815,324)	(6,263,346)	(6,651,390)	(6,899,972)	(7,495,431)	(8,112,214)
Net Capital	(4,607,463)	(5,815,324)	(6,827,972)	(7,216,016)	(7,464,598)	(8,060,057)	(8,676,840)
Addition/(Reduction) to Fund Balance	-	(463,000)	-	500,000	300,000	400,000	400,000
<b>Capital Improvement Program</b>							
Capital Improvement Expenditures	(6,689,843)	(13,189,514)	(13,551,886)	(119,323,283)	(15,675,467)	(5,677,233)	(4,890,376)
Transfers in from General Fund	1,238,643	-	564,626	564,626	564,626	564,626	564,626
Use of Capital Reserves	1,197,288	-	\$1,643,860	-	-	-	-
Use of Capital Reserves Water Proceeds		1,942,000	-	-	3,466,146	-	-
Proceeds from capital grant funds	-	750,000	6,645,400	1,203,657	1,225,090	1,247,607	1,270,750
Proceeds from bond sale	10,400,000	9,650,000	4,698,000	2,100,000	8,204,605	1,310,000	700,000
Only if grant/revenue offset	-	847,514	-	3,455,000	2,215,000	2,555,000	2,355,000
School financing plan	-	-	-	112,000,000	-	-	-
Net Cash Flow from CIP	6,146,088	-	(0)	-	-	0	0
Unassigned Fund Balance, beginning	13,508,494	14,301,563	13,838,563	13,838,563	14,338,563	14,638,563	15,038,563
Unassigned Fund Balance, end of year	14,301,563	13,838,563	13,838,563	14,338,563	14,638,563	15,038,563	15,438,563
Capital Reserve Fund Balance	1,643,859	1,643,859	(1)	(1)	(1)	(1)	(1)
Paygo Reserve Fund Balance	-	-	-	-	-	-	-
Capital Reserve Water Sale Proceeds Balance	11,300,000	9,358,000	9,358,000	9,358,000	5,891,854	5,891,854	5,891,854

**5-YEAR PROJECTION GENERAL FUND - CONTINUED**

	FY2015 Actual	FY2016 As Adopted	FY2017 Projected	FY2018 Projected	FY2019 Projected	FY2020 Projected	FY2021 Projected
<b>KEY RATIOS</b>							
<b>Fund Balance</b>							
Gen Govt Fund balance as % of expenditures	18.6%	17.4%	16.8%	17.0%	16.9%	16.9%	17.0%
Policy Target (17% of Expenditures)	13,038,536	13,542,226	14,016,221	14,369,026	14,730,651	15,101,317	15,481,250
<b>Undesignated Fund Balance, end of year</b>	<b>14,301,563</b>	<b>13,838,563</b>	<b>13,838,563</b>	<b>14,338,563</b>	<b>14,638,563</b>	<b>15,038,563</b>	<b>15,438,563</b>
<b>Debt Service</b>							
Existing	4,993,529	5,815,324	6,263,346	6,222,225	6,164,643	6,055,687	5,964,056
New**		-	-	429,165	1,065,642	2,023,078	2,394,884
<b>Total</b>	<b>4,993,529</b>	<b>5,815,324</b>	<b>6,263,346</b>	<b>6,651,390</b>	<b>7,230,285</b>	<b>8,078,765</b>	<b>8,358,940</b>
Investment Revenues from Pension (Water Sale Proceeds)	-	-	-	640,000	640,000	640,000	640,000
<b>Net Interest Funded by Tax Revenue</b>	<b>4,993,529</b>	<b>5,815,324</b>	<b>6,263,346</b>	<b>6,011,390</b>	<b>6,590,285</b>	<b>7,438,765</b>	<b>7,718,940</b>
Debt service as % of expenditures	6.5%	7.3%	7.6%	7.9%	8.3%	9.1%	9.2%
Policy Limit (12% of Expenditures)	9,203,673	9,559,218	9,893,803	10,142,842	10,398,107	10,659,753	10,927,941
*Expenditures are based on a balanced budget and are not based on current projections of FY2017 through FY2021 expenditures.							
**3.5%-4.75% Interest rate used for debt service calculation							

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## 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 FY2017-2021.
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 Public Plaza:** Will restore to proper conditions following long-term maintenance deferrals; 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 - Pavement:** It is estimated that this project will result in a moderate decrease in staff maintenance costs
4. **Infrastructure - Signals and Signs:** It is estimated that this project will result in a moderate decrease in staff overtime and maintenance costs.
5. **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.
6. **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. **West Broad Street 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.
8. **Infrastructure - Bicycles:** annual operating expense of up to 16 stations is estimated at \$285K however grants and user fees are expected to offset 50-70% of these costs.
9. **Neighborhood Traffic Calming:** To be determined once funding and projects are determined and scheduled but an increase in maintenance costs of less than \$2,000 is estimated.
10. **W&OD Trail Great Street 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.

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**FY2017 ADOPTED BUDGET  
GLOSSARY**



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**Accrual Basis of Accounting** – A method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows.

**Adopted Budget** – The original adopted operating and capital budget approved by the City Council after public hearings and amendments to the proposed budget; becomes legal guidance to City management and departments for spending levels.

**Advisory Referendum** – A measure voted on by the general public in an election; refers to a specific question posed on a ballot which is non-binding and used to provide guidance to the elected representatives.

**Appropriation** – An authorization made by the City Council that permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are granted for a one-year period.

**Assessed Value** – The fair market value placed upon real and personal property by the City as the basis for levying property taxes.

**Assessment/Sales Ratio** – Assessed value for each sale of real property divided by its selling price; used to determine if real property is assessed within a reasonable range of fair market value. The Commonwealth of Virginia requires that real property be assessed at 100 percent of fair market value. An acceptable assessment/sales ratio percentage is 70 percent or higher.

**Balanced Budget** – By law, local government budgets must be balanced; i.e., expenditures may not exceed revenues.

**Basis of Accounting** – The timing of recognition, that is, when the effects of transactions or events should be recognized for financial reporting purposes.

**Bond Debt Instrument** – A written promise to pay a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal. Bonds are typically used for long-term debt to pay for specific capital expenditures.

**Bond Ratings** – A rating of quality given on any given bond offering as determined by an independent agency in the business of rating such offerings.

**BPOL Tax** – Business license or gross receipts tax, this item taxes the total revenues of a business.

**Budget** – A plan of financial operation including an estimate of proposed means of financing them (revenue estimates). The term also sometimes is used to denote the officially approved expenditure ceilings under which the City and its departments operate.

**Budget Calendar** – The schedule of key dates or milestones the City follows in the preparation and adoption of the budget.

**BZA** – Board of Zoning Appeals.

**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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