

REVENUES

OVERVIEW

Fiscal Year (FY) 2014 revenues reflect ongoing modest growth in the Northern Virginia economy. Arlington's proximity to the nation's capital, balanced economy, smart growth planning, and highly-educated workforce help produce Arlington's slightly positive revenues during a time when many sectors of the national economy are stagnant. Northern Virginia's and Arlington's strong employment and solid real estate market is the foundation for steady incremental growth in the County's major revenue streams.

In the aggregate, Arlington's calendar year (CY) 2013 real estate assessments held their values; up 0.2 percent over CY 2012 levels, reflecting minimal positive residential growth and overall flat commercial values. After two years of double digit growth, CY 2013 commercial assessments (including multifamily rental buildings) were flat (-0.1%) over CY 2012. This stagnant growth was the result of a higher than normal office vacancy rate which was partially offset by gains in multifamily rental buildings. The residential property assessment base increased 0.5 percent in the aggregate. Detached home and townhome assessments gained one percent, while condominiums saw an almost equivalent decrease. However, the average single family home value in Arlington continued to inch up — gaining one percent in 2013 — increasing from \$519,400 in CY 2012 to \$524,700 in CY 2013.

Meanwhile, other revenue streams are experiencing a variety of changes. Local taxes other than real estate are expected to grow 3.1 percent in the aggregate. Local fees, interest, fines, and service charges are anticipated to remain relatively level – increasing only 0.4 percent in the aggregate. Revenue from the Commonwealth is budgeted to remain virtually flat (-0.3%) in FY 2014, while funds from the federal government are expected to decrease approximately 14 percent, primarily due to reduced support for Base Realignment and Closure (BRAC) workforce grants and social service funding.

General Fund Revenues

Excluding fund balance, General Fund revenues for FY 2014 are forecast to be \$1,060,877,366; an increase of 2.5 percent over the FY 2013 adopted budget levels. This change reflects the slight increase in the assessment base, a \$0.032 real estate tax rate increase proposed by the County Manager, and three percent growth in all other tax revenue combined. Total General Fund revenues including fund balance total \$1,073,800,976.

Modest Gains in Local Tax Revenues

For the FY 2014 proposed budget, General Fund tax revenues are forecast to increase by three percent. This gain is driven by the proposed rate increase of \$0.032 to the base real estate tax rate, taking it from \$0.958 to \$0.99 per \$100 of assessed property value. As noted above, Arlington's assessment base was virtually flat, gaining only 0.2 percent overall in CY 2013.

Other taxes combined are forecast to increase three percent in FY 2014. Personal property tax (including business tangible tax) is expected to increase six percent overall. This tax stream is mostly increasing in the personal vehicle segment (up 8%) because of continued gains in new vehicle sales and used vehicles holding their value. Business tangible tax receipts are seeing modest, yet positive growth of almost three percent in FY 2014. Sales tax (up 6%) and meals tax (up 6%) are set to realize solid gains over FY 2013 adopted levels as consumer spending activity in

Arlington continues to boost our local economy. Business, Professional and Occupational License Tax is projected to experience a modest dip, reflecting the increasing competition in the metropolitan area to attract and maintain business.

State Budget Adjustments

The State Legislature's short session this winter to amend the second year of the 2012-2013 biennial budget may benefit Arlington. A potential restoration of the state budget cuts in Aid to Localities, which has been in place since FY 2008, may provide Arlington with approximately \$1.0 million in reinstated funding.

Real Estate Tax Rate Remains Among the Lowest in Northern Virginia

The FY 2014 proposed budget reflects a CY 2013 real estate rate of \$1.003 per \$100 of assessed value, which includes the base rate of \$0.99 and the county-wide sanitary district rate of \$0.013 for stormwater management. Arlington will continue to have one of the lowest real estate tax rates in the Northern Virginia region, maintaining its history of providing excellent value. Because of assessment growth and the tax rate increase, the average homeowner will pay \$220 more in real estate taxes in CY 2013 than in CY 2012, an increase of 4.4 percent.

Revenue sharing with Arlington Public Schools (APS)

The FY 2014 proposed transfer to APS is \$411,132,388 million in ongoing FY 2014 local tax revenues — a 2.7 percent increase over the FY 2013 adopted budget. These funds are generated from a 45.8% share of local tax revenues before the proposed tax rate increase plus \$7.1 million to meet APS enrollment pressures.

The County Manager also proposes to set aside \$3,534,000 in one-time revenues to fulfill the School's share of joint County/APS projects such as transportation infrastructure and utility undergrounding.

Comparison between Budgeted Revenues and Expenditures

County budget information compares budgeted revenues and expenditures from the current fiscal year to the next fiscal year. Most of the growth calculations in this section, derived from historical trends and other data, are calculated against revised estimates for the current year. This is especially important for real estate revenue since the County's assessment of real estate occurs each January 1, or half way through the current fiscal year. The value of real estate, determined in the middle of a fiscal year, has a significant impact on the current fiscal year's revenue since the first payment is due in June, prior to the end of the current fiscal year, and drives the forecast for the subsequent fiscal year. Other tax revenues are revised in the current year if the tax receipts indicate higher or lower year-end projected revenues. This revenue surplus or deficit is typically not recognized in the budget until the mid-year or third quarter review of the current fiscal year is completed.

Fiscal Outlook

Arlington continues to economically surpass much of the region and the nation. Arlington's unemployment rate remains the lowest in the Commonwealth. The County's per capita income remains among the highest in the state. Home prices continue on a positive trajectory, which help balance the flat commercial real estate sector. Arlington is poised to begin FY 2014 with steady revenue streams, an overall positive real estate market, and low unemployment levels.

Economic Indicators

	CY 2010	CY 2011	CY 2012
Consumer Price Index (national CPI-U average)	1.6%	3.2%	2.1%
Employment Cost Index (private industry workers)	2.1%	2.2%	1.9%
Unemployment – US / Arlington (December)	9.4% / 3.7%	8.9% / 3.6%	7.8% / 3.3%
Mortgage Rate (annual average – 30 year fixed rate)	4.7% & 0.7 pts.	4.45% & 0.7 pts.	3.66% & 0.7 pts.
Federal Fund Rate (annualized)	0.18%	0.1%	0.14%
Retail Sales (based on 1% of Arlington tax revenue)	\$3.66 billion	\$3.75 billion	\$3.86 billion
Office Vacancy Rate – (including sublets)	7.9%	10.7%	16.3%
Tourism – Hotel Occupancy Rate	74%	72%	73%
Tourism – Average Hotel room rate	\$163.69	\$160.35	\$156.99

Sources: Bureau of Labor Statistics, Freddie Mac, Federal Reserve, Smith Travel Research, Costar

TAX COMPETITIVENESS

Arlington County continues to have a tax structure that is highly competitive with the region and with the nation. The real estate tax rate proposed for calendar year (CY) 2013, which includes a base rate of \$0.99 plus a \$0.013 stormwater tax, is one of the lowest in the Northern Virginia region. Charts comparing current (CY 2012) tax rates and tax bills for various Northern Virginia jurisdictions can be found later in this section.

FINANCIAL STANDING

Arlington is one of approximately 39 counties in the United States to be awarded a triple Aaa/AAA/AAA credit rating. In May 2012, the three primary rating agencies all reaffirmed the highest credit rating attainable for jurisdictions. Ratings issued by Fitch, Inc. (AAA), Moody's Investors Service (Aaa), and Standard & Poor's (AAA) validate that Arlington's financial position is outstanding, and it reflects the continued growth of high-wage jobs in the technology, communications, and financial services sectors and of high per capita retail sales.

Moody's currently maintains a negative outlook on the County due to its indirect linkages to the weakened credit profile of the U.S. government. A total of 36 local governments remain on negative outlook based on Moody's action, including nine in Northern Virginia. In issuing the County's 2012C Bonds in June 2012, no noticeable impact to pricing was observed related to the negative outlook. If the U.S. government's Aaa rating were placed under review or downgraded, then the ratings of municipal issuers with a negative outlook tied to the U.S. government would follow suit.

PROPOSED TAX RATES, USER CHARGES, AND PERMIT FEE CHANGES FOR FY 2014

The following changes are proposed for FY 2014 and are reflected in total revenue amounts.

General Fund

In the General Fund, changes in revenue are reflected in the department narratives and the General Fund total revenues. The FY 2014 proposed budget includes the following:

- ↑ The County Manager's FY 2014 proposed budget proposes a base real estate tax rate increase of \$0.032 from \$0.958 to \$0.99 per \$100 of assessment value.
- ↑ In the Department of Environmental Service, there is a proposed increase to highway permit fees. Highway permits are charged to contractors and utilities for the use of County streets when necessary for construction projects, underground utilities repairs, and other purposes. The fees help recover the County's costs related to engineering plan reviews, project inspection, and supervision for street development projects.
- ↓ In the Department of Environmental Services, the proposed household solid waste rate decreases \$0.16 from \$293.92 to \$293.76 per year. The fee is charged per refuse unit and is set to recover the full cost of refuse collection, disposal, and recycling, as well as administrative costs. The decreased fee is primarily the result of a lower tip fee negotiated as part of the new solid waste disposal contract.
- ↑ In the Department of Parks and Recreation, there are proposed fee increases for tennis court rentals, field rentals, trail permits, and non-residents surcharges. New fees are proposed for bocce court rental, program cancellation charge for participants who request a refund, and a per team adult league field assessment fee. These increases are partially offset by declines in fee revenue resulting from proposed programmatic changes (e.g. camp elimination, reduce hours at nature centers).
- ↑ In the Police Department, there is a new proposed administrative fee (\$7.25 per four hour detail and \$14.50 per eight hour detail) to cover vehicle costs associated with staffing special events (\$10,000) and a proposed increase to the hourly rate charged for sworn staff working special events and other off-duty details from \$50 to \$60 per hour. The fees are treated as an expense credit to offset personnel expenses.
- ↑ In the Department of Human Services, a new drug testing fee (\$5) is proposed as well as a proposed increase, from \$2 to \$5, of the Community Service Board minimum fee.

Stormwater Fund

- Maintain the sanitary district tax for stormwater at \$0.013 per \$100 of assessed value to manage and improve the County's stormwater system.

Utilities Fund

- The proposed water/sewer rate remains unchanged at \$12.61 per/thousand gallons. This corresponds to an estimated annual residential cost of \$883, assuming 70,000 gallons of water consumption.

Utilities Capital Projects Fund

- ↑ The Infrastructure Availability Fee (IAF) is proposed to increase by ten percent. This fee is charged to developers when adding new demand on the water and sewer systems, and is based on the number of drainage fixtures units (DFU's) added to the system. The IAF for water service will increase from \$72 to \$85 per DFU. The IAF for sewer will increase from \$110 per DFU to \$115 per DFU.

Crystal City, Potomac Yard, Pentagon City Tax Increment Financing (TIF) Fund

- Fund the Crystal City, Potomac Yard, and Pentagon City TIF area using CY 2011 district assessments as the base year for valuation. Funding in FY 2014 is 33 percent of the incremental tax payment generated by the projected assessment tax base increase for properties in the defined Crystal City, Potomac Yard and Pentagon City area. Total FY 2014 revenue for the TIF is projected to be \$2,289,560.

Transportation Capital Fund (formerly the Transportation Investment Fund)

- Maintain the tax rate for Transportation Capital Fund at \$0.125 for each \$100 of real estate assessment value to fund major transportation infrastructure projects. This tax rate is in addition to the real estate tax rate and is assessed to commercially zoned properties in Arlington.

Special Assessment District Funds

- The Ballston Business Improvement Service District CY 2013 tax rate remains \$0.045 for each \$100 of real estate assessment value, no change from the CY 2012 rate. This tax is imposed to fund additional services in the Ballston area. This service district tax rate is in addition to the real estate tax rate and is assessed to commercially zoned properties in the District.
- The Crystal City Business Improvement Service District CY 2013 tax rate remains at \$0.043 for each \$100 of real estate assessment value, no change from the CY 2012 rate. This tax is imposed to fund additional services in the downtown Crystal City area. This service district tax rate is in addition to the real estate tax rate.
- The Rosslyn Business Improvement Service District CY 2013 tax rate remains at \$0.078 for each \$100 of real estate assessment value, no change from CY 2012 rate. This tax is imposed to fund additional services in the downtown Rosslyn area. This service district tax rate is in addition to the real estate tax rate.

Ballston Public Parking Garage

- ↑ Revenue projections increase by one percent or \$56,492. This increase is based upon recent actual receipts; no fee increases are proposed.

CPHD Development Fund

- ↓ For the FY 2014 proposed budget, a one percent decline in revenues is projected, reflecting proposed decreases in a technology surcharge fee and in various construction permit and application charges.

GENERAL FUND REVENUE SUMMARY

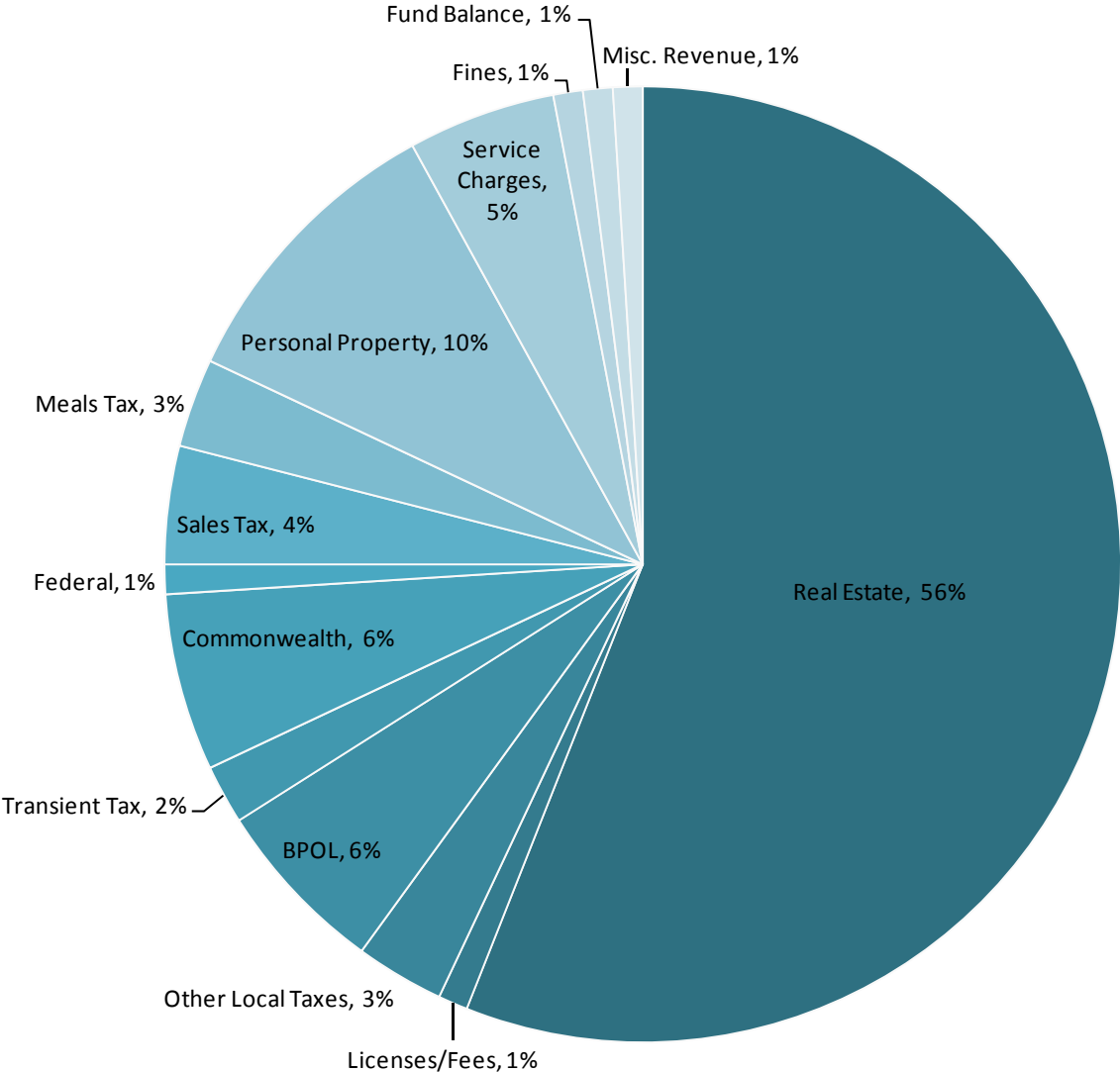
The County Manager's FY 2014 General Fund proposed budget is financed by a variety of revenue sources, which include local taxes, service charges, fees, and state and federal revenue.

Proposed for FY 2014:

- General Fund revenues are projected to total \$1.07 billion, an increase of \$21.7 million (2.1 percent) over the adopted FY 2013 budget. Net of fund balance, General Fund revenues are projected to total \$1,060,877,366 an increase of \$26.4 million (2.5 percent).
- Local tax revenues are projected to total \$901,926,977, an increase of \$28.6 million (3.3 percent) over the FY 2013 adopted budget.
 - Local taxes represent 84 percent of total General Fund revenue.
 - Real estate assessments are up 0.2 percent over last year.
 - The proposed base real estate tax rate increases \$0.032 from \$0.958 to \$0.99 per \$100 of assessed property value.
- License, Permits, and Fee revenue are projected to total \$10.4 million; a four percent increase over FY 2013 adopted budget levels. This increase is due to an increase in license/permits requests and a proposed increase to various street development permit fees related to engineering plan review and approval and construction inspections.
- Fines and parking tickets are estimated to generate \$9.6 million, a five percent decrease, primarily due to declines in fines collected through the courts, and the state keeping a greater portion of court fine revenue.
- Interest income is forecast at \$1.5 million — a \$1.5 million reduction from FY 2013 — due to continued low interest rates.
- Service charge revenue is projected to increase by \$2.2 million or six percent. This is primarily due to increased revenue collected for ambulance services, from parking meter use, reimbursements from the City of Falls Church for services, and proposed fee increases in the Department of Parks and Recreation and the Department of Environmental Services detailed above.
- State revenue is estimated to total \$63.5 million, a 0.3 percent decline from the FY 2013 adopted budget. This is primarily due to the State's decision to administer childcare subsidies (\$0.9 million) directly to qualifying families. Prior to FY 2014, the Department of Human Services administered this subsidy with revenue received from the State.
- Federal Government revenue is forecast to total \$14.5 million, a decrease of 13.8 percent. This is primarily driven by reductions in workforce investment grants for BRAC and the federal share of childcare subsidy payments that will now be administered directly by the State.
- Previous year fund balance carryover totals \$12.9 funded by a combination of additional revenue and/or expense savings identified from previous fiscal years.

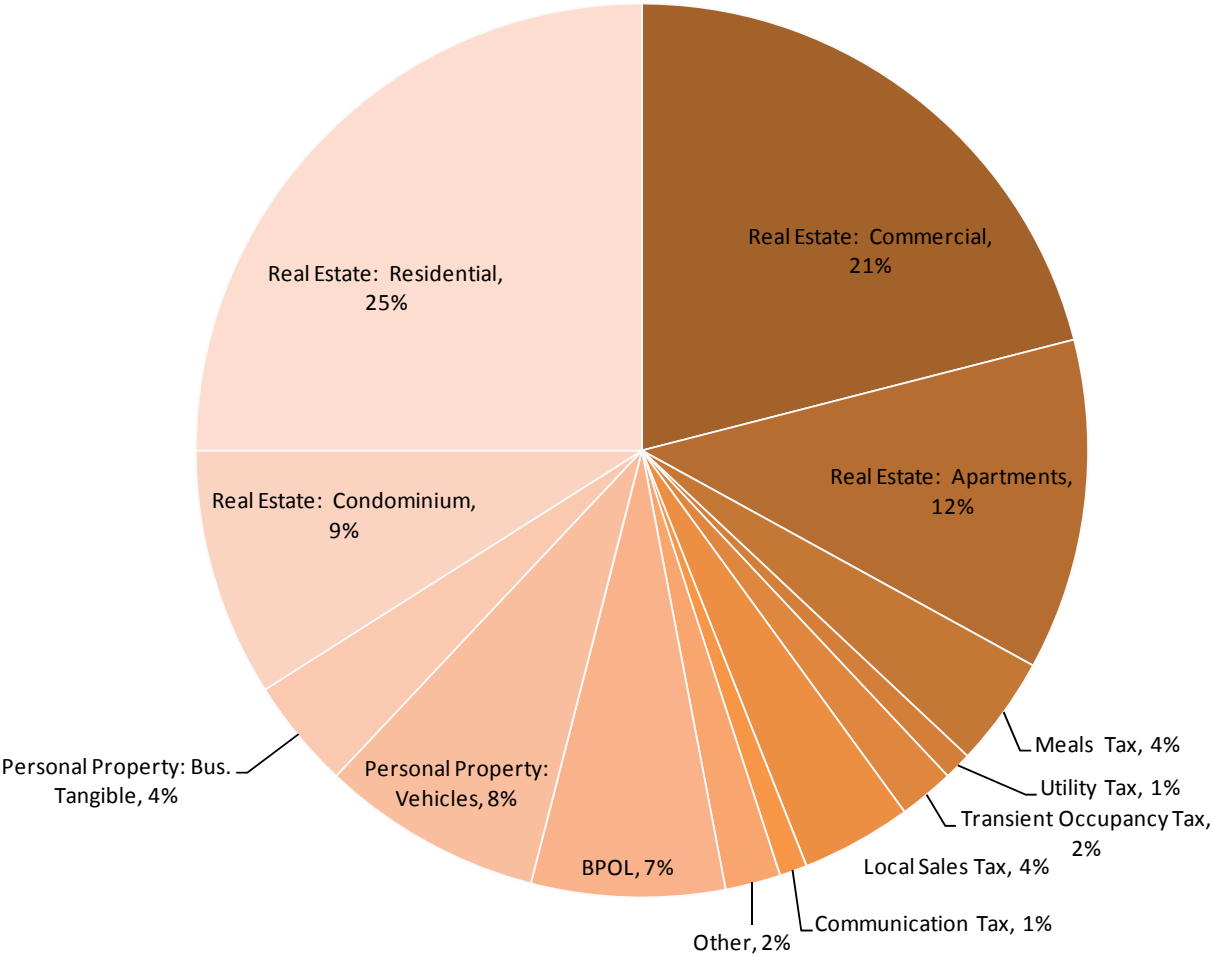
The pie chart on the next page illustrates the major sources of General Fund revenues.

General Fund Revenues



The pie chart below illustrates the local taxes that the County collects. As demonstrated by the chart, real estate and personal property taxes are the largest tax categories. Together, they account for 79 percent of local tax revenue. A description of the local taxes and a discussion of the FY 2014 revenue projections follow.

FY 2014 Local Taxes



REAL ESTATE TAX

Real estate taxes are the largest source of County revenues, generating \$601.2 million or 56 percent of all revenues for the County Manager's proposed FY 2014 General Fund budget and 67 percent of all local tax revenues. Fiscal Year 2014 General Fund revenues reflect a proposed base CY 2013 real estate tax rate of \$0.99 for each \$100 of assessed real property value, an increase of \$0.032 from the CY 2012 rate.

Arlington County prorates real estate taxes for the value increase on new construction, a policy adopted in FY 1986. Previously, a property owner paid real estate taxes based on the January 1 value of a structure. No additional tax was assessed if the building was completed during the course of the year. With proration, property owners pay a prorated share of the real estate tax increase during the calendar year, based on when the building is substantially completed.

CY 2013 assessments remained virtually flat over CY 2012. The value of real property in the County excluding Public Service Corporations (PSCs) increased 0.2 percent from CY 2012 to CY 2013. New construction added less than one percent to the tax base, while assessments of existing properties declined 0.4 percent overall.

After two years of double digit growth, the combined value of commercial and apartment assessments were essentially flat – with total assessment values decreasing 0.1 percent. Apartment buildings showed growth of almost one percent. However, this was offset by a decline in general commercial values that primarily reflects higher than normal building vacancy rates resulting from the Base Realignment and Closure (BRAC).

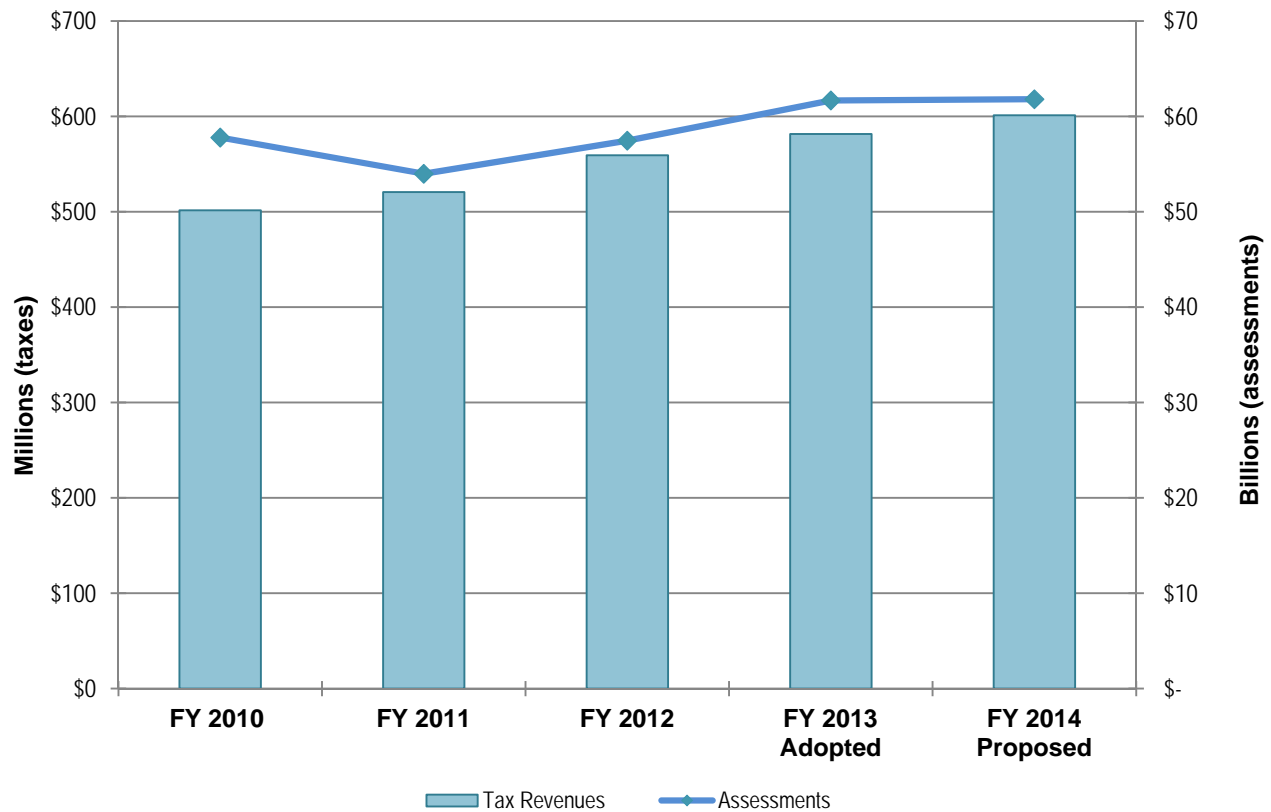
Single-family residential assessments increased 0.5 percent in the aggregate. Including new construction, single-family houses (including townhomes) increased one percent, while condominium assessment totals declined by a similar percentage in CY 2013. The average value of a single-family property increased by one percent: from \$519,400 in CY 2012 to \$524,700 in CY 2013. At the proposed real estate tax rate of \$1.003, which includes the 1.3 cent sanitary district "stormwater" tax, the average single-family residential tax bill will increase by about \$220, or 4.4 percent, in CY 2013.

CHANGE IN ASSESSED VALUE OF REAL ESTATE IN ARLINGTON COUNTY Calendar Year 2012 to Calendar Year 2013

(In millions, numbers may not add due to rounding)

	Single-Family		Apartment	Commercial	Total
	Houses	Condominium			
Percentage of CY 2012 Tax Base	37%	14%	18%	31%	100%
CY 2012 Tax Base	\$22,498	\$8,812	\$11,099	\$19,265	\$61,672
Assessed Value Change	\$165	(\$80)	(\$133)	(\$223)	(\$270)
CY 2012 Tax Base (Excluding New Growth & Reclassifications)	\$22,663	\$8,732	\$10,966	\$19,042	\$61,402
Percent Change	0.7%	-0.9%	-1.2%	-1.2%	-0.4%
New Construction & Reclassifications	\$58	-	\$214	\$126	\$398
Percent Change	0.3%	0.0%	1.9%	0.7%	0.6%
CY 2013 With New Construction & Reclassifications	\$22,721	\$8,732	\$11,180	\$19,167	\$61,800
Percent Change CY 2012 to CY 2013	1.0%	-0.9%	0.7%	-0.5%	0.2%

Real Estate Tax Revenues & Assessment Base



The following table shows the projected General Fund revenue generated by the proposed base real estate tax rate of \$0.99 per \$100 of assessed value (excluding the \$0.013 rate for the stormwater fund) in FY 2014. The FY 2014 real estate tax revenues account for \$6.0 million in anticipated tax refunds and \$1.0 million in penalty and interest revenue. The \$606.2 million in real estate tax revenue is net of \$5,150,000 million in tax relief for qualified elderly and disabled taxpayers, \$0.4 million in tax relief for disabled veterans (state exemption effective January 1, 2011), and \$2.3 million set aside for the Crystal City Tax Increment Financing fund.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Real Estate Taxes	\$563,732,045	\$586,357,977	\$606,179,830	3%
Additions, Delinquent Penalty & Interest	940,465	1,200,000	1,000,000	-17%
Tax Refunds	(5,557,823)	(6,000,000)	(6,000,000)	-
Total	\$559,114,687	\$581,557,977	\$601,179,830	3%

FY 2013 REVISED - REAL ESTATE TAX REVENUES

Description	Percent Change	Assessed Value	Tax Rate*	Tax Levy	Percent Collected	Total for Tax Year	Total for Fiscal Year
REAL ESTATE							
County Property, CY 2011		\$57,459,163,400					
Net Change in Assessments	7.3%	<u>4,213,198,500</u>					
County Property as of April 2012		\$61,672,361,900	\$0.958	\$590,821,227	99.6%	\$588,457,942	
PSC Property in Tax Year 2011		\$158,409,275					
PSC Estimated Net Change in Assessments	-0.2%	<u>(266,755)</u>					
PSC Property in Tax Year 2012		\$158,142,520	\$0.958	\$1,515,005	100.0%	<u>\$1,515,005</u>	
Total Taxable Base, Fall 2012		\$61,830,504,420				\$589,972,947	
Taxes Due October 5, 2012							\$294,986,474
Less Tax Relief for Elderly and Disabled							(2,250,000)
Less Tax Relief for Disabled Veterans							(150,000)
Less Tax Increment for Crystal City TIF							<u>(1,504,990)</u>
ESTIMATED REVENUE FOR FY 2012 - FALL 2012							\$291,081,484
County Property as of April 2012		\$61,672,361,900					
Net Change in Assessments	0.2%	<u>128,080,387</u>					
County Property as of January 1, 2013		\$61,800,442,287	\$0.990	\$611,824,379	99.6%	\$609,377,081	
PSC Property in Tax Year 2012 (prior to Fall 2013 adjustment)		\$158,142,520	\$0.990	\$1,565,611	100.0%	<u>\$1,565,611</u>	
Total Taxable Base, Spring 2013		\$61,958,584,807				\$610,942,692	
Taxes Due June 15, 2013							\$305,471,346
Less Tax Relief for Elderly and Disabled							(2,300,000)
Less Tax Relief for Disabled Veterans							(150,000)
Less Tax Increment for Crystal City TIF							<u>(1,060,180)</u>
ESTIMATED REVENUE FOR FY 2013 - SPRING 2013							\$301,961,166
TOTAL ESTIMATED ASSESSMENT TAX REVENUE FOR FISCAL YEAR 2013							\$593,042,650

* The tax rate is per \$100 of assessed value.

* The tax rate excludes \$0.013 stormwater tax, \$0.125 commercial transportation tax, and tax rates for other special assessment districts

FY 2014 PROPOSED - REAL ESTATE TAX REVENUES

Description	Percent Change	Assessed Value	Tax Rate*	Tax Levy	Percent Collected	Total for Tax Year	Total for Fiscal Year
REAL ESTATE							
County Property as of CY 2012 Land Book		61,672,361,900					
Net Change in Assessments	0.2%	<u>128,080,387</u>					
County Property as of January 1, 2013		\$61,800,442,287	\$0.990	\$611,824,379	99.60%	\$609,377,081	
PSC Property in Tax Year 2012		\$158,142,520					
PSC Estimated Net Change in Assessments	0.0%	<u>0</u>					
PSC Property in Tax Year 2013		\$158,142,520	\$0.990	\$1,565,611	100.0%	<u>\$1,565,611</u>	
Total Taxable Base, Fall 2013		\$61,958,584,807				\$610,942,692	
Taxes Due October 5, 2013							\$305,471,346
Less Tax Relief for Elderly and Disabled							(2,550,000)
Less Tax Relief for Disabled Veterans							(185,090)
Less Tax Increment for Crystal City TIF							(1,060,180)
ESTIMATED REVENUE FOR FY 2014 - FALL 2013							\$301,676,076
County Property as of January 1, 2013		\$61,800,442,287					
Net Change in Assessments	1.0%	<u>618,004,423</u>					
County Property as of January 1, 2014		\$62,418,446,710	\$0.990	\$617,942,622	99.60%	\$615,470,852	
PSC Property in Tax Year 2013 (prior to Fall 2014 adjustment)		\$158,142,520	\$0.990	\$1,565,611	100.0%	<u>\$1,565,611</u>	
Total Taxable Base, Spring 2014		\$62,576,589,230				\$617,036,463	
Taxes Due June 15, 2014							\$308,518,234
Less Tax Relief for Elderly and Disabled							(2,600,000)
Less Tax Relief for Disabled Veterans							(185,100)
Less Tax Increment for Crystal City TIF							(1,229,380)
ESTIMATED REVENUE FOR FY 2014 - SPRING 2014							\$304,503,754
TOTAL ESTIMATED ASSESSMENT TAX REVENUE FOR FISCAL YEAR 2014							\$606,179,830

* The tax rate is per \$100 of assessed value.

* Tax rate excludes the \$0.013 stormwater tax, \$0.125 commercial transportation tax, and tax rates for other special assessment districts.

PERSONAL PROPERTY TAX

This tax is levied on the tangible property of individuals and businesses. For individuals, personal property tax is primarily assessed on automobiles. For businesses, examples of tangible property include machines, furniture, computer equipment, fixtures, and tools. Personal property taxes are projected to generate ten percent of the General Fund revenues in FY 2014.

It is anticipated that the County’s personal property tax revenues will increase six percent in FY 2014, from \$99.2 million to \$105.1 million. This increase reflects growth in motor vehicle property tax and business tangible property tax.

FY 2014 motor vehicle personal property tax revenue is projected to increase eight percent over FY 2013 adopted amounts — primarily a result of new car sales and used cars continuing to hold their value and depreciate slowly. The County bases its vehicle assessments on the National Automobile Dealer’s Association’s (NADA) assessment figures from January. However, the precise value of the assessment base is not known until July when the Commissioner of Revenue completes its primary assessment of vehicles on the tax rolls.

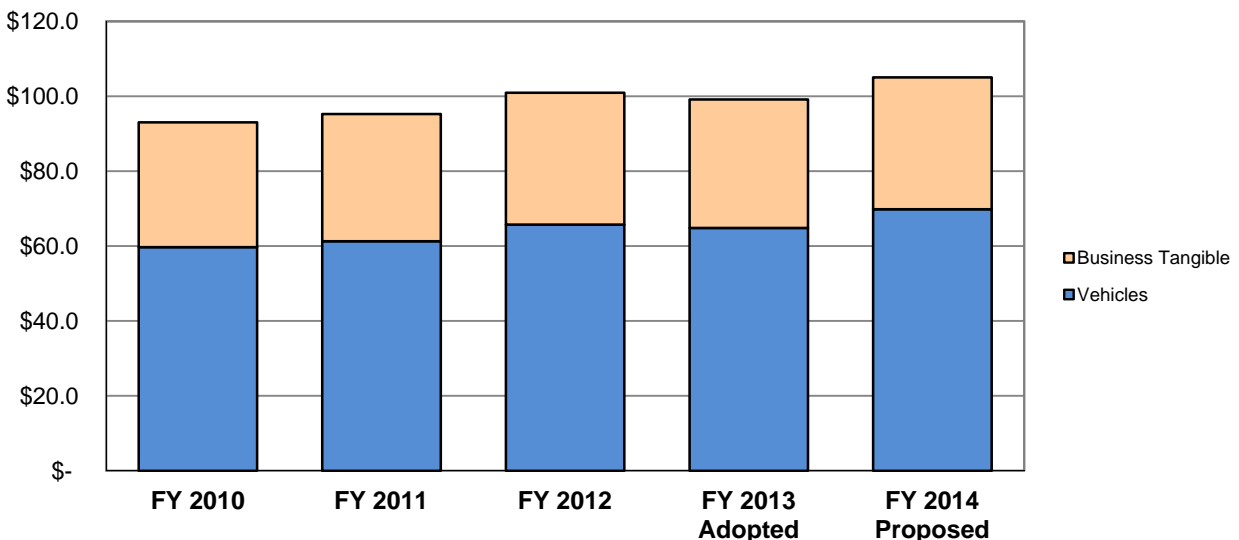
Meanwhile, business tangible tax assessments are expected to increase almost three percent in FY 2014.

The personal property tax rate is proposed to remain unchanged for FY 2014. The personal property tax rate was last increased in CY 2006 from \$4.40 to \$5.00 per \$100 of assessed valuation in order to fund public safety compensation enhancements.

Personal Property and Business Tangible Assessments

The assessed value of personal property in the County (excluding Public Service Corporations) for CY 2012 totaled approximately \$2.1 billion. Fiscal year 2014 personal property tax revenue is projected to increase approximately six percent over the FY 2013 adopted levels.

Personal Property Tax Revenue



Vehicle Assessment

Vehicles in Arlington County are assessed using the average loan value from the NADA Used Car Guide, whereas other neighboring jurisdictions (except for Loudoun County) use the average trade-in value. Because the average loan value is 10 percent less than the average trade-in value, Arlington's effective personal property tax rate is 4.5 percent. This effective tax rate is among the lowest in the Northern Virginia region. If vehicles are in the County for only part of the year, the tax is prorated for the time the vehicle is located in Arlington.

The CY 2013 estimated average assessed value (average loan value) of vehicles in the County is estimated to be approximately \$8,842, up five percent from \$8,421 last year. The table below shows the ten-year history for average assessed value, tax rate, and average total tax per vehicle.

PERSONAL PROPERTY TAX PAID FOR AVERAGE CAR VALUE *

Calendar Year	Average Assessed Value	Tax Rate	Total Tax
2004	\$6,685	\$4.40	\$294
2005	\$7,154	\$4.40	\$315
2006	\$7,652	\$5.00	\$383
2007	\$7,635	\$5.00	\$382
2008	\$7,905	\$5.00	\$395
2009	\$7,218	\$5.00	\$361
2010	\$7,264	\$5.00	\$363
2011	\$7,735	\$5.00	\$387
2012	\$8,421	\$5.00	\$421
2013 (projected)	\$8,842	\$5.00	\$442

*Does not reflect the State's rebates per the Personal Property Tax Relief Act (prior to CY 2006) or the State's fixed block grant distribution (after CY 2006). The tax rate is per \$100 of assessed value.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Personal Property Taxes	\$101,049,536	\$100,252,359	\$106,152,147	6%
Penalty & Interest	1,764,874	1,500,000	1,500,000	-
Tax Refunds - Personal Property	(1,886,344)	(2,600,000)	(2,600,000)	-
Total	\$100,928,066	\$99,152,359	\$105,052,147	6%

In June 2004, the State General Assembly fundamentally changed the Personal Property Tax Relief Act (PPTRA) originally enacted in 1998. Beginning in CY 2006, Arlington is no longer reimbursed for 70 percent of vehicle taxes for automobiles assessed below \$20,000. Rather, the State reimburses

Arlington County a fixed amount (\$31.3 million) annually as a fixed block grant for vehicle tax reductions.

The State requires localities to distribute the fixed block grant to qualifying vehicle value below \$20,000. The State allows localities wide discretion in determining how the money should be spread among the qualifying vehicle value range. For CY 2013, the County will provide 100 percent tax relief for assessed vehicle value at or below \$3,000. For assessed value between \$3,001 and \$20,000 for conventional vehicles, it is projected that the taxpayer will pay 70 percent of the tax liability, with the State block grant funds contributing the remaining 30 percent. However, the exact amount of the CY 2013 subsidy on the portion of conventional fuel value between \$3,001 and \$20,000 will not be known until July 2013, when the Commissioner of Revenue releases vehicle assessment data.

Owners of cars that the Virginia Department of Motor Vehicles has designated as "clean special fuel" vehicles—a designation that includes most hybrid vehicles—will receive 50 percent tax relief on the portion of vehicle value between \$3,000 and \$20,000, down from 60 percent in CY 2012 and 70 percent in CY 2011. It is estimated that the average clean fuel vehicle in the County will have an assessed value of roughly \$13,200 in CY 2013. Thus, under the adopted tax relief formula, the owner of an average clean fuel vehicle would have a tax bill of \$255. This CY 2013 bill is roughly \$102 less than what the owner of a comparably priced conventional fuel vehicle would pay.

Finally, vehicles equipped to transport disabled persons may qualify for additional tax relief. The FY 2014 proposed budget provides that the owners of qualifying vehicles will receive 50 percent tax relief on the portion of vehicle value between \$3,000 and \$20,000. It is estimated that there are less than 50 of this type of vehicle owned by individuals and registered in Arlington County. Because additional tax relief is being applied through PPTRA, it does not apply to commercially owned vehicles that have been modified to transport the disabled. With the relatively few vehicles anticipated to qualify for this enhanced tax relief, the impact to the average Arlington tax payer is negligible. If a qualifying, altered vehicle is valued at \$14,000, then the vehicle owner is estimated to realize a reduction of \$110 in their portion of the personal property tax bill compared to a similarly assessed conventional fuel vehicle.

The tables on the following page illustrate the projected amount of tax that vehicle owners of conventional fuel vehicles, clean fuel vehicles, and vehicles modified to transport the disabled would be responsible for and the portion of the total tax paid by state grant monies in FY 2014, based on preliminary estimates.

CY 2013 State Block Grant Distribution (Based on Current Projections)

Conventional Vehicles

Tax on first \$3,000 of value paid by State at 100%. Tax on value from \$3,001 - \$20,000 paid by the State at 30%.

Qualified Clean Fuel Vehicles and Qualified Vehicles to Transport the Disabled

Tax on first \$3,000 of value paid by State at 100%. Tax on value from \$3,001 - \$20,000 paid by the State at 50%.

VEHICLE ASSESSMENT	TOTAL TAX	PORTION PAID BY STATE	PORTION PAID BY TAXPAYER	% OF TAX BILL PAID BY TAXPAYER	PORTION PAID BY STATE	PORTION PAID BY TAXPAYER	% OF TAX BILL PAID BY TAXPAYER
\$1,000	\$50	\$50	\$0	0%	\$50	\$0	0%
\$2,000	\$100	\$100	\$0	0%	\$100	\$0	0%
\$3,000	\$150	\$150	\$0	0%	\$150	\$0	0%
\$4,000	\$200	\$165	\$35	18%	\$175	\$25	13%
\$5,000	\$250	\$180	\$70	28%	\$200	\$50	20%
\$6,000	\$300	\$195	\$105	35%	\$225	\$75	25%
\$7,000	\$350	\$210	\$140	40%	\$250	\$100	29%
\$8,000	\$400	\$225	\$175	44%	\$275	\$125	31%
\$9,000	\$450	\$240	\$210	47%	\$300	\$150	33%
\$10,000	\$500	\$255	\$245	49%	\$325	\$175	35%
\$11,000	\$550	\$270	\$280	51%	\$350	\$200	36%
\$12,000	\$600	\$285	\$315	53%	\$375	\$225	38%
\$13,000	\$650	\$300	\$350	54%	\$400	\$250	38%
\$14,000	\$700	\$315	\$385	55%	\$425	\$275	39%
\$15,000	\$750	\$330	\$420	56%	\$450	\$300	40%
\$16,000	\$800	\$345	\$455	57%	\$475	\$325	41%
\$17,000	\$850	\$360	\$490	58%	\$500	\$350	41%
\$18,000	\$900	\$375	\$525	58%	\$525	\$375	42%
\$19,000	\$950	\$390	\$560	59%	\$550	\$400	42%
\$20,000	\$1,000	\$405	\$595	60%	\$575	\$425	43%
\$21,000	\$1,050	\$405	\$645	61%	\$575	\$475	45%

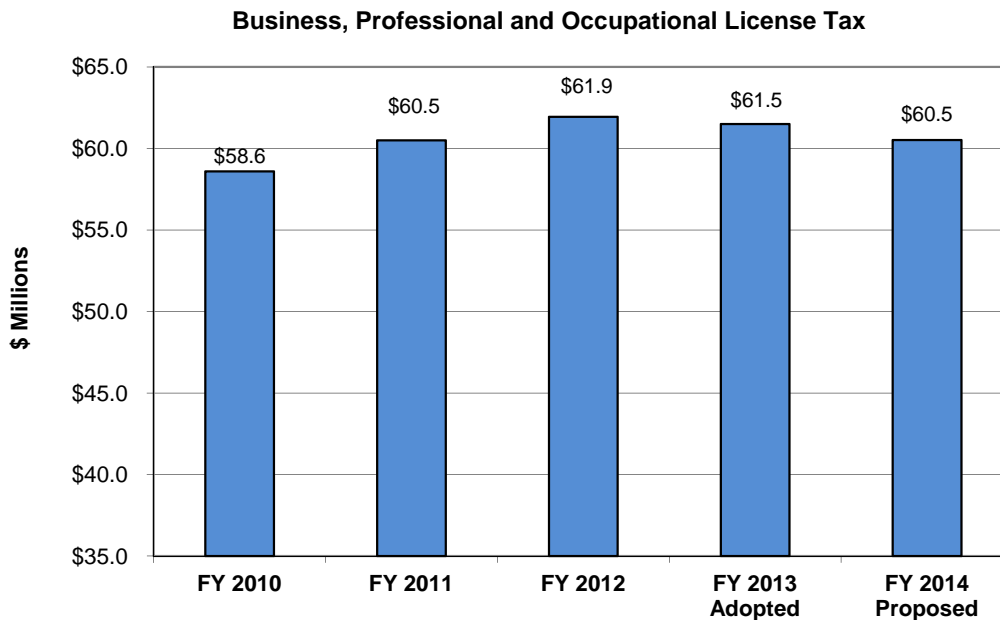
BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE (BPOL) TAX

(State Code Section §58.1-3700, et al / County Code Section §11-57 thru §11-84)

These taxes are levied on entities doing business in the County and are in the form of fixed fees or a percentage of gross receipts. For the first year of business, a firm is required to obtain a business license within 75 days of operation. The business license tax is based on the previous year's gross receipts (except in the case of new businesses, which must estimate their receipts until they have been in business a full calendar year). All licenses that are paid based on estimates are subject to adjustment when the actual receipts are known. Effective in 2001, the due date for filing and renewal of business licenses changed from January 31 to March 1. A comparison of selected BPOL rates for Arlington and neighboring jurisdictions can be found at the end of this section.

Proposed for the FY 2014 budget, BPOL revenues are anticipated to decline in the aggregate due an expected increase in refunds. The potential for a greater number of refunds is the result of new interpretation from the Virginia Tax Commissioner as to how BPOL is calculated for businesses operating in and outside of the Commonwealth.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
BPOL Taxes	\$63,280,867	\$63,000,000	\$63,000,000	-
Penalty & Interest	630,700	520,000	520,000	-
Tax Refunds - BPOL	(1,972,355)	(2,000,000)	(3,000,000)	50%
Total	\$61,939,212	\$61,520,000	\$60,520,000	-2%



LOCAL SALES TAX

(State Code Section §58.1-605 & 606 / County Code Section §27-6)

In Arlington, the total non-food sales tax is currently five percent, of which one percent is a local option tax that is returned to localities by the Commonwealth and supports General Fund expenditures. The sales tax rate on food is currently 2.5 percent, of which one percent is remitted to localities. Food items are defined under the Food Stamp Act of 1977 (7 U.S.C. § 2012) to be food for home consumption by humans. This classification includes most grocery food items and cold prepared foods. Excluded from the definition of food are alcoholic beverages, tobacco and prepared hot foods sold for immediate consumption. Fiscal year 2014 local sales tax revenue is anticipated to increase six percent over the FY 2013 adopted budget, reflecting our steadily growing retail sales.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Sales Tax	\$38,630,486	\$38,519,000	\$40,900,000	6%

TRANSIENT OCCUPANCY TAX (TOT)

(State Code Section §58.1-3819, 3822 & 3833.3B / County Code Section §40, et al)

A five percent local tax is levied by Arlington on the amount paid for hotel and motel rooms. The FY 2014 TOT projections reflect flat occupancy rates and declining room rates. Fiscal year 2014 revenues are projected to be flat, which has been the trend for the past three years.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Transient Occupancy Tax	\$21,789,115	\$21,845,000	\$21,800,000	-

MEALS TAX

(State Code Section §58.1-3833 & 3840 / County Code Section §65, et al)

The restaurant meals tax was enacted effective June 1, 1991. The tax of four percent is charged on most prepared foods offered for sale. The tax is in addition to the five percent sales tax. Meals taxes have been common in most Virginia cities and a number of Virginia counties for many years. Airline catering services are assessed at a rate of two percent. In FY 2014, meals tax is expected to increase six percent over FY 2013 adopted budget levels.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Meals Tax	\$33,409,537	\$32,804,000	\$34,700,000	6%

OTHER LOCAL TAXES

The chart below lists other sources of local taxes.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Car Rental	\$5,630,079	\$5,304,000	\$5,400,000	2%
Bank Stock	2,953,089	2,200,000	2,800,000	27%
Recordation	6,536,109	5,832,000	6,000,000	3%
Cigarette	3,125,075	2,929,000	3,200,000	9%
Utility	11,947,382	12,930,000	11,700,000	-10%
Short-Term Rental	41,857	45,000	45,000	-
Wills & Administration	72,779	80,000	80,000	-
Consumption	781,684	800,000	750,000	-6%
Communication	7,552,604	7,800,000	7,800,000	-
Total	\$38,640,658	\$37,920,000	\$37,775,000	-

Car Rental Tax

(State Code Section §58.1-2402)

The local car rental tax is collected by the State and remitted to localities where the rental transaction occurred. Arlington local car rental tax is four percent, which is in addition to the State's tax. In 2005, the State General Assembly increased the State tax portion from four percent to six percent. The revenue increase from the additional two percent tax increase was dedicated to the Virginia Public Building Authority for the Statewide Agencies Radio System. For FY 2014, a two percent increase in total revenue is projected.

Bank Stock Tax

(State Code Section §58.1-1208 - 1211 / County Code Section §28, et al)

The bank stock tax is a franchise tax on the net capital gains of banks and trust companies. The tax is assessed at a rate of \$0.80 per \$100 of capital. FY 2014 revenue levels are proposed to increase based on recent actual receipts.

Recordation Tax

(State Code Section §58.1-3800 / County Code Section §27-1)

The local recordation tax is assessed at the rate of \$0.0833 per \$100 of value for all transactions including the recording of deeds, deeds of trust, mortgages, leases, contracts, and agreements admitted to record by the Circuit Court Clerk's Office. In Virginia, localities can charge up to one-third of the State rate. Recordation tax revenues fluctuate due to the volume of home sales and mortgage refinancing as a result of lower or higher interest rates and other real estate market conditions.

The State increased recordation tax from \$0.10 to \$0.25 per \$100 effective September 1, 2004. With the State's legislation change, Arlington's locally imposed recordation tax increased \$0.033 to \$0.0833 per \$100 of transaction value.

Cigarette Tax

(State Code Section §58.1-3831 / County Code Section §39, et al)

The local cigarette tax on every pack of 20 cigarettes sold in Arlington County is \$0.30. The State increased cigarette tax from \$0.025 to \$0.20 per pack effective September 1, 2004 and to \$0.30 per pack effective July 1, 2005.

In July 2004, the Arlington County Board adopted an ordinance increasing the local cigarette tax commensurate with the State's rate. Arlington's tax on a package of cigarettes prior to September 2004 was \$0.05. Beginning September 1, 2004 the local tax rate was increased to \$0.20 per pack and on July 1, 2005 (FY 2006) to \$0.30 per package of 20 cigarettes. The FY 2014 proposed budget is \$3.2 million, reflecting nine percent growth in cigarette tax receipts.

Commercial and Residential Utility Tax

(State Code Section §58.1-3814 / County Code Section §63, et al)

Arlington charges a utility tax on commercial users of electricity and natural gas. This tax is based on kilowatt hours (kWh) for electricity and hundred cubic feet (CCF) for natural gas delivered monthly to commercial consumers. The state froze utility tax rates in 2002 to allow supply companies to convert locality taxation from a percentage of cost to a tax rate per unit of utility consumed. This cap was lifted in January 2004, allowing the County future flexibility on this local tax revenue.

In FY 2006, the commercial utility tax rate for gas and electricity was increased 30 percent. The new rate for commercial and industrial consumers of natural gas was increased from \$0.05017/CCF to \$0.06522/CCF. The new rate for electricity was increased from \$0.004989/kWh to \$0.00649/kWh. The commercial utility tax is projected to generate \$10.2 million, a decrease of ten percent which reflects the trend of actual receipts.

A residential utility tax was imposed on consumers of electricity and natural gas in FY 2008. The County Board dedicated the revenue for environmental initiatives as part of the Arlington Initiative to Reduce Emissions (Fresh AIRE) campaign. The tax on residential consumers is capped at \$3.00 per month for each utility. In addition, the first 400 kWh of electricity and the first 20 CCF of natural gas are excluded from taxation. The tax rate for residential consumers was set at \$0.00341/kWh for electricity and \$0.03/CCF for natural gas. The revenue projected from the residential utility tax in FY 2014 is \$1,500,000, a six percent decline from FY 2013 budgeted levels.

Short-term Rental Tax

(State Code Section §58.1-3510 / County Code Section §64, et al)

A person is engaged in the short-term rental business if no less than 80 percent of the gross rental receipts of such business in any year arise from transactions involving rental periods between 31 and 92 consecutive days, including all extensions and renewals to the same person or a person affiliated with the lessee. The rate of the tax is one percent on the gross receipts of such business.

Wills and Administration Tax

(State Code Section §58.1-3805 / County Code Section §27-19)

This tax, which is collected by the Circuit Court Clerk's Office, is imposed on the probate of every will or grant of administration. The tax rate is \$0.033 per \$100 of estate value.

Consumption Tax

(State Code Section §58.1-2900 & 2904 / County Code Section §63, et al)

The deregulation of electric and gas utilities, enacted during the 1999 and 2000 General Assembly, eliminated the Business, Professional, and Occupational License (BPOL) tax on electric and natural gas companies and created a new tax charged to consumers based on usage. This consumption tax is collected by the utilities and remitted back to localities. Total revenues in FY 2014 are expected to decline six percent from the FY 2013 adopted level based upon the trend of recent actual receipts.

Communications Tax

(State Code Section §58.1-651)

Effective January 1, 2007, the State adopted a communications sales tax that is imposed on customers of communication services at the rate of five percent of the sales price of the service. This tax was adopted as part of the 2006 House Bill 568 (Acts of Assembly 2006, Chapter 780) and replaces many of the prior State and local communications taxes and fees with a centrally-administered communications sales and use tax. Communications tax revenue is projected to remain flat in FY 2014.

LICENSES, PERMITS, AND FEES

Revenues in this category are levied to offset the cost of licensing certain trades, inspecting various types of construction, and providing other services.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Motor Vehicle License Fees	\$4,931,030	\$4,750,000	\$4,900,000	3%
Highway Permits	1,376,965	1,005,000	1,329,532	32%
Site Plan Fees	1,437,569	1,264,905	1,276,255	1%
Right-of-Way Fees	842,913	900,000	900,000	-
Other	2,017,639	2,055,850	2,005,850	-2%
Total	\$10,606,116	\$9,975,755	\$10,411,637	4%

Motor Vehicle License Fees

The annual motor vehicle license fee increased \$8 to \$33 per vehicle in FY 2011. Projected revenues for FY 2014 total \$4.9 million, which is based upon recent actual receipts. Funds generated from this incremental rate increase are dedicated to pedestrian and bike safety PAYG projects.

Highway Permits

Highway permits are charged to contractors and utilities for right-of-way on County streets when necessary for construction projects, underground utilities repairs, and other purposes. For FY 2014, this revenue stream is anticipated to increase 32 percent from FY 2013 adopted budget levels primarily due to increased capacity to review and inspect projects and from proposed fee increases for permits.

Site Plan Fees

A very modest increase in site plan fee revenue is anticipated in FY 2014. This increase reflects improving construction activity.

Right-of-Way Fees

Revenues from right-of-way fees are based on the current rate imposed by the State at \$0.83/line/month. This fee covers the use of highway and street right-of-way by certificated providers of telecommunication services and is charged to the ultimate end user. For FY 2014, revenues are projected at \$900,000 based upon historical receipts.

Other

Other license, permit and fee revenue comes from rezoning permits, fire system fees, child care permits and other miscellaneous use permits and fees. In FY 2014, "other" revenues are forecast to decline two percent. This is primarily due to reductions in miscellaneous fee revenue in order to align the FY 2014 proposed budget with historical actual receipts.

FINES, INTEREST, RENTS

These revenues include fines, interest, building rents, lease agreements, paid parking, rental and sale of surplus properties.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Fines/Tickets	\$10,641,660	\$10,102,548	\$9,605,548	-5%
Interest	1,137,021	3,000,000	1,500,000	-50%
Courthouse Plaza Rent	2,753,071	3,000,000	2,800,000	-7%
Paid parking	822,406	810,000	883,000	9%
Other Revenue	760,379	561,377	628,510	12%
Total	\$16,114,537	\$17,473,925	\$15,417,058	-12%

Fines/Tickets

This category is comprised of traffic moving violations, parking tickets, photo red light fines, arrest fees, false alarm fines, and civil penalties. For FY 2014, this category is projected to decrease five percent based on actual receipts during the past twelve months.

Interest

Interest is earned on County General Fund and bond fund balances, which are invested on a short-term basis until needed to pay for County expenditures. Interest earned varies due to changing balances and interest rates. Based on the current historically-low interest rate environment, this revenue is expected to fall 50 percent from the FY 2013 adopted levels.

Courthouse Plaza

The County receives payments from Vornado Realty (formerly Charles E. Smith) for the land under 2100, 2110 and 2150 Clarendon Boulevard. The County shares in the net profit on the buildings' operations. FY 2014 revenues are being lowered based upon FY 2012 actual receipts.

Paid Parking

This revenue is generated by the monthly parking charges in various government buildings. FY 2014 revenue is projected to increase primarily from partial year revenues generated from the Arlington Mill public parking garage slated to open in the fall of 2013.

Other

Rentals, sales of surplus property, and lease agreements are included in this revenue category. The twelve percent increase projected in FY 2014 is primarily a reflection of anticipated increased revenue from community center rentals that is based on prior year actual receipts.

CHARGES FOR SERVICES

This category encompasses revenues received for a variety of County services. Service charges are structured so that the users of a particular service are the ones to pay for a majority of its costs, as opposed to using general tax dollars to fund services that benefit a small segment of the population. The chart below highlights the major sources of revenues.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Refuse/Recycling Fee	\$10,716,241	\$9,537,704	\$9,576,576	-
Parking Meters	8,293,226	8,164,060	8,301,000	2%
Recreation Fees	7,820,335	8,248,324	9,046,699	10%
Ambulance Service Fees	3,569,809	3,000,000	3,300,000	10%
Arlington Transit / Commuter Store	4,325,659	3,847,950	4,180,000	9%
Indirect Administrative Charges	3,444,688	3,648,305	3,648,305	-
Mental Health Charges	1,442,731	1,785,522	1,625,022	-9%
Falls Church Reimbursement	2,964,712	3,176,119	3,448,589	9%
Other	8,410,755	7,367,163	7,931,350	8%
Total	\$50,988,156	\$48,775,147	\$51,057,541	5%

Refuse /Recycling Fee

Proposed for FY 2014, the combined residential customer rate for refuse collection, disposal and recycling decreases from \$293.92 to \$293.76 per year. The County's policy for the refuse rate is recovery of 100 percent of disposal and collection costs. For FY 2014, the rate will also fully recover all costs associated with leaf collection.

Parking Meters

Parking meter revenue increases two percent because of a projected increase in use and new metered spaces will be added. Parking meter rates will remain unchanged for FY 2014, however, additional multi-meters will be installed, which generally increases the amount of revenue generated.

Recreation Fees

Recreation fees include charges for summer and holiday camp programs, senior adult programs, competitive swimming, recreation classes, membership in County fitness centers, Artisphere tickets and facility rentals, use of the athletic fields, and many other services. The ten percent growth primarily reflects proposed fee increases for field rentals, tennis court rentals and trail use permits; newly proposed fees for adult sports league field assessment, bocce court rental, and a program cancellation charge for participants who request a refund. Revenue growth is also a result of increases participation in several program areas. These increases are partially offset by declines in fee revenue resulting from proposed programmatic changes (e.g. camp elimination, reduce hours at nature centers).

Ambulance Service Fees

Ambulance service fee revenue is increasing based upon projected usage.

Arlington Transit / Commuter Store

Arlington Transit / Commuter Store revenue include ART bus fares and business contributions for transportation demand management programs. The nine percent increase in FY 2014 is primarily attributed to increased ART ridership.

Indirect Administrative Charges

Indirect administrative charges are reimbursement from the Utilities Fund, the CPHD Development Fund, and the Stormwater Fund for administrative functions (e.g. payroll, technology help desk, accounts payable) performed by County staff on behalf of the fund.

Mental Health Service Charges

The Department of Human Services provides counseling, case management, and psychiatric services to individuals needing mental health, substance abuse, and intellectual/developmental disability support services. Fees for services are paid by individuals receiving services or Medicaid, if applicable. The decline in anticipated fees revenue in FY 2014 is a reflection of recent actual receipts.

City of Falls Church Reimbursement Revenue

Arlington County provides a number of services to residents of the City of Falls Church (the City), including fire, judicial and emergency communication services. Fire Station No. 6 is a joint-use facility, which is staffed by Arlington County firefighters, but owned by the City. The City reimburses the County for a portion of fire/EMS personnel expenses.

In addition, under the terms of the County's judicial services agreement with the City, the City uses the County's alcohol safety program, Circuit Court, General District Court, Juvenile and Domestic Relations Court, and Argus House. The County generally charges the City based on the City's proportionate use of these services. The County's Commonwealth Attorney also prosecutes cases on behalf of the City. Finally, the County answers all emergency 911 calls from the City. The County's Emergency Communications Center staff dispatches fire and ambulance crews for emergencies in the City. Emergency 911 calls necessitating police-related services are routed back to the City's police department.

The table below provides greater detail on revenue from Falls Church. Under the terms of the County's agreements with the City, the budgeted revenue from Falls Church is based on the upcoming fiscal year's budget with an adjustment—either upwards or downwards—to account for the differences between the City's share of the County's budgeted and actual costs from the most recently-ended fiscal year. This reconciliation process explains the substantial swings for some departments' budgeted revenue from one year to the next.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Circuit Court	\$137,674	\$123,799	\$131,196	6%
County Manager's Office (Community Corrections)	-	12,786	12,980	2%
General District Court	6,504	7,261	9,232	27%
Magistrate	1,943	3,771	1,957	-48%
Juvenile and Domestic Relations Court	191,716	166,183	84,747	-49%
Commonwealth's Attorney	37,240	145,116	153,103	6%
Sheriff	810,063	758,757	753,807	-1%
Fire	1,761,944	1,750,215	1,867,747	7%
Emergency Communications Center	17,628	208,231	425,388	104%
Department of Management and Finance	-	-	8,431	-
Total	\$2,964,712	\$3,176,119	\$3,448,588	9%

Other

Major revenue sources in the "Other" category are: miscellaneous service charges (increasing \$457,149 or 31%) primarily from the Treasurer's new collection effort for Arlington's Courts; public health fees; the wireless E-911 payments for the Office of Emergency Management; library fines and fees; engineering service charges (modestly increasing based activity levels), and court cost reimbursements.

REVENUE FROM THE COMMONWEALTH

Arlington receives funds from the Commonwealth of Virginia for a variety of State-mandated and supported functions and services. The County also receives a portion of some revenues collected by the State. The chart below highlights the total amount received from the Commonwealth of Virginia and details the sources that comprise the total.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Highway Aid	\$15,880,379	\$14,679,273	\$14,679,273	-
Law Enforcement Aid	5,807,300	5,725,465	5,863,809	2%
Health Reimbursement	3,482,120	3,255,095	3,369,273	4%
Social Services	4,095,871	5,691,042	4,598,874	-19%
Mental Health/ Intellectual Disability	7,447,319	7,214,096	7,644,878	6%
Sheriff / Detention	6,959,120	6,715,451	6,774,485	1%
Prisoner Expense Reimbursement	806,721	875,000	887,794	1%
Commuter Assistance	5,440,811	5,070,000	5,070,000	-
Comprehensive Services Act	1,681,132	2,694,553	2,705,381	-
Jail Construction	1,818,130	-	-	-
Other	13,967,081	11,751,243	11,886,522	1%
Total	\$67,385,984	\$63,671,218	\$63,480,289	-

In FY 2008, the State began reducing its budget and Aid to Localities. State reductions have significantly affected local law enforcement aid, compensation board reimbursements for Constitutional Offices, secondary road aid and a host of social services programs. The majority of these reductions are still in place for the FY 2014 budget. However, in its 2013 session, the General Assembly will contemplate restoring this lost Aid to Localities.

Highway Aid

The County receives Highway Aid as a result of Arlington's decision not to join the Commonwealth's secondary road system in 1932. The County assumed maintenance responsibilities for the secondary roads in Arlington and receives State highway aid for that function. These funds are derived primarily from the Commonwealth's collection of new car sales and gasoline taxes, and other vehicle-related fees and taxes. For the FY 2014 proposed budget, highway aid is projected to remain at the current funding level.

Law Enforcement Aid

Law Enforcement Aid is provided to the County to partially fund salaries of law enforcement officers and to provide funds for their training in order to comply with the Code of Virginia Section 9.1-165. Arlington receives a percentage of law enforcement aid ("HB599") funding each year based on population, crime rates, and social service rates. Over the past three years, this funding source has been cut on several occasions. For the FY 2014 proposed budget, the County is projecting law enforcement aid at \$5.9 million.

Health Reimbursement

These funds are primarily from the Virginia Department of Health and allow Arlington to operate as one of two locally administered public health clinics in the Commonwealth. The County works with the community and regional organizations to prepare for public health emergencies; to control and prevent the spread of infectious diseases in the community; and to prevent disease and promote optimum health for at-risk populations. FY 2014 health reimbursement funds are increasing based on prior year actual reimbursements.

Social Services

Social service funds from the State are used to provide services to qualifying families, adults and children. These funds help support a variety of services such as adoption, foster care, public assistance, and senior assistance. The decline in FY 2014 state social service funding is primarily due to the State's decision to administer childcare subsidies (\$0.9 million) directly to qualifying families. Prior to FY 2014, the Department of Human Services administered this subsidy.

Mental Health / Intellectual Disability

The Commonwealth provides funding to support community-based mental health and support services, which includes residential services, case and care management services, individual therapy, specialized psychological testing, and family support and education. In FY 2014, funds are increasing due to receiving additional psychiatric services grant.

Sheriff / Detention Center

The Compensation Board of the Commonwealth provides annual support toward the total cost of operations of the Sheriff's Office and the Arlington County Detention Facility.

Prisoner Expense Reimbursement

The Commonwealth reimburses localities for a portion of the cost to house inmates in local correctional facilities. The County receives a per diem amount (\$4/day for inmates held on misdemeanor convictions or felony sentences under one year; \$12/day for inmates held for felony convictions exceeding a one year sentence) for each inmate held.

Commuter Assistance

Commuter Assistance funding provided by the State is used to support local programs and efforts such as ridesharing and telecommuting programs, transit friendly site planning, on-site transit ticket sales, transportation demand management planning, and Clean Air Act compliance.

Comprehensive Services Act (CSA)

The Comprehensive Services Act for At-Risk Youth and Families (CSA) provides a pool of state funds to purchase services for at-risk youth and their families. The state funds, combined with local community funds, are managed by our Department of Human Services in collaboration with other County agencies to plan and oversee services to youth.

Jail Construction Reimbursement

Jail construction reimbursements from the Commonwealth ended in FY 2012. The County and the Commonwealth had a twenty-year agreement under which the state reimbursed a portion of debt service payments associated with the Arlington County Detention Facility. The final reimbursement occurred in FY 2012.

Other

The "Other" state revenue category includes transit aid, traffic signal reimbursements, the County's share of the grantor's tax, which is imposed on sellers of real property, and Compensation Board funding for support of elected officials who perform State-mandated and local functions, such as the Circuit Court Clerk, Commissioner of the Revenue, Treasurer, Sheriff, Commonwealth's Attorney.

REVENUE FROM THE FEDERAL GOVERNMENT

The federal government provides funding for employment assistance, housing programs, drug enforcement, aid to the elderly, and other programs.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
WIA / JTPA	\$1,392,336	\$1,118,163	\$817,300	-27%
HUD / HOME	2,507,518	696,732	686,802	-1%
Health & Human Service	355,791	365,567	385,054	5%
Mental Health	1,456,465	1,207,360	1,296,360	7%
Social Services	9,802,973	9,822,910	7,874,431	-20%
Substance Abuse	802,071	809,718	809,718	-
Other	4,771,186	2,808,547	2,636,437	-6%
Total	\$21,088,340	\$16,828,997	\$14,506,102	-14%

WIA / JTPA

The Workforce Investment Act (WIA)/Job Training Partnership Act (JTPA) funding is based on unemployment data, poverty levels, and the current year's allocation by the state. These funds are anticipated to decrease 27 percent in FY 2014, primarily due to the elimination of Base Closure and Realignment (BRAC) workforce grants.

HUD / HOME

U.S. Department of Housing and Urban Development HOME grants provide funding to localities for a wide range of activities that build, buy or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people.

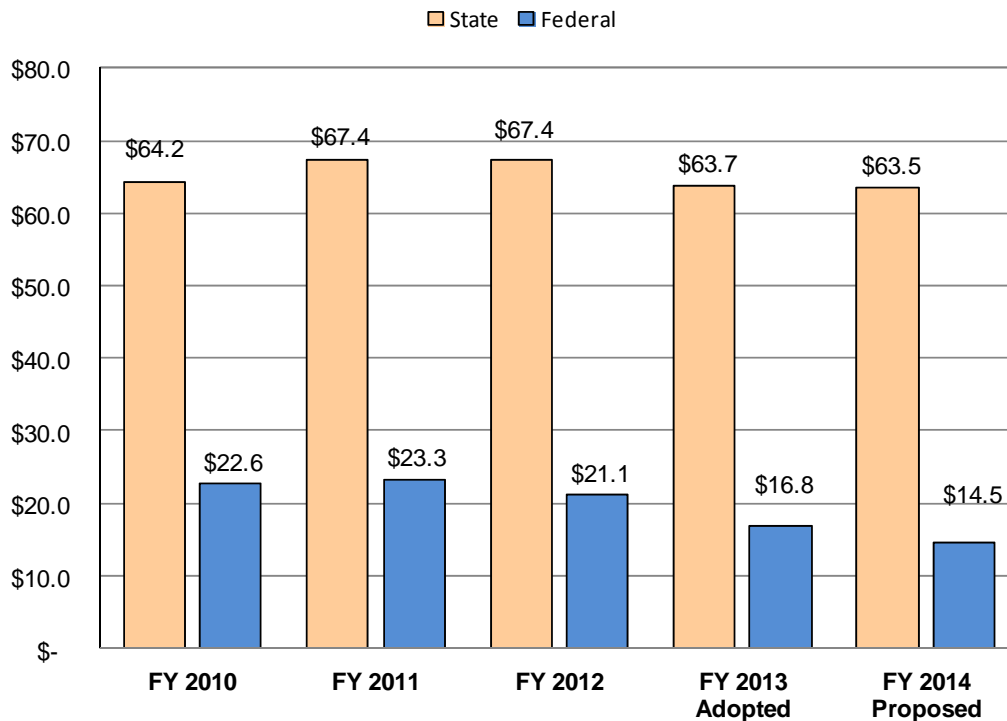
Social Services

Social services revenue represents the largest single category of federal funds—accounting for approximately \$7.9 million—and is passed through the State's budget to Arlington County. Since some of the federal social service programs are 100 percent reimbursable, revenue will change with changes in caseloads. The decline in FY 2014 of federal social service funding is primarily due to the State's decision to administer childcare subsidies (\$2.0 million) directly to qualifying families. Prior to FY 2014, the Department of Human Services administered this subsidy.

Other

The remaining federal revenue includes grant funding through the Older Americans Act, emergency management grants, prisoner reimbursements, and other miscellaneous grant and reimbursement funding. The County is anticipating decreases to most federal grants, accounting for an overall decline of six percent in the "Other" category in the FY 2014 proposed budget.

State and Federal Government Revenue
(\$ in millions)



MISCELLANEOUS REVENUE

These include revenue sources that do not fall under any other category and include one-time or pass through funds. Included in these payments are revenue from the sale of land and buildings and fees paid by Comcast Cable as part of the Public Education and Governance Grant. The "Other" category includes various revenue to the Department of Human Services for a lease agreement with Cherrydale Nursing Center, Comprehensive Health Investment Project (CHIP) of Virginia, Teens Against Tobacco, premiums from bond sales, and other funding including Department of Environmental Services reimbursements. The "Other" category also includes revenue from the Rosslyn BID to support Artisphere.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Sale of Land and Buildings	\$1,799,470	\$15,000	\$15,000	-
Cable TV Administration	223,132	215,682	-	-100%
Affordable Housing Investment Fund	12,443,380	-	-	-
Gifts & Donations	567,850	300,000	320,000	7%
Treasurer's Returned Checks	29,753	20,000	20,000	-
Other	8,736,423	1,172,928	986,244	-16%
Total	\$23,800,008	\$1,723,610	\$1,341,244	-22%

TRANSFERS FROM OTHER FUNDS & PRIOR YEAR FUND BALANCE

Transfers to the General Fund include the Automotive Fund transfer to cover its share of insurance costs, funding for the administration of the business improvement districts (Rosslyn, Crystal City, and Ballston), and funding from various Trust and Agency accounts. Furthermore, there is a budgeted transfer of \$2.4 million from the Industrial Development Authority (IDA) to the County from the collection of user fees in the Ballston skating facility to pay the debt on the taxable revenue bonds that the County issued in CY 2006.

Funds unspent (under-expenditures or increased revenues) from previous fiscal years have been used to support one-time expenses in subsequent year's budgets. The FY 2014 budget includes \$12,923,610 in carryover funds, funded by a combination of additional revenue and/or expense savings identified from previous fiscal years.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Transfers	\$780,961	\$2,735,755	\$2,736,518	-
Prior Year Adjusted Balance	95,565,845	17,606,988	12,923,610	-27%
Total	\$96,346,806	\$20,342,743	\$15,660,128	-23%

TOTAL GENERAL FUND REVENUES

Below is a summary of the revenue categories previously described, as well as total revenues for the General Fund in Fiscal Years 2012, 2013 (adopted) and 2014 (proposed).

General Fund Revenues	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Real Estate Tax	\$559,114,687	\$581,557,977	\$601,179,830	3%
Personal Property Tax	100,928,066	99,152,359	105,052,147	6%
BPOL Tax	61,939,212	61,520,000	60,520,000	-2%
Local Sales Tax	38,630,486	38,519,000	40,900,000	6%
Recordation Tax	6,536,109	5,832,000	6,000,000	3%
Transient Occupancy Tax	21,789,115	21,845,000	21,800,000	-
Cigarette Tax	3,125,075	2,929,000	3,200,000	9%
Meals Tax	33,049,537	32,804,000	34,700,000	6%
Utility Tax	11,947,382	12,930,000	11,700,000	-10%
Communications Tax	7,552,604	7,800,000	7,800,000	-
Other Taxes	9,839,488	8,429,000	9,075,000	8%
Total Local Taxes	854,451,761	873,318,336	901,926,977	3%
Licenses, Permits & Fees	10,606,116	9,975,755	10,411,637	4%
Fines, Interest, Rents	16,114,537	17,473,925	15,417,058	-12%
Charges for Services	50,988,156	48,775,147	51,057,541	5%
Commonwealth	67,385,984	63,671,218	63,480,289	-
Federal Government	21,088,340	16,828,997	14,506,102	-14%
Miscellaneous Revenue	23,800,008	1,723,610	1,341,244	-22%
Transfer	780,961	2,735,755	2,736,518	-
Total Non-tax Revenue	190,764,102	161,184,407	158,950,389	-1%
TOTAL (excluding prior year balance)	1,045,215,863	1,034,502,743	1,060,877,366	3%
Prior Year Adjusted Balance	95,565,845	17,606,988	12,923,610	-27%
Total (including Prior Year Balance)	\$1,140,781,708	\$1,052,109,731	\$1,073,800,976	2%

TRAVEL AND TOURISM PROMOTION FUND (Fund 202)

The Travel and Tourism Promotion Fund (TTPF) was used to market and promote tourism in Arlington County. The state legislation that authorized Arlington County to assess an additional 0.25 percent transient occupancy tax expired on January 1, 2012, and therefore, no funds are budgeted in FY 2013 for TTPF.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Transient Occupancy Tax	\$523,744	-	-	
Transfer In	247,000	-	-	
Total	\$770,744	-	-	

BALLSTON SPECIAL ASSESSMENT DISTRICT FUND (Fund 203)

In December, 2010, the Arlington County Board established a service district in the Ballston area. The purpose of the district is to provide supplemental services to those already provided by the County government. In CY 2011, an additional real estate tax levy on commercially zoned properties was approved to fund additional services and programs within the district's boundaries. A non-profit organization, representing owners and tenants of properties in the district, was established to manage the additional services and related activities in the district.

- The CY 2013 real estate tax rate is \$0.045 for each \$100 of assessed value, no change from the CY 2012 rate.
- ↑ BID expenditures and revenues increase by three percent due to higher assessments.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Service District Revenue	\$1,234,912	\$1,482,632	\$1,524,736	3%

ROSSLYN SPECIAL ASSESSMENT DISTRICT FUND (Fund 204)

In December 2002, the Arlington County Board established a service district in the downtown Rosslyn area. The purpose of the district is to provide supplemental services to those already provided by the County government. Each year an additional real estate tax levy is approved to fund the additional services and programs within the district's boundaries. The Rosslyn Business Improvement Corporation, an organization whose board of directors and committee membership includes owners and tenants of properties in the district as well as County and neighborhood representatives, submits a work program and budget for the Arlington County Board's consideration.

- The CY 2013 real estate tax rate is \$0.078 for each \$100 of assessed value, no change from the CY 2012 rate.
- ↑ BID expenditures and revenues increase by three percent due to higher assessments.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Service District Revenue	\$3,145,636	\$3,536,514	\$3,630,847	3%

CRYSTAL CITY SPECIAL ASSESSMENT DISTRICT FUND (Fund 205)

In April 2006, the Arlington County Board established a service district in the downtown Crystal City area. The purpose of the district is to provide supplemental services to those already provided by the County government. Each year an additional real estate tax levy is approved to fund the additional services and programs within the district's boundaries. The Crystal City Business Improvement Corporation, an organization whose board of directors and committee membership includes owners and tenants of properties in the district as well as County representatives, submits a work program and budget for Arlington County Board consideration.

- The CY 2013 real estate tax rate is \$0.043 for each \$100 of assessed value, no change from the CY 2012 tax rate.
- ↓ BID expenditures and revenues decrease by one percent due to lower assessments.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Service District Revenue	\$2,269,798	\$2,606,340	\$2,591,803	-1%

COMMUNITY DEVELOPMENT FUND (Fund 206)

The Community Development Fund is used to address low- and moderate-income housing needs and other community projects. The Community Development Block Grant (CDBG) program was established as a separate special revenue fund in FY 1987 to comply with requirements of the federal Department of Housing and Urban Development (HUD).

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
CDBG Revenues	\$1,936,718	\$1,243,325	\$1,243,325	-

SECTION 8 HOUSING ASSISTANCE FUND (Fund 208)

This program provides vouchers for housing to eligible Arlington County residents. The federal funds are used for the administrative costs of the program, as well as for the rental subsidy payments.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Housing Assistance	\$16,034,411	\$17,201,400	\$18,087,967	5%
HOPWA Grant	70,879	90,000	90,000	-
Shelter Plus Care	220,140	228,000	250,204	10%
Miscellaneous	40,901	-	40,900	-
Total	\$16,366,331	\$17,519,400	\$18,469,071	5%

GENERAL CAPITAL PROJECTS FUND (Fund 313)

The General Capital Projects Fund accounts for the capital projects for general government functions, which are financed under the County's Pay-As-You-Go (PAYG) Capital Program. The program areas include local parks and recreation, transportation, community conservation, government facilities, technology, and regional contributions. In the FY 2014 proposed budget, the County's ongoing funding for PAYG capital projects is \$10.2 million. Plus the County Manger is proposing that \$5.5 million in one-time funds generated from the proposed tax rate increase be dedicated to PAYG projects in FY 2014.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Charges for Services	\$1,302,431	-	-	-
Miscellaneous Revenue	355,331	-	-	-
Cable TV	1,036,486	-	-	-
State Grant - Misc.	14,316,239	-	-	-
Federal Revenue - Misc.	878,833	-	-	-
Proceeds for Lease Purchase	1,435,230	-	-	-
Transfer In	29,280,960	12,263,133	15,721,204	28%
Total	\$48,605,510	\$12,263,133	\$15,721,204	28%

STORMWATER FUND (Fund 321)

Under the Sanitary District Act of 1929 (Chapter 161, *Acts of Assembly*, as amended), local governments in Virginia are authorized to establish sanitary districts to fund a variety of infrastructure needs, including stormwater drainage. The County established its own sanitary district in 1930 that encompassed the entire jurisdiction.

As part of the FY 2009 budget process, in CY 2008 the County Board adopted a sanitary district tax of \$0.01 per \$100 of assessed value in order to fund stormwater management initiatives. For CY 2010, this tax was increased to \$0.013 per \$100.

This \$0.013 tax is included in the semi-annual real estate bills and, when combined with the proposed CY 2013 base real estate rate of \$0.99, brings the total blended real estate rate to \$1.003 per \$100 of assessed real property value. The anticipated \$8.0 million in FY 2014 will help ensure the future sustainability of the County's aging stormwater infrastructure and compliance with federal and State stormwater management requirements.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Sanitary District Tax	\$7,895,616	\$8,000,000	\$8,002,000	-

TRANSPORTATION CAPITAL FUND (Fund 331)

In April 2007, the General Assembly passed HB 3202, which authorized northern Virginia localities to impose a tax of up to \$0.25 per \$100 of assessed real property on properties used or zoned for commercial or industrial purposes in order to fund transportation initiatives. As part of the FY 2009 budget deliberations, the County Board adopted a commercial real estate tax of \$0.125 per \$100, with revenue to be deposited in the new Transportation Capital Fund. In 2010, the General Assembly capped this tax rate at \$0.125 per \$100 of assessed real property value. For the FY 2014 proposed budget, revenue for the transportation capital fund is projected at \$23.9 million, with the tax rate remaining at \$0.125 and commercial property assessments declining 0.5 percent.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Commercial Real Estate Tax	\$23,874,833	\$24,000,000	\$23,862,600	-1%
State Aid	17,131,883	-	-	-
Total	\$41,006,716	\$24,000,000	\$23,862,600	-1%

CRYSTAL CITY, POTOMAC YARD, AND PENTAGON CITY TAX INCREMENT FINANCING FUND (Fund 335)

In October 2010, the Arlington County Board established a tax increment financing area in support of the Crystal City Sector Plan and infrastructure that will benefit Potomac Yard and Pentagon City. Tax increment financing (TIF) is a mechanism used to support development and redevelopment by capturing the projected increase in property tax revenues in the area and investing those funds in improvements located in the designated area. Unlike a special district, it is not an additional or new tax. Rather, it redirects and segregates the increase in property tax revenues that would normally flow to the General Fund so that it can be used for a specified purpose. The amount of the tax increment revenue is determined by setting a baseline assessed value of all property in the area on January 1, 2011. In each subsequent year, the incremental increase in assessed values relative to the base year is determined and a portion of this incremental tax revenue is segregated and deposited to a separate fund.

The proposed CY 2013 base real estate tax rate is \$0.99 for each \$100 of assessed property value. The FY 2014 budget allocates 33 percent of the projected tax revenue generated from the incremental assessment growth between January 2011 and January 2013 in the Crystal City TIF area at the proposed CY 2013 base tax rate. Total assessed value in the Crystal City TIF district declined almost three percent from CY 2012 to CY 2013.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Real Estate Tax Total	\$1,520,190	\$3,550,600	\$2,289,560	-36%

UTILITIES FUND (Fund 503)

The revenues for this self-supporting enterprise fund are derived from water/sewer service charges, water service connection fees, sewage treatment service charges, interest earnings, and other fees for service.

Water/sewer service charges are the largest source of revenue for the Utilities Fund and are derived from quarterly utility bills paid by residents and monthly or quarterly bills paid by commercial establishments. The proposed water/sewer rate remains unchanged at \$12.61 per thousand gallons for FY 2014. This corresponds to an estimated annual residential cost of \$883, assuming 70,000 gallons of water consumption.

Water service connection fees are paid by new users to connect to the water system. The fee amount is based on the size of the pipe being connected into the water system. Sewage treatment charges are revenues received for operations and maintenance cost reimbursements from neighboring jurisdictions (Falls Church, Alexandria, and Fairfax County) and federal government installations and other entities, including the Pentagon and Reagan National Airport, which use the County sewage system, but receive drinking water from other sources.

In the FY 2014 proposed budget, Utilities Fund revenues are projected to total \$95.5 million.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Interest	\$299,612	\$100,000	\$100,000	-
Hazardous Household Material Fee	20,062	25,000	25,000	-
Utility Marking Fee	174,349	150,000	200,000	33%
Water Sewer Service	86,840,829	89,553,964	89,553,964	-
Water Service Connection Fees	1,363,492	1,100,000	1,100,000	-
Sewage Treatment	3,922,783	3,298,265	3,922,698	19%
Flow Test Fees	21,730	10,000	10,000	-
Miscellaneous Revenue	1,452,170	539,830	614,540	14%
Total	\$94,095,027	\$94,777,059	\$95,526,202	1%

UTILITIES CAPITAL PROJECTS FUND (Fund 519)

The Utilities Capital Projects Fund accounts for capital projects for the sanitary sewer collection system, water distribution system, and wastewater treatment plant. The projects are funded through interest earnings from fund balance, infrastructure availability fees paid by developers for capital costs necessary to upgrade the water distribution and sewage collection systems, and transfers from the Utilities Operating Fund. Sewage treatment charges are revenues received from neighboring jurisdictions (Falls Church, Alexandria, and Fairfax County) for reimbursement of a portion of the upgrade costs at the Water Pollution Control Plant. In addition, significant portions of the Master Plan 2001 Update—the large-scale capital project to upgrade and expand the Water Pollution Control Plant to comply with State and federal environmental regulations—are being funded through the Virginia Revolving Loan Program and a grant from the state Water Quality Improvement Fund.

- ↑ The Infrastructure Availability Fee (IAF) is proposed to increase by 10 percent. This fee is charged to developers when adding new demand on the water and sewer systems, and is based on the number of drainage fixtures units (DFU's) added to the system. The IAF for water service will increase from \$72 to \$85 per DFU. The IAF for sewer will increase from

\$110 per DFU to \$115 per DFU. The average residential structure has 24 DFUs. A developer building a new home would be charged on average \$4,800 in infrastructure availability fees, a \$432 increase.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Interest	\$310,033	\$100,000	\$100,000	-
Water / Sewer Hook-up	4,419,474	3,200,000	4,000,000	25%
Sewage Treatment Charges	4,491,010	340,000	561,000	65%
Proceeds from VRA Loan	2,142,126	-	-	-
Miscellaneous State Revenue	1,314,524	-	-	-
Miscellaneous	200,740	-	-	-
Transfer In	17,671,116	10,755,834	14,000,000	30%
Total	\$30,549,023	\$14,395,834	\$18,661,000	30%

BALLSTON GARAGE (Funds 540 & 548)

Revenues received from the Ballston Garage Fund are used to offset costs of operating the garage. Interest accrues from earnings on the fund balance. Parking revenues are payments by the users of the public parking facility, which are collected by the County's contract operator. In FY 2007, the eighth level of the parking garage was completed in part to support the Kettler Capitals Iceplex. Revenue from the operation of the lower seven levels of the parking garage is posted to a separate fund from revenue from the operation of eighth floor. However, for the purposes of the table below, the revenues from the two funds are combined.

In May 2012, the County raised parking rates at the garage in order to make capital improvements and to pay down principal on the outstanding bonds. The approved pay structure keeps the \$1 rate for the first three hours of parking and increases the graduated hourly rates over three hours anywhere from \$0.50 to \$1.00. The new graduated hourly rate also applies on the weekends. Additionally in May 2012, five-day monthly rates increased from \$77 to \$105, and the maximum daily rate increased from \$8 to \$10.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Interest	\$11,914	\$35,000	\$12,000	-66%
Parking Revenue	4,800,183	5,262,836	5,342,328	2%
Transfers In	173,632	-	-	-
Total	\$4,985,729	\$5,297,836	\$5,354,328	1%

CPHD DEVELOPMENT FUND (570)

In September 2007, the County Board established the self-supporting CPHD Development Fund to provide a dedicated funding source for all building, trade, zoning and other development-related fee services. Beginning on July 1, 2008, revenue from a variety of fees that had previously gone to the General Fund began posting to this new fund, including building, electrical, plumbing, occupancy and elevator certificate permits.

- ↓ For the FY 2014 proposed budget, a one percent decline in revenues is projected, reflecting proposed decreases in the automation surcharge fee and various construction permit and application charges, partially offset by increases in fee revenue based upon activity levels.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Building Permits	\$10,148,726	\$7,700,000	\$7,915,894	3%
Electrical Permits	1,758,488	1,700,000	1,603,110	-6%
Plumbing Permits	1,277,233	1,400,000	1,168,080	-17%
Mechanical Permits	852,368	800,000	712,890	-11%
Occupancy Permits	710,555	660,000	630,000	-5%
Elevator Certificate Fees	834,348	700,000	768,000	10%
Plan Review - Walk Throughs	738,415	700,000	668,182	-5%
Other Revenue	307,499	147,300	140,799	-4%
Total	\$16,627,632	\$13,807,300	\$13,606,955	-1%

AUTOMOTIVE EQUIPMENT FUND (Fund 609)

The Automotive Equipment Division of the Department of Environmental Services operates as an internal service fund and supports the County's automotive fleet.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Sales of Surplus Equipment	\$625,555	\$250,000	\$250,000	-
Proceeds from Lease / Purchase	-	-	1,842,205	-
Services from Other Agencies	21,716,541	15,265,555	16,591,903	9%
Miscellaneous Revenue	84,641	331,000	331,000	-
Transfer In	216,374	502,500	-	-100%
Total	\$22,643,111	\$16,349,055	\$19,015,108	16%

PRINTING FUND (Fund 611)

Revenues in this internal service fund are received from outside agencies and the Arlington County Public Schools for printing and photocopying services, as well as a General Fund transfer for non-billable services.

	FY 2012 Actual	FY 2013 Adopted	FY 2014 Proposed	% Change '13 to '14
Services to Agencies	\$2,307,565	\$1,425,200	\$1,380,601	-3%
Transfer In	155,421	172,203	195,853	14%
Total	\$2,462,986	\$1,597,403	\$1,576,454	-1%

RESIDENTIAL TAXATION AND FEE TRENDS

During each budget cycle, tax and fee rate changes are reviewed in light of the costs of providing services to County residents. The following section is a brief analysis of the residential tax burden in Arlington County and other area jurisdictions. Arlington's tax rates continue to be very competitive with other Washington metropolitan area jurisdictions.

Real Estate Tax

The proposed base real estate tax rate is increased \$0.032 from \$0.958 to \$0.99 per \$100 of assessed value. At the total tax rate of \$1.003 per \$100 of assessed value, which includes the proposed base rate of \$0.99 plus the \$0.013 sanitary district tax rate for stormwater management, the real estate tax bill for the average residential home will increase \$220, or four percent, in calendar year (CY) 2013. The average assessment for a single-family home increased one percent, from \$519,400 in CY 2012 to \$524,700 in CY 2013.

REAL ESTATE TAX PAYMENT Average Single Family Home

Calendar Year	Average Assessed Value	Tax Rate*	Tax Payment	Tax Payment Increase
2004	\$369,600	\$0.958	\$3,541	\$451
2005	\$458,200	\$0.878	\$4,023	\$482
2006	\$541,800	\$0.818	\$4,432	\$409
2007	\$537,500	\$0.818	\$4,397	-\$35
2008	\$530,800	\$0.848	\$4,501	\$104
2009	\$520,100	\$0.875	\$4,551	\$50
2010	\$503,200	\$0.958	\$4,821	\$270
2011	\$510,200	\$0.958	\$4,888	\$67
2012	\$519,400	\$0.971	\$5,043	\$155
2013 Proposed	\$524,700	\$1.003	\$5,263	\$220

*In CY 2008 and CY 2009, the tax rate includes the \$0.01 sanitary district tax dedicated for stormwater management. In CY 2010, this tax rate was increased to \$0.013.

Personal Property Tax

For residents, vehicles are generally the item for which the personal property tax is paid. In CY 2006, the personal property tax rate was increased from \$4.40 per \$100 of assessed valuation to \$5.00. The valuation method uses the average loan value, which is approximately ten percent lower than the trade-in value, and results in an effective personal property tax rate of \$4.50. The following chart illustrates the average assessed value of motor vehicles in the County over the past decade.

PERSONAL PROPERTY TAX BILL FOR TYPICAL HOUSEHOLD*
(Assumes 2.0 Cars Per Household)

Calendar Year	Average Assessed Value per Car	Tax Rate	Tax Payment For 2 Cars
2004	\$6,685	\$4.40	\$588
2005	\$7,154	\$4.40	\$630
2006	\$7,652	\$5.00	\$765
2007	\$7,635	\$5.00	\$764
2008	\$7,905	\$5.00	\$791
2009	\$7,218	\$5.00	\$722
2010	\$7,264	\$5.00	\$726
2011	\$7,409	\$5.00	\$741
2012	\$8,421	\$5.00	\$842
2013 (Proposed)	\$8,842	\$5.00	\$884

*Does not reflect state rebates of PPTRA (CY 2003 to CY 2005) or the State's fixed block grant distribution (CY 2006 - CY 2012), which reduces the amount each household pays.

Refuse Collection and Disposal Fees

The annual residential charge for refuse and recycling decreases \$0.16 to \$293.76. This rate achieves the County's objective of 100 percent recovery of household refuse collection, disposal and recycling costs, leaf collection costs and overtime costs associated with brush and metal collection.

Fiscal Year	Refuse/ Recycling Fee
2005	\$245.64
2006	\$248.76
2007	\$260.36
2008	\$295.80
2009	\$306.56
2010	\$325.68
2011	\$344.24
2012	\$325.72
2013	\$293.92
2014 Proposed	\$293.76

Water/Sewer Service Fees

As costs for water and sanitary sewer projects have risen, additional funding is required to sustain the self-supporting Utilities Fund. The FY 2014 proposed water/sewer rate remains at \$12.61 per thousand gallons.

Fiscal Year	Water/Sewer Service Rate*	Average Annual Residential Cost
2005	\$6.20	\$434.00
2006	\$7.13	\$499.10
2007	\$8.00	\$560.00
2008	\$9.20	\$644.00
2009	\$10.54	\$737.80
2010	\$11.20	\$784.00
2011	\$11.74	\$821.80
2012	\$12.19	\$853.30
2013	\$12.61	\$882.70
2014 Proposed	\$12.61	\$882.70

*Per Thousand Gallons; average usage equals 70,000 gallons per year.

Major Residential Taxes and Fees

The following chart summarizes the major residential taxes and fees for Arlington County for the average household. The chart uses the adopted tax and fee rates for CY 2010 through CY 2012, and the proposed tax rates and fees for CY 2013. Due primarily to the proposed base real estate tax rate increase of \$0.032, the average tax and fee burden on County households is expected to increase four percent over CY 2012.

Summary of Major Residential Taxes and Fees

	CY 2010	CY 2011	CY 2012	CY 2013 Proposed	% Change '12 to '13
Real Estate Tax (includes sanitary district tax)	\$4,821	\$4,888	\$5,043	\$5,263	4%
Personal Property (taxpayer share only)*	273	322	368	410	11%
Annual Decal Fee*	66	66	66	66	-
Refuse Fee**	344	326	294	294	-
Water / Sewer Service**	822	853	883	883	-
Residential Utility Tax**	72	72	72	72	-
Total	\$6,397	\$6,527	\$6,726	\$6,988	4%

* Assumes two conventional vehicles per household, the approximate average number of vehicles owned per Arlington household. The personal property tax figures reflect the PPTRA subsidy for personal property tax relief. For CY 2013, it is projected that 30% of vehicle value between \$3,000 and \$20,000 will be exempt from taxation.

** Reflects the next fiscal year. Water/sewer rate reflects 70 thousand gallons of water consumption. Residential utility tax assumptions are based on the ceiling tax rates.

The following chart compares the estimated major residential taxes and fees for the Northern Virginia jurisdictions for the average household using Calendar Year 2012 rates and assessments.

**Calendar Year 2012 Regional Comparison
Estimated Annual Local Taxes and Fees Per Average Household**

	Arlington County	City of Alexandria	Fairfax County	City of Falls Church	City of Fairfax	Prince William County	Loudoun County
Average Residential Assessment	\$519,400	\$458,422	\$448,696	\$621,810	\$426,862	\$274,403	\$401,710
Estimated Taxes							
Real Estate ¹	\$5,043	\$4,577	\$4,918	\$7,897	\$4,354	\$3,529	\$4,961
Personal Property ²	842	800	770	816	696	624	708
Residential Consumer Utility ³	72	58	96	120	54	72	65
Subtotal	\$5,957	\$5,435	\$5,784	\$8,833	\$5,104	\$4,225	\$5,734
Estimated Fees							
Water/Sewer ⁴	\$883	\$898	\$669	\$783	\$653	\$834	\$647
Solid-Waste/Recycling ⁵	294	336	345	n/a	n/a	395	325
Decal Fee ²	66	66	66	66	50	48	50
TOTAL	\$7,200	\$6,735	\$6,864	\$9,682	\$5,807	\$5,502	\$6,756
Amount more (less) than Arlington		(\$465)	(\$336)	\$2,482	(\$1,393)	(\$1,698)	(\$444)
Percent more or less than Arlington		-6.5%	-4.7%	34.5%	-19.3%	-23.6%	-6.2%

¹ Represents the estimate real estate tax bill based on each locality's average single family home value and the adopted tax rate(s). Rates include the base real estate tax rate plus jurisdiction wide add-on rates for stormwater, pest control, fire and rescue services, etc. as appropriate for each jurisdiction. See table on next page.

² Estimate based upon 2.0 cars per household, and assumes the same average vehicle value of \$8,421. However, given that Arlington and Loudoun uses a lower assessment, the actual average car value for the other jurisdictions may be higher. Taxes do not reflect the State's fixed block grant to localities for vehicle tax relief and the adopted method of distribution.

³ Average household utility tax bills are based on the ceiling tax rate.

⁴ Assumes average single family residence uses 70,000 gallons of water per year. Rate for City of Falls Church represents the residents who live inside the City and pay Falls Church water and sewer rates. Residents living outside the City pay Falls Church water and Fairfax sewer rates. Estimate is based on either the proposed or adopted FY 2013 rate.

⁵ Residents in Falls Church and Fairfax City pay for the solid-waste/recycling fee as part of their real estate taxes. Loudoun & Prince William Counties do not offer this service. Instead, residents pay private haulers, such as BFI, directly. Most Fairfax County residents also pay a private hauler, but County collection is available in designated areas. Prince William residents pay a solid waste fee for refuse disposal. For Loudoun and Prince William County, the amounts shown represent the average fees charged in Arlington, Alexandria and Fairfax County. Plus for Prince William County, the \$70 annual solid waste fee is charged to single-family homeowners.

**COMPARISON OF NORTHERN VIRGINIA JURISDICTIONS' REAL ESTATE TAX BILL ⁽¹⁾
FOR THE AVERAGE SINGLE-FAMILY HOME ⁽²⁾**

	TAX YEAR 2011			TAX YEAR 2012			CHANGE FROM 2011 TO 2012			PERCENT CHANGE		
	Tax Rate	Average Assessed Value	Estimated Tax Payment	Tax Rate	Average Assessed Value	Estimated Tax Payment	Change in Tax Rate	Change in Average Assessed Value	Change in Tax Payment	Change in Tax Rate	Change in Average Assessed Value	Change in Tax Payment
Arlington ³	\$0.958	\$510,200	\$4,888	\$0.971	\$519,400	\$5,043	\$0.013	\$9,200	\$155	1.4%	1.8%	3.2%
Alexandria	\$0.998	\$449,411	\$4,487	\$0.998	\$458,422	\$4,577	\$0.000	\$9,011	\$90	0.0%	2.0%	2.0%
City of Fairfax ³	\$0.942	\$418,000	\$3,938	\$1.020	\$426,862	\$4,354	\$0.078	\$8,862	\$416	8.3%	2.1%	10.6%
City of Falls Church	\$1.270	\$599,046	\$7,608	\$1.270	\$621,810	\$7,897	\$0.000	\$22,764	\$289	0.0%	3.8%	3.8%
Fairfax County ⁴	\$1.086	\$443,551	\$4,817	\$1.096	\$448,696	\$4,918	\$0.010	\$5,145	\$101	0.9%	1.2%	2.1%
Loudoun County	\$1.285	\$397,300	\$5,105	\$1.235	\$401,710	\$4,961	(\$0.050)	\$4,410	(\$144)	-3.9%	1.1%	-2.8%
Prince William Co. ⁵	\$1.281	\$264,707	\$3,390	\$1.286	\$274,403	\$3,529	\$0.005	\$9,696	\$139	0.4%	3.7%	4.1%

¹ Real Estate tax bill is calculated at each jurisdiction's current real estate tax rate per \$100 of the jurisdiction's average single-family home value.

² Average single-family home value is based on all residential property including single family detached, semi-detached dwellings, condominiums, cooperatives, and townhouse residences.

³ Tax rates listed for Arlington and the City of Fairfax include the levy for stormwater funds.

⁴ Tax rate for Fairfax County includes additional levies for stormwater and pest control.

⁵ Prince William's tax rate includes additional levies for fire and rescue and moth/mosquito control.

CALENDAR YEAR 2012 SELECTED BUSINESS, PROFESSIONAL, AND OCCUPATIONAL LICENSE TAX RATES*

	Arlington County	City of Alexandria	City of Falls Church	Fairfax City	Fairfax County	Loudoun County	Prince William County
FINANCIAL, REAL ESTATE, AND PROFESSIONAL SERVICES							
Professional Occupations	0.36	0.58	0.52	0.40	0.31	0.33	0.33
Real Estate Occupations	0.36	0.58	0.50	0.40	0.31	0.33	0.33
Renting	0.43 Com 0.28 Res	0.35 Com 0.50 Res	0.53 Com 0.38 Res	0.23 Com 0.50 Res	0.26	0.16	0.00
REPAIR, PERSONAL, AND BUSINESS SERVICES							
Special Occupational	0.36	0.35	0.36	0.27	0.31	0.33	N/A
Personal Services	0.35	0.35	0.36	0.27	0.19	0.23	0.21
Business Services	0.35	0.35	0.36	0.27	0.19	0.17	0.21
Repair Services	0.35	0.35	0.36	0.27	0.19	0.16	0.21
Amusements	0.25	0.36	0.36	0.27	0.26	0.21	0.21
Parking Lots	0.36	0.35	0.36	0.27	0.19	0.17	0.21
RETAIL SALES							
Retail Merchants	0.20	0.20	0.19	0.20	0.17	0.17	0.17
Restaurants	0.20	0.20	0.19	0.20	0.17	0.17	0.17
Filling Stations	0.10	0.20	0.19	0.20	0.17	0.17	0.17
CONTRACTING AND CONSTRUCTING							
Contractors	0.16	0.16	0.16	0.16	0.11	0.13	0.13
Builders/Developers	0.16	0.16	0.16	0.16	0.05 ***	0.13	0.13
Wholesalers	0.08	0.05 **	0.08	0.05	0.04 **	0.05 **	0.05

* Based on each \$100 of gross receipts, unless otherwise noted.

** Based on each \$100 of gross purchases.

*** Based on each \$100 of gross expenditures.

CALENDAR YEAR 2012 TAX RATES IN NORTHERN VIRGINIA JURISDICTIONS

Tax	Arlington County	City of Alexandria	City of Falls Church	City of Fairfax	Fairfax County	Loudoun County	Pr. William County
Real Estate Tax Rate (base)	\$0.958	\$0.998	\$1.27	\$1.010	\$1.075	\$1.235	\$1.2090
Additional Real Estate Tax Rates (all properties)	\$0.013	-	-	\$0.010	\$0.021	-	\$0.0766
Special Districts Add-on Tax Rate	\$0.043 - \$0.08	-	-	\$0.060	\$0.02-\$0.22	\$0.13-\$0.30	\$0.020 - \$0.201
Commercial Real Estate Add-on Tax Rate	\$0.125	-	-	\$0.055	\$0.110	-	-
Personal Property							
Vehicle Rate	\$5.00	\$4.75	\$4.84	\$4.13	\$4.57	\$4.20	\$3.70
Effective Vehicle Rate	\$4.50	\$4.75	\$4.84	\$4.13	\$4.57	\$3.78	\$3.70
Business Rate	\$5.00	\$4.75	\$4.84	\$4.13	\$4.57	\$4.20	\$3.70
Newly Registered Vehicle Tax (state)	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Car Rental Tax							
State	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Local	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Gasoline Tax							
Per Gallon	\$0.175	\$0.175	\$0.175	\$0.175	\$0.175	\$0.175	\$0.175
Distributor Sales	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%
Sales Tax							
State (see note)	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Local	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Meals Tax	4.0%	4.0%	4.0%	4.0%	-	-	-
Transient Occupancy Tax	5.00%	6.5% plus \$1.00 per night/room	5.00%	4.00%	4.00%	5.00%	5.00%
BPOL							
Business Services	\$0.35	\$0.35	\$0.36	\$0.27	\$0.19	\$0.17	\$0.21
Professionals	\$0.36	\$0.58	\$0.52	\$0.40	\$0.31	\$0.33	\$0.33
Contractors	\$0.16	\$0.16	\$0.16	\$0.16	\$0.11	\$0.13	\$0.13
Retail	\$0.20	\$0.20	\$0.19	\$0.20	\$0.17	\$0.17	\$0.17
Repair Services	\$0.35	\$0.35	\$0.36	\$0.27	\$0.19	\$0.16	\$0.21
Recordation Tax							
State (see note)	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25
Local (see note)	\$0.0833	\$0.0833	\$0.0833	\$0.0833	\$0.0833	\$0.0833	\$0.0833
Grantor's Tax							
State	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Local	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Bank Stock Tax							
State	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20
Local	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80
Cigarette Tax, per 20 Cigarettes							
State (see note)	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30
Local	\$0.30	\$0.80	\$0.75	\$0.85	\$0.30	-	-
Utility Tax on Commercial Users							
Electricity	\$1.15 plus \$0.00649/kWh	\$0.97 plus \$0.004610/kWh	\$0.92 plus \$0.004807/kWh	\$1.72 plus \$0.010112/kWh max=\$75.00	\$1.15 plus \$0.00594/kWh max=\$1,000	\$0.92 per mo. + \$.005393/kWh max=\$72.00	\$2.29 plus \$0.013487/kWh max=\$100/mo.
Gas	\$0.845 plus \$0.06522/CCF	\$1.42 plus \$0.050213/CCF	\$0.676 plus \$0.04098/CCF	\$1.27 plus \$0.05295/CCF max=\$75.00	\$0.845 plus \$0.04794/CCF max=\$300	\$0.676 per mo. + \$0.0304/CCF max=\$72.00	\$3.35 plus \$0.085/CCF max=\$100/mo.
Water	-	15% /1st \$150	8%	15% /1st \$500	-	-	-
Utility Tax on Residential Users							
Electricity	\$0.0 plus \$0.00341/kWh max=\$3.00 with first 400 kWh exempt	\$1.12 plus \$0.12075/kWh max=\$2.40	\$0.70 plus \$0.007575/kWh max=\$5.00	\$1.05 plus \$0.01136/kWh max=\$2.25	\$0.56 plus \$0.00605/kWh max=\$4.00	\$0.63 per mo. + \$0.006804/kWh max=\$2.70	\$1.40 plus \$0.01509/kWh max=\$3.00
Gas	\$0.0 plus \$0.03/CCF max = \$3.00 / first 20 CCF exempt	\$1.28 plus \$0.124444/CCF max=\$2.40	\$0.70 plus \$0.0039/CCF max=\$5.00	\$1.05 plus \$0.05709/CCF max=\$2.25	\$0.56 plus \$0.05259/CCF max=\$4.00	\$0.63 plus \$0.06485/CCF max=\$2.70	\$1.60 plus \$0.06/CCF max=\$3.00
Water	-	15% of monthly bill	10% /1st \$50	15% /1st \$15	-	-	-
Communications Sales Tax							
State	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Local	-	-	-	-	-	-	-
Wireless E-911 Tax							
State	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75

NOTES

ADDITIONAL REAL ESTATE TAX RATE: Arlington (\$0.013), Alexandria (\$0.005), Fairfax City (\$0.01), and Fairfax County (\$0.02) impose or dedicate a tax rate on all properties for stormwater management. Prince William County charges a flat fee \$26.36 for stormwater management. Fairfax County imposes a county-wide levy for pest control (\$0.0010). Prince William imposes a near county-wide tax rate for mosquito & gypsy moth control (\$0.0025) and fire and rescue services (\$0.0744).

SPECIAL DISTRICTS ADD-ON TAX RATES: There are three special taxing districts in Arlington: in the Rosslyn, Crystal City, and Ballston business districts. The additional tax is used to fund additional services and programs within the districts' boundaries. Other jurisdictions have special tax districts related to transportation, sanitary sewers, water services, leaf collection, etc.

COMMERCIAL REAL ESTATE RATE: HB 3202, which was passed in 2007, allows Northern Virginia localities to impose an additional real estate tax on properties zoned or used for commercial and industrial purposes in order to fund transportation initiatives.

EFFECTIVE VEHICLE PERSONAL PROPERTY TAX RATE COMMERCIAL AND CONSUMER: Vehicles in Arlington County and Loudoun County are assessed using the average loan value from the N.A.D.A. Used Car Guide. Other neighboring jurisdictions use the average trade-in value. This results in a lower assessment (about 10% less) for vehicles or an effective rate in Arlington of approximately \$4.50 and \$3.78 in Loudoun County. All vehicles including those of businesses are included in this category. In Alexandria the vehicle rate for the physically disabled is \$3.55.

PERSONAL PROPERTY: Several of the jurisdictions have separate classes of vehicle rates for personal property (e.g. vehicles owned by elderly or disabled) which charge reduced rates. Arlington does not classify personal property via this method.

CAR RENTAL: In July 1992 the locality portion of the Virginia car rental tax was increased from 2.5% to 4.0% of gross proceeds. Beginning July 2004 the state increased its portion of the car rental tax to 6% with the additional 2% dedicated to the Virginia Public Building Authority for the Statewide Agencies Radio System (STARS).

SALES TAX: On June 3, 2004 the Governor signed HB 5018 which is the revenue budget for the FY 2004 - FY 2006 biennium. As part of this bill, the sales tax was increased 1/2 percent from 3.5% to 4.0% (State portion excluding local option 1%). One-half of this rate change will go to the Schools in the various jurisdictions. This new state sales tax rate became effective September 1, 2004.

SALES TAX (Food): Effective July 1, 2006 the tax rate on food was reduced 0.5 percent to 2.0 percent. Effective July 1, 2007 the tax rate is reduced from 2.0 percent to 1.5 percent (State portion). Food items are defined under the Food Stamp Act of 1977 (7 U.S.C. § 2012) to be food for home consumption by humans. This includes most grocery food items and cold prepared foods. Excluded from the definition of food are alcoholic beverages, tobacco and prepared hot foods sold for immediate consumption. The food tax described above does not include the local option 1.0 percent.

MEALS TAX: The meals tax is paid in addition to sales tax. In 1991, Arlington instituted a 4% restaurant meals tax on most prepared foods offered for sale.

TRANSIENT OCCUPANCY TAX: This tax is paid in addition to sales tax, and the rate is 5%.

BPOL TAX: For CY 1997 Virginia jurisdictions changed the BPOL thresholds to comply with state law so that businesses with gross receipts under \$10,000 would not pay BPOL tax, and businesses with gross receipts between \$10,000 and \$100,000 would pay a flat fee of \$50 or less. Effective January 1, 2001, the BPOL on electric and natural gas is eliminated and replaced with a consumption tax.

RECORDATION TAX: The tax rate is per \$100. In Virginia, localities can impose a tax of up to one third of the state rate. The state rate increased from \$0.15 per \$100 of recorded value to \$0.25 effective September 1, 2004. Arlington's current rate is \$0.0833 (1/3 of the state rate).

GRANTOR'S TAX (§58.1-802): This is a tax on the grantor and is imposed at a rate of \$1.00 per \$1,000. In Virginia, both the state and the locality receive 50% of the tax.

BANK STOCK TAX: This is a franchise tax on the net capital gains of banks and trust companies. In Virginia, the rate is \$1.00 per \$100 of taxable value as of January 1. In Northern Virginia, localities receive 80% of this collection and the State receives 20%.

CIGARETTE TAX: On June 3, 2004 the Governor signed HB 5018 which is the revenue budget for the FY 2004 - FY 2006 biennium. As part of this bill, the state increased the state imposed cigarette tax from \$0.025 to \$0.20 effective September 1, 2004 and \$0.30 effective July 1, 2005.

UTILITIES TAX: In FY 2008, Arlington imposed a residential utility tax rate on electricity and natural gas, the funds to be dedicated for environmental initiatives. The tax rate on electricity is \$0.00341 per kWh with the first 400 kWh excluded from taxation and the monthly tax bill not to exceed \$3.00. The tax rate on natural gas is \$0.03 per CCF with the first 20 CCF excluded from taxation and the monthly tax bill not to exceed \$3.00. Effective July 1, 2005 the commercial utility tax rates for electricity and natural gas were increased from \$.004989/kWh and \$.05017/CCF respectively. Beginning in January 2007, the State eliminated local authority to impose a utility tax on telephones instead imposing a 5% tax on the sale price of all services provided. This tax law change affected all other local jurisdictions except Arlington since the other jurisdictions imposed a tax on telephones prior to CY 2007.

Effective January 1, 2007, the State adopted a communications sales tax that is imposed on customers of communication services at the rate of 5% of the sales price of the service. This tax was adopted as part of the 2006 House Bill 568 (Acts of Assembly 2006, Chapter 780) and replaces many of the prior state and local communications taxes and fees with a centrally administered communications sales and use tax. Local authority to impose a utility tax on telephones was repealed by the State and replaced with a 5% communications tax. Arlington was not affected by this change since there was no tax in place at the time.

COMMUNICATIONS SALES TAX: Effective January 1, 2007, the State adopted a communications sales tax that is imposed on customers of communication services at the rate of 5% of the sales price of the service. This tax was adopted as part of the 2006 House Bill 568 (Acts of Assembly 2006, Chapter 780) and replaces many of the prior state and local communications taxes and fees with a centrally administered communications sales and use tax.

E-911 TAX: Effective January 1, 2007, the State adopted a communications sales tax that is imposed on customers of communication services at the rate of 5% of the sales price of the service. This tax was adopted as part of the 2006 House Bill 568 (Acts of Assembly 2006, Chapter 780) and replaces many of the prior state and local communications taxes and fees with a centrally administered communications sales and use tax. Local authority to impose an E-911 tax up to \$3.00/line/month was repealed by the State and replaced with a 5% communications tax.

SIX-YEAR REVENUE SUMMARY		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED
FUND: 001 GENERAL							
REVENUE CATEG: LOCAL TAXES							
101	REAL ESTATE TAX	491,337,141	504,337,687	525,925,597	563,732,045	586,357,977	606,179,830
105	REAL ESTATE PENALTY	1,079,806	2,497,718	858,863	764,441	1,185,000	850,000
106	REAL ESTATE INTEREST	14,587	145,034	259,422	176,024	15,000	150,000
	TAX REFUNDS - REAL ESTATE	(4,169,706)	(5,526,492)	(6,467,546)	(5,557,823)	(6,000,000)	(6,000,000)
	SUBTOTAL	488,261,828	501,453,947	520,576,336	559,114,687	581,557,977	601,179,830
121	PERSONAL PROPERTY TAX	69,192,877	61,880,614	64,587,238	69,797,389	69,000,212	74,900,000
	STATE REIMBURSEMENT	31,252,147	31,252,147	31,252,147	31,252,147	31,252,147	31,252,147
123	PERSONAL PROPERTY PENALTY	1,323,436	1,447,629	1,086,636	1,414,442	1,200,000	1,200,000
125	PERSONAL PROPERTY INTEREST	184,759	344,424	310,511	350,432	300,000	300,000
	TAX REFUNDS - PERSONAL PROP	(2,108,930)	(1,877,960)	(1,990,402)	(1,886,344)	(2,600,000)	(2,600,000)
	SUBTOTAL	99,844,289	93,046,854	95,246,130	100,928,066	99,152,359	105,052,147
131	BPOL TAX	58,334,554	59,122,410	62,797,154	63,280,867	63,000,000	63,000,000
133	BPOL TAX PENALTY	252,794	97,028	57,390	87,474	260,000	260,000
134	BPOL TAX INTEREST	160,439	452,530	452,209	543,226	260,000	260,000
	TAX REFUNDS - BPOL	(1,475,158)	(1,060,729)	(2,846,644)	(1,972,355)	(2,000,000)	(3,000,000)
	SUBTOTAL	57,272,629	58,611,239	60,460,109	61,939,212	61,520,000	60,520,000
140	CAR RENTAL GROSS RECEIPTS TAX	5,065,320	5,180,239	5,279,343	5,630,079	5,304,000	5,400,000
141	LOCAL SALES TAX	38,392,636	35,954,703	36,889,895	38,630,486	38,519,000	40,900,000
143	BANK STOCK TAX	1,935,374	2,847,874	3,321,024	2,953,089	2,200,000	2,800,000
144	RECORDATION TAX	4,402,916	5,048,400	6,011,781	6,536,109	5,832,000	6,000,000
145	CIGARETTE TAX	2,808,669	2,916,153	2,928,355	3,125,075	2,929,000	3,200,000
146	TRANSIENT TAX	21,183,496	20,809,559	21,828,208	21,789,115	21,845,000	21,800,000
147	UTILITY TAX	12,643,308	12,490,239	13,051,807	11,947,382	12,930,000	11,700,000
148	SHORT TERM RENTAL	65,492	55,994	46,513	41,857	45,000	45,000
149	MEALS TAX	28,872,881	29,048,450	31,425,805	33,409,537	32,804,000	34,700,000
151	WILLS AND ADMINISTRATION TAX	64,614	67,519	109,483	72,779	80,000	80,000
152	CONSUMPTION TAX	804,994	803,507	847,064	781,684	800,000	750,000
153	COMMUNICATION TAX	8,084,023	7,677,471	7,965,227	7,552,604	7,800,000	7,800,000
	SUBTOTAL	124,323,723	122,900,108	129,704,505	132,469,796	131,088,000	135,175,000
	TOTAL LOCAL TAXES	769,702,468	776,012,148	805,987,080	854,451,761	873,318,336	901,926,977
REVENUE CATEG: LICENSES, PERMITS, & FEES							
215	CONCEALED WEAPONS	6,813	6,488	5,574	7,661	5,500	5,500
219	USE PERMITS	112,244	164,912	147,453	119,819	150,000	150,000
220	RIGHT OF WAY FEES	834,271	1,028,485	910,570	842,913	900,000	900,000
221	HIGHWAY PERMITS	1,431,667	899,207	1,033,812	1,376,965	1,005,000	1,329,532
240	MOTOR VEHICLE LICENSE TAGS	3,460,529	3,665,341	4,913,198	4,931,030	4,750,000	4,900,000
241	LICENSE PLATE PENALTY FEES	169,400	110,260	162,171	265,483	100,000	120,000
243	SITE PLAN FEES	1,210,570	412,259	846,461	1,437,569	1,264,905	1,276,255
244	TRANSFER FEES	4,441	5,022	4,528	4,690	5,000	5,000

SIX-YEAR REVENUE SUMMARY		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED
245	ZONING ADVERTISING	35,539	25,039	140,611	68,166	47,000	47,000
248	ZONING COMPLIANCE LETTERS	-	-	(422)	-	-	-
251	BUILDING PLANS/WALK-THROUGH	-	-	-	(50)	-	-
259	MIS LICENSES, PERMITS & FEES	503,500	1,045,934	1,765,149	1,551,870	1,748,350	1,678,350
TOTAL REV CATEG		7,768,974	7,362,947	9,929,105	10,606,116	9,975,755	10,411,637

REVENUE CATEG: FINES

301	FINES	1,346,552	1,529,880	2,122,459	2,319,086	2,560,688	2,063,688
302	PARKING TICKETS	7,374,171	6,226,503	7,369,641	8,214,861	7,450,000	7,450,000
305	CIVIL PENALTIES	227	94,710	98,828	107,713	91,860	91,860
TOTAL REV CATEG		8,720,950	7,851,093	9,590,928	10,641,660	10,102,548	9,605,548

REVENUE CATEG: INTEREST, RENTS & SURPLUS SALES

311	INTEREST ON GENERAL FUND	5,777,496	5,731,311	2,487,652	583,978	2,500,000	1,000,000
312	INTEREST ON BOND FUNDS	2,668,229	215,446	487,089	553,043	500,000	500,000
320	COURTHOUSE PLAZA	1,748,375	2,548,342	3,833,518	2,753,071	3,000,000	2,800,000
321	RENTALS & SALES OF SURPLUS	270,180	161,497	270,890	244,853	150,230	217,363
322	PAID PARKING	1,134,631	1,132,897	832,872	822,406	810,000	883,000
335	DES LEASE AGREEMENTS	358,114	347,822	412,059	514,776	411,147	411,147
355	MISCELLANEOUS	-	-	-	750	-	-
TOTAL REV CATEG		11,957,024	10,137,315	8,324,080	5,472,877	7,371,377	5,811,510

REVENUE CATEG: CHARGES FOR SERVICES

400	INMATE MEDICAL COSTS	22,993	24,522	23,308	23,612	7,000	7,000
401	COURT COSTS	1,622,405	1,335,929	511,397	549,367	550,000	550,000
402	COMMONWEALTH'S ATTORNEY FEES	4,241	4,366	6,496	10,741	6,000	6,000
403	A S A P ENTRANCE FEES	401,413	406,990	442,143	486,639	406,789	474,866
404	IMPOUNDED VEHICLES STORAGE FEE	53,998	44,060	36,614	47,423	40,000	40,000
405	FALLS CHURCH REIMBURSEMENT	2,456,172	2,553,674	2,734,485	2,964,712	3,176,119	3,448,589
406	AMBULANCE SERVICE FEES	3,093,262	3,051,618	3,717,966	3,569,809	3,000,000	3,300,000
407	JAIL SERVICE CHARGES	6,467	14,462	11,234	6,455	7,300	7,000
408	DOG LICENSE FEES	52,791	58,862	51,553	66,188	50,000	50,000
409	SIDEWALK FRONTAGE ASSESSMENTS	40,958	39,816	54,511	64,701	55,000	55,000
410	PARKING METER CHARGES	5,526,810	5,944,350	6,558,592	8,293,226	8,164,060	8,301,000
411	ENGINEERING SERVICES CHARGES	825,070	575,504	1,284,221	1,352,603	1,065,876	1,133,626
412	REFUSE\RECYCLING FEES	9,992,822	10,660,420	11,302,260	10,716,241	9,537,704	9,576,576
413	MULCH FEES	86,110	112,534	167,277	152,673	120,570	129,060
414	RECYCLED MATERIALS SALES	284,185	300,603	729,948	655,565	372,000	340,000
415	MENTAL HEALTH CLINIC CHARGES	1,869,488	1,905,568	1,597,542	1,442,731	1,785,522	1,625,022
416	DRUG & ALCOHOL PROG. PAYMENTS	34,313	29,858	30,330	38,552	57,813	41,000
417	MADISON CENTER CHARGES	165,425	201,848	160,378	152,347	217,280	182,000
420	RECREATION INSTRUCTION SRVCS.	2,365,753	1,967,308	2,663,359	3,006,164	3,592,847	4,129,960
421	SUPPLEMENTAL RECREATION FEES	3,638,881	3,972,308	4,555,753	4,814,171	4,655,477	4,916,739
422	LIBRARY FEES & FINES	531,340	615,092	580,322	563,061	555,000	555,000
423	OLDER AMERICANS ACT PROGS.	37,756	33,595	28,194	32,942	31,264	33,253
424	GROUP HOME CHARGES ARGUS	54,176	11,898	3,407	2,398	3,000	3,000
426	APPLIANCE PICK UP FEE	40,731	61,751	41,840	23,255	25,000	25,000

SIX-YEAR REVENUE SUMMARY		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED
429	BOOKLET SALES	387	(1,380)	(510)	-	-	-
430	INDIRECT ADMIN CHARGES	3,047,523	3,211,946	3,545,898	3,444,688	3,648,305	3,648,305
431	HEALTH SERVICES FEES	3,298	3,300	2,102	2,257	4,100	2,500
443	WIRELESS E-911 SURCHARGE	772,632	1,030,558	799,420	584,341	723,055	723,055
445	GIS PROGRAM REVENUES	20,918	12,060	44,782	36,861	44,000	44,000
447	SERVICES TO OUTSIDE AGENCIES	47,299	180,208	203,547	144,572	101,000	93,000
449	MISC SERVICE CHARGES	1,276,539	1,341,404	1,782,697	1,811,704	1,489,113	1,946,262
450	ARLINGTON TRANSIT / COMMUTER STORE	1,541,151	1,782,674	4,286,911	4,325,659	3,847,950	4,180,000
453	COURT HOUSE SECUR.-COURT FEE	434,103	442,229	515,758	559,659	465,000	505,000
455	CHESAPEAKE BAY FEE	60,394	64,785	85,593	103,530	75,000	75,000
460	PROJECT RECEIPTS	96,510	137,499	228,903	308,044	312,984	291,984
471	PUBLIC HEALTH FEES	617,337	621,315	974,245	617,104	643,019	638,744
472	CREDIT CARD FEES - TREAS.	(127,987)	(112,035)	(34,939)	2,567	(60,000)	(20,000)
477	SERVICES TO OUTSIDE AGENCIES	13,015	9,096	16,942	11,594	-	-
TOTAL REV CATEG		41,010,681	42,650,595	49,744,479	50,988,156	48,775,147	51,057,541

REVENUE CATEG: MISCELLANEOUS REVENUE

501	SALE OF LAND & BUILDINGS	110,403	63,591	197,233	1,799,470	15,000	15,000
509	MISCELLANEOUS REVENUES	1,296,712	2,402,132	2,260,550	2,024,268	1,172,928	986,244
525	CABLE TV ADMINISTRATION	215,468	220,704	223,132	223,132	215,682	-
570	AHIF	12,815,691	13,633,350	5,439,647	12,443,380	-	-
599	GIFTS AND DONATIONS	189	917,550	492,007	567,850	300,000	320,000
TOTAL REV CATEG		14,438,464	17,237,327	8,612,569	17,058,100	1,703,610	1,321,244

REVENUE CATEG: COMMONWEALTH OF VIRGINIA

612	MOTOR VEHICLE CARRIERS TAX	21,113	19,476	16,034	21,937	11,350	11,529
613	TAX ON DEEDS-GRANTOR'S TAX	1,002,039	1,346,708	1,489,921	1,448,992	1,400,000	1,400,000
621	COMMONWEALTH'S ATTORNEY	1,155,613	1,048,665	1,033,887	1,071,145	988,482	997,799
622	SHERIFF	5,229,413	6,882,743	6,993,253	6,959,120	6,715,451	6,774,485
623	COMMISSIONER OF THE REVENUE	478,942	416,449	408,757	405,116	405,000	407,963
624	TREASURER	541,940	469,002	442,772	432,001	434,394	437,877
625	REGISTRAR/ELECTORAL BOARD	197,024	(11,227)	78,733	142,913	108,792	109,493
626	LAW ENFORCEMENT AID	6,655,492	6,073,371	5,965,948	5,807,300	5,725,465	5,863,809
627	CLERK -COMP BOARD FUNDS	-	-	827,907	821,225	811,100	817,806
628	DCJS FORFEITED ASSETS	148,487	77,199	70,887	51,512	-	-
629	VICTIM WITNESS GRANT	152,019	160,878	166,213	130,235	173,753	173,753
631	HIGHWAY AID	15,807,883	14,447,836	15,104,698	15,880,379	14,679,273	14,679,273
632	TRANSIT AID	1,127,558	1,738,452	3,339,952	3,138,452	3,138,452	3,138,452
633	JUVENILE DETENTION-ARGUS	352,618	334,420	253,701	255,025	255,025	257,507
634	JUVENILE & DOMESTIC RELATIONS	610,252	489,060	487,114	486,601	486,586	491,336
635	PRISONER EXPENSE REIMBURSE.	836,663	1,146,268	1,100,157	806,722	875,000	887,794
638	COMP COMM CORRECTIONS ACT	381,319	282,123	375,896	298,227	375,500	379,154
640	COMMUTER ASSISTANCE GRANTS	8,161,643	4,665,270	4,650,435	5,440,811	5,070,000	5,070,000
641	HEALTH REIMBURSEMENTS	3,778,612	3,440,965	3,422,729	3,482,120	3,255,095	3,369,273
642	LIBRARY SUPPLEMENTS	200,607	187,321	164,005	161,831	163,830	163,077
643	FIRE PROGRAMS	346,533	527,817	710,921	555,032	499,416	499,416
644	HIGHWAY SAFETY GRANTS	25,541	30,821	31,058	17,956	-	-

SIX-YEAR REVENUE SUMMARY		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED
645	MENTAL HEALTH/ INTELLECTUAL DISAB.	6,354,805	6,581,066	7,165,228	7,447,319	7,214,096	7,644,878
646	SUBSTANCE ABUSE	1,066,150	1,130,530	1,090,147	1,148,563	1,108,038	1,108,038
647	SOCIAL SERVICES	5,144,661	5,236,771	4,736,071	4,095,871	5,691,042	4,598,874
648	SIGNAL REIMBURSEMENT	983,424	808,573	624,100	601,820	623,168	679,959
649	MISC STATE GRANTS	970,821	1,541,784	1,699,107	2,592,060	581,896	593,688
651	JAIL CONSTRUCTION REIMBURS.	1,812,817	1,807,736	1,822,203	1,818,130	-	-
652	STATE EMERGENCY MGMT GRANTS	-	50,057	11,555	-	-	-
654	COMPREHENSIVE SERVICES ACT (CSA)	2,856,922	3,042,175	2,977,138	1,681,132	2,694,553	2,705,381
655	DEPARTMENT OF AGING	195,888	187,409	185,507	186,437	186,461	219,675
	TOTAL REV CATEG	66,596,799	64,159,718	67,446,034	67,385,984	63,671,218	63,480,289
REVENUE CATEG: FEDERAL GOVERNMENT							
714	WORKFORCE INVESTMENT ACT (WIA)	1,060,064	1,526,747	1,527,180	1,392,336	1,118,163	817,300
718	HUD EDI GRANT	-	-	89,415	153,901	-	-
719	HUD RENTAL REHAB/HOME	588,493	1,889,907	3,245,723	2,507,518	696,732	686,802
722	U S MARSHAL PRISONERS	3,721,294	515,695	156,882	163,644	165,000	165,000
724	FBI REIMBURSEMENT	249,062	563,980	184,910	474,453	-	-
725	OLDER AMERICANS ACT	513,990	557,125	553,614	548,804	558,494	571,926
730	HIDTA GRANT	119,821	162,378	189,270	95,124	199,499	195,741
741	FEDERAL HEALTH REIMB	56,554	159,360	99,443	66,437	80,000	70,000
742	HEALTH & HUMAN SERVICE	741,212	721,649	788,783	355,791	365,567	385,054
745	MENTAL HEALTH / M. R.	988,811	1,472,352	1,494,301	1,456,465	1,207,360	1,296,360
746	SUBSTANCE ABUSE	753,380	848,655	909,110	802,071	809,718	809,718
747	SOCIAL SERVICES	9,769,273	10,126,954	10,569,452	9,802,973	9,822,910	7,874,431
748	WIC PROGRAM FUNDS	756,841	448,680	625,896	671,654	589,215	580,874
749	MISC FEDERAL GRANTS	2,028,467	2,709,170	2,114,091	2,018,495	840,308	766,210
752	FEDERAL EMERGENCY MGMT GRANTS	153,763	936,242	706,322	578,673	376,031	286,686
	TOTAL REV CATEG	21,501,026	22,638,894	23,254,392	21,088,340	16,828,997	14,506,102
REVENUE CATEG: NON-REVENUE RECEIPTS							
805	OTHER	1,959,382	1,048,679	6,267,065	6,712,155	-	-
847	TREASURERS CASH OVER & SHORT	(261)	62	18	144	-	-
848	TREASURER'S RETURNED CHECKS	17,940	17,457	18,051	29,609	20,000	20,000
	TOTAL REV CATEG	1,977,061	1,066,198	6,285,134	6,741,908	20,000	20,000

SIX-YEAR REVENUE SUMMARY		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED
REVENUE CATEG: TRANSFERS IN							
900	TRANSFER IN FROM OTHER FUNDS	-	183,082	177,582	196,461	206,255	207,018
981	TRANSFERS IN FROM OTHER FUNDS	1,317,300	-	-	-	2,400,000	2,400,000
987	TRANSFERS IN FROM FUND 887	-	116,372	99,715	-	-	-
999	TRANSFERS IN FROM FUND 799	-	289,500	1,627,828	584,500	129,500	129,500
	TOTAL REV CATEG	1,317,300	588,954	1,905,125	780,961	2,735,755	2,736,518
TOTAL GENERAL FUND REVENUES		944,990,747	949,705,189	991,078,926	1,045,215,863	1,034,502,743	1,060,877,366
860	FUND BALANCE ADJ -PREV YEAR	81,553,747	102,650,112	92,709,272	95,565,845	17,606,988	12,923,610
TOTAL GENERAL FUND WITH FUND BALANCE		1,026,544,494	1,052,355,301	1,083,788,198	1,140,781,708	1,052,109,731	1,073,800,976
FUND: 202 TRAVEL & TOURISM PROMOTION							
146	TRANSIENT OCCUPANCY	1,057,055	1,053,861	1,085,624	523,744	-	-
505	COUNTY STORE REVENUE	854	-	-	-	-	-
509	MISC. REVENUE	208	-	-	-	-	-
980	TRANSFER FROM GENERAL FUND	247,000	247,000	247,000	247,000	-	-
	TOTAL FUND	1,305,118	1,300,861	1,332,624	770,744	-	-
FUND: 203 BALLSTON SPECIAL ASSESSMENT DISTRICT							
101	REAL ESTATE TAX	-	-	-	1,234,580	1,482,632	1,524,736
311	INTEREST EARNINGS	-	-	-	332	-	-
	TOTAL FUND	-	-	-	1,234,912	1,482,632	1,524,736
FUND: 204 ROSSLYN SPECIAL ASSESSMENT DISTRICT							
101	REAL ESTATE CURRENT TAXES	3,011,007	3,089,302	2,757,464	3,142,598	3,536,514	3,630,847
311	INTEREST EARNINGS	10,708	3,914	3,165	3,038	-	-
	TOTAL FUND	3,021,715	3,093,216	2,760,629	3,145,636	3,536,514	3,630,847
FUND: 205 CRYSTAL CITY SPECIAL ASSESSMENT DISTRICT							
101	REAL ESTATE CURRENT TAXES	2,213,916	2,219,043	2,020,727	2,268,894	2,606,340	2,591,803
311	INTEREST EARNINGS	4,345	2,224	1,736	904	-	-
	TOTAL FUND	2,218,261	2,221,267	2,022,463	2,269,798	2,606,340	2,591,803
FUND: 206 COMMUNITY DEVELOPMENT							
509	MISCELLANEOUS	-	-	-	(500,000)	-	-
718	FEDERAL AID - CDBG	1,674,363	2,055,541	1,928,689	1,912,323	1,222,028	1,222,028
719	FEDERAL RENTAL REHAB	-	24,386	27,458	24,395	21,297	21,297
901	TRANSFERS IN FROM FUND 101	-	-	-	500,000	-	-
	TOTAL FUND	1,674,363	2,079,927	1,956,147	1,936,718	1,243,325	1,243,325

SIX-YEAR REVENUE SUMMARY		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED
FUND: 208 SECTION 8 HOUSING							
509	MISCELLANEOUS REVENUES	87,938	38,195	43,821	40,901	-	40,900
727	SECTION 8 HOUSING	12,556,110	15,919,719	16,434,532	16,034,411	17,201,400	18,087,967
749	MISC FEDERAL REVENUE	198,042	263,199	352,175	291,019	318,000	340,204
	TOTAL FUND	12,842,090	16,221,113	16,830,528	16,366,331	17,519,400	18,469,071
FUND: 313 CAPITAL							
301	FINES	27,398	13,057	18,139	9,302	-	-
311	INTEREST	-	6,260	-	-	-	-
321	RENTAL & SALES OF SURPLUS	-	2,584	48,483	-	-	-
335	LEASE AGREEMENTS	-	-	41,158	46,130	-	-
460	DEVELOPERS STREET LIGHTS	295,571	216,863	393,072	794,565	-	-
461	DEVELOPER/PROJECT RECEIPTS	944,445	90,951	134,507	507,866	-	-
509	MISCELLANEOUS	527,312	6,454,236	1,425,962	299,899	-	-
520	CABLE TV - PEG	557,747	684,164	786,025	884,962	-	-
521	CABLE TV - INET	146,320	149,876	151,524	151,524	-	-
632	STATE AID NVTC	231,194	599,122	1,011,143	5,735,451	-	-
640	STATE TRANSPORTATION GRANTS	25,566	23,362	927,047	1,863,139	-	-
648	SIGNAL REIMBURSEMENT	-	193,310	240,139	3,664,628	-	-
649	MISC STATE GRANTS	3,237	799,530	13,588	6,516	-	-
655	VA GENERAL FUND-FED FUND MATCH	-	-	-	145,232	-	-
660	VA TRANS DEPT GRANTS	1,207,219	1,794,050	2,598,345	2,901,273	-	-
749	MISC FEDERAL GRANTS	110,706	-	556,888	878,833	-	-
805	OTHER BOND REVENUE	35,962,739	41,080,606	-	-	-	-
808	PROCEEDS FROM LEASE PURCHASE	11,565,401	7,418,179	4,287,958	1,435,230	-	-
980	TRANSFER FROM GENERAL FUND	19,647,070	21,349,543	25,763,873	28,980,839	12,263,133	15,721,204
981	TRANSFER FROM OTHER FUNDS	-	-	300,000	300,000	-	-
999	TRANSFER FROM FUND 799	-	1,100,000	190,000	121	-	-
	TOTAL FUND	71,251,925	81,975,693	38,887,851	48,605,510	12,263,133	15,721,204
FUND: 321 STORMWATER FUND							
101	REAL ESTATE TAX	5,764,396	6,396,357	7,173,184	7,853,960	8,000,000	8,002,000
649	MISC STATE GRANTS	-	61,773	-	41,656	-	-
	TOTAL FUND	5,764,396	6,458,130	7,173,184	7,895,616	8,000,000	8,002,000
FUND: 331 TRANSPORTATION CAPITAL FUND							
101	REAL ESTATE TAX	20,936,399	20,370,459	21,088,831	23,874,833	24,000,000	23,862,600
509	MISC REVENUES	-	-	80,000	-	-	-
632	STATE AID	-	-	-	17,131,883	-	-
	TOTAL FUND	20,936,399	20,370,459	21,168,831	41,006,716	24,000,000	23,862,600
FUND: 335 CRYSTAL CITY TIF FUND							
101	REAL ESTATE TAX	-	-	-	1,520,190	3,550,600	2,289,560
	TOTAL FUND	-	-	-	1,520,190	3,550,600	2,289,560

SIX-YEAR REVENUE SUMMARY		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED
FUND: 503 UTILITIES OPERATING							
311	INTEREST	588,179	390,550	278,801	299,612	100,000	100,000
321	RENTALS & SALES OF SURPLUS	137,677	125,683	129,453	144,572	141,780	147,505
426	APPLIANCE FEE RECYCLING	25,762	18,207	21,844	20,062	25,000	25,000
444	UTILITY MARKING FEE	125,565	141,986	141,290	174,349	150,000	200,000
449	MISC SERVICE CHARGES	2,690	7,607	-	-	-	-
482	WATER SEWER SERVICE	72,457,576	77,806,562	81,641,099	86,840,829	89,553,964	89,553,964
484	WATER SERVICE CONNECTIONS	802,286	881,815	1,227,826	1,363,492	1,100,000	1,100,000
486	SEWAGE TREAT. SERVICE CHARGES	5,883,469	5,831,744	6,311,937	3,922,783	3,298,265	3,922,698
488	FLOW TEST FEES	17,100	12,000	23,200	21,730	10,000	10,000
509	MISCELLANEOUS REVENUES	5,888	31,263	21,626	28,946	398,050	467,035
805	MISC. OTHER BOND REVENUE	-	-	1,554,617	1,278,652	-	-
TOTAL FUND		80,046,191	85,247,417	91,351,693	94,095,027	94,777,059	95,526,202
FUND: 519 UTILITIES CAPITAL							
311	INTEREST ON GENERAL FUND	525,706	127,515	168,581	233,192	100,000	100,000
312	INTEREST ON BOND FUNDS	1,538,329	-	149,785	76,841	-	-
485	WATER SEWER HOOK-UP CHARGES	4,627,014	2,390,390	3,165,075	4,419,474	3,200,000	4,000,000
486	SEWAGE TREATMENT SERVICE CHRG	20,595,795	15,680,786	6,823,671	4,491,010	340,000	561,000
509	MISCELLANEOUS	26,684	-	19,805	1,073	-	-
649	MISCELLANEOUS STATE REVENUES	24,609,550	15,997,975	5,286,423	1,314,524	-	-
771	REVENUE FROM FEDERAL GOVT	853,654	-	-	199,667	-	-
814	PROCEEDS FROM VRA LOAN	75,510,477	47,453,562	15,883,625	2,142,126	-	-
953	TRANSFER FROM FUND 503	10,190,500	9,692,814	14,178,014	17,671,116	10,755,834	14,000,000
TOTAL FUND		138,477,709	91,343,042	45,674,979	30,549,023	14,395,834	18,661,000
FUND: 540 BALLSTON GARAGE							
312	INTEREST	146,194	17,273	17,578	11,914	35,000	12,000
351	SECURITIES LENDING	-	-	(1,867)	-	-	-
428	PARKING REVENUES	3,637,499	3,946,239	4,318,389	4,528,050	5,005,306	5,084,798
848	RETURNED CHECK FEE	275	-	-	-	-	-
TOTAL FUND		3,783,968	3,963,512	4,334,100	4,539,964	5,040,306	5,096,798
FUND: 548 BALLSTON GARAGE - 8th LEVEL							
428	PARKING REVENUES	224,396	228,367	253,352	272,133	257,530	257,530
981	TRANSFERS FROM OTHER FUNDS	-	-	-	173,632	-	-
TOTAL FUND		224,396	228,367	253,352	445,765	257,530	257,530
FUND: 570 CPHD DEVELOPMENT FUND							
211	HOME IMPROVEMENT CONTRACT	1,175	250	(554)	-	-	-
219	USE PERMITS	(409)	-	-	-	-	-
222	BUILDING PERMITS	6,828,269	6,498,179	7,576,273	10,148,726	7,700,000	7,915,894
223	ELECTRICAL PERMITS	1,807,608	1,695,024	1,712,425	1,758,488	1,700,000	1,603,110
224	PLUMBING PERMITS	1,593,261	973,065	996,278	1,277,233	1,400,000	1,168,080
225	MECHANICAL PERMITS	976,133	685,057	576,057	852,368	800,000	712,890
226	OCCUPANCY PERMITS	612,401	662,564	646,920	710,555	660,000	630,000
228	SIGN PERMITS	33,841	39,090	60,140	57,830	40,000	38,182

SIX-YEAR REVENUE SUMMARY		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED
242	ELEVATOR CERTIFICATE FEES	690,002	851,570	833,521	834,348	700,000	768,000
247	VARIANCES/S F EXISTING	29,103	58,181	75,671	63,622	50,000	47,727
248	ZONING COMPLIANCE LETTERS	18,351	14,938	36,616	38,329	30,000	28,636
251	PLAN REVIEW - WALK THROUGHES	534,149	620,057	770,229	738,415	700,000	668,182
252	SUBDIVISION PLAT REVIEW	23,307	12,993	7,829	12,254	10,000	9,545
259	MISC LICENSES PERMITS & FEES	12,471	12,767	10,795	11,270	13,000	12,409
311	INTEREST	34,755	95,224	76,612	126,263	-	-
449	MISC SERVICE CHARGES	9,486	17,568	7,855	1,376	4,300	4,300
509	MISC REVENUE	404	3	-	(3,445)	-	-
570	TRANSFER IN	2,881,512	-	-	-	-	-
TOTAL FUND		16,085,820	12,236,530	13,386,667	16,627,632	13,807,300	13,606,955
FUND: 609 AUTOMOTIVE EQUIPMENT							
321	RENTALS & SALES OF SURPLUS	239,819	1,270,589	333,514	625,555	250,000	250,000
448	SERVICES TO OUTSIDE AGENCIES	-	-	16,248,070	21,716,541	15,265,555	16,591,903
509	MISCELLANEOUS REVENUE	562	5,317	6,574	43,241	271,000	271,000
512	THIRD PARTY RECOVERY	457,028	47,722	39,640	-	60,000	60,000
649	MISC STATE GRANTS	-	-	-	41,400	-	-
808	PROCEEDS FROM LEASE PURCHASE	-	2,258,274	-	-	-	1,842,205
903	TRANSFER IN FROM FUND 503	-	105,000	-	-	502,500	-
980	TRANSFER FROM GENERAL FUND	137,456	27,611	-	171,374	-	-
981	TRANSFER FROM OTHER FUNDS	-	127,475	-	45,000	-	-
TOTAL FUND		834,865	3,841,988	16,627,798	22,643,111	16,349,055	19,015,108
FUND: 611 PRINTING							
446	SERVICES TO AGENCIES	19,337	24,766	1,638,308	2,304,501	1,425,200	1,380,601
448	SERVICES TO OUTSIDE AGENCIES	-	-	-	3,064	-	-
980	TRANSFER FROM GENERAL FUND	207,699	207,699	207,699	155,421	172,203	195,853
TOTAL FUND		227,036	232,465	1,846,007	2,462,986	1,597,403	1,576,454

SIX-YEAR REVENUE SUMMARY		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED
ARLINGTON PUBLIC SCHOOLS FUNDS							
FUND: 880 SCHOOL OPERATING FUND							
400	CHARGES FOR SERVICES	2,042,986	3,692,516	6,752,333	2,278,038	2,183,692	2,584,492
500	CARRYOVER AND OTHER	184,430	137,240	-	-	9,500,000	14,909,204
692	VIRGINIA SALES TAX	16,163,026	16,332,840	17,134,732	17,782,467	18,229,625	20,179,702
690	COMMONWEALTH	30,323,339	26,752,328	25,840,130	28,263,194	30,783,037	31,516,428
700	FEDERAL FUNDS	-	2,390,393	9,000	-	-	-
808	PROCEEDS FROM LEASE PURCHASE	-	3,132,234	367,766	1,372,600	-	-
900	TRANSFERS IN	307,330,633	293,401,561	318,159,176	313,491,928	347,832,429	356,214,404
	TOTAL FUND	356,044,414	345,839,112	368,263,137	363,188,227	408,528,783	425,404,230
FUND: 881 FOOD AND NUTRITION SERVICES FUND							
400	CHARGES FOR SERVICES	2,811,996	2,925,775	3,112,134	3,341,200	3,041,385	3,469,177
600	COMMONWEALTH	66,524	78,545	77,901	78,255	74,091	78,255
700	FEDERAL FUNDS	3,226,083	3,365,779	3,670,527	3,958,650	3,828,000	3,927,460
900	TRANSFERS IN	187,029	-	-	-	-	-
	TOTAL FUND	6,291,632	6,370,099	6,860,562	7,378,105	6,943,476	7,474,892
FUND: 882 COMMUNITY ACTIVITIES FUND							
400	CHARGES FOR SERVICES	6,007,427	6,905,647	7,893,257	7,966,568	8,122,600	8,581,600
900	TRANSFERS IN	7,727,929	6,843,758	5,575,855	7,404,186	7,529,567	7,730,084
	TOTAL FUND	13,735,356	13,749,405	13,469,112	15,370,754	15,652,167	16,311,684
FUND: 883 SPECIAL GRANTS							
400	CHARGES FOR SERVICES	3,575,705	3,360,064	2,652,364	3,083,826	2,883,199	2,945,295
600	COMMONWEALTH	1,694,267	2,342,275	3,707,750	2,973,766	3,014,810	3,138,492
700	FEDERAL FUNDS	9,739,059	10,790,791	14,687,771	10,830,446	9,159,901	8,351,610
	TOTAL FUND	15,009,031	16,493,130	21,047,885	16,888,038	15,057,910	14,435,397
FUND: 886 SCHOOL CONSTRUCTION AND CAPITAL FUND							
500	CARRYOVER AND OTHER	-	216,372	-	-	-	3,940,500
600	COMMONWEALTH	542,032	216,701	-	-	-	-
900	TRANSFERS IN	5,375,590	9,542,723	5,702,479	7,667,642	7,492,434	3,636,709
	TOTAL FUND	5,917,622	9,975,796	5,702,479	7,667,642	7,492,434	7,577,209
FUND: 888 SCHOOL DEBT SERVICE FUND							
500	CARRYOVER AND OTHER	-	-	-	-	1,975,000	1,400,000
900	TRANSFERS IN	32,097,012	31,431,220	33,238,053	34,826,307	39,956,618	43,323,691
	TOTAL FUND	32,097,012	31,431,220	33,238,053	34,826,307	41,931,618	44,723,691
FUND: 889 SCHOOL COMPREHENSIVE SERVICES FUND							
600	COMMONWEALTH	1,825,504	1,837,746	1,849,061	1,939,734	1,342,500	1,992,500
900	TRANSFERS IN	1,894,802	1,964,832	2,057,605	2,363,602	2,307,500	2,527,500
	TOTAL FUND	3,720,306	3,802,578	3,906,666	4,303,336	3,650,000	4,520,000
TOTAL ARLINGTON PUBLIC SCHOOLS		432,815,373	427,661,340	452,487,894	449,622,409	499,256,388	520,447,103