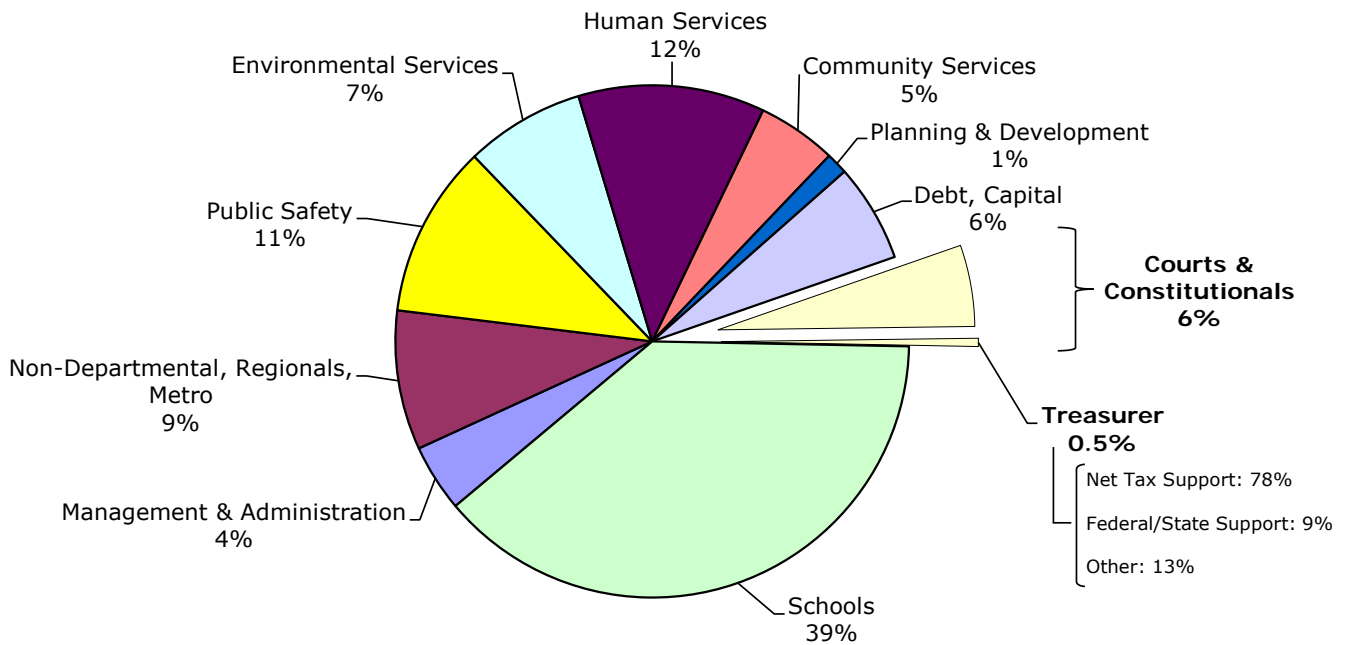


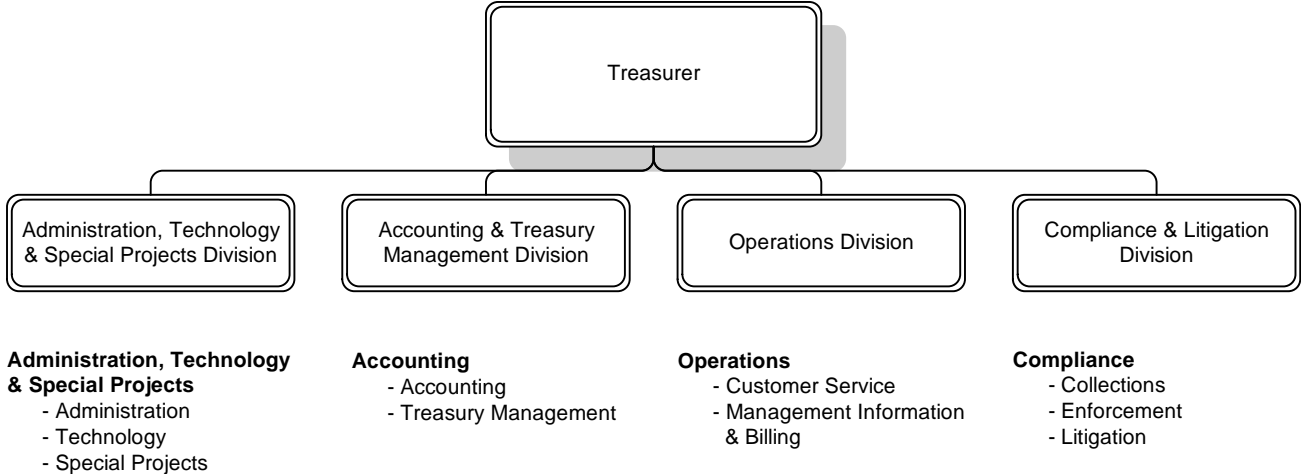
*Our Mission: To receive, collect, safeguard, and disburse County funds*

In order that society can conduct itself in a civilized manner, that the ends of justice can be served, and that government can ensure the provision of services to its citizenry, it is the mission of the Treasurer’s Office, as defined by the Constitution of Virginia, to receive or collect state and local taxes and other revenues, to safeguard the funds, and to disburse the funds in accord with the dictates of the local governing body.

### FY 2025 Proposed Budget - General Fund Expenditures



**LINES OF BUSINESS**



**SIGNIFICANT BUDGET CHANGES**

The FY 2025 proposed expenditure budget for the Treasurer’s Office is \$8,413,441 a three percent increase from the FY 2024 adopted budget. The FY 2025 proposed budget reflects:

- ↑ Personnel increases due to employee salary increases, adjustments to salaries resulting from the Judicial and Legal Services and Accounting, Fiscal, Revenue Services & Financial Job Family Study (\$171,195), an increase in the County’s cost for employee health insurance, and slightly higher retirement contributions based on actuarial projections.
- ↑ Fee revenue increases due to an increase in administrative compliance fees (\$69,000), partially offset by a decrease in administrative fees for court collections (\$30,000).
- ↑ Grant revenue increases due to an increase in State Compensation Board reimbursements for the State fully funding previously unfunded positions and the State’s salary increase for state employees (\$71,900).

**FY 2025 Proposed Budget Reduction**

**Accounting and Treasury Management Division**

- ↓ Elimination of Accountant IV Position (\$158,894, 1.0 vacant FTE)  
IMPACT: The three Accountant IVs are primary reviewers for all bank reconciliations and related journal entries that are prepared and entered by the Division into the County’s financial system. They also provide subject matter expert (SME) accounting advice to the Division’s team of accountants, testing for system changes and upgrades, and reporting to management. Their time will be required for the PRISM+ project, the upgrade to the tax administration system (ACE), the current banking RFP, and the Oracle upgrade for Schools and the Paymentus testing/integration and stormwater fee changes. Without this Accountant IV position during these projects, the remaining two Accountant IV’s ability to accurately record revenues and complete reconciliations in a timely manner could be impacted.

**DEPARTMENT FINANCIAL SUMMARY**

	FY 2023 Actual	FY 2024 Adopted	FY 2025 Proposed	% Change '24 to '25
Personnel	\$6,539,667	\$7,583,760	\$7,838,478	3%
Non-Personnel	621,879	595,408	574,963	-3%
<b>Total Expenditures</b>	<b>7,161,546</b>	<b>8,179,168</b>	<b>8,413,441</b>	<b>3%</b>
Fees	1,082,941	1,077,782	1,116,782	4%
Grants	602,976	653,100	725,000	11%
<b>Total Revenues</b>	<b>1,685,917</b>	<b>1,730,882</b>	<b>1,841,782</b>	<b>6%</b>
<b>Net Tax Support</b>	<b>\$5,475,629</b>	<b>\$6,448,286</b>	<b>\$6,571,659</b>	<b>2%</b>
Permanent FTEs	62.00	62.00	61.00	
Temporary FTEs	0.66	0.66	0.66	
<b>Total Authorized FTEs</b>	<b>62.66</b>	<b>62.66</b>	<b>61.66</b>	

**Expenses & Revenues by Line of Business**

	FY 2023 Actual Expense	FY 2024 Adopted Expense	FY 2025 Proposed Expense	% Change '24 to '25	FY 2025 Proposed Revenue	FY 2025 Net Tax Support
Administration, Technology, and Special Projects	\$1,395,481	\$1,449,315	\$1,503,130	4%	\$725,000	\$778,130
Accounting and Treasury Management	1,142,065	1,387,043	1,154,446	-17%	30,000	\$1,124,446
Operations	2,142,464	2,354,374	2,622,338	11%	49,800	\$2,572,538
Compliance and Litigation	2,481,536	2,988,436	3,133,527	5%	1,036,982	\$2,096,545
<b>Total</b>	<b>\$7,161,546</b>	<b>\$8,179,168</b>	<b>\$8,413,441</b>	<b>3%</b>	<b>\$1,841,782</b>	<b>\$6,571,659</b>

**Authorized FTEs by Line of Business**

	FY 2024 FTEs Adopted	FY 2025 Permanent FTEs Adopted	FY 2025 Temporary FTEs Adopted	FY 2025 Total FTEs Adopted
Administration, Technology, and Special Projects	9.00	9.00	-	9.00
Accounting and Treasury Management	10.00	8.00	-	8.00
Operations	19.00	20.00	-	20.00
Compliance and Litigation	24.00	24.00	0.66	24.66
<b>Total FTEs</b>	<b>62.00</b>	<b>61.00</b>	<b>0.66</b>	<b>61.66</b>

**ADMINISTRATION, TECHNOLOGY, AND SPECIAL PROJECTS**

**PROGRAM MISSION**

To ensure optimal use of available resources and high-quality service by providing functional officewide administrative and systems support in areas including personnel management; detailed statistical analyses; preparation and monitoring of County and State budgets; information system analysis, design, and support; communications; and special projects assigned by the Treasurer.

**Administration**

- Provides administrative support to the Treasurer.
- Performs and coordinates all office personnel functions.
- Oversees state and local legislative activities.
- Prepares and monitors both County and State annual budgets.
- Conducts statistical analyses and assists the Treasurer with projects necessary for reporting, presenting, and disseminating public information.
- Manages physical security for the office.

**Technology**

- Performs information systems design, testing, documentation, and programming.
- Provides analysis and reporting beyond what vendor-supplied systems can deliver.
- Provides coordination and support to vendor-supplied systems as well as end users on software and hardware matters.
- Manages procurement for new information technology contractors.
- Provides software security for the office.
- Serves as liaison with County Technology Services and other departments and projects.
- Supports the office in pursuit of future efficiencies, cost savings, and innovations.

**Special Projects**

- Performs both ongoing and special one-time projects.
- Designs office forms, tax bills, and other distribution materials.
- Designs and maintains the Treasurer's Office website; manages Treasurer's Office's social media presence.
- Researches customer inquiries and provides written direct communication with customers.
- Creates annual reports and community presentations on real estate taxes, delinquency rates, and other topics.

ACCOUNTING AND TREASURY MANAGEMENT

**PROGRAM MISSION**

To safeguard, manage, and account for all revenues and bond proceeds received for the County Government and Public Schools, ensuring the security, proper stewardship, and availability of these funds to meet County and Public Schools expenditure requirements. To procure and manage banking and related services contracts for the County Government and Public Schools.

**Accounting**

- Prepares and enters data that accurately reflect revenue activity for the General Fund and all other funds.
- Reports and remits funds received on behalf of the Commonwealth (e.g., transient occupancy tax) and reports abandoned property to the Commonwealth.
- Ensures the integrity of transactions entered into the general and subsidiary ledgers.
- Monitors established control procedures.
- Completes bank reconciliations.
- Develops policies and procedures to ensure that internal controls and the security of County funds are maintained.

**Treasury Management**

- Monitors the receipt of funds.
- Forecasts cash flow expectations consistent with adopted projections of County revenue and expenditures.
- Selects and manages banking and related services.
- Manages the investment portfolio for the County and structures investment maturities in a manner to meet projected cash flow requirements consistent with the principles of Safety, Liquidity and Yield (SLY) and in compliance with applicable State Code and Investment Policy requirements.
- Manages the County's bond State non-arbitrage program.
- Prepares the Treasurer's reports for the County Finance Board and schedules for the annual County financial report.

**ACCOUNTING AND TREASURY MANAGEMENT**

**PERFORMANCE MEASURES**

<b>Critical Measures</b>	<b>FY 2020 Actual</b>	<b>FY 2021 Actual</b>	<b>FY 2022 Actual</b>	<b>FY 2023 Actual</b>	<b>FY 2024 Estimate</b>	<b>FY 2025 Estimate</b>
Balance of funds managed by the Treasurer at June 30	\$771,558,543	\$842,692,211	\$919,593,089	\$906,296,387	N/A	N/A
Balance of Unexpended Bond Proceeds at June 30 (SNAP – State Non-Arbitrage Program)	\$206,832,275	\$390,088,511	\$242,689,317	\$330,718,445	N/A	N/A
Total Funds Balance as of June 30	\$978,390,818	\$1,232,780,722	\$1,162,282,406	\$1,237,014,832	N/A	N/A

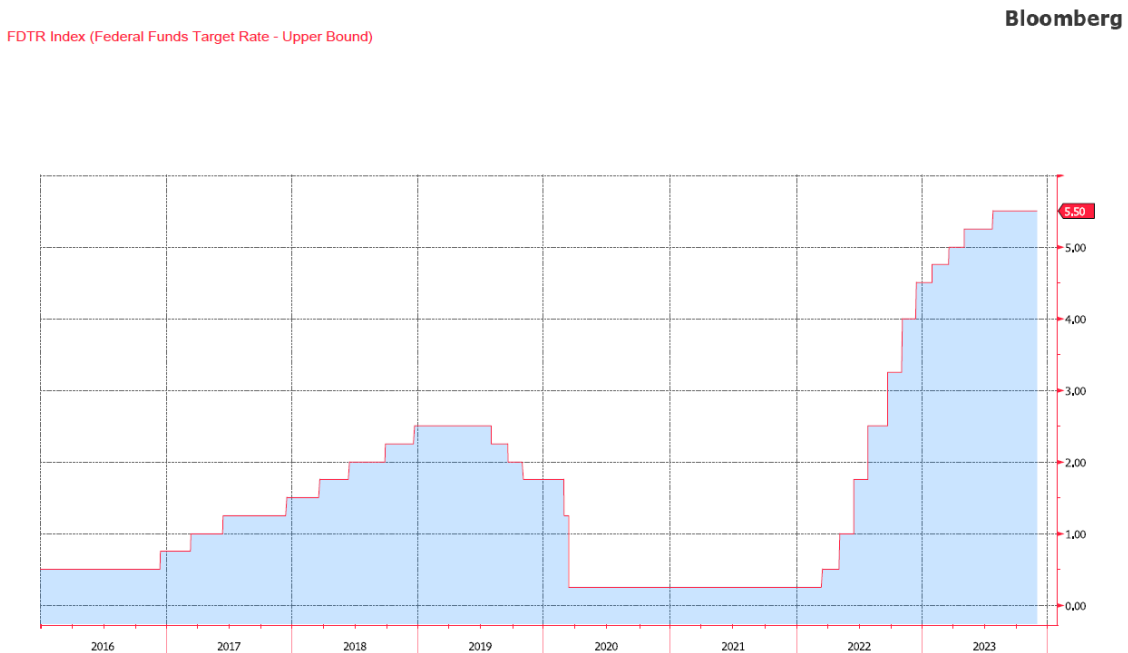
- Although the Treasurer’s Office reports on the Balance of funds managed, the Balance of Unexpended Bond Proceeds (SNAP), and the Total Funds Balance as of June 30, the amount of funds in these accounts is dependent upon actions by the County Board and the County’s budget and expenditure schedule.

<b>Critical Measures</b>	<b>FY 2020 Actual</b>	<b>FY 2021 Actual</b>	<b>FY 2022 Actual</b>	<b>FY 2023 Actual</b>	<b>FY 2024 Estimate</b>	<b>FY 2025 Estimate</b>
Investment Interest Income (Cash Basis) for Balance of funds managed by the Treasurer	\$12,367,649	\$4,328,075	\$3,543,001	\$14,199,314	N/A	N/A
Investment Interest Income (Cash Basis) for Balance of Unexpended Bond Proceeds (SNAP – State Non-Arbitrage Program)	\$5,557,227	\$473,048	\$822,008	\$7,521,149	N/A	N/A
Investment Interest Income (Cash Basis) for Total Funds Balance	\$17,924,876	\$4,801,123	\$4,365,009	\$21,720,463	N/A	N/A
Number of bank accounts managed and reconciled at June 30	58	56	56	58	56	56

**ACCOUNTING AND TREASURY MANAGEMENT**

Critical Measures	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Bank reconciliation completed within accounting close date	100%	100%	100%	100%	100%	100%
Number of months investment performance greater than 90-day T-bill rate benchmark	12/12	12/12	9/12	0/12	N/A	N/A

- To better understand investment interest income benchmarks, the following chart shows the Federal Reserve target interest rate. As the chart illustrates, the Federal Reserve lowered interest rates quickly in March 2020 in response to COVID-19 and rates remained near zero for two years. Beginning in March 2022, the Federal Reserve started raising interest rates significantly in an effort to contain unanticipated levels of high inflation. The last interest rate hike in CY 2023 was made by the Federal Reserve in July.



- In general, the investment interest income follows the trend of the target benchmark rate set by the Federal Reserve with a lag, because the duration of the portfolio is greater than the 90-day T-bill rate. As a result, Investment Interest Income (Cash Basis) was significantly lower at year end in both FY 2021 and FY 2022 and increased in FY 2023.
- As noted above, the Treasurer’s Office’s reports on the balance of funds managed, the Balance of Unexpended Bond Proceeds, and the Total Funds Balance as of June 30. The amount of funds in these accounts is inherently dependent upon actions by the County Board and spending by the County, and thus it is difficult to estimate investment interest income. Having

**ACCOUNTING AND TREASURY MANAGEMENT**

said that, with the Federal Reserve’s increases in its benchmark interest rates, the investment interest income is expected to continue trending upwards in FY 2024.

- Investment performance was greater than the 90-day T-bill rate during periods of falling and low short-term interest rates and less than the 90-day T-bill rate during periods of rising short-term interest rates.

Supporting Measures	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Meet or exceed the Department of Management and Finance monthly closing schedule	100%	100%	100%	100%	100%	100%
Number of audit exceptions in the annual state funds audit report	0	0	1	0	0	0
Number of significant audit (outside) exceptions included in the final audit report attributable to the Treasurer’s Office	0	0	0	0	0	0

- The audit exception in the annual state funds audit in FY 2022 resulted from a miscalculation of the amount the County retains annually. As a result, remittances of \$2,382 in Sheriff’s fees to the Commonwealth were delayed. Management has implemented a more robust tool to track and monitor retainage and remittances to the Commonwealth.



## PROGRAM MISSION

The mission of the Operations Division is to manage all revenue transactions, post assessments provided by multiple County departments to the system of record, create accurate tax bills, manage all aspects of mail services for the Treasurer's Office, and issue various County licenses. In addition, this Division maximizes customer convenience through in-person, telephone, and written customer service, and by providing convenient and accessible methods of payment.

The Operations Division is comprised of two sections: Customer Service and Management Information and Billing.

### Customer Service

- Processes all directly remitted County revenue as well as payments received by other County departments (i.e., Department of Real Estate Assessments, Department of Environmental Services (both Utilities and Stormwater), Police Department).
- Manages the interface and exchange of data between the Treasurer's Office and these departments.
- Provides service to the public through in-person customer service, operating a high-volume call center, and responding to email to help customers understand their obligations and resolve problems.
- Creates and maintains customer accounts to include address maintenance, account consolidation, and real estate tax account set-up. Manages enrollment for Automatic Bank Debits.
- Provides support for the Customer Assessment and Payment Portal (CAPP), which affords residents the convenience of paying taxes, utilities, and parking tickets online. Works closely with system programmers and vendors to ensure optimal functionality of CAPP.
- Administers the Taxpayer Assistance Program (TAP), which delivers low-cost loans to taxpayers experiencing financial challenges.

### Management Information and Billing

- Coordinates with other County agencies and outside vendors to produce timely and accurate tax bills.
- Manages programs for processing payments through lockbox, mortgage tax services, vehicle fleet accounts, and other customer payment options.
- Maintains the accounts receivable files for all County taxes and adjusts those accounts to assess and abate late payment penalties when necessary, resolve payment posting problems, and process customer refunds.
- Researches and resolves differences between the accounts receivable files and payments received.
- Updates real estate tax accounts to reflect exemptions and deferrals, assessment changes, new construction assessments, and property transfers.
- Manages and reconciles print and postage accounts for mail services.
- Works closely with system programmers and vendors to ensure accuracy and efficiency of the system of record.

PERFORMANCE MEASURES

Customer Service Section

Critical Measures	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Manual real estate registration transfers	6,224	8,463	7,709	7,902	7,900	7,900
Customer email responses	9,119	9,058	8,794	7,926	7,800	7,600
Customer phone calls answered	30,878	30,263	29,970	28,725	28,000	27,500

Supporting Measures	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Real Estate returned mail items processed	2,031	1,852	3,656	3,279	3,200	3,200
Number of new CAPP profiles	16,609	19,988	17,058	19,007	19,000	19,000
Number of transactions processed through the online payment portal (e-check and credit/debit card)	254,748	277,744	285,265	283,887	285,000	285,000
Number of automated payments processed (bank account debit)	47,786	51,666	55,925	59,512	61,000	63,000
Number of cashier payments	58,044	31,837	32,379	44,134	44,000	44,000
Dog license fees	\$127,660	\$98,250	\$83,887	\$50,160	\$49,500	\$49,800
Dog license sales (accounts)	4,456	3,275	2,816	1,677	1,650	1,650
Customer maintenance work items completed	31,132	33,667	35,718	29,944	29,000	29,000
Number of TAP loans	80	88	177	190	200	100
Total dollar amount of TAP loans	\$1,120,360	\$642,611	\$538,422	\$579,374	\$600,000	\$500,000

- The number of manual real estate registration transfers fluctuates with the number of real estate sales and transfers, as well as with name changes and address corrections sent from the Department of Real Estate Assessments (DREA).
- Customer emails decreased in FY 2023 due in part to the creation and implementation of detailed response templates that increased the quality of email responses while educating the customer, thereby further reducing the number of customer inquiries.
- The number of new CAPP profiles increased in FY 2021 because taxpayers preferred to pay online during the pandemic. The number increased once again in FY 2023, as the Customer Service team actively promoted online profiles through all customer communications. The number of new profiles is anticipated to remain high as taxpayers are now more accustomed to paying online.
- In FY 2021, online payments for taxes, parking tickets, and utilities significantly increased and continue to outpace all other payment channels as customers continued to seek convenient, efficient, and safe ways to pay.

**OPERATIONS**

- Growth in automatic bank debits increased in FY 2021, FY 2022, and FY 2023 as a result of increased outreach about the program and as customers continued to seek more efficient ways to pay.
- In-person payments dropped significantly in FY 2021 as anticipated due to the pandemic, although the office was open to the public for the entire year. In FY 2023, cashier payments increased as many customers returned to in-person transactions. An increase in mail theft and fraud may also have led some customers to prefer presenting a check in person rather than mailing it.
- Dog license revenue decreased in FY 2021 and FY 2022 as one- and three-year licenses were replaced by the lifetime license. FY 2023 was the first full year with no short-term license renewals since the implementation of lifetime licenses began in FY 2019. The office anticipates that new lifetime licenses will remain at about 1,650 per year, and therefore the revenue will remain stable.
- The number of dog licenses issued in FY 2021 and FY 2022 decreased as short-term licenses were replaced by lifetime licenses, which do not require renewal.
- The number of customer maintenance work items in FY 2021 and FY 2022 increased as the Customer Service team focused on working the backlog of customer maintenance work items. In FY 2023, the number of customer maintenance items decreased as there were fewer work items.
- In FY 2022 and FY 2023, increasing vehicle assessments resulted in higher vehicle personal property tax bills and a greater number of taxpayers seeking financial help from TAP. Based on the number of TAP loans already processed for FY 2024, the total number of loans is expected to increase again. The FY 2025 projection for the number of TAP Loans is expected to decrease as the partner lender will be increasing the origination fee back to 100% of the loan amount.

**Management Information and Billing Section**

Critical Measures	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Number of bills and notices mailed	244,772	238,401	233,203	191,541	195,000	195,000
Number of fleet vehicles billed through the Fleet Payment Program	10,845	9,923	6,453	8,649	8,300	8,000
Number of tax bills processed through mortgage companies and tax services	71,282	70,276	71,658	71,834	72,000	72,000

Supporting Measures	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Number of electronic payments from outside sources (CheckFree, E-Box)	36,699	34,328	36,659	30,878	30,000	30,000
Number of transactions processed through the	131,256	117,387	107,665	87,046	85,000	85,000

OPERATIONS

Supporting Measures	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
wholesale & retail lockbox system						
Number of refunds issued	15,427	14,761	14,876	19,105	15,000	15,000
Motor Vehicle License Fee revenue	\$5,556,136	\$5,651,790	\$5,478,959	\$0	\$0	\$0

- The number of bills and notices mailed decreased in FY 2023 with the advent of consolidated billing for Vehicle Personal Property, in addition to the elimination of the Motor Vehicle License fee.
- The number of fleet vehicles billed fluctuates based on the number of fleet vehicles assessed by the Commissioner of Revenue.
- In FY 2022, the number of electronic payments increased as customers continued to look for convenient and safe ways to pay remotely. In FY 2023, more customers chose to pay through CAPP and ABD instead of through third-party outside sources, such as their bank’s billpayer service.
- The number of lockbox transactions continues to decrease as customers continued to move to electronic payments. The Commissioner of Revenue’s paperless filing initiative, which requires all customers to file online, also resulted in more customers paying online in FY 2022 instead of through the lockbox.
- The number of refunds issued by the Treasurer’s Office is dependent upon the number of reduced assessments or prorations applied by the Department of Real Estate Assessments or the Commissioner of Revenue’s Office respectively, as well as the number of overpayments made by taxpayers. In FY 2023, however, the significant increase can be attributed to the elimination of the Motor Vehicle License fee, resulting in an additional 3,600 refunds issued in August 2022. For FY 2024, the office expects the number of refunds issued to return to more historical levels.
- The Motor Vehicle License Fee was eliminated in FY 2023.

## PROGRAM MISSION

To reduce debt owed to Arlington County and the Commonwealth of Virginia.

The Compliance and Litigation Division's responsibility is to ensure the prompt and efficient collection of delinquent County taxes, parking tickets, debts owed to County agencies, and court debt (court fines, costs, forfeitures, penalties, and restitution). The Division is comprised of three functional areas: Collections, Enforcement, and Litigation.

### Collections

- Collects overdue debt primarily through outreach to debtors. The collections area is organized as a call center, with our collectors handling inbound calls as well as placing outbound calls to debtors.
- Uses various methods to gather information on debtors, thus improving the chance of obtaining payment or finding a lien source.
- Works with debtors to establish payment arrangements.
- Monitors accounts and determines when they are ready for enforcement action or litigation.
- Collects overdue parking tickets issued by the Arlington County Police Department, Metropolitan Washington Airports Authority and Metro Transit Police Department.
- Collects delinquent accounts for numerous County agencies and departments as well as delinquent court debt (i.e., fines, costs, forfeitures, penalties, and restitution).

### Enforcement

- Performs outreach visits to delinquent businesses and residents.
- Submits delinquent accounts to the Virginia Department of Taxation's set-off debt program, which offsets funds owed to the debtor by the State.
- Submits vehicle registration withholding orders to the Virginia Department of Motor Vehicles for delinquent vehicle property tax accounts.
- Uses information acquired by collectors and gained through its own efforts to issue liens on bank accounts, as well as wages, rents, and other receivables owed to debtor.
- Performs on-site visits to identify assets, serve distress warrants and enforce levies in order to take possession of vehicles or other physical assets and currency; liquidates assets by holding public auctions or by other appropriate legal methods.

### Litigation

- Answers legal questions and interprets statutes and regulations.
- Pursues uncollected accounts through Motions for Judgment in General District Court; tracks, and responds to inquiries on said judgments.
- Files and litigates all bankruptcy claims.
- Identifies delinquent real estate to sell at auction.
- Works with the Treasurers' Association of Virginia to reform and enhance tax collection tools and other laws affecting treasurers.

**COMPLIANCE AND LITIGATION**

**PERFORMANCE MEASURES**

**Compliance and Litigation Division**

Critical Measures	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Delinquent clearances: total clearances	\$30,079,493	\$39,688,721	\$40,659,911	\$38,855,699	\$40,464,000	\$40,045,000
Compliance: total clearances/FTEs	\$1,219,769	\$1,609,437	\$1,650,037	\$1,575,657	\$1,640,876	\$1,623,885

Supporting Measures	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Estimate	FY 2025 Estimate
Delinquent clearances: real estate	\$11,437,076	\$13,296,075	\$13,185,143	\$9,191,335	\$10,700,000	\$10,700,000
Delinquent clearances: personal property	\$7,263,285	\$11,178,075	\$11,890,299	\$13,833,443	\$14,000,000	\$14,000,000
Delinquent clearances: business license	\$4,598,987	\$9,602,846	\$8,887,220	\$8,785,944	\$8,500,000	\$8,500,000
Delinquent clearances: other taxes	\$2,022,319	\$1,206,528	\$1,986,131	\$2,236,072	\$2,300,000	\$2,300,000
Delinquent clearances: parking tickets	\$2,892,010	\$2,479,669	\$2,639,484	\$2,742,537	\$2,850,000	\$2,900,000
Delinquent clearances: other debt	\$363,620	\$137,876	\$340,401	\$485,494	\$500,000	\$510,000
Administrative collection fees - compliance	\$649,351	\$664,855	\$748,873	\$793,223	\$800,000	\$815,000
Delinquent clearances: courts	\$654,040	\$876,148	\$762,395	\$585,199	\$610,000	\$610,000
Administrative collection fees - court collections	\$198,439	\$246,649	\$249,965	\$194,379	\$204,000	\$210,000

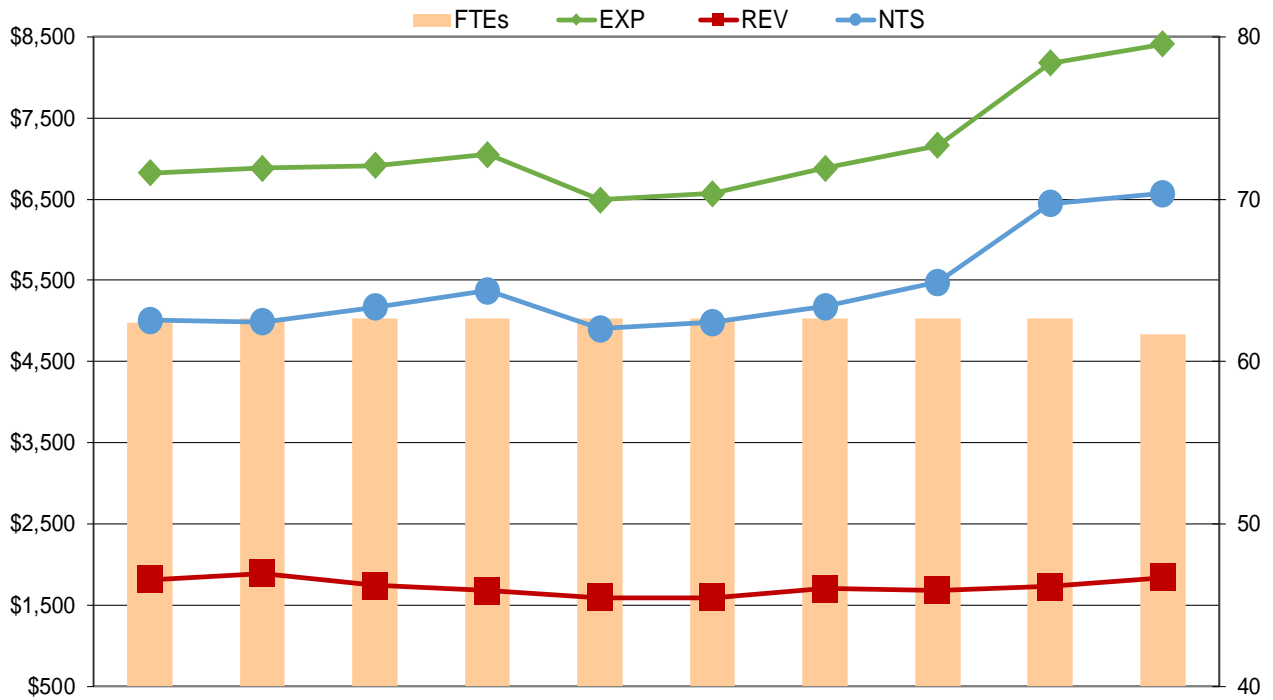
- In FY 2021, total clearances increased because of the increase in delinquent accounts resulting from the pandemic.
- Delinquent clearances for real estate increased in FY 2021 because the total dollar amount that went delinquent increased. Delinquent clearances for FY 2023 decreased as the economic environment stabilized. In FY 2024, the Treasurer’s office has already collected on

COMPLIANCE AND LITIGATION

several high-dollar commercial delinquencies, and anticipates a further reduction of outstanding real estate delinquencies before the end of the fiscal year.

- In FY 2021, the pandemic caused a major increase in delinquent personal property taxes (specifically business tangible taxes). Due to collection efforts, including payment plans and outreach, personal property clearances increased in FY 2021 and FY 2022. In FY 2023, a dramatic increase in car values resulted in higher assessments and therefore higher delinquencies.
- In FY 2021, clearances for Business License increased due to a few high balance accounts that were assessed initially by the Commissioner of Revenue on a delinquent basis and collected shortly thereafter. For FY 2022, clearances were lower because those high balance accounts did not go delinquent again.
- Delinquent clearances for other taxes (primarily meals tax and transient occupancy tax) decreased in FY 2021 because of reduced economic activity in those sectors. In FY 2022 and FY 2023, as anticipated, there was an increase in clearances as the restaurant and hotel industries continued to recover, with inflation further affecting these numbers.
- Delinquent clearances for parking tickets are dependent upon the number of parking tickets issued. In FY 2021, delinquent clearances decreased because the Police Department issued fewer tickets and did not boot and tow for most of FY 2021 due to the pandemic. Clearances increased in FY 2022 because the Police Department had resumed issuance of parking tickets at a level consistent with pre-pandemic years and had resumed boot and tow efforts for multiple unpaid tickets.
- Delinquent clearances for other debt are dependent on debt assigned by County departments to the Treasurer's Office for collection. In 2021, delinquent clearances for other debt decreased because collections on both previously assigned and new debt stopped with the onset of the pandemic. Clearances increased significantly in FY 2022 as departments began to refer delinquent debt again. This upward trend continued in FY 2023.
- Administrative collection fees - Compliance: This includes the commissions earned for collection of delinquent accounts assigned by County agencies, as well as the fees collected for all other delinquent account types. Therefore, collection fees will vary from year to year based on the clearances and the number of delinquent accounts for the fiscal year.
- In FY 2021, the courts referred all of the backlogged debt from 2020 plus any new debt to the Treasurer's Office; therefore clearances increased. In FY 2022, the number of accounts referred decreased to a more normal level so clearances decreased compared to FY 2021. In FY 2023, however, office resources were reallocated to collect record-high delinquent personal property taxes, which form part of the Treasurer's mandate.
- Administrative collection fees - Court Collections: This represents fees earned on the collection of delinquent court fines, costs, forfeitures, penalties, and restitution. In FY 2021, these fees increased as the courts referred all the backlogged debt from 2020 and any new debt for FY 2021. In FY 2023, fewer resources were allocated to collecting court debt so there was a corresponding decrease in the collection of related fees.

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



	FY 2016 Actuals	FY 2017 Actuals	FY 2018 Actuals	FY 2019 Actuals	FY 2020 Actuals	FY 2021 Actuals	FY 2022 Actuals	FY 2023 Actuals	FY 2024 Adopted Budget	FY 2025 Proposed Budget
<b>EXP</b>	\$6,821	\$6,879	\$6,914	\$7,049	\$6,495	\$6,573	\$6,884	\$7,162	\$8,179	\$8,413
<b>REV</b>	\$1,812	\$1,891	\$1,741	\$1,679	\$1,590	\$1,593	\$1,707	\$1,686	\$1,731	\$1,842
<b>NTS</b>	\$5,009	\$4,988	\$5,173	\$5,370	\$4,905	\$4,981	\$5,177	\$5,476	\$6,448	\$6,572
<b>FTEs</b>	62.41	62.66	62.66	62.66	62.66	62.66	62.66	62.66	62.66	61.66



Fiscal Year	Description	FTEs
FY 2016	<ul style="list-style-type: none"> <li>▪ Decreased fee revenues due to lower delinquent court fine collections (\$139,055), a reduction in court fine collection fees to the County due to General Assembly action (\$114,000), decreased iPark fees (\$45,700), and a transfer of DMV select revenue to the Commissioner of Revenue’s Office (\$22,000), partially offset by an increase in administrative compliance fees (\$75,000) and returned check fees (\$10,000).</li> <li>▪ Increased grant revenues due to an increase in State Compensation Board reimbursements (\$24,656).</li> <li>▪ <i>The County Board reduced the Real Estate late payment penalty for taxpayers who pay after but within 30 days of the due date to 5 percent. Taxpayers who are more than 30 days delinquent continue to incur a 10 percent late payment penalty.</i></li> </ul>	
FY 2017	<ul style="list-style-type: none"> <li>▪ The County Board added a partial FTE to assist with Court Fines and Fee collections.</li> <li>▪ The two limited-term collector positions were converted to permanent FTEs.</li> <li>▪ Decreased fee revenues due to lower administrative compliance fees (\$200,000), decreased iPark fees (\$60,000), reload fees (\$8,500) and deposits (\$4,000), partially offset by an increase in court collections (\$157,892) and Easy Park revenue (\$48,000).</li> <li>▪ Decreased grant revenues due to a decrease in State Compensation Board reimbursements (\$1,170).</li> </ul>	0.25
FY 2018	<ul style="list-style-type: none"> <li>▪ Increased fee revenue due to a higher anticipated administrative compliance and court collections fees (\$162,163) and an increase in dog licensing fee revenue (\$10,000), partially offset by decreased iPark fees (\$32,249), reload fees (\$1,000), and a decrease in Easy Park meter revenue (\$6,694).</li> <li>▪ Decreased grant revenue due to an adjustment in the State Compensation Board reimbursements (\$6,522).</li> </ul>	
FY 2019	<ul style="list-style-type: none"> <li>▪ Decreased fee revenue as administrative collection fees return to more normal levels following collection of a large account in the prior two fiscal years (\$40,000), and as the new rules enacted by the Supreme Court of Virginia continue to decrease the number of delinquent court accounts referred to the Treasurer for collection (\$59,000). Revenues also decreased due to decreased iPark fees (\$17,751) and reload fees (\$500); a decrease in Easy Park meter revenue (\$6,056), reload fees (\$400) and device fees (\$350); and a decrease in dog license revenues (\$3,780).</li> </ul>	

Fiscal Year	Description	FTEs
	<ul style="list-style-type: none"> <li>▪ Increased grant revenue due to a reconciliation with FY 2018 adopted State Compensation Board revenue (\$9,869) and additional Compensation Board funding (\$27,037) for the Treasurer and four of her Deputies participating in the Treasurer’s Association of Virginia’s Career Development Program having earned certifications from the University of Virginia’s Weldon Cooper Center for Public Service.</li> </ul>	
FY 2020	<ul style="list-style-type: none"> <li>▪ Reduced printing charges with elimination of the requirement to display a personal property tax decal. Every vehicle registered in Arlington County is required to display a County Decal that is sent to residents annually (\$80,615). In September 2018, the County Board voted to eliminate the County Decal effective FY 2020 and move towards license plate reading technology to enforce vehicle registration.</li> <li>▪ Reduced annual expense for maintenance and replacement of County vehicles (\$1,308).</li> <li>▪ Decreased administrative collection fees revenue based on a return to more normal levels following collection of a large account in the prior two fiscal years, and as the rules enacted by the Supreme Court of Virginia in FY 2018 continue to decrease the number of delinquent court accounts referred to the Treasurer for collection (\$44,000).</li> <li>▪ Increased dog license revenue (\$3,500) and other compliance fees (\$2,000).</li> </ul>	
FY 2021	<ul style="list-style-type: none"> <li>▪ Increased dog license revenue (\$61,500) based on the demand for lifetime licenses and grant revenue (\$17,000) for increase in State Compensation Board reimbursements.</li> <li>▪ Decreased court collections (\$61,500) due to the continuing impact of the Supreme Court of Virginia ruling in FY 2019 that further decreased the number of delinquent court accounts referred to the Treasurer for collection.</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 restored funding for the Treasury Specialist II cashier position that was proposed to be held vacant for the last five months of the fiscal year with the American Rescue Plan funding.</li> <li>▪ Reduced annual expense for maintenance and replacement of County vehicles (\$4,315).</li> <li>▪ Decreased grant revenues due to a decrease to State Compensation Board reimbursements (\$27,703).</li> <li>▪ <i>In FY 2021 closeout, funding was added for a one percent merit pay adjustment (\$26,656) and a one-time bonus for staff of \$450 (\$29,049).</i></li> </ul>	

Fiscal Year	Description	FTEs
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, and approved a one-time increase in language premium from \$0.69 to \$0.92 per hour (\$3,203).</li> <li>▪ The County Board approved use of American Rescue Plan Act (ARPA) funding to restore programs and positions that had been proposed as cuts. The FY 2023 adopted budget also continues funding for these reductions including: Treasury Specialist II (\$106,799, 1.00 FTE).</li> <li>▪ Fee revenue decreased due to adjustments to court collections fees (\$54,500) based on prior actuals, rightsizing of dog license fees (\$46,520) after the implementation of lifetime licenses, and the discontinuation of Easy Park (\$21,515).</li> <li>▪ Grant revenue increased due to an increase in State Compensation Board reimbursements primarily due to the State’s five percent increase for state employees (\$64,887).</li> <li>▪ The County Board repealed the \$33 motor vehicle license (formerly “decal”) fee which was funded by the use of an 88 percent vehicle assessment ratio.</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 Treasurer’s Office was \$117,679.</i></li> </ul>	
FY 2024	<ul style="list-style-type: none"> <li>▪ Added funding for job family studies in Administrative, Communications, Legal &amp; Judicial, and Accounting/Financial Services (\$102,568).</li> <li>▪ Added one-time funding for \$2,000 (gross) employee bonuses (\$154,245).</li> <li>▪ Grant revenue increased due to an increase in State Compensation Board reimbursements primarily due to the State’s salary increase for state employees (\$53,301).</li> <li>▪ Downgraded the Investment Portfolio Manager position (\$60,181).</li> </ul>	