



FY 2022 Mid-Year Review

January 11, 2022

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Mid-Year Summary

FY 2022
MID-YEAR
REVIEW

	General Fund	Coronavirus Relief Funds
Previous Balances		
FY 2021 Audit Adjustments	\$4,892,892	\$3,390,981
Net Available	\$4,892,892	\$3,390,981
FY 2022 Mid-Year Adjustments		
Revenue Adjustments	\$17,775,108	--
Bicycle and Pedestrian Access	(5,000,000)	--
Construction and Escalation Reserve	(5,000,000)	--
Accrued Liability Adjustment	(1,642,000)	--
Hypothermia Program	(942,297)	
Other Requirements	(1,369,915)	
Adjustment to Carryforward of Coronavirus Relief Funds	--	(\$3,390,981)
Reserve Adjustments	(2,179,614)	--
Net Mid-Year Adjustments	\$1,641,282	(\$3,390,981)
Net Available	\$6,534,174	\$0

- FY 2022 revenues are recommended to be increased by \$17.8 million, or 0.4 percent
 - An increase of \$8.8 million in Personal Property Tax due to a higher-than-expected vehicle levy.
 - An increase of \$8.7 million in Sales Tax due to robust year-to-date collections.
 - An increase of \$6.4 million in BPOL Tax revenue due to strong economic growth in calendar year 2021
 - Other categories recommended to be increased include the Transient Occupancy Tax and Recordation Taxes and Deed of Conveyance Taxes
 - Partially offsetting these revenue increases are recommended decreases in several revenue categories that are recovering more slowly than expected from depressed pandemic levels. The largest is a \$4.1 million decrease in School-Age Child Care (SACC) fee revenue due to COVID-related capacity constraints and fee scale adjustments.

- As an initial step toward meeting the Board's directive to identify new funding for pedestrian and bicycle infrastructure, \$5.0 million is included to expedite efforts to make one-time investments that will have long-term, meaningful impacts on accessibility and safety in the community.
- An increase of \$5.0 million is included to support construction project cost escalation, including cost increases due to disruptions to global supply chains for most basic raw materials
- An increase of \$1.6 million is included for accrued liability adjustments based on an actuarial valuation. It is the County's policy to fully fund the Accrued Liability Reserve each year.
- Due to the continued impacts of the COVID-19 pandemic, increased costs of \$0.9 million are anticipated in the Hypothermia Program.

- One-time funding in the amount of \$0.4 million is required to support the opening of an additional warehouse unit that will support the needs of multiple County agencies.
- Funding of \$0.3 million will support the implementation of the new Prevailing Wage Ordinance and the Project Labor Agreement (PLA) pilot project that are expected to be approved by the Board of Supervisors in 2022.
- Funding of \$0.3 million is included for visioning and master planning efforts to support the long-term sustainable development planning for Lake Anne.
- An increase of \$3.4 million is required to update the carryover appropriation of stimulus fund balances in the CARES Act Coronavirus Relief Fund (CRF).

- 26 positions will support Phase 1 of the Co-Responder Model for responding to and de-escalating behavioral health crises, as discussed at the September 28, 2021, Public Safety Committee Meeting. These positions will initially be supported by American Recovery Plan Act (ARPA) funding in FY 2022, with full-year funding required in FY 2023.
- 5 positions and \$0.3 million in the Department of Tax Administration will support the expansion of the Tax Relief Program, which is expected to result in an increase of approximately 2,500 applications per year.
- 1 position and \$0.2 million is included to support the Office of the Police Civilian Review Panel, which is established as a new agency as part of this package.

- A public hearing and Board action on the *FY 2022 Mid-Year Review* will take place at the Board meeting on January 25, 2022
- The FY 2023 Advertised Budget Plan will be presented to the Board on February 22, 2022
- The *FY 2022 Third Quarter Review* will be delivered to the Board on March 22, 2022