



# FY 2022 Third Quarter Review

March 29, 2022

[www.fairfaxcounty.gov/budget](http://www.fairfaxcounty.gov/budget)



# Third Quarter Summary

**FY 2022**  
THIRD QUARTER  
REVIEW

	<b>General Fund</b>
<b>Previous Balances</b>	<b>\$0</b>
<b>FY 2022 Third Quarter Adjustments</b>	
Revenue Adjustments	\$26,423,580
Spending Adjustments	(22,122,536)
Reserve Adjustments	(2,300,344)
<b>Net Third Quarter Adjustments</b>	<b>\$2,000,700</b>
<b>Net Available</b>	<b>\$2,000,700</b>

- FY 2022 revenues are recommended to be increased by \$26.42 million
  - An increase of \$10.90 million in Sales Tax due to robust year-to-date collections
  - An increase of \$9.05 million in Personal Property Tax due to a higher-than-expected number of vehicles
  - An increase of \$3.71 million in Real Estate Tax revenue due to lower projected exonerations, higher supplemental assessments and higher Public Service Corporation assessments, partially offset by higher than anticipated tax relief for disabled veterans
  - An increase of \$2.76 million in Transient Occupancy Tax due to higher-than-expected year-to-date collections as hotel revenue has gradually started to recover

- \$8.39 million for capital paydown projects related to infrastructure replacement and upgrades
- \$6.44 million for Information Technology projects
- \$4.80 million to support IT infrastructure, including the PC program and upgrades to the County's WiFi and telephony systems
- \$1.50 million to support increased Office of Elections costs associated with the November 2021 Gubernatorial Election and the upcoming June 2022 Primary Election

- \$1.03 million for the FY 2022 impact of the FY 2023 Benchmark Compensation Study, as the salary increases resulting from that study were accelerated to help address recruitment and retention challenges
- \$0.67 million to support one-time start-up costs for the Patriot Park North Complex, scheduled to open December 2022
- \$0.50 million to provision 16 new precincts and send informational mailings to all registered voters as a result of the decennial redistricting
- \$0.48 million in the Vehicle Replacement Program for additional costs related to the transition to hybrid and electric vehicles and the change in the police vehicle platform from sedan to utility

- \$0.15 million for higher-than-anticipated snow removal costs at facilities owned or maintained by the County
- \$0.10 million to support the return of the Summer Entertainment Series to a full pre-pandemic schedule of entertainment activities
- \$0.07 million to purchase an animal transport vehicle for the South County Animal Shelter, which is scheduled to open May 2023

# Adjustments with Savings or no Net Impact to the General Fund

FY 2022  
THIRD QUARTER  
REVIEW

- A reduction of \$0.50 million to both revenues and expenditures, for no net impact to the General Fund, to more accurately align the budget of the Adoption Subsidy Program with the number of youths served in recent years
- A reduction of \$4.00 million to expenditures and \$2.00 million to state revenue, for a net savings of \$2.00 million to the General Fund, based on anticipated Children's Services Act (CSA) expenditures. COVID-19 has impacted the number of youths served, and the CSA system has worked to contain costs by utilizing community-based services and minimizing the length of stay when a residential placement is necessary

- 9 new positions to allow staff to be recruited prior to the scheduled opening of the new Lorton Community Center in August 2022. The FY 2023 Advertised Budget Plan includes full-year funding for these positions. No additional funding is required for these positions in FY 2022.

- A public hearing on the *FY 2022 Third Quarter Review* will be held concurrent to the public hearing on the FY 2023 budget on April 12, 13, and 14, 2022
- The Board is scheduled to take action on the *FY 2022 Third Quarter Review* on April 26, 2022, prior to marking up the FY 2023 Advertised Budget Plan