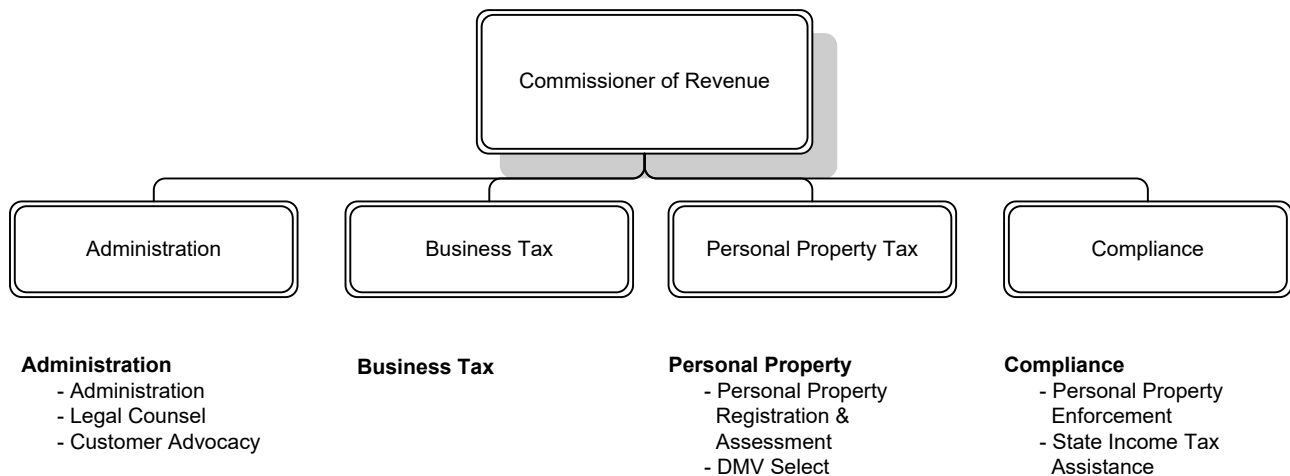


Our Mission: To provide Arlington County residents and businesses with high quality service in meeting their tax obligations.

The Office of the Commissioner of Revenue provides Arlington County residents and businesses with high-quality service in meeting their tax obligations by applying Virginia State and Arlington County tax laws with uniformity, fairness, and integrity. The Office is committed to providing customer advocacy to protect the rights of individual and business taxpayers and resolving those issues not satisfactorily addressed through normal channels.

LINES OF BUSINESS



SIGNIFICANT BUDGET CHANGES

The FY 2022 adopted expenditure budget for the Commissioner of Revenue is \$5,958,479, a less than one percent increase compared to the FY 2021 adopted budget. The FY 2022 budget reflects:

- The County Board added funding for a one percent merit pay adjustment, a five percent increase in the range, and an increase to the one-time bonus for staff from \$500 to approximately \$900.
- ↑ Personnel increases due to the compensation adjustments noted above, partially offset by reduction described below, a 2.5 percent decrease in Kaiser health insurance premiums, and lower retirement contributions based on current actuarial projections.
- ↓ Fee revenue decreases due to adjustments to license plate penalty fees (\$10,000) and DMV satellite office fees (\$10,000) based on prior year actuals.
- ↓ Grant revenue decreases based on anticipated State Compensation Board reimbursements (\$10,527).

FY 2022 Adopted Budget Reduction

Office of the Commissioner of Revenue

- ↓ Freeze a vacant Management Specialist position (\$125,022, 1.0 FTE)

OFFICE OF THE COMMISSIONER OF REVENUE
DEPARTMENT BUDGET SUMMARY

IMPACT: This position supports all functional divisions, and duties will be absorbed by other staff within the office. Freezing this position will impact the Office’s ability to maintain service delivery levels in the variety of support functions it provides to the operations of the Commissioner of Revenue Office.

DEPARTMENT FINANCIAL SUMMARY

	FY 2020 Actual	FY 2021 Adopted	FY 2022 Adopted	% Change '21 to '22
Personnel	\$5,594,343	\$5,712,921	\$5,722,273	-
Non-Personnel	309,028	236,202	236,206	-
Total Expenditures	5,903,371	5,949,123	5,958,479	-
Fees	316,418	340,000	320,000	-6%
Grants	477,604	487,995	477,468	-2%
Total Revenues	794,022	827,995	797,468	-4%
Net Tax Support	\$5,109,349	\$5,121,128	\$5,161,011	1%
Permanent FTEs (Funded)	53.00	53.00	52.00	
Permanent FTEs (Frozen, Unfunded)	-	-	1.00	
Temporary FTEs	-	-	-	
Total Authorized FTEs	53.00	53.00	53.00	

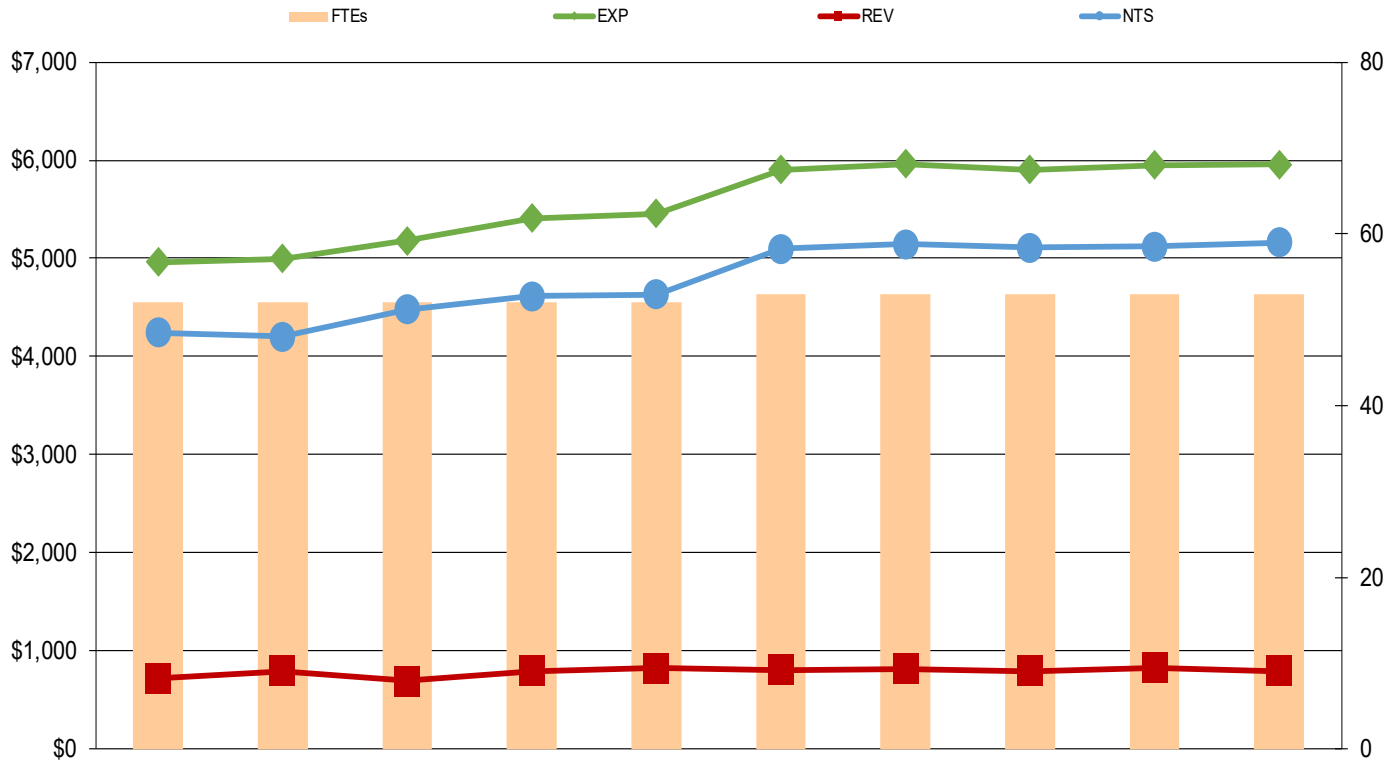
Expenses & Revenues by Line of Business

	FY 2020 Actual Expense	FY 2021 Adopted Expense	FY 2022 Adopted Expense	% Change '21 to '22	FY 2022 Adopted Revenue	FY 2022 Net Tax Support
Administration	\$1,780,851	\$1,699,147	\$1,600,407	-6%	\$797,468	\$802,939
Business Tax	2,072,785	2,227,333	2,087,349	-6%	-	2,087,349
Personal Property Tax	1,744,930	1,496,143	1,749,793	17%	-	1,749,793
Compliance	304,805	526,500	520,930	-1%	-	520,930
Total	\$5,903,371	\$5,949,123	\$5,958,479	-	\$797,468	\$5,161,011

Authorized FTEs by Line of Business

	FY 2021 FTEs Adopted	FY 2022 Permanent FTEs Adopted	FY 2022 Temporary FTEs Adopted	FY 2022 Total FTEs Adopted
Administration	11.00	11.00	-	11.00
Business Tax	20.00	20.00	-	20.00
Personal Property Tax	16.00	16.00	-	16.00
Compliance	6.00	6.00	-	6.00
Total FTEs	53.00	53.00	-	53.00

EXPENDITURE, REVENUE, NET TAX SUPPORT, AND FULL-TIME EQUIVALENT TRENDS



	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
\$ in 000s	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Adopted Budget
EXP	\$4,959	\$4,995	\$5,176	\$5,410	\$5,458	\$5,902	\$5,964	\$5,903	\$5,949	\$5,958
REV	\$718	\$793	\$697	\$794	\$826	\$808	\$819	\$794	\$828	\$797
NTS	\$4,241	\$4,202	\$4,479	\$4,616	\$4,632	\$5,094	\$5,145	\$5,109	\$5,121	\$5,161
FTEs	52.00	52.00	52.00	52.00	52.00	53.00	53.00	53.00	53.00	53.00

Fiscal Year	Description	FTEs
FY 2013	<ul style="list-style-type: none"> ▪ Fee revenue increased (\$25,000) to more closely align with previous years' actual revenue for out-of-state license plate fees for vehicles garaged in the County. 	
FY 2014	<ul style="list-style-type: none"> ▪ Fee revenue increased (\$15,000) to more closely align with previous years' actual revenue for various service fees. ▪ Grant revenues increased due to a partial restoration of cuts in local aid from the State (\$18,300) and an increase in State Compensation Board reimbursements (\$12,699). ▪ Held Assistant Deputy of Business Tax position vacant for six months (\$59,971). 	
FY 2015	<ul style="list-style-type: none"> ▪ Fee revenue increased (\$80,000) to more closely align with previous years' actual revenue for out-of-state license plate fees for vehicles garaged in the County. ▪ Grant revenues decreased to realign State Compensation Board reimbursements with actual levels (\$1,647). 	
FY 2016	<ul style="list-style-type: none"> ▪ Fee revenue increased due to an increase in the license plate penalty fee revenue based on recent actual receipts (\$50,000) and the transfer of and an increase in DMV select revenue from the Treasurer's Office (\$25,000). The DMV Select is now solely operated by the Commissioner's Office. ▪ Grant revenue increased due to an increase in State Compensation Board reimbursements (\$22,350). 	
FY 2017	<ul style="list-style-type: none"> ▪ Fee revenue increased due to increased revenue from the Department of Motor Vehicles for satellite office services provided by the Commissioner of Revenue (\$15,000). ▪ Grant revenue increased due to an increase in State Compensation Board reimbursements (\$3,423). 	
FY 2018	<ul style="list-style-type: none"> ▪ Added a limited term Business Tax auditor position that is offset by an increase in tax audit revenue (\$95,091). ▪ Increased fee revenue from the Department of Motor Vehicles for satellite office services provided by the Commissioner of Revenue (\$10,000). ▪ Increased grant revenue due to an adjustment to the State Compensation Board reimbursements (\$2,677). 	1.00
FY 2019	<ul style="list-style-type: none"> ▪ Increased fee revenue due to an increase in license plate penalty fee revenue (\$20,000). 	
FY 2020	<ul style="list-style-type: none"> ▪ Reduced wireless service charges as part of a County-wide review of wireless service providers (\$1,729). ▪ Reduced postage and print-shop charges by using electronic mail for vehicle assessment letters, meals tax and transient occupancy tax filings, 	

Fiscal Year	Description	FTEs
	<p>and business license and business tangible communication and tax filing as well issuance of business tax license certificates (\$125,000).</p> <ul style="list-style-type: none"> ▪ Reduced annual expense for maintenance and replacement of County vehicles (\$82). ▪ Increased grant revenue for State Compensation Board reimbursements as a result of the State’s two percent increase for state employees (\$10,618). ▪ <i>In FY 2019 Closeout, the County Board converted a limited term FTE to permanent full-time to support meals tax audits in the Business Tax Division.</i> 	
FY 2021	<ul style="list-style-type: none"> ▪ Grant revenue increased due to an increase in State Compensation Board reimbursements (\$14,575). 	
FY 2022	<ul style="list-style-type: none"> ▪ The County Board added funding for a one percent merit pay adjustment, a five percent increase in the range, and an increase to the one-time bonus for staff from \$500 to approximately \$900. ▪ Held the Customer Advocate Management Specialist position vacant for the year (\$125,022, 1.0 FTE). ▪ Fee revenue decreased based on prior year actuals (\$20,000) and grant revenue decreased due to a decrease in State Compensation Board reimbursements (\$10,527). 	