

Transcript of January 14 Community Q&A Chat Session

Answers to Community Questions

Moderator: Welcome to the Community Q&A! To submit your question, type it in the small text window then hit "send." Your question will go to our Moderator, who will pass the questions on to the experts.

Mark Schwartz: Hi, everyone. Let me introduce myself. I'm Mark Schwartz, Acting Deputy County Manager for Arlington County. With me is Richard Stephenson, our budget director, and Michelle Cowan, our Acting Director of the Department of Management and Finance. We'll be taking your questions today. Our Acting County Manager, Barbara Donnellan, had a death in her family and is not able to be with us today.

The Manager will be submitting her Proposed FY 2011 Budget to the County Board the week of February 15. The Board will take public input on the proposed budget, including holding a series of public hearings at the end of March. The Board will vote on the FY2011 Adopted Budget at its April meeting. The FY2011 budget year begins July 1, 2010.

This is, once again, a tough budget year for us. We are faced, at this time, with a budget gap of approximately \$65 to \$70 million (County and Schools combined) for FY 2011. These cuts will come on top of significant cuts that we have already taken for FY 2010. While we are in much better shape than most in the nation and in the region, we will be forced to make significant cuts to our budget.

The County Board's guidance to the Manager is to close the budget gap with a combination of equal parts budget/service reductions and a tax rate increase. This means that between the County and Schools we will be looking at up to \$35 million in service and program cuts. No decisions have been finalized and everything is on the table. We welcome public input; we held a public Budget Forum on Dec. 8. To view the Manager's presentation from that meeting and to read a summary of the feedback we received, go here:

<http://www.arlingtonva.us/departments/ManagementAndFinance/budget/page72453.aspx>

We'd be happy to take your questions and comments. What's on your mind?

swade: At the 2010 budget meetings, the fact that the Library branches don't have enough computers came up. It was suggested by Mary Hynes that we find a way to allow all Arlingtonians, under Library supervision, to use computer labs at public schools. Perhaps evenings and weekends. Westover was just reopened with Reed school. Was anything done to make Reed's computers accessible to Westover branch?

Mark Schwartz: Thank you for your question. We are talking with the Schools about a range of collaboration efforts and one area we are focusing on is technology and sharing facilities. I will pass this along - it sounds like a promising idea.

PKeating: While the staff is following the direction set by the Board, it is clear that the mindset going in to the development of the budget is not sufficiently focused on cutting spending. The Board seems to have little recognition that many residents and businesses are operating with significantly reduced incomes or revenues, and that tax and fee increases are wholly inconsistent with budgets.

Mark Schwartz: Hi Phil. Thanks for the question. Last year we cut close to \$20 million from the budget and we are closely reviewing budgets for further cuts. We are very interested in any suggestions you or other members of the Chamber or business community have about efficiencies and hope you will forward them on to us. We know everyone is facing a tough time in the current economic circumstances.

groovy: How many county employees are taking advantage of the early retirement option? And how much of an impact will the early retirements have on balancing the budget deficit?

Budget Team: Our Human Resources staff is finalizing the list; once it is complete, we will have a better sense of FY 2011 budget savings.

Concerned_Citizen: If libraries have to be cut further (and I don't think they should be), will the County government take the same selective approach it took in 2009 or will it distribute the cuts fairly and equitably across all neighborhoods? And if further library cuts are in store, will the government take into account the cuts that Cherrydale and Glencarlyn branch libraries have already absorbed?

Mark Schwartz: Thanks for the question about libraries. Every program is part of our review in putting the budget together including libraries. Any cuts we proposed this year will be put in context of the cuts we have had over the past three years so that should give everyone a better idea of how to make the choices. No final decisions yet on how to do more cuts, so your input is appreciated.

Concerned_Citizen: Is the county government considering raising money through a tax on paper and plastic bags, as DC has done? This would help the environment as well as the county finances.

Mark Schwartz: Thanks for the suggestion. What is usually the case is that, under the Dillon Rule, we are very limited in the kind of revenue we can raise and unless we have authority from the State to tax paper and/or plastic bags we won't be able to consider it. I will pass along your question to our legal scholars in residence and see what the answer is. Thanks.

Jesse: What specific options have been proposed for closing the budget shortfall?

Mark Schwartz: The proposed budget isn't complete yet and won't go to the County Board until February. We are looking for any and all suggestions at this time....so please send them along.

PKeating: What is the cost of publications and print materials? Why is the Citizen not an on line publication (or paid by the Board member political campaigns). Printing and mailing costs add up. Also, can we look at cutting the extensive and very fancy publications involved with the Car Free Diet? There are certain things that fall under optional and not must haves.

Moderator: From the Communications Office: We have done extensive research on this question and we are using the absolute lowest-cost method to print and send the Citizen newsletter. From surveys we know the Citizen is the number-one method residents use to receive information about the County. More info on Citizen costs here:

<http://www.arlingtonva.us/departments/CountyManager/Citizen/page69750.aspx>

JAM: Have you considered reducing all programs by a certain percentage? When cuts are proposed only for specific services, advocates rally and make the decisions impossible.

Budget Team: Thanks for your question. Our approach has been to look strategically across all County services rather than an "across the board" approach, factoring in the community discussions we had in December regarding considerations, for example, giving priority to core services and services that are critical to the most vulnerable. The website link provided above by **Mark Schwartz** has more information.

Bamboodyll: One of the ideas from the December forum was to look at the possibility of charging a fee for a (currently) free service before cutting the service. Of course, you'd have to explain the trade-offs when the fee is proposed. Is that being considered as an option for some services?

Budget Team: Yes - we are considering fee options as part of the budget development process.

PKeating: Can services that the County and schools both have, such as human resources, motor pool, purchasing, building and field/grounds maintenance, etc., be merged and cost savings achieved?

Mark Schwartz: Phil - good question. We currently do a lot of services jointly with the Schools, but we are looking at many more. We jointly service our vehicles and do a lot of collaboration.

Mark Schwartz: A lot of people have suggested that we collaborate with Arlington Public Schools to find operational efficiencies. You'll be pleased to know that we do collaborate and have been doing so for a number of years... We welcome additional ideas! A few of the existing activities are listed here:

<http://www.arlingtonva.us/departments/ManagementAndFinance/FAQ/page73466.aspx>

Moderator: Not seeing your question? It may have been addressed earlier in the chat, and we try to avoid duplicate topics. Check the transcript tomorrow on the FY11 Budget Page.

S. Arlington Resident: Is the \$70 million budget deficit now a firm number?

Budget Team: The range of the combined County-Schools deficit is \$65-70 million; while real estate assessment have been finalized, we are still evaluating the impact of potential state budget cuts on the County and finalizing other non-real estate revenue projections.

Concerned_Citizen: As an evident consequence of the recession, library usage across Arlington is up 14 percent. This, plus the fact that the Libraries Department consumes only 1.3 percent of the County budget, suggests that it makes little sense to cut library access further, especially if Arlington truly aspires to be a world class community.

Mark Schwartz: Appreciate the sentiment. We will weigh that as we review options.

Frank: Are there recommendations to increase property tax rates? If so, by how much?

Budget Team: The County Board's guidance allows for half of the budget gap to be addressed through revenue increases, including property taxes. A specific maximum tax rate has not yet been finalized but will be advertised at the February County Board meeting.

egutshall: What methodology is the County using to evaluate requests for additional funding from non-profit Human Services providers? How does that methodology account for the greatest ROI "bang for the buck?"

Mark Schwartz: We will be hard pressed to increase aid to non-profit human service providers. We are trying hard to maintain support and we have consistently supported safety net programs essential to those in our community who are most in need. Thanks for the question.

Willis: At the height of the past national building excess, Arlington renegotiated expiring small construction contracts for such efforts as sidewalks and street repairs. If construction contracts being negotiated now are generally more than 25% less expensive, why not renegotiate all contracts now?

Budget Team: Good suggestion. Our purchasing and engineering staff is currently evaluating contracts for cost savings opportunities.

Jeff: I've heard reports that real estate assessments were down in the last measurement period (mid 2008-mid 2009) by about 3-7%. Can you elaborate? Also, since this measurement period is about half over, what do we know so far about the next year's assessments?

Budget Team: Assessments will be mailed out tomorrow and a press release will be issued tomorrow with the results.

Mark Blacknell: Also, I hope that if the County considers staff cuts, that it will target those very very carefully. There are a number of otherwise-funded transportation projects that remain incomplete because the County simply doesn't have the staff to manage the process. Thus, for want of \$, the County's citizens are missing out on \$\$\$\$ worth of benefit. I wouldn't want to see that exacerbated.

Mark Schwartz: We are sympathetic to your thought and we are doing our best, as we did last year, to avoid staff cuts. With the additional funds from the Commercial Real Estate tax dedicated to transportation we are making progress on many important needs and we are committed to doing those projects with the right staff and getting them done to benefit the community. Thanks for your comment.

Mark Schwartz: Some people have asked what are the cuts that we have already made for FY 2010. The bulk of the cuts were administrative – taking capacity out of the organization, while trying to lessen the impact to direct services. For a summary description:
<http://www.arlingtonva.us/departments/ManagementAndFinance/budget/page72845.aspx>

Mark: Why does Arlington spend so much money on the monthly newsletter that's mailed to County residents? It's all color, and on expensive paper. I often see many of them in the trash can of our mail room. How much does that cost, and couldn't we save money by not mailing them?

Moderator: From the Communications Office: The bi-monthly Citizen newsletter is printed on 100% recycled paper, and costs approximately \$0.21 cents total per newsletter, including printing, production and postage. Again, surveys show it is the number-one way our residents get information about the County.

<http://www.arlingtonva.us/departments/CountyManager/Citizen/page69750.aspx>

Carolyn: Is it true that the wide variety of children and adult sports teams (both club and travel) that use public fields and facilities are not required to pay a fee in Arlington? Isn't it the case that our neighboring jurisdictions charge for these facilities?

Budget Team: For youth sports leagues, the County currently does not charge a separate fee. Practices for other jurisdictions vary. If you have any specific suggestions, please send them to the website listed above.

Moderator: For more information about the FY11 Budget, check out the budget page on the County website:

<http://www.arlingtonva.us/departments/ManagementAndFinance/budget/page72453.aspx> This page will be regularly updated throughout the budget process.

Frank: With the forecasted budget shortfall projections as they are, has there been any consideration to delaying or stopping all together the Columbia Pike trolley?

Mark Schwartz: The current budget and the FY 2011 budget has some planning funds for Columbia Pike light rail, but the vast bulk of the spending, including the actual construction and implementation is still several years off and will be considered as part of the County's biennial Capital Improvement Program that will be addressed by the County Board later this Spring and early in the Summer.

Bamboodyll: Does Metro's funding woes put pressure on the Arlington budget, too?

Budget Team: Yes. Like all jurisdictions in the region, the County pays for a pro rata share of Metro's operating and capital costs. County staff is closely monitoring Metro's budget situation to gauge its impact on the County's budget.

Mark: Thanks for the explanation/link about the newsletter!

Moderator: You're welcome!

Bamboodyll: If the real estate tax assessment goes up -- as seems inevitable -- what options are available to ease the impact on those who are most vulnerable?

Budget Team: Thanks for the question. Real estate assessment information will be released tomorrow and the tax rate will be finalized in late April by the County Board. The County does have a program for tax relief for senior citizens and disabled individuals that meet eligibility requirements; information on this program can be found on the Department of Human Services' portion of the County website.

Willis: The culture of an organization is important because it establishes good principles of management. However, times and processes change and are improved. Sometimes a management culture is slow to see change or adopt change. How can Arlington get an outside

recommendation for management improvements which will result in cost avoidance? For example DES awarded several contracts for the Lee Highway Harrison St intersection improvement. This resulted in excessive construction time, coordination and inspection costs and added costs. Let's look at our processes for improvement and cost avoidance.

Mark Schwartz: Thanks for your thoughts on good principles of management. This is a good idea and I would add that one place we like to go for outside recommendations is to use the talented members of the community -- whether through the advisory boards created by the County Board -- or through a chat like this to get ideas.

Moderator: Real estate assessments should be available online after 5p.m. on Friday, January 15... here's the link:

<http://www.arlingtonva.us/Departments/RealEstate/reassessments/scripts/DREADefault.asp>

Willis: sports team question --- What is the "web site above"?

Moderator: You can get information and send feedback/suggestions on this page:

<http://www.arlingtonva.us/departments/ManagementAndFinance/budget/page72453.aspx>

jack daniels: Why are we wasting money on Lawyer fees for the proposed HOTLANES?

Budget Team: The County believes that the proposed HOT lanes will hurt current transit services both in the County and regionally and that they will severely hurt local streets and neighborhoods. The County would like the state to meet its obligation to fully analyze the environmental impact of the project.

Moderator: To submit your question, type it in the small text window then hit "send." Your question will go to our Moderator, who will pass the questions on to the experts.

PKeating: When discussion turns to items like the cultural center in Rosslyn, the response from staff is that funding is coming from elsewhere in the capital budget and does not involve any new general fund expenditures. Doesn't that ignore the spending issue and the opportunity for budget savings? Is it not possible for this spending to be reallocated to more pressing needs, capital or general fund?

Mark Schwartz: The decision to fund the Cultural Center in Rosslyn is a long-term investment that will benefit the community and the businesses in Rosslyn. There are clearly costs involved in the project, but the long-term benefits are significant. A portion of the Parks and Recreation budget has been reallocated to support this project.

Comment: jack daniels: Regarding the HOT lanes, we are a gateway community, so the traffic is unavoidable

Moderator: Want to keep up with County budget news and information? Subscribe to Arlington Insider, Arlington's e-newsletter:

<http://www.arlingtonva.us/departments/Communications/Publications/insider/>

Willis: There seems to be little recognition of the severity of the budget issues. If there is a concern, it is evidenced by statements such as "don't cut my interests, but other interests". What

added steps are necessary to make folk realize that this is a collective effort and tough unpopular decisions must be made?

Mark Schwartz: The budget issues we face are difficult and we have discussed this with the community in October (at a community forum) and in December at Washington-Lee in another forum and here in this chat. We are asking people to tell us what is important to them and also to take a perspective broader than one particular interest. Your sentiment is appreciated.

Moderator: Not seeing your question? It may have been addressed earlier in the chat, and we try to avoid duplicate topics. Check the transcript tomorrow on the FY11 Budget Page.

MoTaxes: The budget presentation on Dec 8 showed that the County collected 494.1 Million in FY 10 from real estate taxes while they are expecting to only collect 448.7 Million in FY 11... so it seems that the only real budget gap is because the tax rate isn't correct... so why doesn't the Board increase the tax rate to at least collect the same 494 million it did last year?

Mark Schwartz: The question of what is the right tax rate will be weighed by the County Board starting next month when a rate is advertised and then discussed on March 25, 2010 at the Board's Tax Rate hearing. We hope to see you there and that you participate in the process.

Moderator: Miss the December Budget Forum? Take a look at the notes & ideas gathered from your fellow residents:
<http://www.arlingtonva.us/departments/ManagementAndFinance/budget/file73892.pdf> (PDF)

Jay: Any lessons learned from last years budget woes that you would like to share? Given that Arlington was in the hole last year and had good indicators that things were looking equally bad for this coming fiscal year, should we have gone forward with such projects as the \$10++ million Artisphere/Orb/Artopolis (which won for the new County art facility in Rosslyn?). Any similar cases for cost cuts?

Mark Schwartz: The investments we make in projects, such as the Cultural Center, and a number of other capital projects are important for the future health of our community. We need to balance those long-term benefits with the costs of those investments. One lesson we learned from last year was to continue our practice of being careful in making investments and to set aside funds to deal with any contingency. Setting aside funds for contingencies is one of the strengths cited by the rating agencies as they continue to rate Arlington's bonds "triple triple A".

PKeating: In terms of budget cuts that do not impact the vulnerable in the community, we need to look at items that clearly are not essential government services. Take the whole Car Free Diet campaign (please!). The publications, posters, advertising are extensive and extremely well done. But this is an example of something that is optional spending that if we are serious about budget cuts needs to go.

Mark Schwartz: The Car Free Diet campaign is essentially grant funded, so if it were cut, it wouldn't provide much in the way of savings on County tax bills. Any other ideas are welcome.

Willis: Hope the budget advisory committee has been helpful. Would it be useful to establish a short term committee such as a member from each civic association and civfed to provide recommendations to Arlington and feedback to residents about the budget issues? May be too

late for assist to staff before budget is submitted; but may be of assistance to the CB to reduce some of the "heat" encountered.

Mark Schwartz: Take a look at the comments from Jay Fiset in his New Year's remarks where he encouraged citizens to submit budget ideas through our web page and to discuss the budget with members of the Fiscal Affairs Advisory Commission. Send feedback on the budget to:

Moderator: Want a transcript before you log out? Click the "transcript" button (looks like sheet of paper) above the question text window.

egutshall: I wonder if more kids to walk to school and reduce the number of busses running

Budget Team: In fall, the County and Schools jointly sponsored a "Walk to School" day to encourage more kids to walk to school and as Mark mentioned above, the County and Schools are working collaboratively to identify any cost savings or efficiencies including ideas on transportation.

Mark Schwartz: Thanks, everyone, for participating. Your input is very helpful as we work to make budget and service cuts to close the budget gap. While we will try to minimize the negative impacts to our community, finding cuts between the County and Schools of close to \$35 million is a lot of cuts... especially since they come on top of the significant cuts we have already taken for FY 2010.

You will experience impacts to the amount and quality of services. We encourage everyone to stay informed. We will continue to make updates to our FY 2011 budget web page:
<http://www.arlingtonva.us/departments/ManagementAndFinance/budget/page72453.aspx>

There, you'll also find a link to "Send Feedback" and we encourage you to do so. We'll also post a transcript of this chat on the budget page.

Moderator: Thank you so much for participating -- the Community Q&A is now closed.

Moderator: Want a transcript before you log out? Click the "transcript" button (looks like sheet of paper) above the question text window. The full transcript will be posted on the budget website tomorrow. Please log out of the chat window by closing your browser!