

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 2024 proposed expenditure budget for the Department of Environmental Services' (DES) Automotive Equipment Fund is \$23,239,767 a three percent increase from the FY 2023 adopted budget. The FY 2024 proposed budget reflects:

- ↑ Personnel increases due to employee salary increases, an increase in the County's cost for employee health insurance, and slightly higher retirement contributions based on current actuarial projections, and one-time \$2,000 (gross) employee bonuses (\$136,291); partially offset by the reduction below.
- ↑ Vehicle addition expense increases due to the addition of one-time funding for two specialty team box trucks for Fire Department (\$191,000) and additional vehicles for the Department of Human Services (\$115,000), partially offset by the removal of one-time funds added in the FY 2023 budget for additional vehicles in the Department of Parks and Recreation, the Fire Department, and Utilities Fund (\$195,000).
- ↑ Replacement and Lease purchase increases due to an increase in the current vehicle replacement schedule based on mileage, condition, age, and departmental needs (\$487,095), partially offset by reduced lease purchase (\$83,372).
- ↑ Revenue increases primarily due to a cost adjustment to the charges to other departments for the maintenance and replacement of County vehicles and transfers to other funds (\$531,368), partially offset by the removal of a transfer in from the Utilities Fund (\$45,000) and transfer in from other funds (\$153,702) for the cost differential for electric vehicle (EV) purchases, and reduced line of credit proceeds (\$83,372).

FY 2024 Proposed Budget Reductions

- ↓ Freeze for one-year Welder and 2nd Night Shift Supervisor (\$240,292). The Automotive Equipment Fund has almost 60 positions which manage and maintain the County and Schools vehicle fleet. The night supervisor and welder are currently vacant. The Equipment Bureau in the Auto Equipment Fund has reorganized staffing to accommodate the supervisor vacancy and relied on outside contractors to supplement additional welding needs.

IMPACT: With both of these positions being currently vacant and the reorganization of workload, there is minimal impact expected in FY 2024. However, as the County transitions to an electric fleet and requires new skillsets, staffing levels in the Equipment Bureau may need to be re-evaluated to support a diverse and changing fleet.

FUND FINANCIAL SUMMARY

	FY 2022 Actual *	FY 2023 Adopted	FY 2024 Proposed	% Change '23 to '24
Personnel	\$6,061,839	\$6,726,857	\$6,996,286	4%
Non-Personnel	3,219,183	2,939,571	2,926,680	-
Accident Repairs	157,059	291,200	291,200	-
Additions	-	195,000	306,000	57%
Replacement & Lease Purchase	3,841,319	12,185,878	12,589,601	3%
GASB	3,632	-	-	-
Subtotal	13,283,032	22,338,506	23,109,767	3%
Insurance/Other Transfers	130,000	130,000	130,000	-
Total Net Expenditures	13,413,032	22,468,506	23,239,767	3%
County & School Revenues	17,761,237	19,400,211	19,931,579	3%
Sales of Surplus Equipment	550,096	300,000	300,000	-
Miscellaneous Revenues	459,054	445,500	445,500	-
Transfer in from General Fund	-	425,025	306,000	-28%
Transfer in from Utilities Funds	-	45,000	-	-100%
Transfer from Line of Credit Proceeds	-	2,317,794	2,234,422	-4%
GASB	3,632	-	-	-
Total Revenues	18,774,018	22,933,530	23,217,501	1%
Change in Fund Balance	\$5,360,986	\$465,024	(\$22,266)	
Permanent FTEs	58.00	58.00	56.00	
Permanent FTEs (Frozen Unfunded)	-	-	2.00	
Temporary FTEs	-	-	-	
Total Authorized FTEs	58.00	58.00	58.00	

* FY 2022 actual expenditures and revenues received reflect the first year of implementing new Governmental Accounting Standard Board (GASB) standards for Statement No. 87 on leases and Statement No. 96 for subscription-based software. See the County Government GASB Summary for department details in the front section of the budget book.

AUTOMOTIVE EQUIPMENT FUND: FUND STATEMENT

	FY 2022 ACTUAL	FY 2023 ADOPTED	FY 2023 RE-ESTIMATE	FY 2024 PROPOSED
ADJUSTED BALANCE, JULY 1	\$9,725,729	\$10,107,547	\$15,086,715	\$9,124,665
OPERATING RECEIPTS				
Maintenance/Operating Rental Book	5,671,415	6,101,497	6,137,294	6,228,485
Other Maintenance - Non Rental Book	303,609	400,000	400,000	400,000
Schools Maint./ Operating	2,521,555	2,451,036	2,451,036	2,425,719
Other Maintenance - Non Rental Book Schools	55,300	45,000	45,000	45,000
Outside Revenues	-	-	795,000	-
Miscellaneous	103,777	500	500	500
CAPITAL RECEIPTS				
County Fleet Replacement & Lease Purchase	7,809,513	9,436,511	8,813,951	9,374,381
Schools Replacement	1,758,753	1,411,167	1,411,167	1,902,994
Sales of Surplus Equipment	550,096	300,000	725,000	300,000
TOTAL RECEIPTS	18,774,018	20,145,711	20,778,948	20,677,079
OTHER FINANCING SOURCES				
Transfers in from General Fund	-	425,025	425,025	306,000
Transfers in from Utilities Funds	-	45,000	45,000	-
Transfers in from Line of Credit Proceeds	-	2,317,794	4,363,959	2,234,422
TOTAL TRANSFERS IN	-	2,787,819	4,833,984	2,540,422
TOTAL RECEIPTS AND TRANSFERS IN	18,774,018	22,933,530	25,612,932	23,217,501
TOTAL BALANCE, CAPITAL RESERVE, RECEIPTS AND TRANSFERS IN	28,499,747	33,041,077	40,699,647	32,342,166
OPERATING EXPENSES				
Administration, Maintenance	6,164,042	7,303,922	7,303,922	7,494,755
Schools	2,269,424	2,653,706	2,653,706	2,719,411
Subtotal	8,433,466	9,957,628	9,957,628	10,214,166
CAPITAL EXPENSES				
Encumbrance/Incomplete Projects	-	-	9,592,056	-
Replacements to Fleet (County)	2,961,924	8,487,224	8,001,644	8,336,262
Replacements to Fleet (Schools)	648,073	1,380,860	1,380,860	2,018,917
Additions to Fleet	-	195,000	195,000	306,000
Lease Purchase	231,321	2,317,794	2,317,794	2,234,422
Debt Service	1,008,247	-	-	-
Subtotal	4,849,566	12,380,878	21,487,354	12,895,601
TOTAL EXPENSES	13,283,032	22,338,506	31,444,982	23,109,767
Transfer to General Fund - Insurance	130,000	130,000	130,000	130,000
TOTAL TRANSFERS	130,000	130,000	130,000	130,000
TOTAL OPERATING EXPENSES AND TRANSFERS OUT	13,413,032	22,468,506	31,574,982	23,239,767
BALANCE, JUNE 30	\$15,086,715	\$10,572,571	\$9,124,665	\$9,102,399

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 2023 budget purposes is calculated as Equity in Pooled Cash and Inventories less Vouchers Payable and Accounts Payable per the ACFR. See the FY 2022 ACFR page 228 [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

Critical Measures	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimate	FY 2024 Estimate
Average Annual Heavy Vehicle Downtime	16%	12%	13%	12%	12%	13%
Average Annual Light Vehicle Downtime	3%	3%	3%	3%	3%	4%
Inventory Accuracy (%)	91%	94%	97%	96%	96%	95%
Parts Inventory Managed (\$)	\$675,132	\$626,985	\$714,070	\$759,261	\$760,000	\$760,000
Gasoline Used (Thousand gallons)	464	512	413	415	415	415
Light Vehicle Average Maintenance and Repair Cost	\$3,956	\$3,777	\$4,009	\$3,884	\$4,771	\$4,329
Heavy Truck Average Maintenance & Repair Cost	\$9,008	\$9,437	\$9,565	\$9,000	\$11,000	\$10,748
Ultra-Low Sulfur Diesel Used (Thousand gallons)	658	594	387	530	500	500

- Annual downtime includes time spent on preventative maintenance. The increase in FY 2024 downtime is due to continuing supply chain constraints.
- 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

Supporting Measures	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimate	FY 2024 Estimate
Electric Light Vehicles in Fleet	7	7	17	33	94	116
Non-Public Safety (PS) Electric Vehicles as a percentage of Non-PS sedans	5.6%	5.6%	8.9%	11.7%	48.7%	58.4%
Heavy Vehicles in Fleet	210	202	195	200	202	200
Hybrid Light Vehicles in Fleet	112	112	107	105	106	100

- In FY 2023 and FY 2024, 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.
- The CEP roadmap has a goal of replacing 40 percent of County non-emergency sedans with electric vehicles by 2025.
- Reduction of Hybrid units is due to increase in electric vehicle alternatives being added to the fleet.

SCHOOL FLEET REPAIR SECTION

PROGRAM MISSION

To provide Arlington County Public Schools with safe and 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

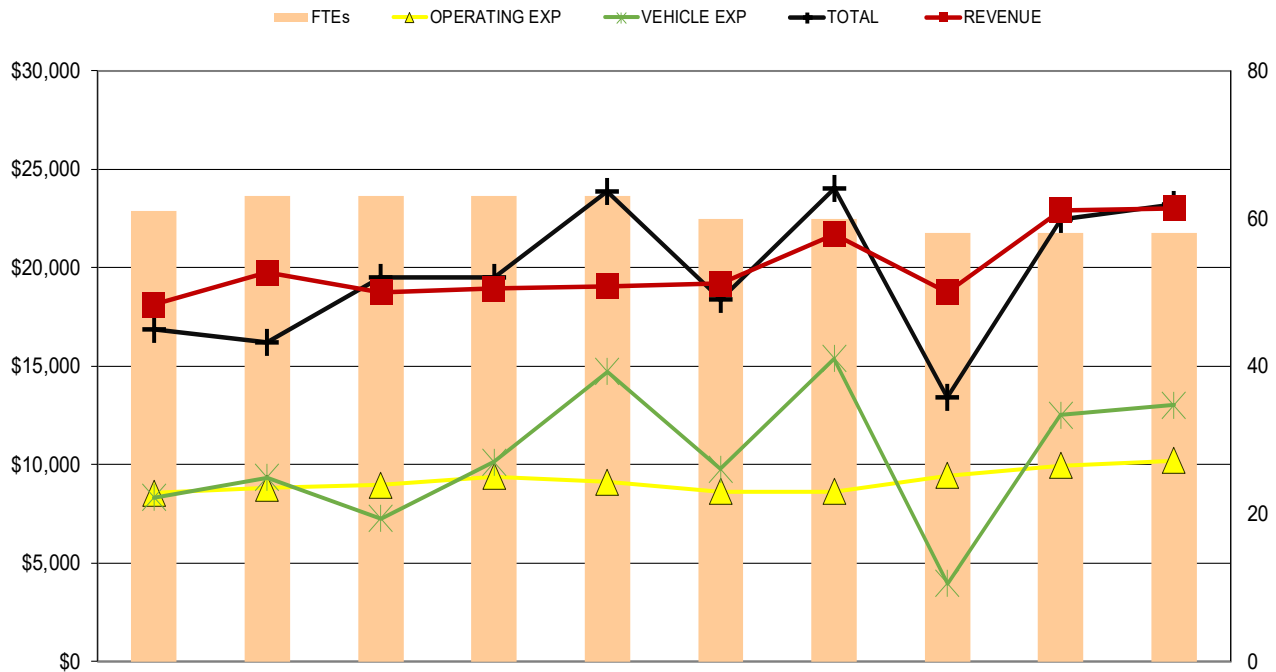
Critical Measures	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate
Buses Average Annual Maintenance & Repair	\$8,509	\$8,081	\$8,157	\$8,610	\$8,331	\$8,699
Buses Serviced	177	188	202	202	206	196

- Arlington County Public Schools continues to update their fleet with newer buses as it has over the last several years. APS is purchasing three fully electric, grant-funded, school buses in FY 2022. Two buses have arrived and another remains to be delivered.
- Bus maintenance is based on a rolling 4-year average with a slight increase expected for FY 2024 based on the mix of vehicles.
- Reduction in buses serviced in FY 2024 is driven by fleet reductions projected by APS.

Supporting Measure	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimate	FY 2024 Estimate
Average Annual Bus Downtime	6%	5%	2%	2%	2%	4%

- The estimated increase in FY 2024 downtime is due to continuing supply chain constraints.

EXPENDITURE, REVENUE, AND FULL-TIME EQUIVALENT TRENDS



\$ in 000s	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Adopted Budget	FY 2024 Proposed Budget
OPERATING EXP	\$8,558	\$8,825	\$8,964	\$9,393	\$9,127	\$8,627	\$8,651	\$9,442	\$9,958	\$10,214
VEHICLE EXP	\$8,333	\$9,359	\$7,265	\$10,127	\$14,735	\$9,774	\$15,388	\$3,971	\$12,511	\$13,026
TOTAL	\$16,891	\$16,229	\$19,520	\$19,520	\$23,862	\$18,401	\$24,039	\$13,413	\$22,469	\$23,240
REVENUE	\$18,117	\$19,742	\$18,755	\$18,945	\$19,077	\$19,204	\$21,705	\$18,774	\$22,934	\$23,027
FTEs	61.00	63.00	63.00	63.00	63.00	60.00	60.00	58.00	58.00	58.00

* FY 2022 actual expenditures and revenues received reflect the first year of implementing new Governmental Accounting Standard Board (GASB) standards for Statement No. 87 on leases and Statement No. 96 for subscription-based software. Both non-personnel expenses and revenues include these GASB standards. See the County Government GASB Summary for department details in the front section of the budget book.

Fiscal Year	Description	FTEs
FY 2015	▪ Additions expense and the related transfer from the General Fund increased for the purchase of a new vehicle for the DES (\$42,000). ▪ Replacement expenses decreased due to the number of configuration of vehicles slated to be replaced in FY 2015 (\$1,954,202). ▪ Revenues decreased due to there being no lease proceeds (\$1,842,205). ▪ Revenues decreased from charges to other departments for the maintenance and replacement of County vehicles (\$230,097).	
FY 2016	▪ The County Board added two Auto Mechanic positions for maintenance of school buses needed for APS. ▪ 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). ▪ 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). ▪ 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). ▪ Revenue increased due to adjustments to the charges to other departments for the maintenance and replacement of County vehicles (\$1,012,251).	2.00
FY 2017	▪ 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). ▪ Revenues decreased from charges to other departments for the maintenance and replacement of County vehicles (\$341,969). ▪ Replacement expenses increased due to the number and configuration of vehicles slated to be replaced in FY 2017 (\$995,357).	
FY 2018	▪ 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). ▪ Transfer from other funds increased due to transfers from the General Fund (\$156,835) and the General Capital Projects Fund (\$29,000) for the purchase of additions to the fleet. ▪ 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.	
FY 2019	▪ Non-personnel decreased due to adjustments to the annual expense for maintenance and replacement of County vehicles (\$26,112).	

Fiscal Year	Description	FTEs
	▪ Vehicle replacement expenses increased (\$668,818), partially offset by a decrease (\$251,411) in Lease Purchase expenses. ▪ Increased the Sales of Surplus Equipment (\$50,000).	
FY 2020	▪ Eliminated two vacant Mechanic positions and a vacant Trades Worker IV position (\$276,947). ▪ 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). ▪ Decreased Lease Purchase expenses (\$94,393). ▪ 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).	(3.00)
FY 2021	▪ 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). ▪ Vehicle replacement expenses increased primarily due to the current rental book replacement schedule (\$44,224). ▪ Lease purchases increased due to higher payments for the lease of the Fire Apparatuses (\$236,091). ▪ 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).	
FY 2022	▪ 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. ▪ The County Board also added one-time funding for electric vehicle purchases (\$33,000). ▪ Eliminated two vacant technicians (\$177,350). ▪ 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 offset by the removal of funds added in the FY 2021 budget for additional vehicle purchases (\$30,000). ▪ 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). ▪ Revenue increased due to lease purchase revenue to finance fire apparatus (\$2,967,571), fleet additions (\$246,000), and adjustments to the charges to	(2.00)

Fiscal Year	Description	FTEs
	other departments for the maintenance and replacement of County vehicles (\$29,288). ▪ <i>In FY 2021 closeout, funding was added for a one percent merit pay adjustment and a one-time bonus for staff of \$450.</i>	
FY 2023	▪ The County Board approved an additional one percent merit pay adjustment for a total increase of 5.25 percent, increased the pay-for-performance budget by an additional 0.5 percent, and increased the pay range movement to five percent. Additional compensation changes approved by the County Board include an optional one-time cash-out of 40 hours of compensation time for those with balances of 80 or more, a one-time increase in shift differential pay from \$0.75 to \$1.00 per hour for the B shift and from \$1.00 to \$1.30 per hour for the C shift, and a one-time increase in language premium from \$0.69 to \$0.92 per hour. ▪ Added funds for a one-time bonus for staff of \$1,600 gross (\$70,000). ▪ Vehicle addition expenses decreased due to the removal of one-time funds added in the FY 2022 budget for additional vehicle purchases (\$276,000), partially offset by one-time funds added for the addition of vehicles in the Department of Parks and Recreation, the Fire Department, and the Utilities Fund (\$195,000). ▪ Vehicle replacement expenses increased primarily due to an increase in the current vehicle replacement schedule and configuration of vehicles replaced based on mileage, condition, age, and departmental needs (\$791,394) 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). ▪ Other non-personnel expenses increased primarily due to an anticipated increase in electricity costs (\$12,770). ▪ Revenue increased primarily due to adjustments to the charges to other departments for the maintenance and replacement of County vehicles (\$1,570,858), an increase in the transfer in from other funds (\$153,702), an increase in the transfer in from Fund 503 (\$45,000), 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 (\$4,677).	