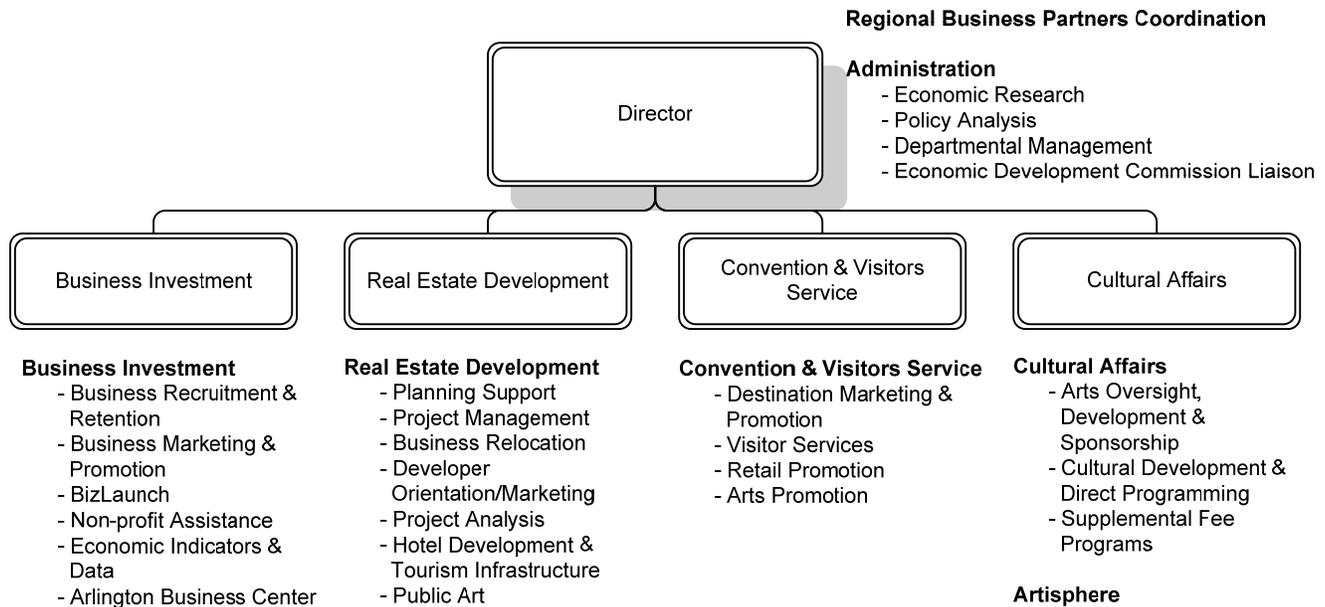


***Our Mission: To continue to develop Arlington County as an economically vital, competitive and sustainable community by providing leadership and services to the business, real estate development and visitors services sectors of the Arlington economy***

## LINES OF BUSINESS



## SIGNIFICANT BUDGET CHANGES

The FY 2015 adopted expenditure budget for Arlington Economic Development is \$11,109,631, a ten percent increase from the FY 2014 adopted budget. The FY 2015 budget reflects:

- ↑ The County Board added one-time funding for arts challenge grants (\$30,000) and one-time funding for tourism promotion (\$200,000).
- ↑ Personnel increases due to employee step increases, a 7.5 percent increase in the County's cost for employee health insurance, adjustments to retirement contributions based on current actuarial projections, the addition of two limited-term business development managers approved during FY 2013 closeout (\$294,983, 2.0 FTE), and changes in estimates for temporary employees at Artisphere (\$346,488). Additionally, the budget includes ongoing funding for the Base Realignment and Closure (BRAC) Coordinator (\$158,237), previously funded with one-time monies.
- ↑ Non-personnel increases due to the addition of one-time funding mentioned above, additional funding for the Hispanic Business Center (\$50,000) and adjustments to the annual expense for maintenance and replacement of County vehicles (\$410). The increase is partially offset by changes in estimates for discretionary programming and operational costs for Artisphere (\$113,391) and the elimination of FY 2014 one-time funding for arts challenge grants (\$30,000) and nonprofit capacity building (\$20,000). Additionally, one-time funding (\$45,000) replaces ongoing funding (\$45,000) for nonprofit capacity building.

**ARLINGTON ECONOMIC DEVELOPMENT**  
DEPARTMENT BUDGET SUMMARY

- ↓ Intra-county charges decrease based on changes to the budget of the Rosslyn Business Improvement District, which reimburses Artisphere for certain programming (\$6,200).
- ↓ Fee revenue decreases due to changes in estimates for Artisphere admission and ticket income based on actual revenues received during previous fiscal years (\$165,146). This is offset by an increase in the art surcharge (\$10,000).
- ↑ Other revenue increases due to changes in estimates for Artisphere gifts and donations (\$51,469).

**DEPARTMENT FINANCIAL SUMMARY**

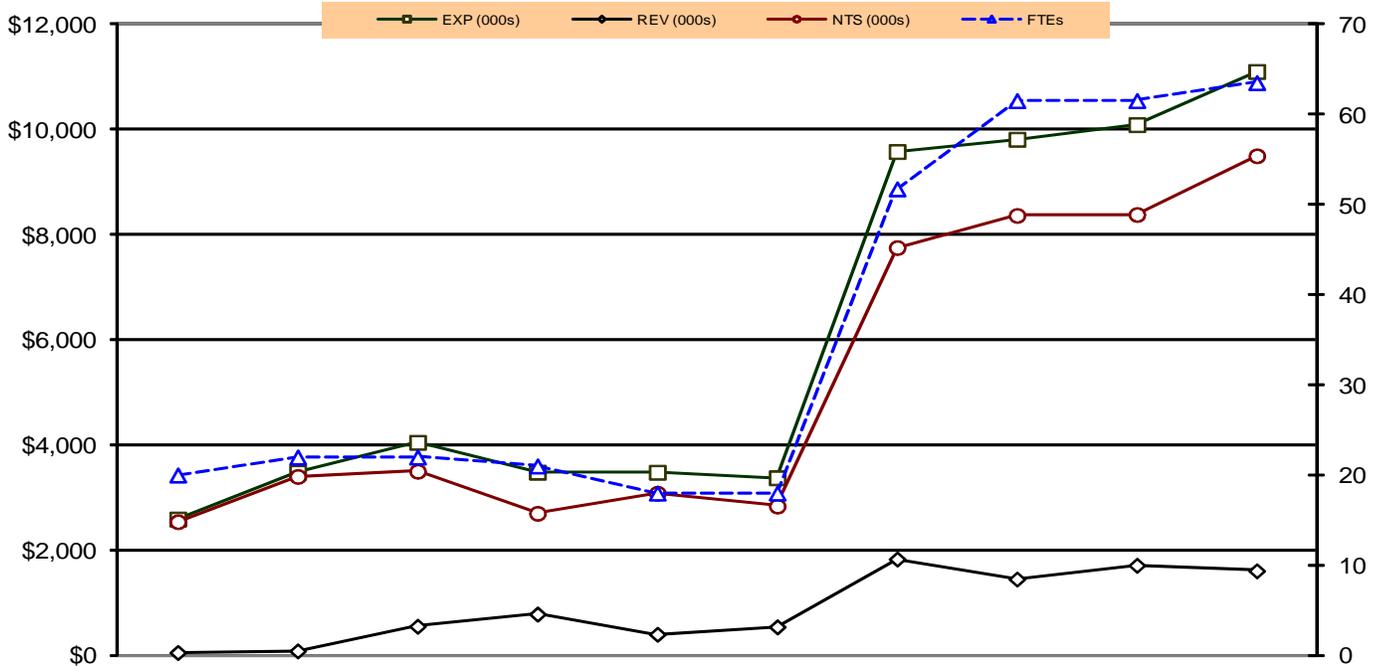
	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Personnel	\$6,604,744	\$6,810,611	\$7,699,156	13%
Non-Personnel	3,480,135	3,554,356	3,671,375	3%
Subtotal	10,084,879	10,364,967	11,370,531	10%
Intra-County Charges	(267,100)	(267,100)	(260,900)	-2%
<b>Total Expenditures</b>	<b>9,817,779</b>	<b>10,097,867</b>	<b>11,109,631</b>	<b>10%</b>
Fees	1,031,287	1,215,486	1,060,340	-13%
Grants	39,566	5,000	5,000	-
Other (including Gifts and Donations)	327,388	438,531	490,000	12%
Transfers In	49,500	49,500	49,500	-
<b>Total Revenues</b>	<b>1,447,741</b>	<b>1,708,517</b>	<b>1,604,840</b>	<b>-6%</b>
<b>Net Tax Support</b>	<b>\$8,370,038</b>	<b>\$8,389,350</b>	<b>\$9,504,791</b>	<b>13%</b>
Permanent FTEs	57.60	57.60	59.60	
Temporary FTEs	3.97	3.97	3.97	
<b>Total Authorized FTEs</b>	<b>61.57</b>	<b>61.57</b>	<b>63.57</b>	

**Expenses by Line of Business**

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Administration	\$1,444,195	\$1,420,087	\$1,552,918	9%
Regional Business Partners	233,500	273,500	273,500	-
Business Investment	1,380,129	1,638,575	1,924,447	17%
Real Estate Development	1,017,068	1,057,369	1,095,515	4%
Convention and Visitor Services	506,630	526,833	756,984	44%
Arlington Cultural Affairs Division	1,741,231	1,847,326	1,840,117	-
Artisphere	3,495,026	3,334,177	3,666,150	10%
<b>Total Expenditures</b>	<b>\$9,817,779</b>	<b>\$10,097,867</b>	<b>\$11,109,631</b>	<b>10%</b>

**ARLINGTON ECONOMIC DEVELOPMENT  
TEN-YEAR HISTORY**

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



	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Adopted Budget	FY 2015 Adopted Budget
<b>EXP (000s)</b>	\$2,590	\$3,482	\$4,050	\$3,482	\$3,481	\$3,376	\$9,587	\$9,818	\$10,098	\$11,110
<b>REV (000s)</b>	\$50	\$80	\$550	\$781	\$397	\$538	\$1,829	\$1,448	\$1,709	\$1,605
<b>NTS (000s)</b>	\$2,540	\$3,402	\$3,500	\$2,701	\$3,083	\$2,838	\$7,758	\$8,370	\$8,389	\$9,505
<b>FTEs</b>	20.0	22.0	22.00	21.00	18.00	18.00	51.77	61.57	61.57	63.57

\*In FY 2012, Arlington Cultural Affairs Division, Cultural Affairs' Supplemental Fee Programs, and Artisphere were transferred from the Department of Parks and Recreation to Arlington Economic Development (AED).

**ARLINGTON ECONOMIC DEVELOPMENT**  
TEN-YEAR HISTORY

Fiscal Year	Description	FTEs
FY 2006	<ul style="list-style-type: none"> <li>▪ Non-personnel funds decreased \$120,000 with the expiration of the E-Trade Bank agreement.</li> </ul>	
FY 2007	<ul style="list-style-type: none"> <li>▪ Added 2.0 FTEs for the Small Business Initiative, 1.0 FTE for the Retail Program and 1.0 FTE for Crystal City Transition Support.</li> <li>▪ Added funding (\$50,000) for a Non-Profit Program.</li> <li>▪ Increased, ongoing, support to the Ballston Partnership (\$15,000) and the Columbia Pike Revitalization Program (\$15,000).</li> </ul>	2.0
FY 2008	<ul style="list-style-type: none"> <li>▪ The County Board added \$20,000 of non-personnel expenses to support small businesses through the Ibero-American Chamber of Commerce.</li> <li>▪ Removed one-time FY 2007 BRAC non-personnel expenses (\$782,659), which is offset by the following increases: IBERO Chamber of Commerce was transferred from the Regionals section of the budget to AED's budget (\$45,000); support of the Greater Washington Initiative increased \$5,000 to reflect the County's current commitment, and an increase in auto fund charges (\$409).</li> <li>▪ Personnel funds reflect removal of one-time FY 2007 BRAC grant expenses (\$93,425) included in the FY 2007 revised budget numbers used in the FY 2008 budget.</li> <li>▪ Revenues decreased as a result of removing one-time BRAC grant funds (\$876,084).</li> </ul>	
FY 2009	<ul style="list-style-type: none"> <li>▪ One position was transferred to the Office of Emergency Management (\$119,822 and 1.0 FTE).</li> <li>▪ Added the Virginia National Defense Industrial Authority (VNDIA) grant (\$101,405 in revenue and expense).</li> </ul>	(1.0)
FY 2010	<ul style="list-style-type: none"> <li>▪ The County Board added funding for a one-time lump-sum payment of \$500 for employees (\$10,327).</li> <li>▪ Eliminated two positions, one administrative and one technology support position (\$199,794).</li> <li>▪ Eliminated one of six economic development specialist positions (\$77,675).</li> </ul>	(2.0)  (1.0)
FY 2011	<ul style="list-style-type: none"> <li>▪ Reduced funding for the Ballston Science and Technology Alliance (\$2,500); Rosslyn Renaissance (\$10,000) and the Greater Washington Hispanic Chamber of Commerce (\$650). Eliminated funding for the Greater Washington Initiative (\$25,000).</li> <li>▪ Reduced funding for the Nonprofit Technical Assistance Program (\$5,000) and the Think Arlington marketing campaign (\$45,000).</li> <li>▪ Revenue decreased due to the reduction of transferred funds from a trust</li> </ul>	

Fiscal Year	Description	FTEs
	<p>and agency account to support the Rosslyn Renaissance (\$10,000) and the end of a state grant during the fiscal year (\$74,350).</p> <ul style="list-style-type: none"> <li>▪ Non-personnel expense decreased due the end of the state grant funds (\$74,350).</li> </ul>	
FY 2012	<ul style="list-style-type: none"> <li>▪ The County Board approved a one-time allocation of \$450,000 for promoting and marketing businesses and cultural events within Arlington County, as well as enhancing small business initiatives. The employees from the Travel and Tourism Promotion Fund will be carrying out these activities from January 1, 2012 through June 30, 2012.</li> <li>▪ Non-personnel expenses decrease due to the elimination of funding for the Ballston Partnership (\$65,000) due to the creation of the Ballston Business Improvement District, the decrease in funding for the Rosslyn Renaissance (\$10,000), and decrease in lease expense for the Base Realignment and Closure (BRAC) Transition Center (\$23,588). This is partially offset by the restoration of funding for Greater Washington Initiative (\$25,000) and increase in the annual expense for maintenance and replacement of County vehicles (\$765).</li> <li>▪ Revenues decrease due to the reduction in funding from the Rosslyn Fund trust and agency account for the Rosslyn Renaissance (\$10,000) and the end of grant funding from the Virginia National Defense Industrial Authority (VNDIA) (\$28,448). An extension to the length of the grant has been awarded which will keep the BRAC Transition Center open through mid-FY 2012.</li> <li>▪ <i>Cultural Affairs, Cultural Affairs' Supplemental Fee Programs, and Artisphere were transferred to Arlington Economic Development from the Department of Parks and Recreation (expense \$5,284,614, revenue \$1,883,658).</i></li> </ul>	33.77
FY 2013	<ul style="list-style-type: none"> <li>▪ The County Board added an Information Technology position (\$125,000).</li> <li>▪ The County Board added one-year funding for the Base Realignment and Closure (BRAC) Coordinator position (\$148,137) which had been previously grant funded.</li> <li>▪ The County Board added \$30,000 in one-time arts challenge grant funding.</li> <li>▪ The County Board added matching grant funding for the Clarendon Alliance (\$15,000).</li> <li>▪ The County Board added base operating funds (\$15,000) and matching grant funding (\$5,000) for Columbia Pike Revitalization Organization.</li> <li>▪ Personnel expenses increase due to the County Board's addition of funding for a new Step 19 and an increase in the living wage.</li> <li>▪ Personnel includes the transfer of 3.0 FTEs from the Travel &amp; Tourism Promotion Fund (TTPF) to the General Fund for organizational demands in the Director's Office and the Business Investment Group (\$284,790).</li> </ul>	1.0 1.0     3.0

