



Fiscal Affairs Advisory Commission
Ellen M. Bozman Government Center
2100 Clarendon Boulevard, Suite 501
Arlington, Virginia 22201

April 24, 2020

The Honorable Libby Garvey
Chair, Arlington County Board
Ellen M. Bozman Government Center
2100 Clarendon Boulevard, Suite 300
Arlington, Virginia 22201

RE: FAAC Recommendations for Proposed FY 2021 Budget

Dear Chair Garvey:

The Fiscal Affairs Advisory Commission (FAAC) submits the following letter for the consideration of the Arlington County Board. This letter provides FAAC's recommendations to the County Board for the County Manager's proposed FY 2021 Budget. The FAAC takes seriously our responsibility to advise the County Board on fiscal matters, and that charge will be at the forefront of our minds during the coming months.

Given the developments associated with COVID-19, we commend the extraordinary efforts of the County Staff to develop a revised budget. We are grateful for the commitment of the County Manager and the Department of Management and Finance staff to develop this revised budget for community review and County Board action. This letter outlines some high-level considerations related to the proposed budget.

For the FY 2021 proposed budget, the FAAC offers the following recommendations to the County Board:

1. The FAAC commends the Manager's commitment to shoring up our Community's most essential services including preserving, as needed, increased funding for direct life/safety services to Arlington County residents.
2. The FAAC supports avoiding funding cuts to existing programs to the maximum extent possible. Due to the limited opportunity for a community conversation as a result of COVID-19, FAAC recommends maintaining funding levels for existing programs.
3. The FAAC supports the Manager's recommendation to utilize contingent and stabilization reserves, while deferring or cancelling capital projects.

4. The FAAC recommends that the Board direct the County Manager to engage with key stakeholders in the business community to ensure investments that will support recovery efforts from COVID-19. This includes providing assistance to small businesses and nonprofits that provide a variety of essential community services.
5. The FAAC recommends that the County Board direct the County Manager and staff to aggressively pursue external funding opportunities to mitigate the impact of COVID-19 on our community.
6. The FAAC recommends the County maintain flexibility during the pandemic - in looking for other sources of funding, in taking advantage of opportunities to serve the community, and in possible future investments in the community as we return to normal (I'm envisioning something like being able to perform maintenance that's safe for workers and is less burdensome on the public while things are closed)

Compensation and Staff Retention:

7. The FAAC supports the Manager's recommendation preserving County employee jobs so that the staff "infrastructure" remains in place.
8. The FAAC supports the Manager's recommendation to eliminate all proposed compensation increases for County staff and slowing the hiring process for open positions into FY 2021.

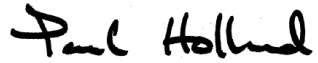
At some point, the County's fiscal recovery from COVID-19 will begin. While we commend the Manager's iterative approach to fiscal management over the coming weeks and months, we encourage establishing a list of priorities as Arlington's fiscal health is restored. As that occurs, FAAC recommends the following priorities:

1. Safety Net and Housing – the FAAC strongly agrees that the County's first and foremost priority should be to ensure the basic needs of county residents be met, both during the COVID-19 crisis and once the recovery begins.
2. Community Resiliency, Small Business/Non-Profit Recovery and Investment – This includes providing additional support for our small business and nonprofit network of community support organizations.
3. County Staff Compensation – Providing fiscal support to County employees, including ensuring their scheduled compensation increases can be restored when feasible.

The FAAC is committed to providing support to the County Board following the approval of the proposed FY 2021 Budget. The FAAC appreciates the outstanding efforts of the County in maintaining transparency during the development of the FY2021 revised budget. We encourage continued transparency as the budget evolves in the coming weeks and months. The County is entering an unprecedented period; FAAC encourages the Board to utilize the expertise of volunteers to help navigate through this crisis.

Thank you for your consideration of these recommendations.

Sincerely,

A handwritten signature in black ink that reads "Paul Holland". The signature is written in a cursive style with a large initial "P" and "H".

Paul Holland, Chair
Fiscal Affairs Advisory Commission

CC:

Members, Arlington County Board

Arlington County Manager

Director, Arlington County Department of Management and Finance

Members, Fiscal Affairs Advisory Commission