

*Our Mission: To ensure that safe, energy-efficient, and environmentally friendly vehicles are available to agency staff to accomplish their work/missions*

The Automotive Equipment Fund provides cost efficient and environmentally sound management support services for the vehicle fleet of Arlington County. These support services include procurement of vehicles, repair and maintenance, fuel and alternative fuels, repair parts inventory, and disposal.

### **SIGNIFICANT BUDGET CHANGES**

The FY 2023 proposed expenditure budget for the Department of Environmental Services' (DES) Automotive Equipment Fund is \$21,681,326, a two percent increase from the FY 2022 adopted budget. The FY 2023 proposed budget reflects:

- ↑ Personnel increases primarily due to employee salary increases, funds added for a proposed one-time bonus for staff of approximately \$1,000 net (\$70,000), and slightly higher retirement contributions based on current actuarial projections.
- ↓ Vehicle addition expenses decrease due to the removal of one-time funds added in the FY 2022 budget for additional vehicle purchases (\$276,000).
- ↑ Vehicle replacement expenses increase (\$211,984) primarily due to an increase in the current vehicle replacement schedule and configuration of vehicles replaced based on mileage, condition, age, and departmental needs and one-time funding added for the additional cost associated with replacing internal-combustion-engine vehicles with electric vehicles (EVs) that are due for replacement (\$275,025).
- ↑ Revenue increases primarily due to adjustments to the charges to other departments for the maintenance and replacement of County vehicles (\$991,448) and an increase in the transfer in from other funds (\$153,702), partially offset by adjustments to miscellaneous revenue to align budget with actuals (\$60,500), a decrease due to lower lease purchase revenue (\$649,777), and a decrease to the transfer in from the General Fund (\$154,677).

**FUND FINANCIAL SUMMARY**

	FY 2021 Actual	FY 2022 Adopted	FY 2023 Proposed	% Change '22 to '23
Personnel	\$6,202,414	\$6,595,490	\$6,726,857	2%
Non-Personnel	2,073,557	2,930,335	2,926,801	-
Accident Repairs	375,549	291,200	291,200	-
Additions	50,881	276,000	-	-100%
Replacement & Lease Purchase	15,206,751	11,119,459	11,606,468	4%
<b>Subtotal</b>	<b>23,909,152</b>	<b>21,212,484</b>	<b>21,551,326</b>	<b>2%</b>
Insurance/Other Transfers	130,000	130,000	130,000	-
<b>Total Net Expenditures</b>	<b>24,039,152</b>	<b>21,342,484</b>	<b>21,681,326</b>	<b>2%</b>
County & School Revenues	17,415,326	18,274,353	19,265,801	5%
Sales of Surplus Equipment	2,520,697	300,000	300,000	-
Miscellaneous Revenues	-	61,000	500	-99%
Transfer in from General Fund	494,796	276,000	121,323	-56%
Transfer in from Other Funds	-	-	153,702	-
Transfer from Line of Credit Proceeds	-	2,967,571	2,317,794	-22%
Proceeds from Sale of Bonds	1,170,000	-	-	-
Bonds Premium	104,475	-	-	-
<b>Total Revenues</b>	<b>21,705,294</b>	<b>21,878,924</b>	<b>22,159,120</b>	<b>1%</b>
<b>Change in Fund Balance</b>	<b>(\$2,333,858)</b>	<b>\$536,440</b>	<b>\$477,794</b>	
Permanent FTEs	60.00	58.00	58.00	
Temporary FTEs	-	-	-	
<b>Total Authorized FTEs</b>	<b>60.00</b>	<b>58.00</b>	<b>58.00</b>	

**AUTOMOTIVE EQUIPMENT FUND**  
FUND SUMMARY

**AUTOMOTIVE EQUIPMENT FUND: FUND STATEMENT**

	FY 2021 ACTUAL	FY 2022 ADOPTED	FY 2022 RE-ESTIMATE	FY 2023 PROPOSED
<b>ADJUSTED BALANCE, JULY 1</b>	<b>\$11,139,775</b>	<b>\$6,534,931</b>	<b>\$8,805,917</b>	<b>\$10,107,547</b>
OPERATING RECEIPTS				
Maintenance/Operating Rental Book	5,810,059	5,498,596	5,495,969	6,101,497
Other Maintenance - Non Rental Book	345,424	400,000	400,000	400,000
Temporary Loan Vehicle	-	130,000	-	-
Schools Maint./ Operating	2,269,055	2,524,618	2,524,618	2,451,036
Other Maintenance - Non Rental Book Schools	32,963	45,000	45,000	45,000
Grant Revenues	-	-	795,000	-
Subrogation Revenues	-	60,000	60,000	-
Miscellaneous	-	1,000	1,000	500
CAPITAL RECEIPTS				
County Fleet Replacement & Lease Purchase	7,257,920	7,916,609	7,809,513	8,857,101
Schools Replacement	1,699,906	1,759,530	1,759,530	1,411,167
Sales of Surplus Equipment	2,520,697	300,000	300,000	300,000
<b>TOTAL RECEIPTS</b>	<b>19,936,024</b>	<b>18,635,353</b>	<b>19,190,630</b>	<b>19,566,301</b>
OTHER FINANCING SOURCES				
Transfers in from General Fund	494,796	276,000	276,000	121,323
Transfers in from Other Funds	-	-	-	153,702
Transfers in from Line of Credit Proceeds	1,274,474	2,967,571	4,363,959	2,317,794
<b>TOTAL TRANSFERS IN</b>	<b>1,769,270</b>	<b>3,243,571</b>	<b>4,639,959</b>	<b>2,592,819</b>
<b>TOTAL RECEIPTS AND TRANSFERS IN</b>	<b>21,705,294</b>	<b>21,878,924</b>	<b>23,830,589</b>	<b>22,159,120</b>
<b>TOTAL BALANCE, CAPITAL RESERVE, RECEIPTS AND TRANSFERS IN</b>	<b>32,845,069</b>	<b>28,413,855</b>	<b>32,636,506</b>	<b>32,266,667</b>
OPERATING EXPENSES				
Administration, Maintenance	6,648,340	7,212,275	7,212,275	7,291,152
Schools	2,003,180	2,604,750	2,754,750	2,653,706
<b>Subtotal</b>	<b>8,651,520</b>	<b>9,817,025</b>	<b>9,967,025</b>	<b>9,944,858</b>
CAPITAL EXPENSES				
Encumbrance/Incomplete Projects	-	-	2,642,366	-
Replacements to Fleet (County)	11,972,482	9,419,459	3,525,902	7,907,814
Replacements to Fleet (Schools)	1,129,398	1,700,000	1,623,707	1,380,860
Additions to Fleet	50,881	276,000	276,000	-
Lease Purchase	2,104,871	-	4,363,959	2,317,794
<b>Subtotal</b>	<b>15,257,632</b>	<b>11,395,459</b>	<b>12,431,934</b>	<b>11,606,468</b>
<b>TOTAL EXPENSES</b>	<b>23,909,152</b>	<b>21,212,484</b>	<b>22,398,959</b>	<b>21,551,326</b>
Transfer to General Fund - Insurance	130,000	130,000	130,000	130,000
<b>TOTAL TRANSFERS</b>	<b>130,000</b>	<b>130,000</b>	<b>130,000</b>	<b>130,000</b>
<b>TOTAL OPERATING EXPENSES AND TRANSFERS OUT</b>	<b>24,039,152</b>	<b>21,342,484</b>	<b>22,528,959</b>	<b>21,681,326</b>
<b>BALANCE, JUNE 30</b>	<b>\$8,805,917</b>	<b>\$7,071,371</b>	<b>\$10,107,547</b>	<b>\$10,585,341</b>

Note: Fund Balance is reserved for financing encumbrances and incomplete projects carried over from the previous fiscal year. Fund balance includes \$228,860 for capital liabilities. Starting fund balance for FY 2022 budget purposes is calculated as Equity in Pooled Cash less Vouchers Payable per the ACFR. See the FY 2021 ACFR page 220 [here](#).

**COUNTY ADMINISTRATIVE AND VEHICLE REPAIR SECTION**

**PROGRAM MISSION**

To ensure that safe, efficient, and environmentally friendly vehicles are available to County staff to accomplish their missions by providing timely fleet support services including:

- Replace vehicles and equipment on time and within budget.
- Evaluate and manage the environmental impact of the County’s fleet of vehicles and equipment in line with the County’s sustainability goals.
- Provide timely and optimal maintenance and repair services to the County’s fleet of vehicles and equipment.
- Manage the stock room to ensure needed parts are available and the stock levels are optimal.
- Manage contracts with commercial providers for out-sourced functions such as body, glass and transmission repair, and major overhauls.
- Ensure quality fuels, lubricants, and other bulk items are acquired and dispensed appropriately.
- Dispose of surplus vehicles and equipment to maximize the return to the County.

**PERFORMANCE MEASURES**

<b>Critical Measures</b>	<b>FY 2018 Actual</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Actual</b>	<b>FY 2021 Actual</b>	<b>FY 2022 Estimate</b>	<b>FY 2023 Estimate</b>
Average Annual Heavy Vehicle Downtime	11%	16%	12%	13%	12%	12%
Average Annual Light Vehicle Downtime	3%	3%	3%	3%	3%	3%
Inventory Accuracy (%)	97%	91%	94%	97%	96%	96%
Inventory Managed (\$)	\$724,213	\$675,132	\$626,985	\$714,070	\$725,000	\$750,000
Gasoline Used (Thousand gallons)	530	464	512	413	415	415
Light Vehicle Average Maintenance and Repair Cost	\$4,372	\$3,956	\$3,777	\$4,009	\$3,884	\$4,771
Heavy Truck Average Maintenance & Repair Cost	\$11,477	\$9,008	\$9,437	\$9,565	\$9,000	\$11,000
Ultra-Low Sulfur Diesel Used (Thousand gallons)	668	658	594	387	430	430

- Higher parts inventory costs are associated with rising inflation and the proactive increase of inventory levels for public safety to offset unknown supply chain concerns.
- Lower unleaded gasoline use is associated with less driving among non-public safety vehicles as many County employees continue to telework.
- Average maintenance costs for heavy trucks and light vehicles are based on a four-year rolling average. In FY 2023, there will be an increase due to higher maintenance rates at the Equipment Bureau driven by personnel costs and increasing inflation.
- Increased use of diesel fuel is associated with resumption of Arlington Public School (APS) bus driving.

**COUNTY ADMINISTRATIVE AND VEHICLE REPAIR SECTION**

<b>Supporting Measures</b>	<b>FY 2018 Actual</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Actual</b>	<b>FY 2021 Actual</b>	<b>FY 2022 Estimate</b>	<b>FY 2023 Estimate</b>
Electric Light Vehicles in Fleet	4	7	7	17	30	83
Heavy Vehicles in Fleet	210	210	202	195	200	202
Hybrid Light Vehicles in Fleet	120	112	112	107	105	106

- In FY 2023, the number of electric light vehicles is expected to increase as the County is actively pursuing replacement of vehicles with Nissan Leafs and other electric vehicle options. This purchase is an important step that will support the Community Energy Plan (CEP), adopted in September 2019 by the County Board.

**SCHOOL FLEET REPAIR SECTION**

**PROGRAM MISSION**

To provide Arlington County School Transportation with safe, reliable transportation to and from schools and school-related activities and provide timely inspection, maintenance, and repair services to the Arlington Public School (APS) fleet.

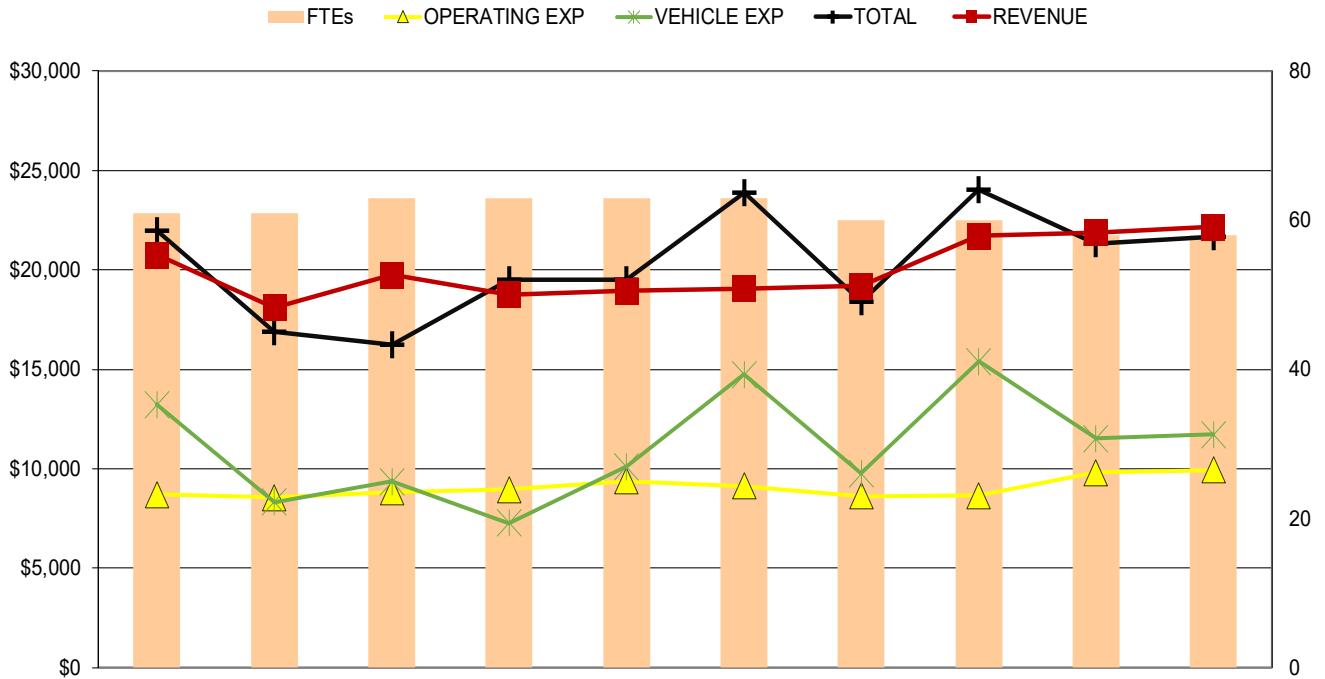
**PERFORMANCE MEASURES**

<b>Critical Measures</b>	<b>FY 2018 Actual</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Actual</b>	<b>FY 2021 Actual</b>	<b>FY 2022 Estimate</b>	<b>FY 2023 Estimate</b>
Buses Average Annual Maintenance & Repair	\$8,973	\$8,509	\$8,081	\$8,157	\$8,610	\$8,331
Buses Serviced	177	177	188	202	202	202

<b>Supporting Measure</b>	<b>FY 2018 Actual</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Actual</b>	<b>FY 2021 Actual</b>	<b>FY 2022 Estimate</b>	<b>FY 2023 Estimate</b>
Average Annual Bus Downtime	7%	6%	5%	2%	2%	2%

- Arlington County Public Schools continues to add newer buses to its fleet as it has over the last several years. APS is purchasing three fully electric, grant-funded, school buses in FY 2022.
- Bus maintenance is based on a rolling 4-year average with a slight decrease expected for FY 2023 based on the mix of vehicles.

**EXPENDITURE, REVENUE, AND FULL-TIME EQUIVALENT TRENDS**



	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
\$ in 000s	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Adopted Budget	Proposed Budget
<b>OPERATING EXP</b>	\$8,716	\$8,558	\$8,825	\$8,964	\$9,393	\$9,127	\$8,627	\$8,651	\$9,817	\$9,945
<b>VEHICLE EXP</b>	\$13,239	\$8,333	\$9,359	\$7,265	\$10,127	\$14,735	\$9,774	\$15,388	\$11,525	\$11,736
<b>TOTAL</b>	\$21,955	\$16,891	\$16,229	\$19,520	\$19,520	\$23,862	\$18,401	\$24,039	\$21,342	\$21,681
<b>REVENUE</b>	\$20,760	\$18,117	\$19,742	\$18,755	\$18,945	\$19,077	\$19,204	\$21,705	\$21,879	\$22,159
<b>FTEs</b>	61.00	61.00	63.00	63.00	63.00	63.00	60.00	60.00	58.00	58.00

Fiscal Year	Description	FTEs
FY 2014	<ul style="list-style-type: none"> <li>▪ Replacement expenses increased due to the off-cycle lease purchase of fire equipment (two heavy rescue units, one loader and four pumpers) (\$1,980,953).</li> <li>▪ Revenues increased due to new vehicle purchases funded through lease purchase (\$1,842,205) and for the charges to other departments for the maintenance and replacement of County and School vehicles (\$1,326,348).</li> <li>▪ Additions expense and the related transfer from other funds both decreased since there are no additions to the fleet funded in the Automotive Equipment Fund (\$502,500).</li> </ul>	
FY 2015	<ul style="list-style-type: none"> <li>▪ Additions expense and the related transfer from the General Fund increased for the purchase of a new vehicle for the DES (\$42,000).</li> <li>▪ Replacement expenses decreased due to the number of configuration of vehicles slated to be replaced in FY 2015 (\$1,954,202).</li> <li>▪ Revenues decreased due to there being no lease proceeds (\$1,842,205).</li> <li>▪ Revenues decreased from charges to other departments for the maintenance and replacement of County vehicles (\$230,097).</li> </ul>	
FY 2016	<ul style="list-style-type: none"> <li>▪ The County Board added two Auto Mechanic positions for maintenance of school buses needed for APS.</li> <li>▪ The County Board reduced the size of the County’s vehicle fleet across departments, resulting in a decrease in revenue to the Auto fund (\$50,000).</li> <li>▪ Addition to fleet expense and the related transfer from the Utilities Fund increased for the purchase of two new vehicles for DES (\$100,624), offset by the removal of the cost of the purchase of a new vehicle for DES in FY 2015 (\$42,000).</li> <li>▪ Lease purchase expense increased (\$223,422), partially offset by replacement expense decreases due to the number of configuration of vehicles slated to be replaced in FY 2016 (\$135,682).</li> <li>▪ Revenue increased due to adjustments to the charges to other departments for the maintenance and replacement of County vehicles (\$1,012,251).</li> </ul>	2.00
FY 2017	<ul style="list-style-type: none"> <li>▪ Additions to fleet expense and the related transfer from the Utilities Fund decrease for the purchase of two new vehicles for the DES, which occurred in FY 2016 (\$100,624).</li> <li>▪ Revenues decreased from charges to other departments for the maintenance and replacement of County vehicles (\$341,969).</li> <li>▪ Replacement expenses increased due to the number and configuration of vehicles slated to be replaced in FY 2017 (\$995,357).</li> </ul>	
FY 2018	<ul style="list-style-type: none"> <li>▪ Additions expense increased due to the purchase of vehicles for DES’ Streetlights program and a new Construction Manager in Water, Sewer, and Streets (\$185,835).</li> <li>▪ Transfer from other funds increased due to transfers from the General Fund</li> </ul>	



Fiscal Year	Description	FTEs
	<p>(\$156,835) and the General Capital Projects Fund (\$29,000) for the purchase of additions to the fleet.</p> <ul style="list-style-type: none"> <li>▪ Vehicle replacement expenses decreased (\$1,503,879) relative to the number and configuration of vehicles replaced in FY 2017 based on mileage, condition, age, and departmental needs.</li> </ul>	
FY 2019	<ul style="list-style-type: none"> <li>▪ Non-personnel decreased due to adjustments to the annual expense for maintenance and replacement of County vehicles (\$26,112).</li> <li>▪ Vehicle replacement expenses increased (\$668,818), partially offset by a decrease (\$251,411) in Lease Purchase expenses.</li> <li>▪ Increased the Sales of Surplus Equipment (\$50,000).</li> </ul>	
FY 2020	<ul style="list-style-type: none"> <li>▪ Eliminated two vacant Mechanic positions and a vacant Trades Worker IV position (\$276,947).</li> <li>▪ Vehicle replacement expenses increased primarily due to the current rental book replacement schedule (\$1,744,972), and the addition of a vehicle to support a new position in the Utilities Fund (\$47,000)</li> <li>▪ Decreased Lease Purchase expenses (\$94,393).</li> <li>▪ Revenue increased due to adjustments to the charges to other departments for the maintenance and replacement of County vehicles (\$101,020) and a transfer from the Utilities Fund for a vehicle addition (\$47,000).</li> </ul>	(3.00)
FY 2021	<ul style="list-style-type: none"> <li>▪ Vehicle addition expenses decreased due to the removal of one-time funding added in FY 2020 for the addition of a vehicle in the Utilities Fund (\$56,740), partially offset by one-time funding added for new vehicle purchases (\$30,000).</li> <li>▪ Vehicle replacement expenses increased primarily due to the current rental book replacement schedule (\$44,224).</li> <li>▪ Lease purchases increased due to higher payments for the lease of the Fire Apparatuses (\$236,091).</li> <li>▪ Revenue increased due to adjustments to the charges to other departments for the maintenance and replacement of County vehicles (\$870,091), partially offset by a decrease in revenue transferred in from other funds based on the change in vehicle additions (\$17,000).</li> </ul>	
FY 2022	<ul style="list-style-type: none"> <li>▪ 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.</li> <li>▪ The County Board also added one-time funding for electric vehicle purchases (\$33,000).</li> <li>▪ Eliminated two vacant technicians (\$177,350)</li> <li>▪ Vehicle addition expenses increased due to additional vehicle purchases in FY 2022 for the Department of Human Services, the Department of Environmental Services, and the Police Department (\$243,000), partially</li> </ul>	(2.00)

<b>Fiscal Year</b>	<b>Description</b>	<b>FTEs</b>
	<p>offset by the removal of funds added in the FY 2021 budget for additional vehicle purchases (\$30,000).</p> <ul style="list-style-type: none"><li>▪ Vehicle replacement expenses increased primarily due to the current vehicle replacement schedule and increased Lease Purchase expenses for fire apparatus (\$2,967,571), partially offset by decreases due to the number and configuration of vehicles replaced based on mileage, condition, age, and departmental needs (\$298,366).</li><li>▪ Revenue increased due to lease purchase revenue to finance fire apparatus (\$2,967,571), fleet additions (\$246,000), and adjustments to the charges to other departments for the maintenance and replacement of County vehicles (\$29,288).</li></ul>	