

Tuesday, November 16, 2021

**FY 2021  
Year-End  
Financial  
Summary**

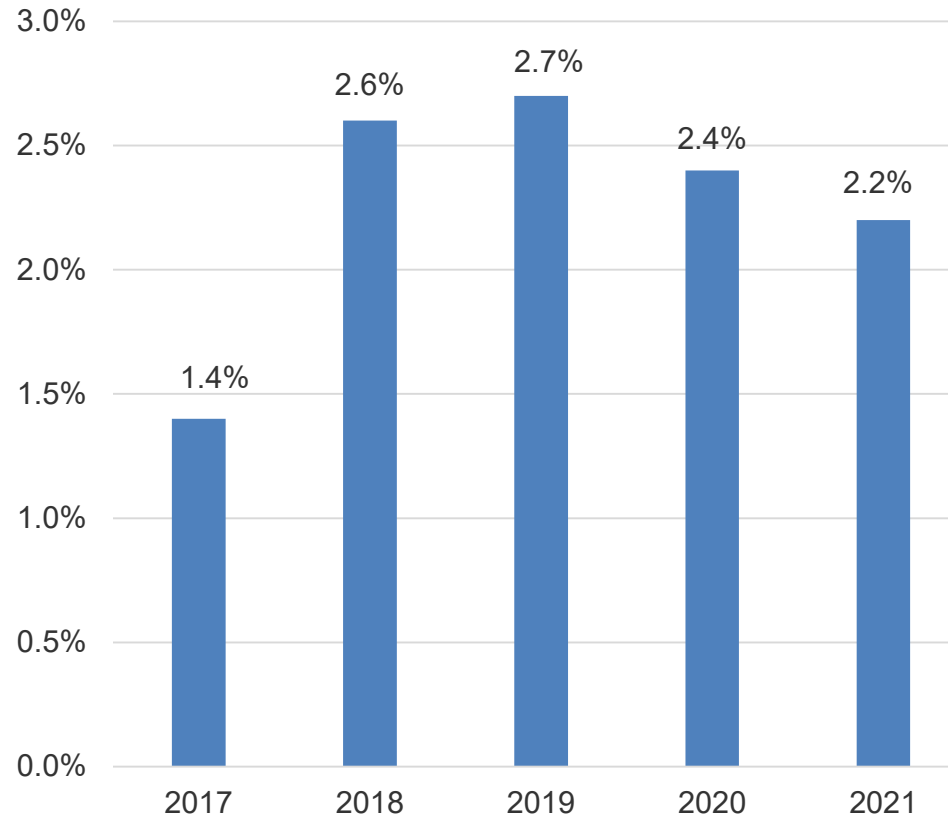


**ARLINGTON**  
**VIRGINIA**

# FY 2021 Year End Summary

- Year ended within budget
- Fund balance = \$305.4 million
- Tax revenue slightly above budget
- Department vacancy savings & lower healthcare costs
- Majority of remaining balances are restricted (93%)
- 2.2% of the County's \$942 million budget (excluding Schools) available for discretionary uses

Percentage of Budget Remaining for Close-out Allocation



# FY 2021 Year End Revenue

## Tax Revenue

Fiscal Year	Budgeted Revenue (millions)	Actual Tax Revenue (millions)	Variance of Actual Revenue to Budget
FY 2017	\$997.0	\$1,022.5	2.6%
FY 2018	\$1,039.0	\$1,044.7	0.5%
FY 2019	\$1,067.8	\$1,084.6	1.6%
FY 2020	\$1,111.6	\$1,111.6	0.0%
FY 2021	\$1,116.2	\$1,120.0	0.3%

### Notable Non-Tax Revenue Variances:

- Interest & ART bus fare revenues 80% (\$7.0M) under budget
- Parking meter revenue 40% (\$4.6M) under budget
- Fine & parking ticket revenues 20% (\$1.3M) under budget

# Pandemic Impacts on FY 2021

- Department Expenditure Savings
  - Expenditure savings from program suspensions and vacancy savings offset by program revenue losses
  - Department staff vacancies from the implementation of a hiring freeze and difficulty hiring
- Pandemic Response supported by Federal funding
  - Reimbursement from FEMA (\$7.2 million)
  - Federal CARES grant funding (\$21.7 million)
  - Together covered expenses including:
    - Vaccine efforts;
    - Testing and contact tracing;
    - Housing support;
    - Personal protective equipment;
    - Technology to support telework;
    - Food support; and
    - Congregate care assistance.

# Allocations of Fund Balance

Total Fund Balance = \$305.4 million

\$285.0 million (93%) of fund balance restricted or already allocated per current Board policy or prior Board action

- Carryover of Existing Reserve Funding (\$95.5 million): Required to maintain the County's triple Aaa bond rating
- Unspent Schools Savings & Additional Revenue Allocations (\$62.1 million): Based on the Principles of Revenue Sharing
- Affordable Housing Investment Fund (\$91.7 million)
- Restricted funds (\$6.1 million)
  - Seized Assets / Grants / Restricted transit revenue
- Projects / Program investments where the County Board has already taken action (\$29.5 million)
  - County Manager contingent, housing grants, economic incentives, FY 2022 one-time compensation bonuses (paid August 2021), technology & equipment purchases previously approved in the operating and CIP budgets, planning studies such as Langston Blvd.

\$20.4 million in Unrestricted Funding

- \$16.0 million unallocated for FY 2023 budget deliberation
- \$1.8 million for a 1% market-pay-adjustment to employees in January 2022
- \$2.1 million for retention bonuses appropriated by County Board in October
- \$0.2 million to support continued implementation of Restorative Arlington
- \$0.2 million to support body worn camera program in CWA
- \$0.1 million contract compliance in the Sheriff's Office
- \$0.1 million technical correction for a grant allocation inadvertently excluded in October recommendations

# Unrestricted Funding

## Proposed Recommendations for \$20.4 million

### Initial Funding Recommendations of the County Manager

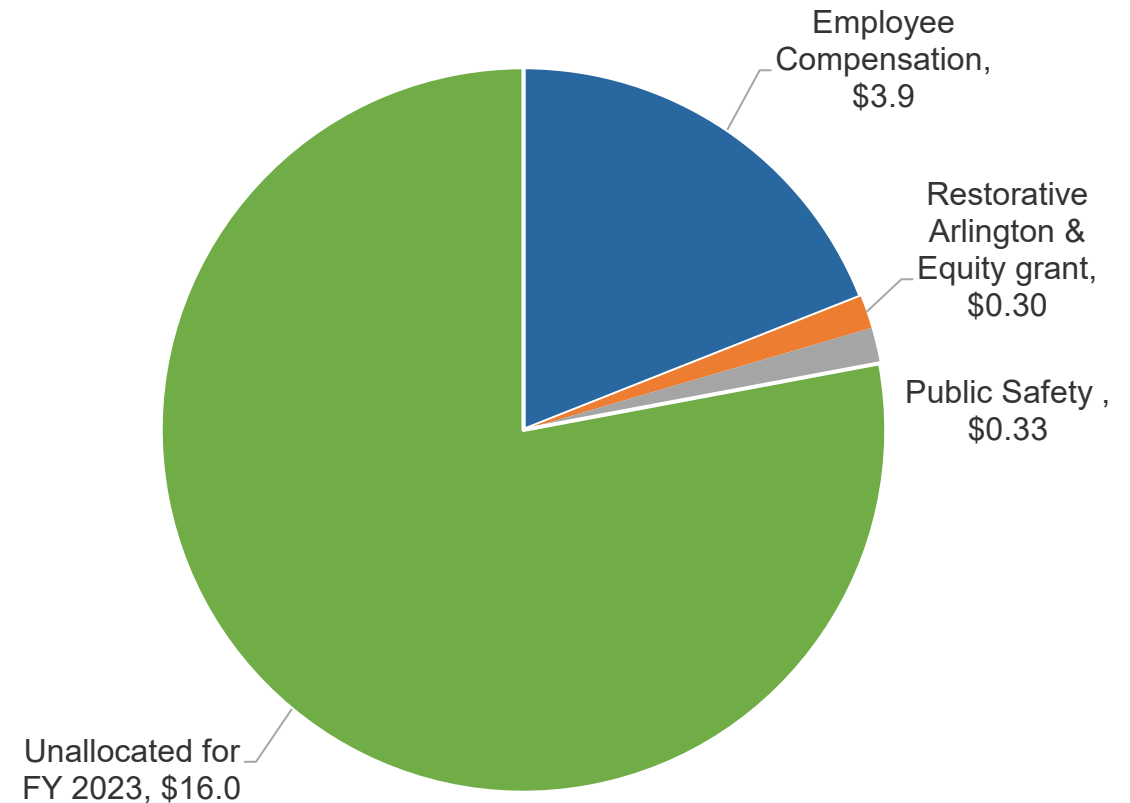
- Allocate \$1.8 million for a 1% market-pay-adjustment to employees in January 2022
- Balance unallocated for FY 2023 budget deliberations (\$18.7 million)

### *Additional Adjustments to the Unrestricted Funding*

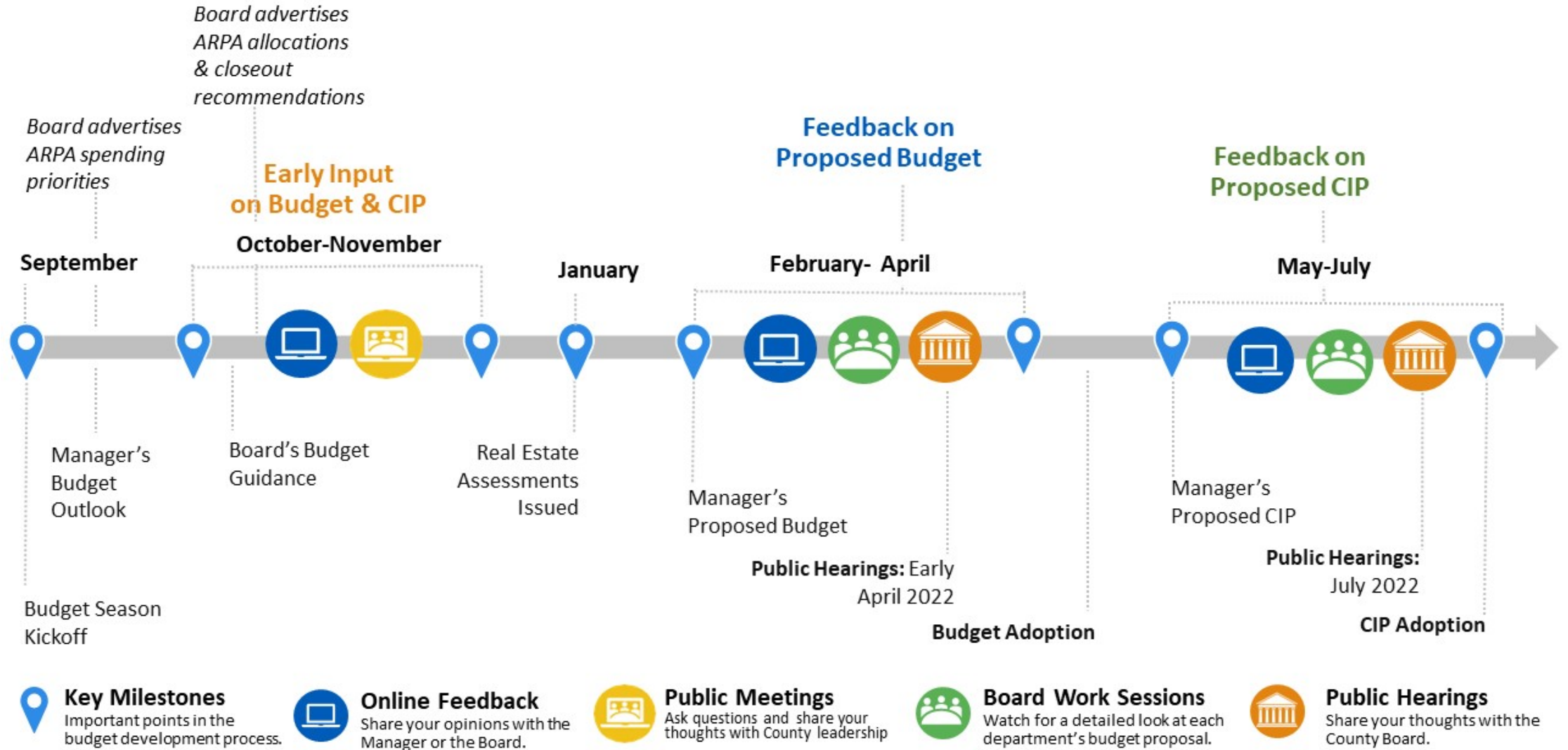
- *Retention bonuses for uniformed police and emergency service health employees - \$2.1 million*
- *Restorative Arlington - \$200,000*
- *Equity grant allocation inadvertently excluded in October recommendation - \$100,000*
- *Support body worn camera program in CWA (\$245,000) & contract compliance in the Sheriff's Office (\$82,000)*



(\$'s in millions)



# Budget Season in Arlington



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