



# HERRITY REPORT



**PAT HERRITY SPRINGFIELD SUPERVISOR**

SPRINGFIELD DISTRICT GOVERNMENTAL CENTER  
6140 ROLLING ROAD, SPRINGFIELD, VA 22152

PHONE: 703-451-8873 FAX: 703-451-3047  
EMAIL: SPRINGFIELD@FAIRFAXCOUNTY.GOV

## **SPECIAL EDITION: Budget Markup 4/22/2008**

- **Update on the Budget**
- **More Problems With the Penny, Third in a Series**

### **Update on the Budget**

Yesterday we marked up the proposed budget for FY 2009. A budget with a 3 cent tax increase was proposed by our Budget Chair, Supervisor Sharon Bulova, and it passed by a vote of 8-2 with myself and Supervisor Michael Frey voting against the measure. Before the budget with the 3 cent tax increase was voted on, Supervisor Frey and I presented a balanced budget that contained no tax increase. That budget was defeated by an 8-2 vote with me and Supervisor Frey being the only yes votes.

After our substitute budget was defeated I attempted to make a series of amendments to fund items that I thought were important but were not currently funded in Supervisor Bulova's budget. Chairman Gerry Connolly attempted to block me from making my amendments by asking the County Attorney to rule me out of order. The County Attorney ruled that I did have the right to make my amendments and so I offered an amendment to repeal the fee that children are now forced to pay so that they can participate in youth sports and to cover the expense by making a cut in the County's motor pool. Chairman Connolly then asked Supervisor Bulova to make a motion to refer the amendment to County staff so that they could avoid an up or down vote on my amendment. Unfortunately the rest of the Board, with the exception of Supervisor Frey, went along with the Chairman's plan to keep us from having a vote on the proposal. It became clear that Chairman Connolly was not going to allow votes on any of my amendments so I refrained from offering my other amendments, certainly not democracy's finest moment.

**Why did we present a substitute budget proposal?**

First and foremost we felt that this is not the time to be raising taxes. With the economy headed toward a recession and food and gas prices rapidly rising, we should not be asking the taxpayers of Fairfax County to pay more just so the Board could avoid making cuts. Our taxes have doubled over the past seven years and this was an opportunity to take some of the burden off our citizens. Unfortunately we did not take that opportunity. The budget that Supervisor Frey and I presented had over \$60 million dollars in cuts while the budget proposed by Supervisor Bulova, and passed by the Board, contained just \$16 million in cuts and a tax increase. Our budget has grown over \$1 billion more than the rate of population growth and inflation over the past 4 years and we could not find more than \$16 million worth of cuts? That doesn't seem right to me.

*Please click on the following link to see the substitute budget we proposed:*

[http://www.fairfaxcounty.gov/springfield/pdf\\_files/herrity\\_report/substitute\\_budget\\_proposal.xls](http://www.fairfaxcounty.gov/springfield/pdf_files/herrity_report/substitute_budget_proposal.xls)

## **What We Did Get Done**

Although the budget that Supervisor Frey and I presented was defeated I was still able to get some items that were extremely important to me included in the budget and Capital Improvement Program (CIP) that was passed.

- **Another Step Closer to a South County Middle School:** Through the efforts of me and Supervisor Gerry Hyland, we were able to amend language in the Capital Improvement Program to say that the \$10 million in additional capital improvement funds that will be given to the School Board for the South County area can only be used to build a middle school and not for a wing on the existing secondary school as Supervisor Bulova's proposal would have allowed. As I have said before, the wing was a shortsighted solution to a long term problem and I am very pleased that Supervisor Hyland and I were able to work together to secure the Board's unanimous support for this \$10 million for a middle school. This type of forward looking approach, in a bi-partisan fashion, is what will help provide needed relief for not only these citizens, but the impact will be felt throughout the county.
- **Opening the Process to the Public:** In recent years the leaders of our County have not been particularly receptive to outside input on the budget. Since I joined the Board in January I have been continually saying that we need to include the public and our County employees in the budget process. One of the first things I did was create a Citizen's Budget Review Committee. I also proposed a board matter for creating a web based expenditure database that our citizens could easily access from their home computers. Both of these concepts were included in the Board's budget guidance for FY 2010.
- **Fully Funding Pay Raises for Our Employees:** After the County Executive recommended cutting employee pay raises by 50%, I was the first Supervisor to call for the full funding to be restored. I am pleased to say that at the last minute

Supervisor Bulova decided to fully fund employee pay raises in her budget. It is irresponsible to balance the budget on the backs of our county employees. We made a promise to them when we switched to pay for performance and we need to keep that commitment until our financial situation precludes us from doing so. We are not currently in that situation.

- **Two New Adult Protective Services Workers:** I proposed adding two full time positions to Adult Protective Services (APS) which was passed in the final budget. Our APS workers are responsible for investigating reports of elderly citizens being abused and the workers we currently have are carrying caseloads that far exceed recommended state standards. These two merit positions were needed to ensure that our most vulnerable seniors are protected. These positions were funded from the existing agency budget.

### **What Didn't Get Done?**

I have some serious issues with some of the things that were not included in the budget that was passed.

- **We didn't fully fund the Protecting Our Children From Sexual Predators Program (P'CASO):** The P'CASO program is made up of six Fairfax County Police Officers who monitor the sex offenders who live in Fairfax County and also patrol internet chat rooms looking for predators who are attempting to prey on vulnerable children. In years past this program had been funded by a federal grant but that grant is no longer available to us. Unfortunately Supervisor Bulova's budget only funded four of the positions in her budget so as of July 1, 2008 we will have two less Police Officers monitoring the sexual offenders in our County. In my budget I proposed fully funding all six officers. It should be noted that we have 350-400 registered sex offenders living in our County with most of them classified as violent sex offenders. I am very disappointed that in a \$6 billion budget we could not find the additional \$255,000 it would take to fully fund this important program that keeps our children safe.
- **We Kept the Penny for Affordable Housing:** I have detailed my issues with the Penny for Affordable Housing elsewhere in this newsletter so I will just say here that I am disappointed that we continue to fund this flawed program with over \$20 million every year.
- **We Didn't Eliminate the Field User Fee:** Our youth sports programs are absolutely critical to Fairfax County's children – be it providing an alternative to gang activity, fighting obesity or in its role in developing the character and leadership skills of our future workforce. The burden of administering this fee causes our youth sports programs, families, and their children to waste valuable time and money. It also has the potential to keep kids from participating in a youth

sports program, especially during these tough economic times. Since I have taken office many parents and youth leagues have expressed concerns to me about this fee and as a parent of two children active in youth sports and a youth sports coach myself, I share their concerns. Many are under the impression that these funds are dedicated to synthetic turf fields but this is not the case. This is an unnecessary tax on the families of Fairfax County and it should be repealed. My proposal to eliminate the tax was defeated. The proposal would have had absolutely no impact on sports funding.

- **We Didn't Fully Fund an Enhanced Strike Team to Deal With the Illegal Boarding House Issue:** Illegal boarding houses continue to pop up left and right in Fairfax. Our substitute budget dedicated \$1.5 million for the Enhanced Strike Team. With an additional funding level of \$1.5 million we would have had more resources to dedicate to investigating and getting rid of these illegal boarding houses.

- **No School Aged Child Care (SACC) Rooms at White Oaks ES:** I included \$112,000 for two new SACC rooms at White Oaks ES. White Oaks is one of only six schools in the county that offers no SACC program. In years past the students at White Oaks ES were transported to Cherry Run ES to participate in their SACC program but the school system is no longer providing transportation for these students. My Citizen's Budget Review Committee is investigating more efficient ways to run the SACC program so more children can be served at the same cost. The County Executive is also examining the SACC program to see if there is a better way to provide this service. These reviews have not been completed yet.

### **Unanswered Questions**

Several of my budget questions went unanswered by staff. I inquired about the use of consultants but the details were not available on a timely basis. I have also asked the Board of Supervisors Auditor to look at consultant use. A basic measure I use as the Chief Financial Officer of a private company is square footage by employee. I believe we can save significant dollars on office lease costs but the information I asked for was not provided. I also did not get a measure of the true number of full time equivalent employees (FTE) the County has so I could accurately gauge the growth in programs over the years. I will continue to try to employ these private sector financial practices as we work on the FY '10 budget.

### **Where do we go from here?**

As the budget for fiscal year 2009 is enacted by the Fairfax County Board of Supervisors it is a time to celebrate! Not for the misguided appropriation of taxpayers dollars, nor for the poor fiscal approach to the looming budget crisis, nor for the tax increase, but instead it is a victory for the citizens because your voice was heard.

For more than four years the politburo style rubberstamping of budgets was the norm, but this time the voice of the average citizen was heard, though unfortunately not followed through on in many cases. Since taking office in January, I have been working with and listening to taxpayers such as you. As a result of these meetings, I formulated an alternative budget plan for moving misguided spending priorities away from well-organized special interests to the priorities of all citizens. But being in the minority often means my concerns, though given limited discussion, are trumped by the majority.

So how is this good news? First we now have a board willing to discuss more transparency in the budget, something I have championed from my first day as an elected official. The board is also engaging the taxpayers going forward to work on the next budget, which was routinely denied in the past. The next step is for us all to engage in the process of prioritizing our government to ensure that our tax dollars are being well spent.

My colleagues on the board have set budget guidelines for fiscal year 2010 and some of them are real doozies. Don't be too surprised when you see that the board is misguided in solidifying its title as the largest landlord in Fairfax County and there is open talk about a Meals Tax as well. We have much work to do, but together we can bring about the incremental change necessary to strengthen our communities without burdening the taxpayer in the process.

## **More Problems with the Penny**

As I have detailed in past newsletters, the Penny for Affordable Housing continues to be a program with serious issues. First we learn in a 2007 *Washington Post* article that the County is using tax payer dollars to subsidize housing for families with incomes well over \$200,000 a year. Then we reported to you in a previous *Herrity Report* that the Fairfax County Government is now the largest landlord in the County and the Affordable Housing Program has been expanded to serve people making above 120% of median income. Now based on answers I received on budget questions I posed to our County staff I have learned that the County has taken on over \$140 million in debt to support this program with a large portion of that debt being interest-only financing. It should be noted that this \$140 million worth of debt was not approved by the voters in a referendum and because this debt counts against our debt ratio it will have serious implications on our ability to use bond money for transportation, schools, and parks.

I have some serious problems with this debt which I outline below.

- The \$143 million borrowed for affordable housing is more than we have borrowed for transportation and parks combined since 2005.
- \$105 million of this debt is an interest-only one year loan. This is the same kind of loan that has turned the mortgage industry on its head.

- Over 50% of the “Penny for Affordable Housing” is going to debt service on the purchase of previously occupied units. This severely limits our ability to help those in need of affordable housing.
- What implications will the recent downturn in housing values and rents have on our ability to refinance this debt?
- The interest rate on these loans is worse than the County’s AAA bond rate making them more expensive than our other debts.
- This debt was not put before the voters in a bond referendum.

Unfortunately Chairman Connolly and the Board of Supervisors, with the exception of Supervisor Frey, continue to reaffirm support for this seriously flawed approach to solving what is a real problem in Fairfax County. Again, I want to be clear that the lack of affordable housing in Fairfax County is an issue that needs to be addressed. The problem I have is that we are trying to solve it by buying occupied residences which are costing us a great deal of money and debt capacity and not moving anyone off our affordable housing waiting list.

Unfortunately we have not heard the last of the problems with the Penny for Affordable Housing...

**To subscribe or unsubscribe to the *Herrity Report*, send a message to [Springfield@fairfaxcounty.gov](mailto:Springfield@fairfaxcounty.gov) with SUBSCRIBE or UNSUBSCRIBE in the subject line.**

\*\*\*\*\*  
\*\*\*\*\***Fairfax County is committed to a policy of nondiscrimination in all county programs, services and activities and will provide reasonable accommodations upon request. To request special accommodations, call [Christian Deschauer](#), Supervisor Herrity’s Senior Legislative Aide at 703-451-8873, TTY 411.**