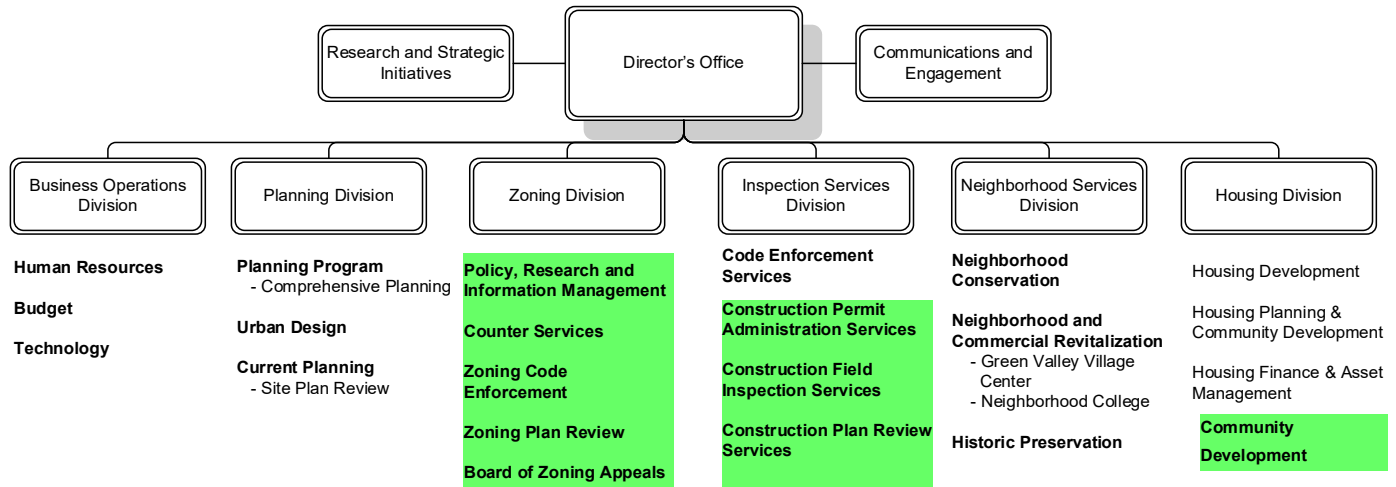


*Our Mission: To promote the improvement, conservation, and revitalization of Arlington’s physical and social environment*

**LINEs OF BUSINESS**



Shaded programs are part of other funds.

**SIGNIFICANT BUDGET CHANGES**

The FY 2024 adopted expenditure budget for the Department of Community Planning, Housing and Development is \$12,621,708, a two percent increase from the FY 2023 adopted budget. The FY 2024 adopted budget reflects:

- The County Board added ongoing funding for housing inspections (\$150,000).
- ↑ Personnel increases due to employee salary increases; an increase in the County’s cost for employee health insurance; slightly higher retirement contributions based on current actuarial projections; adjustments to salaries resulting from the Administrative, Communication, and Accounting job family studies (\$62,619); and one-time \$2,000 (gross) employee bonuses (\$210,470). Personnel increases are partially offset by the position reductions itemized below.
- ↓ Non-personnel decreases due to the reductions itemized below, adjustments to the annual expense for maintenance and replacement of County vehicles (\$4,791), the removal of one-time ARPA funding associated with Committed Affordable Unit (CAF) Property Oversight and Tenant Support (\$30,000), and the removal of one-time funds for the following items: Historic Preservation Grant Funds (\$150,000); Housing Inspections (\$100,000); Hotel Conversion Consultant (\$75,000); and Childcare Zoning Consultant (\$75,000). Decreases are partially offset by the addition of one-time funding for the purchase of electric vehicles in FY 2024 (\$7,760) and ongoing funding for Tenant Outreach services (\$60,000).
- ↑ Revenue increases are primarily due to a projected increase in large planning projects (\$660,696) and an increase to Development Services related fees (\$101,920).

## FY 2024 Adopted Budget Reductions

### Director's Office

- ↓ Elimination of a vacant Management Analyst position (\$74,941, 0.6 FTE)

IMPACT: This elimination of the position will result in a shifting of administrative responsibilities to another department staff member who is currently supporting another business unit. It will also shift some responsibilities to the Business Operation Division and the County Manager's Office, thus putting strain on existing staff in those operations. The elimination could result in delays in work completion in all affected units.

### Code Enforcement

- ↓ Transfer of a Community Codes Inspector III position to the CPHD Development Fund (\$133,001, 1.0 FTE)

IMPACT: This reduction moves one filled Code Enforcement position (1.0 FTE) to the CPHD Development Fund. The Department has previously moved code enforcement positions (4.0 FTEs) to the Development Fund. Moving this position has no impact to the current service levels being provided by the Code Enforcement Section.

### Historic Preservation

- ↓ Reduction in Consultant Services budget (\$43,500)

IMPACT: This reduction will require the Department to re-prioritize various historic preservation and departmental initiatives including archaeological monitoring and large scale historic/cultural research and documentation. It will also delay the implementation of the Historic Preservation Master Plan Update including updating the Historic Resources Inventory and completing the African American multiple property documentation.

### Comprehensive Planning

- ↓ Elimination of a vacant Associate Planner position (\$161,729, 1.0 FTE)

IMPACT: This elimination would reduce the overall capacity and resources of the Comprehensive Planning team to support projects identified in the Division's annual work program. This could result in delays in completing project work.

### Department-wide

- ↓ Reduction of various non-personnel categories (\$16,752)

IMPACT: This reduction reduces printing and software licenses which will require work processes to be amended.

**DEPARTMENT OF COMMUNITY PLANNING, HOUSING AND DEVELOPMENT**  
DEPARTMENT BUDGET SUMMARY

**DEPARTMENT FINANCIAL SUMMARY**

	FY 2022 Actual**	FY 2023 Adopted	FY 2024 Adopted	% Change '23 to '24
Personnel	\$10,845,401	\$11,077,364	\$11,625,496	5%
Non-Personnel	645,383	1,273,495	996,212	-22%
GASB	1,642	-	-	-
<b>Total Expenditures</b>	<b>11,492,426</b>	<b>12,350,859</b>	<b>12,621,708</b>	<b>2%</b>
Fees	1,638,781	1,324,304	2,061,920	56%
Miscellaneous*	164,372	100,000	125,000	25%
GASB	1,642	-	-	-
<b>Total Revenues</b>	<b>1,804,795</b>	<b>1,424,304</b>	<b>2,186,920</b>	<b>54%</b>
<b>Net Tax Support</b>	<b>\$9,687,631</b>	<b>\$10,926,555</b>	<b>\$10,434,788</b>	<b>-5%</b>
Permanent FTEs	82.50	84.60	82.00	
Temporary FTEs	-	-	-	
<b>Total Authorized FTEs</b>	<b>82.50</b>	<b>84.60</b>	<b>82.00</b>	

\* FY 2022 actuals include Industrial Development Authority (IDA) revenue which is transferred annually to CPHD from the IDA. The IDA has the ability to finance tax-exempt bonds for affordable housing developers. This revenue is based on a portion of the fees that affordable housing developers pay to the IDA for this service.

\*\* 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.

**Expenses & Revenues by Line of Business**

	FY 2022 Actual Expense	FY 2023 Adopted Expense	FY 2024 Adopted Expense	% Change '23 to '24	FY 2024 Adopted Revenue	FY 2024 Net Tax Support
Director's Office	\$1,664,014	\$1,292,998	\$1,456,587	13%	-	\$1,456,587
Business Operations	650,581	730,669	990,177	36%	-	990,177
Comprehensive Planning	1,825,820	2,404,370	2,145,428	-11%	-	2,145,428
Current Planning	1,634,384	1,756,210	1,859,314	6%	\$2,061,920	(202,606)
Urban Design	484,129	515,170	540,541	5%	-	540,541
Code Enforcement Services	1,079,890	1,115,835	1,029,640	-8%	-	1,029,640
Neighborhood Conservation	366,690	344,135	355,652	3%	-	355,652
Neighborhood and Commercial Revitalization	351,098	366,379	389,978	6%	-	389,978
Historic Preservation	598,906	772,823	615,282	-20%	-	615,282
Housing Division Administration	2,836,914	3,052,270	3,239,109	6%	125,000	3,114,109
<b>Total</b>	<b>\$11,492,426</b>	<b>\$12,350,859</b>	<b>\$12,621,708</b>	<b>2%</b>	<b>\$2,186,920</b>	<b>\$10,434,788</b>

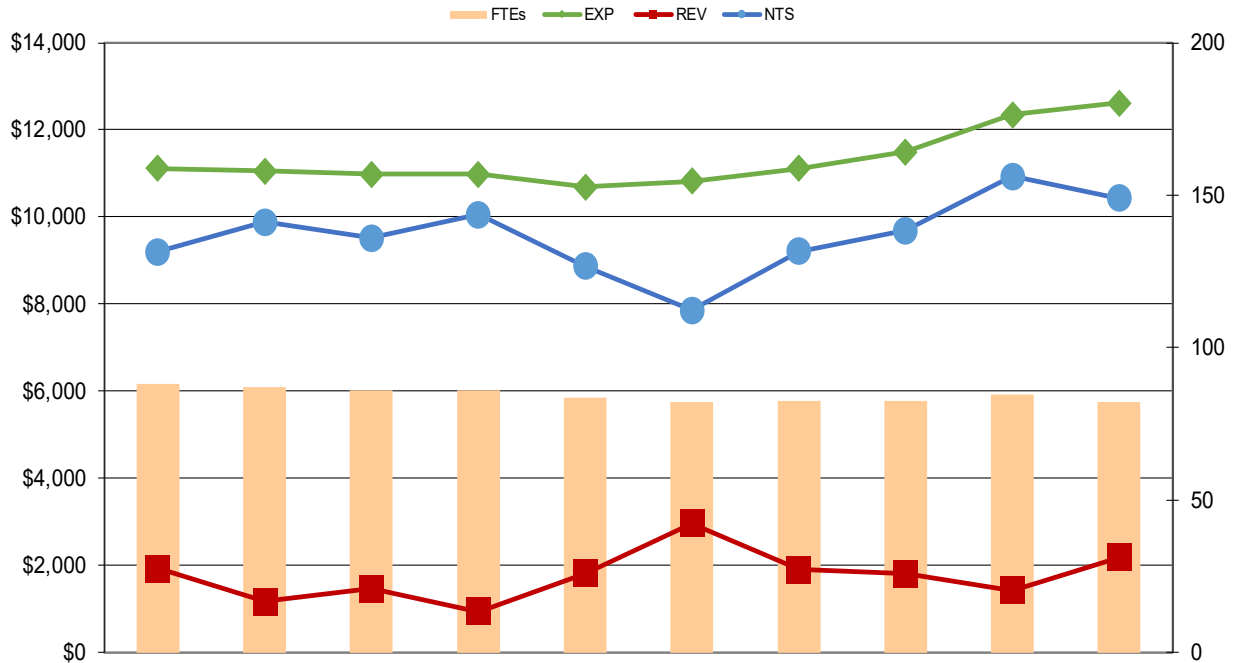
**Authorized FTEs by Line of Business**

	FY 2023 FTEs Adopted	FY 2024 Permanent FTEs Adopted	FY 2024 Temporary FTEs Adopted	FY 2024 Total FTEs Adopted
Director's Office	9.60	9.00	-	9.00
Business Operations	5.00	5.00	-	5.00
Comprehensive Planning	14.00	13.00	-	13.00
Current Planning	12.50	12.50	-	12.50
Urban Design and Research	3.00	3.00	-	3.00
Code Enforcement Services* **	8.00	7.00	-	7.00
Neighborhood Conservation	6.00	6.00	-	6.00
Neighborhood and Commercial Revitalization	2.00	2.00	-	2.00
Historic Preservation	4.00	4.00	-	4.00
Housing Division Administration	20.50	20.50	-	20.50
<b>Total</b>	<b>84.60</b>	<b>82.00</b>	<b>-</b>	<b>82.00</b>

\* In addition to the Code Enforcement Services staff noted above, there are also 7.00 Code Enforcement Staff that are funded out of the CPHD Development Fund.

\*\* In FY 2024, CPHD transferred a Community Codes III position to the CPHD Development Fund from the Code Enforcement Services Division within the General Fund.

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



	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
\$ in 000s	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual*	Adopted Budget	Adopted Budget
<b>EXP</b>	\$11,116	\$11,051	\$10,978	\$10,981	\$10,685	\$10,823	\$11,112	\$11,492	\$12,351	\$12,621
<b>REV</b>	\$1,922	\$1,172	\$1,464	\$932	\$1,814	\$2,963	\$1,895	\$1,805	\$1,424	\$2,187
<b>NTS</b>	\$9,194	\$9,879	\$9,514	\$10,049	\$8,871	\$7,860	\$9,217	\$9,687	\$10,927	\$10,434
<b>FTEs</b>	88.00	87.00	86.00	86.00	83.50	82.00	82.50	82.50	84.60	82.00

\* 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 \$1,642 for these GASB standards. See the County Government GASB Summary for department details in the front section of the budget book.

**DEPARTMENT OF COMMUNITY PLANNING, HOUSING AND DEVELOPMENT**  
TEN-YEAR HISTORY

<b>Fiscal Year</b>	<b>Description</b>	<b>FTEs</b>
FY 2015	<ul style="list-style-type: none"> <li>▪ The County Board added funding to the base budget for the Homeownership Coordinator position, previously funded with one-time funding (\$116,116).</li> <li>▪ Added funding for a Principal Planner position for planning and development activities related to Crystal City and Pentagon City (\$112,349).</li> <li>▪ Transferred half of a Business Systems Analyst position to the CPHD Development Fund.</li> <li>▪ Removed one-time funding (\$18,575) for the Shirlington Education and Employment Center (SEEC).</li> <li>▪ Removed one-time funding (\$50,000) for ECDC.</li> <li>▪ Restored one-time funding (\$50,000) for BUGATA.</li> </ul>	<p>1.00</p> <p>(0.50)</p>
FY 2016	<ul style="list-style-type: none"> <li>▪ The County Board eliminated a Housing Assistant position (\$47,977).</li> <li>▪ The County Board restored the FY 2015 one-time funding for BU-GATA (\$50,000).</li> <li>▪ Transferred half a Business Systems Analyst position to the CPHD Development Fund (\$71,739).</li> <li>▪ Added ongoing funding (\$18,275) for the Shirlington Education and Employment Center (SEEC).</li> <li>▪ Increased fee revenue for anticipated permits and development activity (\$94,958).</li> <li>▪ Decreased revenue and expense due to a decrease in the state allocation of the Community Services Block Grant (\$15,979).</li> </ul>	<p>(0.50)</p> <p>(0.50)</p>
FY 2017	<ul style="list-style-type: none"> <li>▪ The County Board added ongoing funding for the BU-GATA Promotora Program (\$50,000).</li> <li>▪ Grant expenses and revenue increased due to additional Community Services Bock Grant income (\$32,000).</li> </ul>	
FY 2018	<ul style="list-style-type: none"> <li>▪ The County Board added an Associate Planner (\$115,698) which was added to Arlington Economic Development by the County Manager in the Proposed Budget and then transferred to CPHD to focus on zoning ordinance changes or other planning work, primarily related to childcare facilities.</li> <li>▪ The County Board eliminated an Office Supervisor based on an anticipated staff retirement (\$88,527).</li> <li>▪ Transferred a Communications Specialist II (\$147,770) from the Business Operations Division to the Permits Administration Division in the CPHD Development Fund.</li> </ul>	<p>1.00</p> <p>(1.00)</p> <p>(1.00)</p>

**DEPARTMENT OF COMMUNITY PLANNING, HOUSING AND DEVELOPMENT**  
TEN-YEAR HISTORY

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> <li>▪ Non-personnel decreased primarily due to an accounting adjustment for how non-personnel and intra-County charges to capital projects are expensed (\$47,660) and adjustments to the annual expense for the maintenance and replacement of County vehicles (\$1,240), offset by an increase in Community Services Block Grant expenses (\$38,550).</li> <li>▪ Grant revenue increased due to additional Community Services Block Grant income (\$38,550).</li> <li>▪ <i>The County Board took action after the FY 2018 budget was adopted to transfer the Joint Facilities Advisory Committee (JFAC) support position (\$116,168) from the County Manager's Office into the Planning Division.</i></li> </ul>	1.00
FY 2019	<ul style="list-style-type: none"> <li>▪ The County Board eliminated a filled Administrative V position (\$82,250).</li> <li>▪ The County Board eliminated a filled Planning Supervisor position (\$182,885).</li> <li>▪ The County Board eliminated a vacant Principal Planner (\$177,483).</li> <li>▪ The County Board reduced a full-time vacant Code Enforcement Supervisor position into a half-time position (\$68,294).</li> <li>▪ The County Board reduced consultant funding used to implement a department-wide training program (\$35,550).</li> <li>▪ The County Board added one-time funding to restore consultant services for the Neighborhood College Program, a free civic leadership development program for people who live in Arlington and want to get more involved in their community (\$40,000).</li> </ul>	(1.00) (1.00) (1.00) (0.50)
FY 2020	<ul style="list-style-type: none"> <li>▪ The County Board added \$40,000 in ongoing funding to the Neighborhood College Program, no change from the FY 2019 adopted level of funding.</li> <li>▪ Transferred three code enforcement positions to the Development Fund (\$353,219).</li> <li>▪ Reduced wireless service charges as part of a County-wide review of wireless service providers (\$8,379).</li> <li>▪ Reduced consultant funds used to implement in department-wide training programs (\$11,850).</li> <li>▪ Reduced consultant funds within the Historic Preservation line of business (\$8,164).</li> <li>▪ Added one and a half Principal Planner positions to support increased activity associated with Amazon (\$225,000).</li> </ul>	(3.00)     1.50
FY 2021	<ul style="list-style-type: none"> <li>▪ Increased an existing Associate Planner from 0.5 FTE to a 1.0 FTE in the Comprehensive Planning Program (\$64,400).</li> <li>▪ One-time funding associated with the support of the FY 2020 Census (\$100,000) was removed.</li> <li>▪ Funding for the Shirlington Employment and Education Center (SEEC) was transferred to the Department of Human Services (\$222,550).</li> <li>▪ Increased funding for the Historic Preservation program for legal advertising (\$5,000).</li> </ul>	0.50

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> <li>▪ Current Planning fees were increased 2.5 percent (\$74,773), and revenue associated with those fees was increased due to an anticipated increase in development activity and ancillary development activity associated with Amazon (\$133,236).</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 restored funding for a previously frozen Principal Planner position (\$144,499) in Comprehensive Planning and consultant and contracted services funds in the Housing Division (\$95,000) with American Rescue Plan Act (ARPA) funding.</li> <li>▪ Transferred an Administrative Technician I to the CPHD Development Fund (\$68,988). (1.00)</li> <li>▪ Eliminated a vacant Administrative Technician I position (\$34,495). (0.50)</li> <li>▪ Transferred a portion of the Housing Division’s personnel expenditures to the Community Development Fund (206) to utilize federal funds (\$100,000).</li> <li>▪ Reduced various non-personnel categories, such as operating supplies and printers (\$20,846).</li> <li>▪ Revenue decreased due to the projected decrease in large planning projects (\$1,388,794).</li> <li>▪ <i>In FY 2021 closeout, funding was added for a one percent merit pay adjustment (\$50,030) and a one-time bonus for staff of \$450 (\$43,288).</i></li> <li>▪ <i>As part of FY 2021 close-out, the County Board approved ARPA funding for one-time expenses for CAF Property Oversight and Tenant Support: Mediation/Alternative Dispute Resolution (\$30,000) and Affordable Housing Property Assessments (\$300,000) (note: this item is budgeted in the County’s Non-Departmental account).</i></li> </ul>	
FY 2023	<ul style="list-style-type: none"> <li>▪ The County Board added funding for 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, increased the pay range movement to five percent, a one-time increase in language premium from \$0.69 to \$0.92 per hour (\$2,669), and an optional one-time cash-out of 40 hours of compensation time for those with balances of 80 or more (\$31,662).</li> <li>▪ The County Board also added a Principal Development Specialist and a Compliance Coordinator (Principal Planner) to the CPHD Housing Division, both of which are funded from existing funds within the Columbia Pike TIF, one-time grant funds for Historic Preservation (\$150,000), and one-time consultant funds for hotel conversions (\$75,000) and for childcare zoning (\$75,000) in the Planning Division. 2.00</li> <li>▪ Additionally, the County Board made an additional one-time allocation from the remaining ARPA funds for housing inspections (\$50,000).</li> <li>▪ Added funding for administrative job family studies (\$10,891).</li> </ul>	



Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> <li>▪ Added a Communications Specialist II (1.0 FTE) and increased an existing Management Analyst position (0.10) in the Director’s Office, both funded from anticipated personnel budget savings.</li> </ul>	1.10
	<ul style="list-style-type: none"> <li>▪ Increased an existing Associate Planner in Neighborhood Conservation funded from existing Capital funds.</li> </ul>	0.50
	<ul style="list-style-type: none"> <li>▪ Added one-time funding added for housing inspections (\$100,000).</li> <li>▪ Revenue increased due to a projected increase in large planning projects (\$199,021) and a four percent inflationary increase to Development Services related fees (\$51,000), partially offset by a landscape plan review fee change (\$1,696).</li> <li>▪ As a part of FY 2021 close-out, the County Board approved additional allocations of the remaining ARPA funding for additional programs based on the Guiding Principles presented by the County Manager in September 2021; the Board directed the County Manager to include funding for these programs in the FY 2023 adopted budget including:               <ul style="list-style-type: none"> <li>○ Committed Affordable Unit (CAF) Property Oversight and Tenant Support: Mediation/Alternative Dispute Resolution (\$30,000 one-time).</li> <li>○ Broadband Study (\$150,000 one-time). Note: This budget is in the County’s Non-Departmental budget.</li> </ul> </li> <li>▪ In addition to the items noted above, an additional allocation from the remaining ARPA funds is included in the FY 2023 adopted budget:               <ul style="list-style-type: none"> <li>○ Housing Inspections: Physical inspections of units in committed affordable unit (CAF) communities (\$50,000, one-time). Note: This budget is in the County’s Non-Departmental budget.</li> </ul> </li> <li>▪ <i>As part of FY 2022 close-out, additional one-time funds of \$150,000 were added to increase the Historic Preservation Grant Program.</i></li> <li>▪ <i>A technical adjustment was approved by the County Board in April 2023 to appropriate funding from Non-Departmental to Departments to allocate the budget for bonuses funded in the adopted budget. The funding added to the Department of Community Planning, Housing and Development was \$173,011.</i></li> </ul>	
FY 2024	<ul style="list-style-type: none"> <li>▪ The County Board added ongoing funding for housing inspections (\$150,000).</li> <li>▪ Added funding for one-time \$2,000 (gross) employee bonuses (\$210,470).</li> <li>▪ Added funding for the Administrative, Communication, and Accounting job family studies (\$62,619).</li> <li>▪ Eliminated a vacant Management Analyst position (\$74,941).</li> <li>▪ Eliminated a vacant Associate Planner position (\$161,729).</li> <li>▪ Transferred a Construction Codes III position to the CPHD Development Fund (\$133,001).</li> <li>▪ Removed one-time ARPA funding associated with Committed Affordable Unit (CAF) Property Oversight and Tenant Support (\$30,000).</li> </ul>	(0.60) (1.00) (1.00)

<b>Fiscal Year</b>	<b>Description</b>	<b>FTEs</b>
	<ul style="list-style-type: none"><li>▪ Removed one-time funding for Historic Preservation Grants (\$150,000), Housing Inspections (\$100,000), Hotel Conversion Consultant (\$75,000), and Childcare Zoning Consultant (\$75,000).</li><li>▪ Reduced Consultant Services funding in Historic Preservation (\$43,500).</li><li>▪ Reduced various non-personnel categories, such as printing and software licenses (\$16,752).</li><li>▪ Added one-time funding for the purchase of electric vehicles (\$7,760).</li><li>▪ Added ongoing funding for Tenant Outreach Services (\$60,000).</li><li>▪ Revenue increased due to a projected increase in large planning projects (\$660,696) and an inflationary increase to Development Services related fees (\$101,920).</li></ul>	

## NON-DEPARTMENTAL BUDGET SUMMARY

Non-departmental accounts include County-wide costs for insurance premiums and claims (including workers' compensation), fringe benefits for retirees (health and life insurance premiums), miscellaneous expenses, County building rent, overhead charges to certain County agencies, and contingents held for future County Board actions, such as the Affordable Housing Investment Fund.

### NON-DEPARTMENTAL FINANCIAL SUMMARY

	FY 2022 Actual	FY 2023 Adopted	FY 2024 Adopted	% Change '23 to '24
Insurance	\$5,695,461	\$5,100,000	\$5,100,000	-
Retiree Benefits/Health Plan Adjustment	10,242,756	16,500,000	14,890,000	-10%
Miscellaneous	22,173,010	31,272,791	24,667,408	-21%
Contingents	205,341,272	30,540,868	19,651,984	-36%
GASB*	80,171,045	-	-	-
<b>Total Expenditures</b>	<b>\$323,623,544</b>	<b>\$83,413,659</b>	<b>\$64,309,392</b>	<b>-23%</b>

\* 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.

### INSURANCE COSTS

The County's risk financing program is comprised of commercially purchased insurance coverage and retained risks paid for through a program of self-insurance. The liability program is self-insured up to \$1 million per occurrence. The program includes general liability, police legal liability, public officials' liability, and automobile liability. The County has a commercially purchased excess liability policy with limits of \$10 million per occurrence with no annual aggregate. The County has exposure for property losses to a current deductible of \$50,000. Losses above the deductible level are covered by a commercially purchased policy.

The County also maintains a Self-Insurance Reserve (\$5,000,000) and a General Fund Operating Reserve funded at five and one-half percent of General Fund expenditures. Insurance is purchased primarily for property, general liability, and automobile liability exposures subject to prudent deductible/retention levels. Insurance is provided for real and personal property, crime, garage keepers, professional liability, and constitutional office coverage. Retained exposures include general liability, automobile damage, and related liability up to specific retention levels.

	FY 2022 Actual	FY 2023 Adopted	FY 2024 Adopted	% Change '23 to '24
Insurance Cost	\$5,695,461	\$5,100,000	\$5,100,000	-
<b>Total Expenditures</b>	<b>\$5,695,461</b>	<b>\$5,100,000</b>	<b>\$5,100,000</b>	<b>-</b>

**RETIREE BENEFITS AND HEALTH PLAN ADJUSTMENTS**

This account includes the employer's share of retirees' health and life insurance premiums and adjustments related to the employer's share of health plan expenses for general employees.

	FY 2022 Actual	FY 2023 Adopted	FY 2024 Adopted	% Change '23 to '24
Retirees' Health & Life Insurance	\$11,043,706	\$11,400,000	\$790,000	-93%
Other Post Employment Benefits (OPEB - trust)	6,500,000	5,100,000	14,100,000	176%
Health Plan Adjustment	(7,300,950)	-	-	-
<b>Total Expenditures</b>	<b>\$10,242,756</b>	<b>\$16,500,000</b>	<b>\$14,890,000</b>	<b>-10%</b>

- OPEB funding levels are based on the most recent actuarial study and ensure that the County is fully meeting its annual required contribution to the fund. The total funding for OPEB (current costs plus future liability) is \$14.9 million in FY 2024.
- The total County employee healthcare costs are expected to increase in FY 2024 by approximately four percent (all plans).

**MISCELLANEOUS EXPENSES**

These County expenses include rent, overhead charge-backs to some County agencies, the cost of the County's annual external audit and other consulting fees, national and state association memberships (National League of Cities, National Association of Counties, Virginia Municipal League, and Virginia Association of Counties), and other miscellaneous expenses not allocated to County departments.

	FY 2022 Actual	FY 2023 Adopted	FY 2024 Adopted	% Change '23 to '24
Facility Rent and Operating Charges	\$10,766,108	\$12,128,088	\$12,796,312	6%
Intra-County Charges	(401,463)	(431,278)	(469,505)	9%
Consultants	530,192	2,666,828	1,302,681	-51%
Contracted Services	563,183	478,000	478,000	-
Memberships	143,020	164,000	214,000	30%
Special Events & Unclassified Services	43,047	180,000	150,000	-17%
Employer of Choice	257,803	5,561,753	(1,172,000)	-121%
Fuel, Fleet, & Utility Savings	-	(225,000)	(500,000)	122%
Short-term Financing	9,175,804	8,350,400	8,767,920	5%
Bank Fees	723,174	-	700,000	-
IDA Debt Service on Ballston Skating Facility	372,142	2,400,000	2,400,000	-
<b>Total Expenditures</b>	<b>\$22,173,010</b>	<b>\$31,272,791</b>	<b>\$24,667,408</b>	<b>-21%</b>

- ↑ The County Board added one-time funding for the Capital Area Food Bank (\$25,000).
- ↑ The rent costs and operating expenses in various County facilities increase six percent over FY 2023 primarily due to normal increases in rent for the Bozman Government Center and the rolling off of free rent provided per the terms of the new lease for Arlington Economic Development's office space in FY 2023, partially offset by a reduction in the electricity budget for the network operations center to reflect electricity bill credits resulting from the Maplewood Solar project (\$82,139).

- ↑ Intra-County Charges increase due to adjustments to the rent chargeback for the Transportation Capital Fund and CPHD Development Fund (\$10,227) as well as rent for the Utilities Customer Service Office (\$28,000).
- ↓ Consultant expenses decrease primarily due to the removal of one-time funding in FY 2023 for the Arlington CEP Action Fund (\$1.0 million), inflation adjustments (\$460,789), restorative justice (\$50,000), a tree canopy study (\$150,000), an assessment from addiction medicine professionals on intake practices at the Detention Center (\$85,000), and an equity demonstration project in Green Valley (\$150,000). The removal of one-time funds was partially offset by the addition of one-time funds for a benefits study (\$200,000), collective bargaining (\$100,000), the Arlington County Fair (\$50,000), and a grant to the Animal Welfare League for the study of a possible relocation (\$275,000).
- ↑ Memberships increase based on the addition of one-time funding for support of the Northern Virginia Economic Development Alliance (\$50,000).
- ↓ Special events decrease due to the removal of one-time funding in FY 2023 for Arlington County Fair support (\$30,000).
- ↓ Employer of Choice program funding decreases primarily due to the removal of FY 2023 one-time funding for a \$1,000 gross bonus for all staff (\$4.3 million), a one-time bonus for those ineligible for telework (\$1.5 million), one-time bonuses focused on recruitment and retention (\$0.6 million), and one-time funding for compensation increases that has been moved to department budgets (\$0.4 million), partially offset by an increase to the dependent care match from \$1,500 to \$2,000 (\$110,000) and an increase to the County's contribution to health saving accounts for those on the high deductible health plan from \$700 individual/\$1,400 dependent to \$950/\$1,900 (\$50,000). Corporate credit for turnover (CFT) is included (\$3.1 million) to account for the anticipated continued challenges of hiring throughout the organization. Specific departmental CFT is accounted for in each department, however, it is anticipated that additional budgetary personnel saving will be achieved throughout the fiscal year across the organization. The FY 2024 adopted budget does not include new funding for compression studies.
- ↑ Fuel and utility savings increase due to an expected increase in electricity savings across County facilities.
- ↑ Short-term Financing increases based on an inflationary adjustment for the financing of projects in the Pay-As-You-Go capital fund.
- ↑ Bank fees are budgeted beginning in FY 2024 as a technical adjustment rather than being deducted from interest revenue.
  - The Ballston Skating Facility, the practice facility for the National Hockey League's Washington Capitals ice hockey team, which opened in November 2006, was financed with Industrial Development Authority (IDA) taxable revenue bonds. It is projected that lease payments to the IDA from the Capitals will be sufficient to pay the debt service on the bonds.

## **CONTINGENTS**

The non-departmental accounts also hold the County Board's contingents. These contingents are appropriated funds established to cover unforeseen expense items, new projects initiated after a fiscal year has begun, or for a particular purpose (Affordable Housing Investment Fund).

The Affordable Housing Investment Fund (AHIF) for the FY 2024 adopted budget totals \$20.5 million. This includes

- \$9.7 million of ongoing General Fund support;
- \$4.8 million of one-time General Fund support;
- \$1.4 million of ongoing Columbia Pike TIF funding;

- \$3.8 million of one-time balances from the Columbia Pike TIF; and
- \$0.8 million in federal HOME monies budgeted in the Housing and Community Development Fund.

In FY 2005, the recordation tax rate increased from \$0.05 to \$0.0833 in FY 2005. The revenue generated from that additional \$0.333 had been dedicated to housing programs, primarily AHIF, since the rate was increased. In FY 2024, recordation tax is projected to decrease due to the slowdown in the real estate market. The FY 2024 adopted budget keeps the higher FY 2023 recordation tax allocation amount (\$2.0 million), and going forward, will no longer include an incremental adjustment for recordation tax revenue in the AHIF base budget.

Source	Funding
General Fund Support	14,488,254
Federal HOME (in Housing and Community Development Fund)	793,101
Columbia Pike TIF	5,257,620
<b>TOTAL</b>	<b>\$20,538,975</b>

FY 2022 AHIF actuals reflect the new financing deal related to Barcroft apartments. In December 2021, the County Board provided a \$150 million loan to support acquisition of the property by Jair Lynch Real Estate Partners. This County loan, in combination with a \$160 million low-rate loan from the Amazon Housing Equity Fund, will support the preservation of all Barcroft apartments as affordable units. Beginning with the FY 2024 adopted budget, both existing balances and new revenue in the Columbia Pike TIF will be dedicated to this investment in Barcroft Apartments.

The Economic Development Contingent increases due to the projected funding required in FY 2024 for previously approved economic incentives agreements and the addition of one-time funding for an Arlington Innovation Fund (\$1.0 million one-time). Economic incentives are used to attract businesses to Arlington to help reduce the office vacancy rate and spur investment in the Arlington community. The total funding for economic incentives is \$2,028,730, including \$528,730 in one-time funds and \$1,500,000 in ongoing funding. The \$1.0 million Arlington Innovation Fund for FY 2024 will support fast-growing technology companies to diversify the local economy and reduce the County's office vacancy rate by providing matching grants to early-stage companies and increasing the number of events and support programming. This fund will help attract and retain key players in the innovation ecosystem in Arlington County, continuing the County's efforts to attract and retain key businesses in the innovation ecosystem.

The Adopted Budget includes a \$2.0 million County Manager's Contingent to address unforeseen needs which arise during the fiscal year.

In FY 2024, the American Rescue Plan Act (ARPA) funding is concluding. The funding received in FY 2021 and FY 2022 has been used to support a number of critical programs through the COVID-19 pandemic including childcare needs, eviction prevention, housing needs, and a number of other human service and housing programs. Remaining funding for ARPA in FY 2024 is for the required reporting and monitoring of ARPA-funded programs.

	FY 2022 Actual	FY 2023 Adopted	FY 2024 Adopted	% Change '23 to '24
Affordable Housing Investment Fund (AHIF) <sup>(1)</sup>	\$25,760,823	\$16,057,481	\$14,488,254	-10%
AHIF - Incremental Recordation Tax	-	2,028,052	-	-100%
Barcroft Financing	150,000,000	-	-	-
Economic Development Contingent	2,634,243	2,416,029	3,028,730	25%
County Manager's Contingent	1,758,543	2,000,000	2,000,000	-
Countywide ARPA Programs/COVID Contingent	25,187,663	8,039,306	135,000	-98%
<b>Total Expenditures</b>	<b>\$205,341,272</b>	<b>\$30,540,868</b>	<b>\$19,651,984</b>	<b>-36%</b>

(1) In FY 2024, of the \$20.5M in AHIF funding, \$14.5M is budgeted in the General Fund, \$793K in the Community Development Fund, and the remaining \$5.3M is budgeted in the Columbia Pike TIF.