

## REVENUES

### OVERVIEW

Fiscal Year (FY) 2015 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) 2014 real estate assessments are up 5.8 percent over CY 2013 levels, reflecting strength in the residential market and in apartments as well as new construction in commercial properties. Excluding new construction and apartments, CY 2014 commercial assessments were slightly positive (2.7 percent) over CY 2013. This growth was the result of slightly higher office rents, partially offset by a higher than normal office vacancy rate and decreasing hotel revenues. Apartment assessments grew 7.1 percent with 2.4 percent of that growth attributable to new construction; growth was driven by increasing rents and some reductions in vacancies.

The residential property assessment base increased 6.1 percent in the aggregate. Detached home and townhome assessments gained 6.2 percent, while condominiums saw slightly less growth (5.9 percent). The average single family home value in Arlington continued to increase — gaining 5.3 percent in 2014 — increasing from \$524,700 in CY 2013 to \$552,700 in CY 2014.

Meanwhile, other revenue streams are experiencing a variety of changes. Local taxes other than real estate are expected to grow 0.7 percent in the aggregate. Local fees, interest, fines, and service charges are anticipated to remain relatively level — increasing only 2.5 percent in the aggregate. Revenue from the Commonwealth grows by six percent in FY 2015, driven primarily by increasing highway aid as well additional human services grants and the appropriation of commuter assistance funding that is normally appropriated after budget adoption. Funds from the federal government are increasing almost five percent primarily due to new grants.

### General Fund Revenues

Excluding fund balance, General Fund revenues for FY 2015 are forecast to be \$1,108,457,740, an increase of four percent over the FY 2014 adopted budget levels. This change reflects the increase in the assessment base, the decrease in the real estate tax rate of \$0.010 per \$100 of value, and almost one percent growth in all other tax revenue combined. Total General Fund revenues including fund balance total \$1,147,707,211.

### Modest Gains in Local Tax Revenues

For the FY 2015 adopted budget, General Fund tax revenues are forecast to increase by four percent. This gain is driven by overall real estate assessment increases of 5.8 percent, partially offset by the \$0.010 decrease in the real estate tax rate.

Other taxes combined are forecast to increase 0.7 percent in FY 2015. Personal property tax (including business tangible tax) is expected to increase two percent overall. This tax stream is mostly increasing in the personal vehicle segment (up five percent) because of continued gains in new vehicle sales and used vehicles holding their value. Business tangible tax receipts are

decreasing almost five percent in FY 2015. Sales tax is down slightly (two percent) reflecting actual revenues in FY 2013 and slightly slower growth trends in retail sales in FY 2014. Meals tax (up six percent) is set to realize solid gains over FY 2014. Business, Professional and Occupational License Tax (BPOL) is projected to experience a modest dip, reflecting the increasing competition in the metropolitan area to attract and maintain business.

### **State and Federal Budget Adjustments**

FY 2015 revenue from the Commonwealth grows by six percent while federal government revenues increase five percent. The increase in Commonwealth revenue can be attributed to higher highway aid, bringing it in line with FY 2013 actuals and expected FY 2014 revenue. The County has also received additional human services grants. In addition, the appropriation of commuter assistance funding is typically appropriated at close-out; the award amount was announced early enough for next year to include it in the budget.

Continued delays by the General Assembly to pass a State budget do create some uncertainty for State revenue. However, the County does not anticipate any significant changes in funding based on budgets that have been proposed; the adopted budget includes conservative estimates of FY 2015 State revenue.

Additional funds from the federal government include a new Community Oriented Policing Services (COPS) grant from the U.S. Department of Justice as well as new grant funding from the Bureau of Justice Assistance for a Drug Court Coordinator.

### **Real Estate Tax Rate Remains Among the Lowest in Northern Virginia**

The FY 2015 adopted budget reflects a CY 2014 real estate rate of \$0.996 per \$100 of assessed value, which includes the base rate of \$0.983 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, the average homeowner will pay \$227 more in real estate taxes in CY 2014 than in CY 2013, an increase of four percent.

### **Revenue sharing with Arlington Public Schools (APS)**

The FY 2015 adopted transfer to APS is \$432,232,221 million in ongoing FY 2015 local tax revenues — a 4.7 percent increase over the FY 2014 adopted budget — as well as \$8,357,805 of one-time revenue. These funds are generated from a 45.9 percent share of ongoing local tax revenues.

### **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 commercial real estate sector's slower growth. Arlington is poised to begin FY 2015 with steady revenue streams, an overall positive real estate market, and low unemployment levels.

### Economic Indicators

	CY 2011	CY 2012	CY 2013
Consumer Price Index (national CPI-U average)	3.2%	2.1%	1.5%
Employment Cost Index (private industry workers)	2.2%	1.8%	2.0%
Unemployment – US / Arlington (December)	8.9% / 3.6%	7.8% / 3.3%	6.7% / 3.1%
Mortgage Rate (annual average – 30 year fixed rate)	4.45% & 0.7 pts.	3.66% & 0.7 pts.	3.98% & 0.7 pts.
Federal Fund Rate (annualized)	0.10%	0.14%	0.11%
Retail Sales (based on 1% of Arlington tax revenue)	\$3.75 billion	\$3.91 billion	\$3.92 billion
Office Vacancy Rate – (including sublets)	10.7%	16.3%	17.9%
Tourism – Hotel Occupancy Rate	72%	73%	72%
Tourism – Average Hotel room rate	\$160.35	\$156.96	\$150.35

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 for calendar year (CY) 2014, which includes a base rate of \$0.983 plus a \$0.013 stormwater tax, is one of the lowest in the Northern Virginia region. Charts comparing current (CY 2014) 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 2014, 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 strong debt position, stable tax base, and sound financial position.

## TAX RATES, USER CHARGES, AND PERMIT FEE CHANGES FOR FY 2015

The following changes for FY 2015 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 2015 budget includes the following:

- The County Board decreased the base real estate tax rate by \$0.010 from \$0.993 to \$0.983 per \$100 of assessment value.
- ↑ In the Department of Environmental Service (DES), there is an increase to Arlington Transit (ART) Transportation System and Specialized Transportation for Arlington Residents (STAR) Zone 1 bus fares to help offset higher operating costs.
- ↑ In the DES, the planned increase in the household solid waste rate is \$13.28 from \$293.76 to \$307.04 per year. However, this rate could change depending on the final mix of services implemented under the new contract, as the fee is charged per refuse unit and 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.
- ↑ In the Department of Parks and Recreation, fee changes and new fees are expected to generate \$107,723 in additional revenue in FY 2015 and reduce the County's tax support of DPR. New fees include activities and rentals offered for the first time in FY 2015 including new camp offerings, fees for plaza rental, and a fee for rental of the new Arlington Mill gymnasium as well as a new administrative enrollment deposit fee for camps and long-term programs. Fee changes are designed to more accurately reflect the actual cost of activities and create consistency including a standardization of non-resident surcharges, slight realignment of preschool fees, and changes in some rental fees.
- ↑ In the Police Department, accident report fees increase from \$3 to \$10 per request, criminal history checks from \$5 to \$10 per request, and police report verifications from \$5 to \$10 per request. These increases allow for full recovery of the costs associated with providing these services while remaining consistent with fees charged by neighboring jurisdictions.
- ↑ In the Department of Human Services, a new nursing case management will be assessed on a sliding scale in line with the Community Services Board (CSB) fee schedule. Under this fee scale, eighty-five percent of current Nursing Case Management clients will pay just \$13 per month or less.
- ↑ In the Department of Community Planning, Housing, and Development (CPHD) and DES, the Zoning Fee Schedule is amended to include new and readjusted fees for development applications using the Columbia Pike Neighborhoods Special Revitalization District Form Based Code and the commercial centers Columbia Pike Special Revitalization District Form Based Code. The new fees are applicable to new applications using the Neighborhoods Form Based Code and façade plan review during both the permitting phase and administratively reviewed projects; fees for landscape plan review are increased for both the permitting phase and administratively reviewed projects; and all fees are clarified by listing all related fees together in the fee schedule for either use permit or administratively-reviewed applications.

### **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 water/sewer rate increases \$0.43 per thousand gallons to \$13.04 per thousand gallons. This corresponds to an estimated annual increase of \$30.10 per household annually, assuming 70,000 gallons of water consumption.

### **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 2015 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 2015 revenue for the TIF is projected to be \$3,482,480.

### **Columbia Pike Tax Increment Financing (TIF) Fund**

- Fund the Columbia Pike TIF area, established by the County Board in December 2013, using CY 2014 district assessments as the base year for valuation. Funding in FY 2015 is 25 percent of the projected tax revenue generated from the incremental assessment growth forecast for CY 2015 (June 2015 payment) in the defined Columbia Pike area. Total FY 2015 revenue for the TIF is projected to be \$119,950.

### **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 2014 tax rate remains \$0.045 for each \$100 of real estate assessment value, no change from the CY 2013 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 2014 tax rate remains at \$0.043 for each \$100 of real estate assessment value, no change from the CY 2013 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 2014 tax rate remains at \$0.078 for each \$100 of real estate assessment value, no change from CY 2013 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.

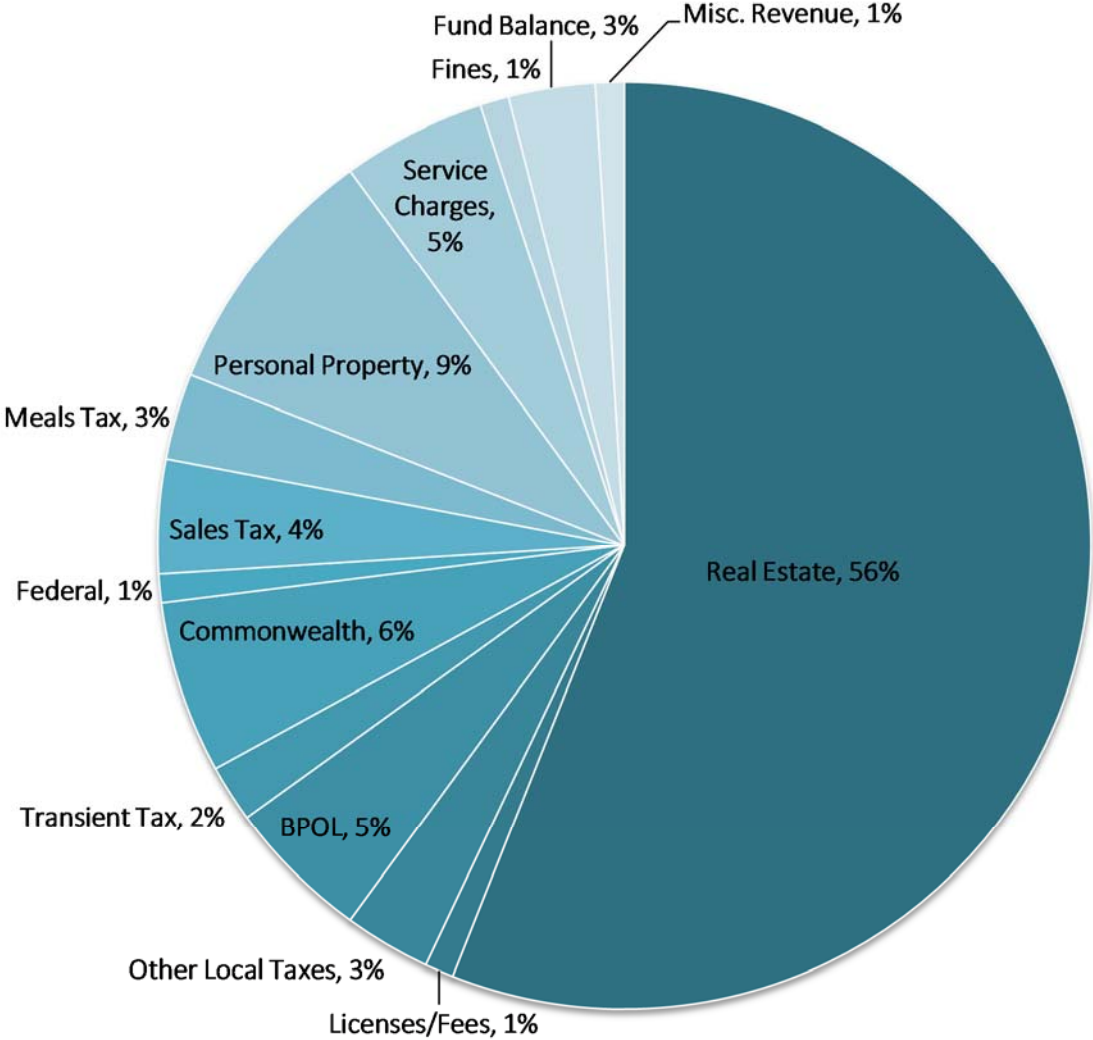
## GENERAL FUND REVENUE SUMMARY

The FY 2015 General Fund budget is financed by a variety of revenue sources, which include local taxes, service charges, fees, and state and federal revenue.

- General Fund revenues are projected to total \$1.15 billion, an increase of \$56.2 million (5.1 percent) over the adopted FY 2014 budget. Net of fund balance, General Fund revenues are projected to total \$1,108,457,740, an increase of \$42.8 million (4.0 percent).
- Local tax revenues are projected to total \$941,271,377, an increase of \$36.0 million (4.0 percent) over the FY 2014 adopted budget.
  - Local taxes represent 85 percent of total General Fund revenue.
  - Real estate assessments are up 5.8 percent over last year.
  - The base real estate tax rate is reduced by \$0.010 from \$0.993 to \$0.983 per \$100 of assessment value.
- License, Permits, and Fee revenue are projected to total \$10.5 million, a 0.7 percent increase over FY 2014 adopted budget levels. This increase is due to a slight increase in motor vehicle license fees and estimates of expected development and construction, which increase the use of the public right-of-way and highway permit revenues, as well as new and readjusted fees for development applications using the Columbia Pike Neighborhoods Special Revitalization District Form Based Code and the commercial centers Columbia Pike Special Revitalization District Form Based Code.
- Fines and parking tickets are estimated to generate \$8.2 million, a 14.7 percent decrease, primarily due to declines in parking ticket revenue.
- Interest income is forecast at \$1.5 million, no change from FY 2014.
- Service charge revenue is projected to increase by \$3.0 million or 6.0 percent. This is primarily due to increased reimbursements from the City of Falls Church for services, new and expanded Arlington Transit bus routes, increased fares for ART and STAR, and additional revenue generated by Department of Parks and Recreation programs.
- State revenue is estimated to total \$69.1 million, a 6.5 percent increase from the FY 2014 adopted budget. This is primarily due to the increased highway aid and additional human services grants.
- Federal Government revenue is forecast to total \$15.2 million, an increase of 5.0 percent. This is primarily driven by a new Community Oriented Policing Services (COPS) grant from the U.S. Department of Justice as well as new grant funding from the Bureau of Justice Assistance for a Drug Court Coordinator.
- Previous year fund balance carryover totals \$39.2 million funded by a combination of additional revenue and/or expense savings identified from previous fiscal years.

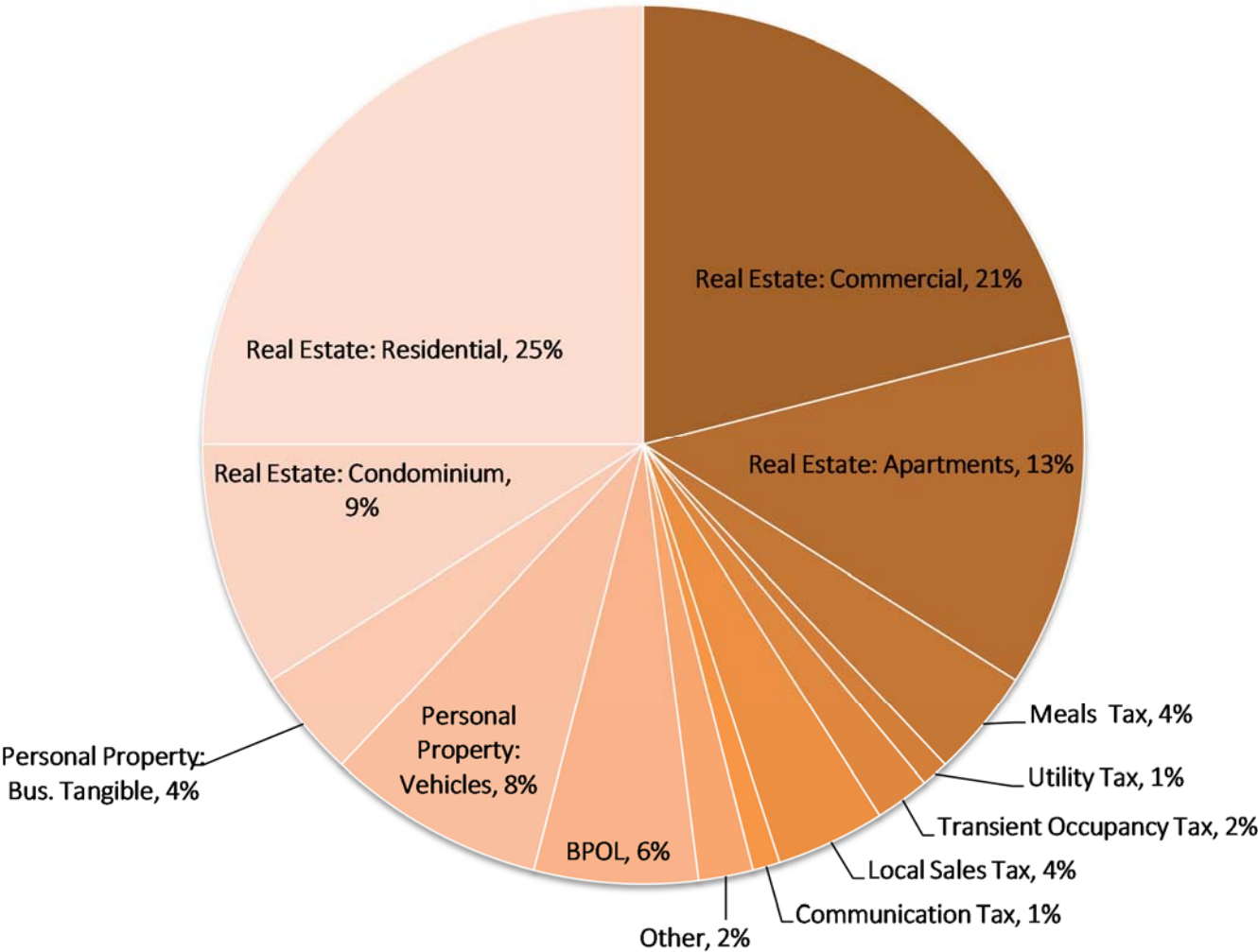
The pie chart on the next page illustrates the major sources of General Fund revenues.

FY 2015 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 80 percent of local tax revenue. A description of the local taxes and a discussion of the FY 2015 revenue projections follow.

**FY 2015 Local Taxes**





## REAL ESTATE TAX

Real estate taxes are the largest source of County revenues, generating \$637.1 million or 56 percent of all revenues for the FY 2015 General Fund budget and 68 percent of all local tax revenues. Fiscal Year 2015 General Fund revenues reflect the real estate tax rate of \$0.983 for each \$100 of assessed real property value, a decrease of \$0.010 from the CY 2013 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 2014 assessments showed solid performance with growth primarily fueled by strength in the residential market as well as new construction in commercial properties and strength in apartments. The value of real property in the County excluding Public Service Corporations (PSCs) increased 5.8 percent from CY 2013 to CY 2014. New construction added one percent to the tax base, while assessments of existing properties increased 4.7 percent overall.

The combined value of commercial and apartment assessments increased 5.4 percent. Apartment buildings showed growth of 7.1 percent driven by increasing rents and some reductions in vacancies. Despite office vacancies and decreasing hotel revenues, commercial properties increased 4.4 percent primarily fueled by new construction – which made up 1.7 percent of the increase – as well as strength in general commercial properties and slightly higher office rents.

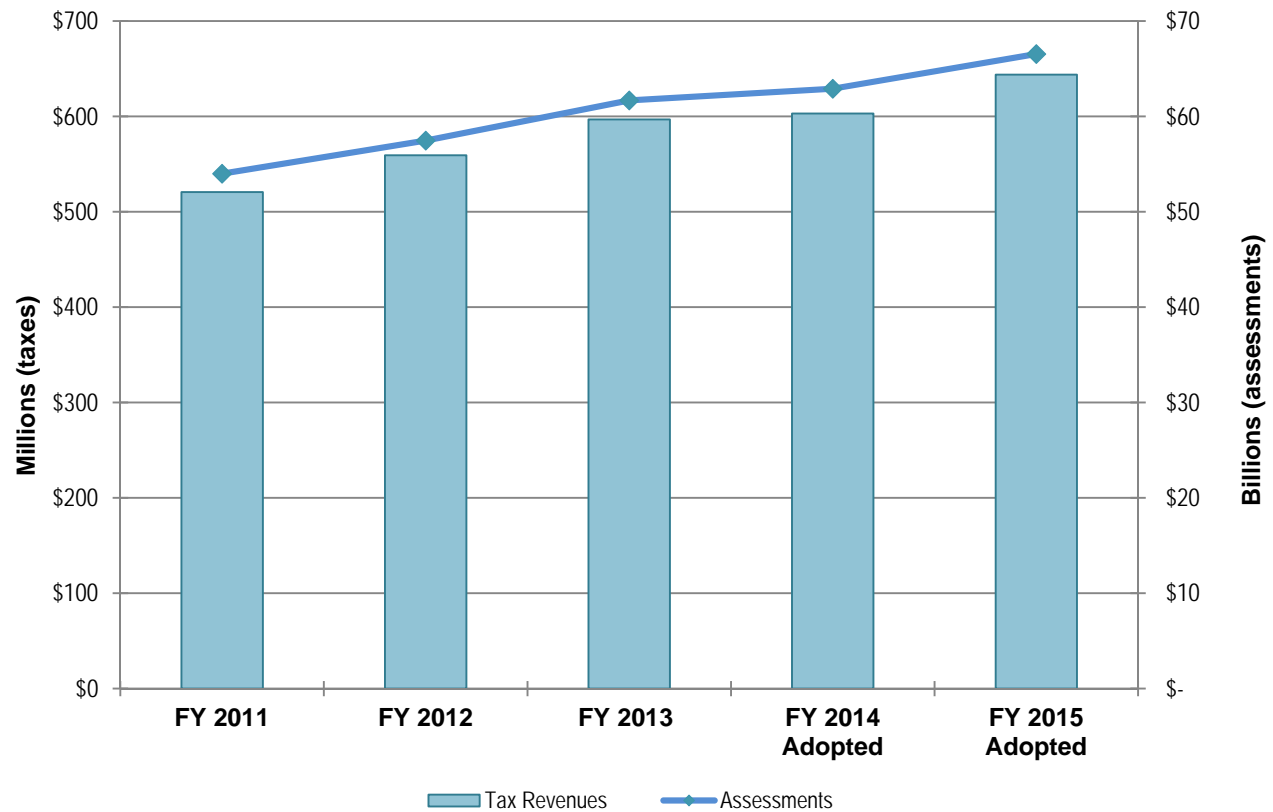
Single-family residential assessments increased 6.1 percent in the aggregate. Including new construction, single-family houses (including townhomes) increased 6.2 percent, while condominium assessment totals increased by 5.9 percent in CY 2014. The average value of a single-family property increased by 5.3 percent: from \$524,700 in CY 2013 to \$552,700 in CY 2014. At the existing real estate tax rate of \$0.996, which includes the 1.3 cent sanitary district “stormwater” tax, the average single-family residential tax bill will increase by about \$227, or four percent, in CY 2014.

### CHANGE IN ASSESSED VALUE OF REAL ESTATE IN ARLINGTON COUNTY Calendar Year 2013 to Calendar Year 2014

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

	Single-Family		Apartment	Commercial	Total
	Houses	Condominium			
Percentage of CY 2013 Tax Base	36%	14%	19%	31%	100%
CY 2013 Tax Base	\$22,886	\$8,751	\$11,725	\$19,529	\$62,891
Assessed Value Change	\$1,339	\$516	\$561	\$533	\$2,948
CY 2014 Tax Base (Excluding New Growth)	\$24,224	\$9,266	\$12,286	\$20,062	\$65,839
Percent Change	5.8%	5.9%	4.8%	2.7%	4.7%
New Construction	\$85	-	\$275	\$330	\$691
Percent Change	0.4%	0.0%	2.3%	1.7%	1.1%
CY 2014 With New Construction	\$24,310	\$9,266	\$12,561	\$20,392	\$66,530
Percent Change CY 2013 to CY 2014	6.2%	5.9%	7.1%	4.4%	5.8%

## Real Estate Tax Revenues &amp; Assessment Base



The following table shows the projected General Fund revenue generated by the real estate tax rate of \$0.983 per \$100 of assessed value (excluding the \$0.013 rate for the stormwater fund) in FY 2015. The FY 2015 real estate tax revenues account for \$8.0 million in anticipated tax refunds and \$1.0 million in penalty and interest revenue. The \$644.1 million in real estate tax revenue is net of \$4.9 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), \$3.5 million set aside for the Crystal City Tax Increment Financing (TIF) fund, and \$0.1 million set aside for the Columbia Pike TIF fund.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Real Estate Taxes	\$603,766,303	\$608,033,449	\$644,059,230	6%
Additions, Delinquent Penalty & Interest	974,940	1,000,000	1,000,000	-
Tax Refunds	(7,922,121)	(6,000,000)	(8,000,000)	33%
<b>Total</b>	<b>\$596,819,122</b>	<b>\$603,033,449</b>	<b>\$637,059,230</b>	<b>6%</b>

**FY 2014 REVISED - REAL ESTATE TAX REVENUES**

Description	Percent Change	Assessed Value	Tax Rate*	Tax Levy	Percent Collected	Total for Tax Year	Total for Fiscal Year
<b>REAL ESTATE</b>							
County Property, CY 2012		\$61,672,361,900					
Net Change in Assessments	2.0%	<u>1,218,968,400</u>					
County Property as of April 2013		62,891,330,300	\$0.993	\$624,510,910	99.6%	\$622,012,866	
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	\$0.993	\$1,570,355	100.0%	<u>\$1,570,355</u>	
Total Taxable Base, Fall 2013		\$63,049,472,820				\$623,583,221	
Taxes Due October 5, 2013							\$311,791,610
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							<u>(1,234,170)</u>
ESTIMATED REVENUE FOR FY 2012 - FALL 2012							<u>\$307,822,350</u>
County Property as of April 2013		\$62,891,330,300					
Net Change in Assessments	5.8%	<u>3,638,611,300</u>					
County Property as of January 1, 2014		66,529,941,600	\$0.983	\$653,989,326	99.6%	\$651,373,370	
PSC Property in Tax Year 2014 (prior to Fall 2013 adjustment)		\$153,457,235	\$0.983	\$1,508,485	100.0%	<u>\$1,508,485</u>	
Total Taxable Base, Spring 2014		\$66,683,398,835				\$652,881,855	
Taxes Due June 15, 2014							\$326,440,927
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							<u>(1,741,210)</u>
ESTIMATED REVENUE FOR FY 2014 - SPRING 2014							<u>\$321,914,617</u>
<b>TOTAL ESTIMATED ASSESSMENT TAX REVENUE FOR FISCAL YEAR 2014</b>							<b>\$629,736,967</b>

\* 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 2015 ADOPTED - REAL ESTATE TAX REVENUES**

Description	Percent Change	Assessed Value	Tax Rate*	Tax Levy	Percent Collected	Total for Tax Year	Total for Fiscal Year
<b>REAL ESTATE</b>							
County Property as of CY 2013 Land Book		\$62,891,330,300					
Net Change in Assessments	5.8%	<u>\$3,638,611,300</u>					
County Property as of January 1, 2014		\$66,529,941,600	\$0.983	\$653,989,330	99.6%	\$651,373,370	
PSC Property in Tax Year 2013		\$153,457,235					
PSC Estimated Net Change in Assessments	0.0%	<u>\$0</u>					
PSC Property in Tax Year 2014		\$153,457,235	\$0.983	\$1,508,480	100%	<u>\$1,508,480</u>	
Total Taxable Base, Fall 2014		\$66,683,398,835				\$652,881,850	
Taxes Due October 5, 2014							\$326,440,930
Less Tax Relief for Elderly and Disabled							(2,400,000)
Less Tax Relief for Disabled Veterans							(185,100)
Less Tax Increment for Crystal City TIF							<u>(1,741,240)</u>
ESTIMATED REVENUE FOR FY 2015 - FALL 2014							<u>\$322,114,590</u>
County Property as of January 1, 2014		\$66,529,941,600					
Net Change in Assessments	0.0%	<u>\$0</u>					
County Property as of January 1, 2015		\$66,529,941,600	\$0.983	\$653,989,330	99.6%	\$651,373,370	
PSC Property in Tax Year 2015 (prior to Fall 2014 adjustment)		\$153,457,235	\$0.983	\$1,508,480	100%	<u>\$1,508,480</u>	
Total Taxable Base, Spring 2015		\$66,683,398,835				\$652,881,850	
Taxes Due June 15, 2015							\$326,440,930
Less Tax Relief for Elderly and Disabled							(2,450,000)
Less Tax Relief for Disabled Veterans							(185,100)
Less Tax Increment for Crystal City TIF							(1,741,240)
Less Tax Increment for Columbia Pike TIF							<u>(119,950)</u>
ESTIMATED REVENUE FOR FY 2015 - SPRING 2015							<u>\$321,944,640</u>
<b>TOTAL ESTIMATED ASSESSMENT TAX REVENUE FOR FISCAL YEAR 2015</b>							<b>\$644,059,230</b>

\* 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 9.5 percent of the General Fund revenues in FY 2015.

It is anticipated that the County’s personal property tax revenues will increase two percent in FY 2015, from \$106.5 million to \$108.7 million. This increase reflects growth in motor vehicle property tax, partially offset by a slight decrease in business tangible property tax.

FY 2015 motor vehicle personal property tax revenue is projected to increase five percent over FY 2014 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.

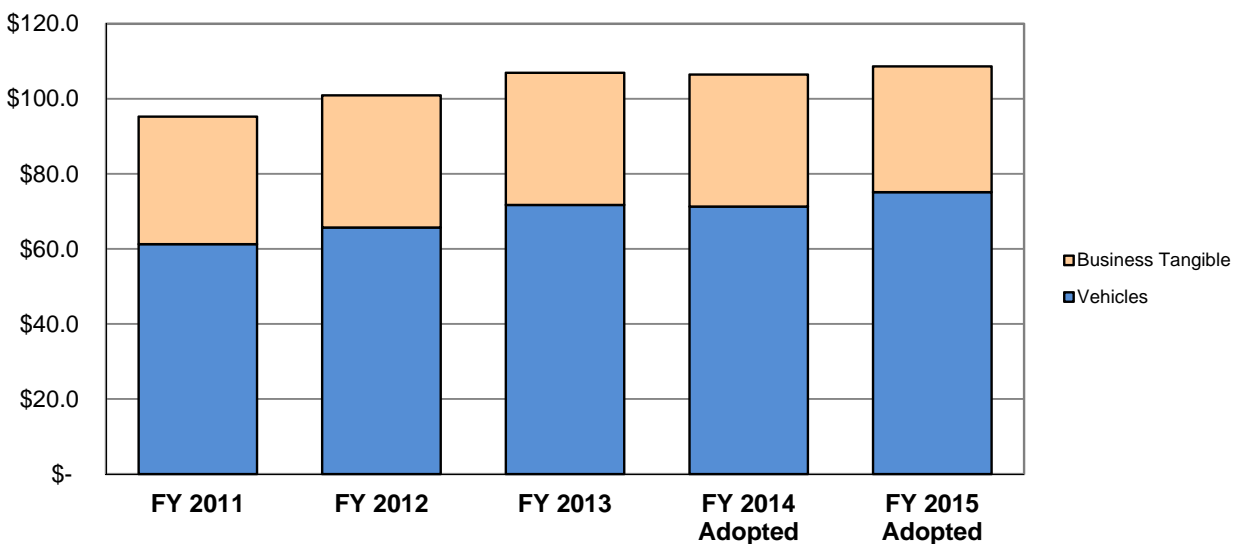
Meanwhile, business tangible tax assessments are expected to decrease five percent in FY 2015.

The personal property tax rate remains unchanged for FY 2015. 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 2013 totaled approximately \$2.1 billion. Fiscal Year 2015 personal property tax revenue is projected to increase approximately two percent over the FY 2014 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 2014 estimated average assessed value (average loan value) of vehicles in the County is estimated to be approximately \$9,284, up five percent from \$8,842 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
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	\$8,842	\$5.00	\$442
2014 (projected)	\$9,284	\$5.00	\$464

\*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 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Personal Property Taxes	\$107,286,191	\$107,600,000	\$109,552,147	2%
Penalty & Interest	1,719,326	1,500,000	1,700,000	13%
Tax Refunds - Personal Property	(2,048,304)	(2,600,000)	(2,600,000)	-
<b>Total</b>	<b>\$106,957,213</b>	<b>\$106,500,000</b>	<b>\$108,652,147</b>	<b>2%</b>

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.

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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 2014, 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 73 percent of the tax liability, with the State block grant funds contributing the remaining 27 percent. However, the exact amount of the CY 2014 subsidy on the portion of conventional fuel value between \$3,001 and \$20,000 will not be known until July 2014, 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. It is estimated that the average clean fuel vehicle in the County will have an assessed value of roughly \$13,850 in CY 2014. Thus, under the adopted tax relief formula, the owner of an average clean fuel vehicle would have a tax bill of \$271. This CY 2014 bill is roughly \$125 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 2015 adopted 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 \$127 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 2015, based on preliminary estimates.

## CY 2014 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 27%.

VEHICLE ASSESSMENT	TOTAL TAX	PORTION PAID BY STATE	PORTION PAID BY TAXPAYER	% OF TAX BILL PAID BY TAXPAYER
\$1,000	\$50	\$50	\$0	0%
\$2,000	\$100	\$100	\$0	0%
\$3,000	\$150	\$150	\$0	0%
\$4,000	\$200	\$164	\$37	18%
\$5,000	\$250	\$177	\$73	29%
\$6,000	\$300	\$191	\$110	37%
\$7,000	\$350	\$204	\$146	42%
\$8,000	\$400	\$218	\$183	46%
\$9,000	\$450	\$231	\$219	49%
\$10,000	\$500	\$245	\$256	51%
\$11,000	\$550	\$258	\$292	53%
\$12,000	\$600	\$272	\$329	55%
\$13,000	\$650	\$285	\$365	56%
\$14,000	\$700	\$299	\$402	57%
\$15,000	\$750	\$312	\$438	58%
\$16,000	\$800	\$326	\$475	59%
\$17,000	\$850	\$339	\$511	60%
\$18,000	\$900	\$353	\$548	61%
\$19,000	\$950	\$366	\$584	61%
\$20,000	\$1,000	\$380	\$621	62%
\$21,000	\$1,050	\$380	\$671	64%

### 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%.

PORTION PAID BY STATE	PORTION PAID BY TAXPAYER	% OF TAX BILL PAID BY TAXPAYER
\$50	\$0	0%
\$100	\$0	0%
\$150	\$0	0%
\$175	\$25	13%
\$200	\$50	20%
\$225	\$75	25%
\$250	\$100	29%
\$275	\$125	31%
\$300	\$150	33%
\$325	\$175	35%
\$350	\$200	36%
\$375	\$225	38%
\$400	\$250	38%
\$425	\$275	39%
\$450	\$300	40%
\$475	\$325	41%
\$500	\$350	41%
\$525	\$375	42%
\$550	\$400	42%
\$575	\$425	43%
\$575	\$475	45%



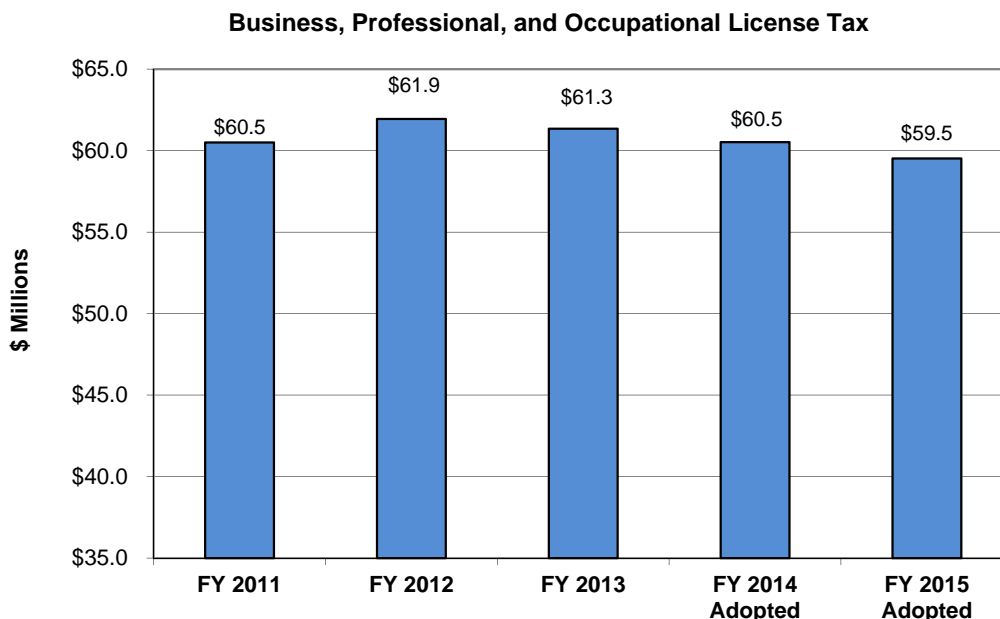
**BUSINESS, PROFESSIONAL, AND OCCUPATIONAL LICENSE (BPOL) TAX**

(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.

For the FY 2015 budget, BPOL revenues are anticipated to decrease two percent reflecting current and expected office vacancies.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
BPOL Taxes	\$63,435,966	\$63,000,000	\$62,000,000	-2%
Penalty & Interest	302,359	520,000	520,000	-
Tax Refunds - BPOL	(2,397,171)	(3,000,000)	(3,000,000)	-
<b>Total</b>	<b>\$61,341,154</b>	<b>\$60,520,000</b>	<b>\$59,520,000</b>	<b>-2%</b>



**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 six 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 2015 local sales tax revenue is anticipated to decrease two percent compared to the FY 2014 adopted budget, reflecting actual revenues in FY 2013 and slightly slower growth trends in retail sales in FY 2014.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Sales Tax	\$39,447,636	\$40,900,000	\$40,000,000	-2%

**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 2015 TOT projections reflect flat occupancy rates and declining room rates. Fiscal year 2015 revenues are projected to be flat, which has been the trend for the past four years.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Transient Occupancy Tax	\$22,270,626	\$21,800,000	\$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 six 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 2015, meals tax is expected to increase six percent over FY 2014 adopted budget levels.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Meals Tax	\$34,707,200	\$34,700,000	\$36,820,000	6%

## OTHER LOCAL TAXES

The chart below lists other sources of local taxes.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Car Rental	\$6,173,823	\$5,400,000	\$5,350,000	-1%
Bank Stock	2,910,052	2,800,000	2,900,000	4%
Recordation	6,974,187	6,000,000	6,000,000	-
Cigarette	3,109,154	3,200,000	3,000,000	-6%
Utility	11,815,946	11,700,000	11,800,000	1%
Short-Term Rental	47,895	45,000	45,000	-
Wills & Administration	64,011	80,000	75,000	-6%
Consumption	800,128	750,000	750,000	-
Communication	7,784,666	7,800,000	7,500,000	-4%
<b>Total</b>	<b>\$39,679,862</b>	<b>\$37,775,000</b>	<b>\$37,420,000</b>	<b>-1%</b>

### 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 2015, a one percent decrease 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 2015 revenue levels are expected 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. FY 2015 revenues are anticipated to decrease six percent based on recent actual 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, consistent with 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 2015 is \$1.6 million, a seven percent increase when compared to FY 2014 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.

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**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. Total revenues in FY 2015 are expected to decrease six percent based on trends in recent actual receipts.

**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. Consumption tax revenue is projected to remain flat in FY 2015.

**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 decrease four percent in FY 2015.

## 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 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Motor Vehicle License Fees	\$4,971,835	\$4,900,000	\$5,000,000	2%
Highway Permits	1,100,743	1,329,532	1,400,000	5%
Site Plan Fees	1,114,585	1,276,255	1,062,840	-17%
Right-of-Way Fees	861,527	900,000	900,000	-
Other	2,453,447	2,005,850	2,121,892	6%
<b>Total</b>	<b>\$10,502,137</b>	<b>\$10,411,637</b>	<b>\$10,484,732</b>	<b>1%</b>

### Motor Vehicle License Fees

The annual motor vehicle license fee increased \$8 to \$33 per vehicle in FY 2011. Projected revenues for FY 2015 total \$5.0 million, which is based upon recent actual receipts. Funds generated from this incremental rate increase are dedicated to pedestrian and bike safety PAYG projects. Motor vehicle license fee revenue is expected increase by two percent in FY 2015 based on trends in actual receipts.

### 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 2015, this revenue stream is anticipated to increase five percent from FY 2014 adopted budget levels primarily based on estimates of expected development and construction, which increase the use of the public right-of-way.

### Site Plan Fees

Site plan fee revenue is anticipated to decrease 17 percent in FY 2015 based on recent actual receipts.

### 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 2015, 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 2015, "other" revenues are forecast to increase six percent. This is primarily due to increases in miscellaneous fee revenue in order to align the FY 2015 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 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Fines/Tickets	\$8,468,253	\$9,605,548	\$8,195,748	-15%
Interest	(903,813)	1,500,000	1,500,000	-
Courthouse Plaza Rent	3,394,743	2,800,000	3,000,000	7%
Paid parking	851,223	883,000	815,000	-8%
Other Revenue	656,382	628,510	655,046	4%
<b>Total</b>	<b>\$12,466,788</b>	<b>\$15,417,058</b>	<b>\$14,165,794</b>	<b>-8%</b>

### 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 2015, this category is projected to decrease fifteen percent primarily based on actual parking ticket receipts.

### 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.

### 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 2015 revenues are being increased based upon FY 2013 actual receipts.

### Paid Parking

This revenue is generated by the monthly parking charges in various government buildings. FY 2015 revenue is projected to decrease primarily due to adjustments in revenues generated from the Arlington Mill public parking garage.

### Other

Rentals, sales of surplus property, and lease agreements are included in this revenue category. The four percent increase projected in FY 2015 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 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Refuse/Recycling Fee	\$9,697,424	\$9,576,576	\$10,163,024	6%
Parking Meters	7,885,752	8,301,000	7,965,200	-4%
Recreation Fees	9,070,436	9,176,212	9,996,359	9%
Ambulance Service Fees	3,302,338	3,300,000	3,300,000	-
Arlington Transit / Commuter Store	4,229,926	4,180,000	4,786,485	15%
Indirect Administrative Charges	3,890,258	3,648,305	4,033,585	11%
Mental Health Charges	1,404,140	1,625,022	1,642,237	1%
Falls Church Reimbursement	3,240,561	3,421,145	3,849,425	13%
Other	8,935,087	7,931,350	8,447,218	7%
<b>Total</b>	<b>\$51,655,922</b>	<b>\$51,159,610</b>	<b>\$54,183,533</b>	<b>6%</b>

### Refuse/Recycling Fee

For FY 2015, the combined residential customer rate for refuse collection, disposal, and recycling increases from \$293.76 to \$307.04 per year. The County's policy for the refuse rate is recovery of 100 percent of disposal and collection costs, which includes refuse and recycling collection, landfill fees, leaf collection, cart management and administration, and associated overhead costs, which are partially offset by revenue from sale of recyclable materials.

### Parking Meters

Parking meter revenue decreases four percent based on actual parking meter receipts. Parking meter rates remain unchanged in the FY 2015 budget.

### Recreation Fees

Recreation fees include charges for summer and holiday camp programs, senior adult programs, competitive swimming, recreation classes, membership in County fitness centers, facility rentals, use of the athletic fields, and many other services. The nine percent growth primarily reflects added capacity in several revenue-producing program areas.

### Ambulance Service Fees

Ambulance service fee revenue is expected to be flat in FY 2015.

### Arlington Transit / Commuter Store

Arlington Transit / Commuter Store revenue includes ART bus fares and business contributions for transportation demand management programs. FY 2015 revenues are projected to increase due to new and expanded ART bus routes and an increase in fares.



### Indirect Administrative Charges

Indirect administrative charges are reimbursements 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 slight increase in anticipated fees revenue in FY 2015 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 expenses.

In addition, under the terms of the County's judicial and public safety services agreement with the City, the City uses the County's alcohol safety program, Circuit Court, General District Court, Juvenile and Domestic Relations Court, Argus House, and community corrections. 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 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Circuit Court	\$26,498	\$26,738	\$28,364	6%
Clerk of the Circuit Court	97,300	101,192	133,635	32%
County Manager's Office (Community Corrections)	12,786	12,417	14,614	18%
General District Court	7,262	9,045	7,982	-12%
Magistrate	2,415	1,911	2,104	10%
Juvenile and Domestic Relations Court	110,656	81,790	76,845	-6%
Commonwealth's Attorney	145,116	147,735	133,639	-10%
Sheriff	873,900	753,807	778,084	3%
Fire	1,750,215	1,867,747	2,194,114	17%
Emergency Communications Center	208,231	410,332	471,302	15%
Department of Management and Finance	6,182	8,431	8,742	4%
<b>Total</b>	<b>\$3,240,561</b>	<b>\$3,421,145</b>	<b>\$3,849,425</b>	<b>13%</b>

**Other**

Major revenue sources in the "Other" category are: miscellaneous service charges (increasing \$397,603 or 20 percent) primarily from the Treasurer's collections efforts (increasing \$349,624 or 41 percent); public health fees; the wireless E-911 payments for the Office of Emergency Management (increasing \$127,865 or 18 percent due to a change in the distribution formula from the State); library fines and fees; engineering service charge; 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 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Highway Aid	\$16,126,094	\$14,679,273	\$16,230,852	11%
Law Enforcement Aid	5,863,810	6,149,639	6,349,639	3%
Health Reimbursement	3,418,232	3,369,273	3,434,598	2%
Social Services	3,244,405	4,598,874	4,569,640	-1%
Mental Health/ Intellectual Disability	7,479,245	7,644,878	8,380,693	10%
Sheriff / Detention	7,243,190	7,326,854	7,533,177	3%
Prisoner Expense Reimbursement	826,521	923,300	800,000	-13%
Commuter Assistance	5,090,210	5,070,000	5,559,791	10%
Comprehensive Services Act	1,677,752	2,983,713	2,983,713	-
Other	13,504,471	12,142,978	13,243,099	9%
<b>Total</b>	<b>\$64,473,930</b>	<b>\$64,888,782</b>	<b>\$69,085,202</b>	<b>6%</b>

### 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 2015 budget, highway aid is projected to increase 11 percent based on estimates for actual FY 2014 revenue.

### 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 2015 budget, the County is projecting law enforcement aid at \$6.3 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 2015 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 state's formula for funding is based on variables including population, incident rates, and state program reviews.

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### **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 2015, funds are increasing due to two new grants, one Crisis Intervention Team grant in Behavioral Health and a Crisis Stabilization grant in Child and Family Services.

### **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. The 13 percent decrease in prisoner expense reimbursement is due to a reduced number of federal prisoners being held in Arlington.

### **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. In FY 2015, funds are increasing due to early notification of supplemental grant awards, which are entirely offset by an equal increase in expenses. These funds are typically appropriated after budget adoption through a supplemental appropriation.

### **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.

### **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, and 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 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
WIA / JTPA	\$1,291,508	\$817,300	\$817,300	-
HUD / HOME	283,490	686,802	682,054	-1%
Health & Human Service	532,419	385,054	637,402	66%
Mental Health	1,077,756	1,296,360	1,604,010	24%
Social Services	8,022,625	7,874,431	7,669,581	-3%
Substance Abuse	791,357	809,718	773,400	-4%
Other	3,596,601	2,636,437	3,050,264	16%
<b>Total</b>	<b>\$15,595,756</b>	<b>\$14,506,102</b>	<b>\$15,234,011</b>	<b>5%</b>

### 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.

### 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.

### Health & Human Service

The Department of Health & Human Services' Drug Free Communities Grant funds local drug-free community coalitions to increase collaboration among partners to prevent and reduce youth substance abuse. The increase in FY 2015 is primarily due to new grant funding from the Bureau of Justice Assistance grant for a Drug Court Coordinator.

### Social Services

Social services revenue represents the largest single category of federal funds—accounting for approximately \$7.7 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 2015 of federal social service funding is due the formula for reimbursement.

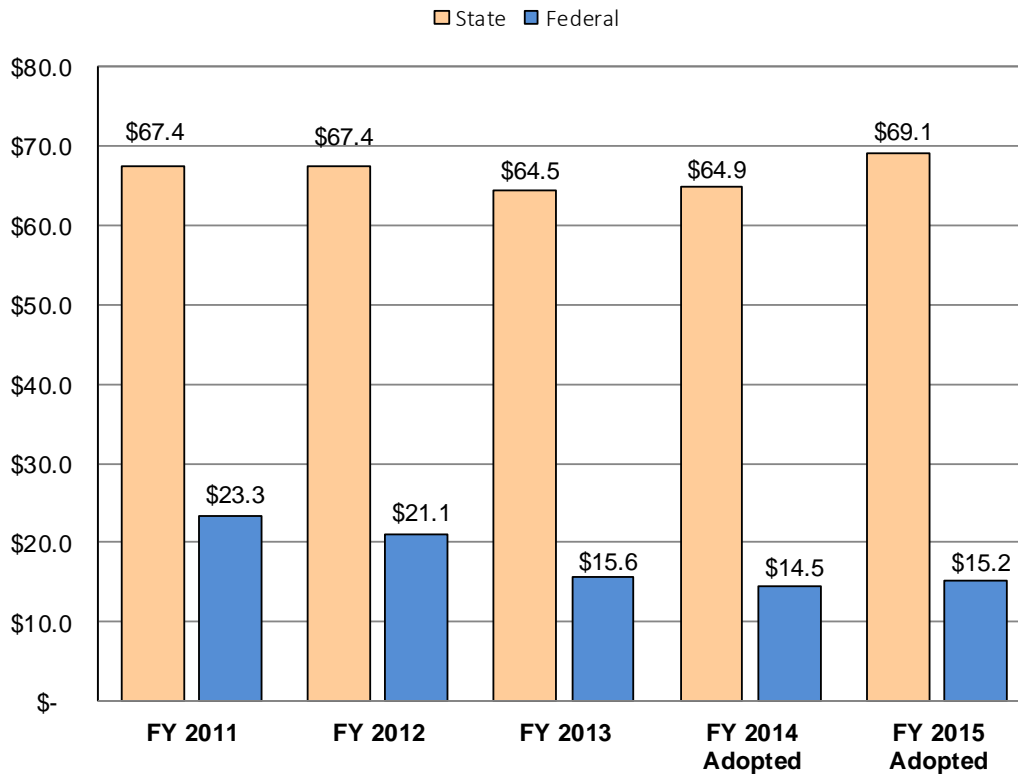
### Substance Abuse

Federal substance abuse funds are used to prevent adverse social, legal, and medical conditions in individuals resulting from alcohol and drug dependency. Outpatient programs provide assessment, individual and group therapy, alcohol and drug education courses, relapse prevention services, psychological evaluations, urinalysis, and referral to community-based support groups. Residential programs provide individuals with initial assessments, referrals to appropriate programs, support during and after treatment, and connecting to other community resources. In FY 2015, substance abuse funding decreases due to Community Service Board reductions in federal pass-through grants from the state.

**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 increases to most federal grants and has received a Community Oriented Policing Services (COPS) grant (\$245,669), accounting for an overall increase of 16 percent in the "Other" category in the FY 2015 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, the Arlington Employment Center's One Stop Comprehensive Services Team, Teens Against Tobacco, premiums from bond sales, Department of Environmental Services sale of right-of-way, and Department of Parks and Recreation reimbursements.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Sale of Land and Buildings	\$2,450	\$15,000	\$15,000	-
Cable TV Administration	233,171	-	-	-
Affordable Housing Investment Fund	21,235,748	-	-	-
Gifts & Donations	327,388	320,000	390,000	22%
Treasurer's Returned Checks	37,899	20,000	20,000	-
Other	11,141,575	986,244	869,259	-12%
<b>Total</b>	<b>\$32,978,231</b>	<b>\$1,341,244</b>	<b>\$1,294,259</b>	<b>-4%</b>

### 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 2015 budget includes \$39,249,471 in carryover funds, funded by a combination of additional revenue and/or expense savings identified from previous fiscal years.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Transfers	\$1,460,100	\$2,736,518	\$2,738,832	-
Prior Year Adjusted Balance	129,373,675	25,817,403	39,249,471	52%
<b>Total</b>	<b>\$130,833,775</b>	<b>\$28,553,921</b>	<b>\$41,988,303</b>	<b>47%</b>

## 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 2013, 2014 (adopted), and 2015 (adopted).

General Fund Revenues	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Real Estate Tax	\$596,819,122	\$603,033,449	\$637,059,230	6%
Personal Property Tax	106,957,213	106,500,000	108,652,147	2%
BPOL Tax	61,341,154	60,520,000	59,520,000	-2%
Local Sales Tax	39,447,636	40,900,000	40,000,000	-2%
Recordation Tax	6,974,187	6,000,000	6,000,000	-
Transient Occupancy Tax	22,270,626	21,800,000	21,800,000	-
Cigarette Tax	3,109,154	3,200,000	3,000,000	-6%
Meals Tax	34,707,200	34,700,000	36,820,000	6%
Utility Tax	11,815,946	11,700,000	11,800,000	1%
Communications Tax	7,784,666	7,800,000	7,500,000	-4%
Other Taxes	9,995,909	9,075,000	9,120,000	-
<b>Total Local Taxes</b>	<b>901,222,813</b>	<b>905,228,449</b>	<b>941,271,377</b>	<b>4%</b>
Licenses, Permits & Fees	10,502,137	10,411,637	10,484,732	1%
Fines, Interest, Rents	12,466,788	15,417,058	14,165,794	-8%
Charges for Services	51,655,922	51,159,610	54,183,533	6%
Commonwealth	64,473,930	64,888,782	69,085,202	6%
Federal Government	15,595,756	14,506,102	15,234,011	5%
Miscellaneous Revenue	32,978,231	1,341,244	1,294,259	-4%
Transfer	1,460,100	2,736,518	2,738,832	-
<b>Total Non-tax Revenue</b>	<b>189,132,864</b>	<b>160,460,951</b>	<b>167,186,363</b>	<b>4%</b>
<b>TOTAL (excluding prior year balance)</b>	<b>1,090,355,677</b>	<b>1,065,689,400</b>	<b>1,108,457,740</b>	<b>4%</b>
Prior Year Adjusted Balance	129,373,675	25,817,403	39,249,471	52%
<b>Total (including Prior Year Balance)</b>	<b>\$1,219,729,352</b>	<b>\$1,091,506,803</b>	<b>\$1,147,707,211</b>	<b>5%</b>



### 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 2014 real estate tax rate is \$0.045 for each \$100 of assessed value, no change from the CY 2013 rate.
- ↑ BID expenditures and revenues increase by three percent due to higher assessments.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Service District Revenue	\$1,473,351	\$1,524,736	\$1,572,603	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 2014 real estate tax rate is \$0.078 for each \$100 of assessed value, no change from the CY 2013 rate.
- ↑ BID expenditures and revenues increase by three percent due to higher assessments.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Service District Revenue	\$3,523,816	\$3,630,847	\$3,733,665	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 2014 real estate tax rate is \$0.043 for each \$100 of assessed value, no change from the CY 2013 tax rate.
- ↑ BID expenditures and revenues increase by one percent due to higher assessments.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Service District Revenue	\$2,531,764	\$2,591,803	\$2,626,899	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 2015 projected revenue is expected to decrease based on federal program reductions.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
CDBG Revenues	\$4,492,236	\$1,243,325	\$1,179,289	-5%

### 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 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Housing Assistance	\$16,096,216	\$18,087,967	\$16,736,290	-7%
HOPWA Grant	86,744	90,000	90,000	-
Shelter Plus Care	239,512	250,204	250,204	-
Miscellaneous	25,429	40,900	40,900	-
<b>Total</b>	<b>\$16,447,901</b>	<b>\$18,469,071</b>	<b>\$17,117,394</b>	<b>-7%</b>

### 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 2015 adopted budget, the County's ongoing funding for PAYG capital projects is \$23.0 million.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Charges for Services	\$571,233	-	-	-
Miscellaneous Revenue	225,783	-	-	-
Cable TV	1,112,560	-	-	-
State Grant - Misc.	15,723,597	-	-	-
Proceeds for Lease Purchase	4,473,803	-	-	-
Transfer In	34,908,930	18,691,066	22,952,288	23%
<b>Total</b>	<b>\$57,015,906</b>	<b>\$18,691,066</b>	<b>\$22,952,288</b>	<b>23%</b>

### 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 CY 2014 base real estate rate of \$0.983, brings the total blended real estate rate to \$0.996 per \$100 of assessed real property value. The anticipated \$8.6 million in FY 2015 will help ensure the future sustainability of the County's aging stormwater infrastructure and compliance with federal and State stormwater management requirements.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Sanitary District Tax	\$9,135,965	\$8,002,000	\$8,571,200	7%

### TRANSPORTATION CAPITAL FUND (Funds 330 & 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 2015 budget, revenue for the transportation capital fund is projected at \$36.7 million, with the tax rate remaining at \$0.125 and commercial property assessments increasing 4.4 percent.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Commercial Real Estate Tax	\$25,399,599	\$23,862,600	\$25,261,657	6%
Interest	1,339	-	-	-
State Aid	3,876,968	-	-	-
Miscellaneous	-	-	11,400,000	-
<b>Total</b>	<b>\$29,277,906</b>	<b>\$23,862,600</b>	<b>\$36,661,657</b>	<b>54%</b>

### 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 CY 2014 base real estate tax rate is \$0.983 for each \$100 of assessed property value. The FY 2015 budget allocates 33 percent of the projected tax revenue generated from the incremental assessment growth between January 2011 and January 2014 in the Crystal City TIF area at the CY 2014 base tax rate. Total assessed value in the Crystal City TIF district increased 3.1 percent from CY 2013 to CY 2014.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Real Estate Tax Total	\$2,735,430	\$2,289,560	\$3,482,480	52%

**COLUMBIA PIKE TAX INCREMENT FINANCING FUND (FUND 336)**

In December 2013, the Arlington County Board established a tax increment financing area in support of the Columbia Pike Neighborhoods Area Plan that will benefit affordable housing initiatives and other public services and improvements. 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, 2014. 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 CY 2014 base real estate tax rate is \$0.983 for each \$100 of assessed property value. The FY 2015 budget allocates 25 percent of the projected tax revenue generated from the incremental assessment growth forecast for CY 2015 (June 2015 payment) in the Columbia Pike TIF area and assumes a flat CY 2015 real estate tax rate.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Real Estate Tax Total	\$ -	\$ -	\$119,950	-

**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 water/sewer rate increases from \$12.61 per thousand gallons to

\$13.04 per thousand gallons for FY 2015. This corresponds to an estimated annual residential cost of \$913, 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 2015 adopted budget, Utilities Fund revenues are projected to total \$98.3 million.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Interest	(\$31,197)	\$100,000	-	-100%
Hazardous Household Material Fee	16,600	25,000	20,000	-20%
Utility Marking Fee	191,228	200,000	200,000	-
Water Sewer Service	87,398,588	89,553,964	92,645,221	3%
Water Service Connection Fees	1,250,765	1,100,000	1,230,000	12%
Sewage Treatment	3,700,442	3,922,698	3,923,038	-
Flow Test Fees	34,960	10,000	10,000	-
Miscellaneous Revenue	839,423	614,540	224,765	-63%
<b>Total</b>	<b>\$93,400,809</b>	<b>\$95,526,202</b>	<b>\$98,253,024</b>	<b>3%</b>

#### 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.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Interest	\$58,900	\$100,000	\$100,000	-
Water / Sewer Hook-up	5,042,836	4,000,000	5,000,000	25%
Sewage Treatment Charges	3,924,147	561,000	612,000	9%
Proceeds from VRA Loan	5,471,152	-	-	-
Miscellaneous State Revenue	3,494,285	-	-	-
Miscellaneous	235,884	-	-	-
Transfer In	14,805,834	14,000,000	12,524,545	-11%
<b>Total</b>	<b>\$33,033,038</b>	<b>\$18,661,000</b>	<b>\$18,236,545</b>	<b>-2%</b>

**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 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Interest	\$12,031	\$12,000	\$12,000	-
Parking Revenue	5,148,830	5,342,328	4,905,134	-8%
Transfers In	826,368	-	-	-
<b>Total</b>	<b>\$5,987,229</b>	<b>\$5,354,328</b>	<b>\$4,917,134</b>	<b>-8%</b>

**CPHD DEVELOPMENT FUND (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.

	FY 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Building Permits	\$8,293,030	\$7,915,894	\$7,915,894	-
Electrical Permits	1,778,270	1,603,110	1,603,110	-
Plumbing Permits	1,301,512	1,168,080	1,168,080	-
Mechanical Permits	642,711	712,890	712,890	-
Occupancy Permits	597,975	630,000	630,000	-
Elevator Certificate Fees	858,291	768,000	768,000	-
Plan Review - Walk Throughs	776,196	668,182	668,182	-
Other Revenue	167,490	140,799	140,799	-
<b>Total</b>	<b>\$14,415,475</b>	<b>\$13,606,955</b>	<b>\$13,606,955</b>	<b>-</b>

**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 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Sales of Surplus Equipment	\$1,347,139	\$250,000	\$250,000	-
Proceeds from Lease / Purchase	2,861,645	1,842,205	-	-100%
Services from Other Agencies	19,884,293	16,591,903	16,361,806	-1%
Miscellaneous Revenue	19,143	331,000	331,000	-
Transfer In	672,480	-	42,000	-
<b>Total</b>	<b>\$24,784,700</b>	<b>\$19,015,108</b>	<b>\$16,984,806</b>	<b>-11%</b>

### 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 2013 Actual	FY 2014 Adopted	FY 2015 Adopted	% Change '14 to '15
Services to Agencies	\$2,216,367	\$1,380,601	\$1,557,500	13%
Transfer In	172,203	195,853	226,499	16%
<b>Total</b>	<b>\$2,388,570</b>	<b>\$1,576,454</b>	<b>\$1,783,999</b>	<b>13%</b>

## 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

At the total tax rate of \$0.996 per \$100 of assessed value, which includes the base rate of \$0.983 plus the \$0.013 sanitary district tax rate for stormwater management, the real estate tax bill for the average residential home will increase \$227, or four percent, in calendar year (CY) 2014. The average assessment for a single-family home increased five percent, from \$524,700 in CY 2013 to \$552,700 in CY 2014.

#### REAL ESTATE TAX PAYMENT Average Single Family Home

Calendar Year	Average Assessed Value	Tax Rate*	Tax Payment	Tax Payment Increase
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	\$524,700	\$1.006	\$5,278	\$235
<b>2014</b>	<b>\$552,700</b>	<b>\$0.996</b>	<b>\$5,505</b>	<b>\$227</b>

\*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
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	\$8,842	\$5.00	\$884
<b>2014</b>	<b>\$9,284</b>	<b>\$5.00</b>	<b>\$928</b>

\*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 increases \$13.28 to \$307.04. 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
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	\$293.76
<b>2015</b>	<b>\$307.04</b>

#### 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 2015 water/sewer rate increases to \$13.04 per thousand gallons.

Fiscal Year	Water/Sewer Service Rate*	Average Annual Residential Cost
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	\$12.61	\$882.70
<b>2015</b>	<b>\$13.04</b>	<b>\$912.80</b>

\*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 2011 through CY 2014, and the tax rates and fees for CY 2014. Due primarily to the real estate assessment increase, the average tax and fee burden on County households is expected to increase five percent over CY 2013.

### Summary of Major Residential Taxes and Fees

	CY 2011	CY 2012	CY 2013	CY 2014	% Change '13 to '14
Real Estate Tax (includes sanitary district tax)	\$4,888	\$5,043	\$5,278	\$5,505	4%
Personal Property (taxpayer share only)*	322	368	410	459	12%
Annual Decal Fee*	66	66	66	66	-
Refuse Fee**	326	294	294	307	4%
Water / Sewer Service**	853	883	883	913	3%
Residential Utility Tax**	72	72	72	72	-
<b>Total</b>	<b>\$6,527</b>	<b>\$6,726</b>	<b>\$7,003</b>	<b>\$7,322</b>	<b>5%</b>

\* 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 2014, it is projected that 27% of vehicle value between \$3,000 and \$20,000 will be exempt from taxation; values below \$3,000 are 100% exempt.

\*\* 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 2014 rates and assessments.

**Calendar Year 2014 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	\$552,700	\$490,422	\$497,962	\$684,231	\$450,989	\$310,823	\$423,000
<b>Estimated Taxes</b>							
Real Estate <sup>1</sup>	\$5,505	\$5,115	\$5,547	\$8,929	\$4,690	\$3,796	\$4,886
Personal Property <sup>2</sup>	928	928	848	898	766	688	780
Residential Consumer Utility <sup>3</sup>	72	72	96	120	54	72	65
<b>Subtotal</b>	<b>\$6,505</b>	<b>\$6,115</b>	<b>\$6,491</b>	<b>\$9,947</b>	<b>\$5,510</b>	<b>\$4,556</b>	<b>\$5,731</b>
<b>Estimated Fees</b>							
Water/Sewer <sup>4</sup>	\$913	\$985	\$735	\$885	\$680	\$834	\$687
Solid-Waste/Recycling <sup>5</sup>	307	325	345	n/a	n/a	396	326
Decal Fee <sup>2</sup>	66	66	66	66	66	48	50
<b>TOTAL</b>	<b>\$7,791</b>	<b>\$7,491</b>	<b>\$7,637</b>	<b>\$10,898</b>	<b>\$6,256</b>	<b>\$5,834</b>	<b>\$6,794</b>
Amount more (less) than Arlington		(\$300)	(\$154)	\$3,107	(\$1,535)	(\$1,957)	(\$997)
Percent more or less than Arlington		-3.9%	-2.0%	39.9%	-19.7%	-25.1%	-12.8%

<sup>1</sup> 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.

<sup>2</sup> Estimate based upon 2.0 cars per household, and assumes the same average vehicle value of \$9,284. 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.

<sup>3</sup> Average household utility tax bills are based on the ceiling tax rate.

<sup>4</sup> Assumes average single family residence uses 70,000 gallons of water per year. Estimates are based on either the proposed or adopted FY 2015 rates.

<sup>5</sup> 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. For Loudoun and Prince William County, the amounts shown represent the average fees charged in Arlington, Alexandria and Fairfax County. For Prince William County, a \$70 annual solid waste fee is charged to single-family homeowners.

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

	TAX YEAR 2013			TAX YEAR 2014			CHANGE FROM 2013 TO 2014			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 <sup>3</sup>	\$1.006	\$524,700	\$5,278	\$0.996	\$552,700	\$5,505	(\$0.010)	\$28,000	\$227	-1.0%	5.3%	4.3%
Alexandria	\$1.038	\$470,664	\$4,885	\$1.043	\$490,422	\$5,115	\$0.005	\$19,758	\$230	0.5%	4.2%	4.7%
City of Fairfax <sup>3</sup>	\$1.060	\$427,268	\$4,529	\$1.040	\$450,989	\$4,690	(\$0.020)	\$23,721	\$161	-1.9%	5.6%	3.6%
City of Falls Church	\$1.305	\$641,086	\$8,366	\$1.305	\$684,231	\$8,929	\$0.000	\$43,145	\$563	0.0%	6.7%	6.7%
Fairfax County <sup>4</sup>	\$1.106	\$467,394	\$5,169	\$1.114	\$497,962	\$5,547	\$0.008	\$30,568	\$378	0.7%	6.5%	7.3%
Loudoun County	\$1.205	\$405,977	\$4,892	\$1.155	\$423,000	\$4,886	(\$0.050)	\$17,023	(\$6)	-4.1%	4.2%	-0.1%
Prince William Co. <sup>5</sup>	\$1.256	\$289,269	\$3,633	\$1.221	\$310,823	\$3,796	(\$0.035)	\$21,554	\$163	-2.8%	7.5%	4.5%

<sup>1</sup> 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.

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

<sup>3</sup> Tax rates listed for Arlington and the City of Fairfax include the levy for stormwater funds. Fairfax City's rate also includes \$0.0028 dedicated to a school tuition reserve.

<sup>4</sup> Tax rate for Fairfax County includes additional levies for stormwater and pest control.

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

**CALENDAR YEAR 2014 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
<b>FINANCIAL, REAL ESTATE, AND PROFESSIONAL SERVICES</b>							
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	0.52 Com 0.38 Res	0.23 Com 0.50 Res	0.26	0.16	0.00
<b>REPAIR, PERSONAL, AND BUSINESS SERVICES</b>							
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
<b>RETAIL SALES</b>							
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
<b>CONTRACTING AND CONSTRUCTING</b>							
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.



## NOTES

**ADDITIONAL REAL ESTATE TAX RATE:** Arlington (\$0.013), Alexandria (\$0.005), Fairfax City (\$0.02), and Fairfax County (\$0.0225) impose or dedicate a tax rate on all properties for stormwater management. Prince William County charges a flat fee for stormwater management ranging from \$18.02 for a business to \$37.10 for a single family housing unit. As a part of the FY 2014 budget adoption, the City of Falls Church established a Stormwater Utility Fund; their Stormwater Fees are based on the square footage of impervious surface per parcel. Fairfax County imposes a county-wide levy for pest control (\$0.0010). Prince William imposes a near county-wide tax rate for mosquito and gypsy moth control (\$0.0025) and fire and rescue services (\$0.0707). Fairfax City's rate also includes \$0.0028 dedicated to a school tuition reserve.

**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.

**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.

**NEWLY REGISTERED VEHICLE TAX (STATE):** The State of Virginia is phasing in a 1.15% increase to the newly registered vehicle, or "titling," tax over a four-year period. A 4% rate was effective July 1, 2013; each year, the rate will increase by 0.05% until it reaches 4.15% on July 1, 2016. The revenue generated by the incremental increase in this tax rate will be deposited into the State Highway Maintenance and Operating Fund.

**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).

**MOTOR FUEL TAX:** Effective July 1, 2013, the \$0.175 per gallon tax on motor fuels is being replaced with a percentage-based tax of 3.5% for gasoline and 6% for diesel fuel. Users of passenger cars, pickup or panel trucks, and trucks having a gross vehicle weight rating of 10,000 pounds or less can receive a refund of an amount equal to a 2.5% tax paid on diesel fuel.

**SALES TAX:** In 2004, 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 goes to the Schools in the various jurisdictions. Effective July 1, 2013, the statewide sales and use tax increases from 4.0% to 4.3% with the increased revenues dedicated to the Highway Maintenance and Operating Fund, the Intercity Passenger Rail Operating and Capital Fund, and the Commonwealth Mass Transit Fund. Further, the adoption of House Bill 2313 also established a 0.70% retail sales tax applicable to the Northern Virginia Planning District, which includes the counties of Arlington, Fairfax, Loudoun, and Prince William Counties; the cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park Cities; and the towns of Dumfries, Herndon, Leesburg, Purcellville, and Vienna. The additional revenues generated from this 0.70% increase in retail sales tax will be deposited in the Northern Virginia Transportation Authority Fund, with 30% of the funds distributed to the member localities for use on transportation projects and the remainder to be used for regional transportation projects.

**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; the local rate is 5%. A new 2% state rate for the Northern Virginia Planning District is effective July 1, 2013. The additional revenues generated from this new 2% transient occupancy tax will be deposited in the Northern Virginia Transportation Authority Fund, with 30% of the funds distributed to the member localities for use on transportation projects and the remainder to be used for regional transportation projects.

**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. \$1.00 per \$1,000 of the tax is split evenly between the state and the locality. The state rate increases by \$1.50 per \$1,000 effective July 1, 2013, in the Northern Virginia Planning District. The additional revenues generated from this increase will be deposited in the Northern Virginia Transportation Authority Fund, with 30% of the funds distributed to the member localities for use on transportation projects and the remainder to be used for regional transportation projects.

**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 \$0.004989/kWh and \$0.05017/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.

**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. 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.

SIX-YEAR REVENUE SUMMARY		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2015
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED	ADOPTED
<b>FUND: 001 GENERAL</b>								
REVENUE CATEG: LOCAL TAXES								
101	REAL ESTATE TAX	504,337,687	525,925,597	563,732,045	603,766,303	608,033,449	650,665,530	644,059,230
105	REAL ESTATE PENALTY	2,497,718	858,863	764,441	800,264	850,000	850,000	850,000
106	REAL ESTATE INTEREST	145,034	259,422	176,024	174,676	150,000	150,000	150,000
	TAX REFUNDS - REAL ESTATE	(5,526,492)	(6,467,546)	(5,557,823)	(7,922,121)	(6,000,000)	(8,000,000)	(8,000,000)
	<b>SUBTOTAL</b>	<b>501,453,947</b>	<b>520,576,336</b>	<b>559,114,687</b>	<b>596,819,122</b>	<b>603,033,449</b>	<b>643,665,530</b>	<b>637,059,230</b>
121	PERSONAL PROPERTY TAX	61,880,614	64,587,238	69,797,389	76,034,044	76,347,853	78,300,000	78,300,000
	STATE REIMBURSEMENT	31,252,147	31,252,147	31,252,147	31,252,147	31,252,147	31,252,147	31,252,147
123	PERSONAL PROPERTY PENALTY	1,447,629	1,086,636	1,414,442	1,392,360	1,200,000	1,380,000	1,380,000
125	PERSONAL PROPERTY INTEREST	344,424	310,511	350,432	326,966	300,000	320,000	320,000
	TAX REFUNDS - PERSONAL PROP	(1,877,960)	(1,990,402)	(1,886,344)	(2,048,304)	(2,600,000)	(2,600,000)	(2,600,000)
	<b>SUBTOTAL</b>	<b>93,046,854</b>	<b>95,246,130</b>	<b>100,928,066</b>	<b>106,957,213</b>	<b>106,500,000</b>	<b>108,652,147</b>	<b>108,652,147</b>
131	BPOL TAX	59,122,410	62,797,154	63,280,867	63,435,966	63,000,000	62,000,000	62,000,000
133	BPOL TAX PENALTY	97,028	57,390	87,474	63,344	260,000	260,000	260,000
134	BPOL TAX INTEREST	452,530	452,209	543,226	239,015	260,000	260,000	260,000
	TAX REFUNDS - BPOL	(1,060,729)	(2,846,644)	(1,972,355)	(2,397,171)	(3,000,000)	(3,000,000)	(3,000,000)
	<b>SUBTOTAL</b>	<b>58,611,239</b>	<b>60,460,109</b>	<b>61,939,212</b>	<b>61,341,154</b>	<b>60,520,000</b>	<b>59,520,000</b>	<b>59,520,000</b>
140	CAR RENTAL GROSS RECEIPTS TAX	5,180,239	5,279,343	5,630,079	6,173,823	5,400,000	5,350,000	5,350,000
141	LOCAL SALES TAX	35,954,703	36,889,895	38,630,486	39,447,636	40,900,000	40,000,000	40,000,000
143	BANK STOCK TAX	2,847,874	3,321,024	2,953,089	2,910,052	2,800,000	2,900,000	2,900,000
144	RECORDATION TAX	5,048,400	6,011,781	6,536,109	6,974,187	6,000,000	6,000,000	6,000,000
145	CIGARETTE TAX	2,916,153	2,928,355	3,125,075	3,109,154	3,200,000	3,000,000	3,000,000
146	TRANSIENT TAX	20,809,559	21,828,208	21,789,115	22,270,626	21,800,000	21,800,000	21,800,000
147	UTILITY TAX	12,490,239	13,051,807	11,947,382	11,815,946	11,700,000	11,800,000	11,800,000
148	SHORT TERM RENTAL	55,994	46,513	41,857	47,895	45,000	45,000	45,000
149	MEALS TAX	29,048,450	31,425,805	33,409,537	34,707,200	34,700,000	36,820,000	36,820,000
151	WILLS AND ADMINISTRATION TAX	67,519	109,483	72,779	64,011	80,000	75,000	75,000
152	CONSUMPTION TAX	803,507	847,064	781,684	800,128	750,000	750,000	750,000
153	COMMUNICATION TAX	7,677,471	7,965,227	7,552,604	7,784,666	7,800,000	7,500,000	7,500,000
	<b>SUBTOTAL</b>	<b>122,900,108</b>	<b>129,704,505</b>	<b>132,469,796</b>	<b>136,105,324</b>	<b>135,175,000</b>	<b>136,040,000</b>	<b>136,040,000</b>
	<b>TOTAL LOCAL TAXES</b>	<b>776,012,148</b>	<b>805,987,080</b>	<b>854,451,761</b>	<b>901,222,813</b>	<b>905,228,449</b>	<b>947,877,677</b>	<b>941,271,377</b>
REVENUE CATEG: LICENSES, PERMITS, & FEES								
215	CONCEALED WEAPONS	6,488	5,574	7,661	43,159	5,500	6,500	6,500
219	USE PERMITS	164,912	147,453	119,819	93,955	150,000	115,000	129,042
220	RIGHT OF WAY FEES	1,028,485	910,570	842,913	861,527	900,000	900,000	900,000
221	HIGHWAY PERMITS	899,207	1,033,812	1,376,965	1,100,743	1,329,532	1,400,000	1,400,000
222	BUILDING PERMITS	-	-	-	(2,854)	-	-	-
240	MOTOR VEHICLE LICENSE TAGS	3,665,341	4,913,198	4,931,030	4,971,835	4,900,000	5,000,000	5,000,000
241	LICENSE PLATE PENALTY FEES	110,260	162,171	265,483	284,307	120,000	200,000	200,000
243	SITE PLAN FEES	412,259	846,461	1,437,569	1,114,585	1,276,255	1,062,840	1,062,840
244	TRANSFER FEES	5,022	4,528	4,690	5,287	5,000	5,000	5,000
245	ZONING ADVERTISING	25,039	140,611	68,166	93,157	47,000	88,000	88,000
248	ZONING COMPLIANCE LETTERS	-	(422)	-	-	-	-	-



SIX-YEAR REVENUE SUMMARY		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2015
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED	ADOPTED
251	BUILDING PLANS/WALK-THROUGH	-	-	(50)	-	-	-	-
259	MIS LICENSES, PERMITS & FEES	1,045,934	1,765,149	1,551,870	1,936,436	1,678,350	1,693,350	1,693,350
	TOTAL REV CATEG	7,362,947	9,929,105	10,606,116	10,502,137	10,411,637	10,470,690	10,484,732
REVENUE CATEG: FINES								
301	FINES	1,529,880	2,122,459	2,319,086	2,278,061	2,063,688	2,263,888	2,263,888
302	PARKING TICKETS	6,226,503	7,369,641	8,214,861	6,088,693	7,450,000	5,840,000	5,840,000
305	CIVIL PENALTIES	94,710	98,828	107,713	101,499	91,860	91,860	91,860
	TOTAL REV CATEG	7,851,093	9,590,928	10,641,660	8,468,253	9,605,548	8,195,748	8,195,748
REVENUE CATEG: INTEREST, RENTS & SURPLUS SALES								
311	INTEREST ON GENERAL FUND	5,731,311	2,487,652	583,978	(1,014,489)	1,000,000	1,000,000	1,000,000
312	INTEREST ON BOND FUNDS	215,446	487,089	553,043	110,676	500,000	500,000	500,000
320	COURTHOUSE PLAZA	2,548,342	3,833,518	2,753,071	3,394,743	2,800,000	3,000,000	3,000,000
321	RENTALS & SALES OF SURPLUS	161,497	270,890	244,853	312,167	217,363	282,363	282,363
322	PAID PARKING	1,132,897	832,872	822,406	851,223	883,000	815,000	815,000
335	DES LEASE AGREEMENTS	347,822	412,059	514,776	344,215	411,147	372,683	372,683
355	MISCELLANEOUS	-	-	750	-	0	-	-
	TOTAL REV CATEG	10,137,315	8,324,080	5,472,877	3,998,535	5,811,510	5,970,046	5,970,046
REVENUE CATEG: CHARGES FOR SERVICES								
400	INMATE MEDICAL COSTS	24,522	23,308	23,612	24,065	7,000	7,200	7,200
401	COURT COSTS	1,335,929	511,397	549,367	581,075	550,000	550,000	550,000
402	COMMONWEALTH'S ATTORNEY FEES	4,366	6,496	10,741	11,232	6,000	11,000	11,000
403	A S A P ENTRANCE FEES	406,990	442,143	486,639	480,879	474,866	477,298	477,298
404	IMPOUNDED VEHICLES STORAGE FEE	44,060	36,614	47,423	29,584	40,000	40,000	40,000
405	FALLS CHURCH REIMBURSEMENT	2,553,674	2,734,485	2,964,712	3,240,561	3,421,145	3,842,346	3,849,425
406	AMBULANCE SERVICE FEES	3,051,618	3,717,966	3,569,809	3,302,338	3,300,000	3,300,000	3,300,000
407	JAIL SERVICE CHARGES	14,462	11,234	6,455	16,505	7,000	17,500	17,500
408	DOG LICENSE FEES	58,862	51,553	66,188	59,250	50,000	60,000	60,000
409	SIDEWALK FRONTAGE ASSESSMENTS	39,816	54,511	64,701	59,329	55,000	55,000	55,000
410	PARKING METER CHARGES	5,944,350	6,558,592	8,293,226	7,885,752	8,301,000	7,965,200	7,965,200
411	ENGINEERING SERVICES CHARGES	575,504	1,284,221	1,352,603	1,652,086	1,133,626	1,133,626	1,137,124
412	REFUSE\RECYCLING FEES	10,660,420	11,302,260	10,716,241	9,697,424	9,576,576	9,953,832	10,163,024
413	MULCH FEES	112,534	167,277	152,673	143,873	129,060	144,000	144,000
414	RECYCLED MATERIALS SALES	300,603	729,948	655,565	251,070	340,000	300,000	300,000
415	MENTAL HEALTH CLINIC CHARGES	1,905,568	1,597,542	1,442,731	1,404,140	1,625,022	1,642,237	1,642,237
416	DRUG & ALCOHOL PROG. PAYMENTS	29,858	30,330	38,552	35,012	41,000	41,000	41,000
417	MADISON CENTER CHARGES	201,848	160,378	152,347	194,106	182,000	182,000	182,000
420	RECREATION INSTRUCTION SRVCS.	1,967,308	2,663,359	3,006,164	3,862,091	4,152,207	4,408,595	4,408,595
421	SUPPLEMENTAL RECREATION FEES	3,972,308	4,555,753	4,814,171	5,208,345	5,024,005	5,587,764	5,587,764
422	LIBRARY FEES & FINES	615,092	580,322	563,061	513,046	555,000	530,000	530,000
423	OLDER AMERICANS ACT PROGS.	33,595	28,194	32,942	27,204	33,253	27,253	27,253
424	GROUP HOME CHARGES ARGUS	11,898	3,407	2,398	6,736	3,000	3,000	3,000
425	FEE REDUCTIONS	-	-	-	-	-	(30,000)	(30,000)
426	APPLIANCE PICK UP FEE	61,751	41,840	23,255	25,270	25,000	25,000	25,000
429	BOOKLET SALES	(1,380)	(510)	-	-	-	-	-
430	INDIRECT ADMIN CHARGES	3,211,946	3,545,898	3,444,688	3,890,258	3,648,305	4,033,585	4,033,585
431	HEALTH SERVICES FEES	3,300	2,102	2,257	2,166	2,500	2,500	2,500
443	WIRELESS E-911 SURCHARGE	1,030,558	799,420	584,341	1,132,804	723,055	850,920	850,920
445	GIS PROGRAM REVENUES	12,060	44,782	36,861	40,630	44,000	44,000	44,000

SIX-YEAR REVENUE SUMMARY		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2015
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED	ADOPTED
447	SERVICES TO OUTSIDE AGENCIES	180,208	203,547	144,572	144,171	93,000	93,000	93,000
449	MISC SERVICE CHARGES	1,341,404	1,782,697	1,811,704	1,867,214	1,946,262	2,293,865	2,343,865
450	ARLINGTON TRANSIT / COMMUTER STORE	1,782,674	4,286,911	4,325,659	4,229,926	4,180,000	4,786,485	4,786,485
453	COURT HOUSE SECUR.-COURT FEE	442,229	515,758	559,659	572,066	505,000	534,830	534,830
455	CHESAPEAKE BAY FEE	64,785	85,593	103,530	164,460	75,000	90,000	90,000
460	PROJECT RECEIPTS	137,499	228,903	308,044	316,426	291,984	291,984	291,984
471	PUBLIC HEALTH FEES	621,315	974,245	617,104	630,248	638,744	638,744	638,744
472	CREDIT CARD FEES - TREAS.	(112,035)	(34,939)	2,567	(45,420)	(20,000)	(20,000)	(20,000)
477	SERVICES TO OUTSIDE AGENCIES	9,096	16,942	11,594	-	-	-	-
TOTAL REV CATEG		42,650,595	49,744,479	50,988,156	51,655,922	51,159,610	53,913,764	54,183,533

REVENUE CATEG: MISCELLANEOUS REVENUE

501	SALE OF LAND & BUILDINGS	63,591	197,233	1,799,470	2,450	15,000	15,000	15,000
509	MISCELLANEOUS REVENUES	2,402,132	2,260,550	2,024,268	2,747,498	986,244	856,259	869,259
525	CABLE TV ADMINISTRATION	220,704	223,132	223,132	233,171	-	-	-
570	AHIF	13,633,350	5,439,647	12,443,380	21,235,748	-	-	-
599	GIFTS AND DONATIONS	917,550	492,007	567,850	327,388	320,000	390,000	390,000
TOTAL REV CATEG		17,237,327	8,612,569	17,058,100	24,546,255	1,321,244	1,261,259	1,274,259

REVENUE CATEG: COMMONWEALTH OF VIRGINIA

612	MOTOR VEHICLE CARRIERS TAX	19,476	16,034	21,937	17,122	12,000	12,000	12,000
613	TAX ON DEEDS-GRANTOR'S TAX	1,346,708	1,489,921	1,448,992	1,516,252	1,400,000	1,400,000	1,400,000
621	COMMONWEALTH'S ATTORNEY	1,048,665	1,033,887	1,071,145	1,097,558	1,065,780	1,225,591	1,225,591
622	SHERIFF	6,882,743	6,993,253	6,959,120	7,243,190	7,326,854	7,533,177	7,533,177
623	COMMISSIONER OF THE REVENUE	416,449	408,757	405,116	410,633	435,999	434,352	434,352
624	TREASURER	469,002	442,772	432,001	435,579	469,195	476,485	476,485
625	REGISTRAR/ELECTORAL BOARD	(11,227)	78,733	142,913	76,627	115,456	85,000	85,000
626	LAW ENFORCEMENT AID	6,073,371	5,965,948	5,807,300	5,863,810	6,149,639	6,349,639	6,349,639
627	CLERK -COMP BOARD FUNDS	-	827,907	821,225	829,994	877,560	886,568	886,568
628	DCJS FORFEITED ASSETS	77,199	70,887	51,512	72,558	-	-	-
629	VICTIM WITNESS GRANT	160,878	166,213	130,235	214,300	173,753	173,753	173,753
631	HIGHWAY AID	14,447,836	15,104,698	15,880,379	16,126,094	14,679,273	16,230,852	16,230,852
632	TRANSIT AID	1,738,452	3,339,952	3,138,452	3,138,452	3,138,452	3,943,517	3,943,517
633	JUVENILE DETENTION-ARGUS	334,420	253,701	255,025	325,022	270,059	270,059	270,059
634	JUVENILE & DOMESTIC RELATIONS	489,060	487,114	486,601	491,336	515,286	515,286	515,286
635	PRISONER EXPENSE REIMBURSE.	1,146,268	1,100,157	806,722	826,521	923,300	800,000	800,000
638	COMP COMM CORRECTIONS ACT	282,123	375,896	298,227	377,300	397,636	404,556	404,556
640	COMMUTER ASSISTANCE GRANTS	4,665,270	4,650,435	5,440,811	5,090,210	5,070,000	5,559,791	5,559,791
641	HEALTH REIMBURSEMENTS	3,440,965	3,422,729	3,482,120	3,418,232	3,369,273	3,434,598	3,434,598
642	LIBRARY SUPPLEMENTS	187,321	164,005	161,831	163,077	171,026	171,026	171,026
643	FIRE PROGRAMS	527,817	710,921	555,032	592,166	499,416	583,306	583,306
644	HIGHWAY SAFETY GRANTS	30,821	31,058	17,956	14,094	-	7,150	7,150
645	MENTAL HEALTH/ INTELLECTUAL DISAB.	6,581,066	7,165,228	7,447,319	7,479,245	7,644,878	8,380,693	8,380,693
646	SUBSTANCE ABUSE	1,130,530	1,090,147	1,148,563	1,122,251	1,108,038	1,121,478	1,121,478
647	SOCIAL SERVICES	5,236,771	4,736,071	4,095,871	3,244,405	4,598,874	4,569,640	4,569,640
648	SIGNAL REIMBURSEMENT	808,573	624,100	601,820	632,396	679,959	655,867	655,867
649	MISC STATE GRANTS	1,541,784	1,699,107	2,592,060	1,755,914	593,688	674,233	674,233
651	JAIL CONSTRUCTION REIMBURS.	1,807,736	1,822,203	1,818,130	-	-	-	-
652	STATE EMERGENCY MGMT GRANTS	50,057	11,555	-	7,680	-	-	-
654	COMPREHENSIVE SERVICES ACT (CSA)	3,042,175	2,977,138	1,681,132	1,677,752	2,983,713	2,983,713	2,983,713
655	DEPARTMENT OF AGING	187,409	185,507	186,437	214,160	219,675	202,872	202,872
TOTAL REV CATEG		64,159,718	67,446,034	67,385,984	64,473,930	64,888,782	69,085,202	69,085,202

SIX-YEAR REVENUE SUMMARY		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2015
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED	ADOPTED
REVENUE CATEG: FEDERAL GOVERNMENT								
714	WORKFORCE INVESTMENT ACT (WIA)	1,526,747	1,527,180	1,392,336	1,291,508	817,300	817,300	817,300
718	HUD EDI GRANT	-	89,415	153,901	96,224	-	-	-
719	HUD RENTAL REHAB/HOME	1,889,907	3,245,723	2,507,518	283,490	686,802	652,158	682,054
722	U S MARSHAL PRISONERS	515,695	156,882	163,644	127,382	165,000	125,000	125,000
724	FBI REIMBURSEMENT	563,980	184,910	474,453	202,875	-	-	-
725	OLDER AMERICANS ACT	557,125	553,614	548,804	610,493	571,926	594,729	594,729
730	HIDTA GRANT	162,378	189,270	95,124	195,754	195,741	207,890	207,890
741	FEDERAL HEALTH REIMB	159,360	99,443	66,437	61,080	70,000	70,000	70,000
742	HEALTH & HUMAN SERVICE	721,649	788,783	355,791	532,419	385,054	637,402	637,402
745	MENTAL HEALTH / M. R.	1,472,352	1,494,301	1,456,465	1,077,756	1,296,360	1,604,010	1,604,010
746	SUBSTANCE ABUSE	848,655	909,110	802,071	791,357	809,718	773,400	773,400
747	SOCIAL SERVICES	10,126,954	10,569,452	9,802,973	8,022,625	7,874,431	7,669,581	7,669,581
748	WIC PROGRAM FUNDS	448,680	625,896	671,654	601,255	580,874	607,381	607,381
749	MISC FEDERAL GRANTS	2,709,170	2,114,091	2,018,495	1,177,715	766,210	1,086,774	1,086,774
752	FEDERAL EMERGENCY MGMT GRANTS	936,242	706,322	578,673	523,823	286,686	358,490	358,490
	TOTAL REV CATEG	22,638,894	23,254,392	21,088,340	15,595,756	14,506,102	15,204,115	15,234,011
REVENUE CATEG: NON-REVENUE RECEIPTS								
805	OTHER	1,048,679	6,267,065	6,712,155	8,394,143	-	-	-
847	TREASURERS CASH OVER & SHORT	62	18	144	(66)	-	-	-
848	TREASURER'S RETURNED CHECKS	17,457	18,051	29,609	37,899	20,000	20,000	20,000
	TOTAL REV CATEG	1,066,198	6,285,134	6,741,908	8,431,976	20,000	20,000	20,000
REVENUE CATEG: TRANSFERS IN								
900	TRANSFER IN FROM OTHER FUNDS	183,082	177,582	196,461	988,128	207,018	209,332	209,332
981	TRANSFERS IN FROM OTHER FUNDS	-	-	-	-	2,400,000	2,400,000	2,400,000
987	TRANSFERS IN FROM FUND 887	116,372	99,715	-	140,846	-	-	-
999	TRANSFERS IN FROM FUND 799	289,500	1,627,828	584,500	331,126	129,500	129,500	129,500
	TOTAL REV CATEG	588,954	1,905,125	780,961	1,460,100	2,736,518	2,738,832	2,738,832
<b>TOTAL GENERAL FUND REVENUES</b>		<b>949,705,189</b>	<b>991,078,926</b>	<b>1,045,215,863</b>	<b>1,090,355,677</b>	<b>1,065,689,400</b>	<b>1,114,737,333</b>	<b>1,108,457,740</b>
860	FUND BALANCE ADJ -PREV YEAR	102,650,112	92,709,272	95,565,845	129,373,675	25,817,403	5,175,156	39,249,471
<b>TOTAL GENERAL FUND WITH FUND BALANCE</b>		<b>1,052,355,301</b>	<b>1,083,788,198</b>	<b>1,140,781,708</b>	<b>1,219,729,352</b>	<b>1,091,506,803</b>	<b>1,119,912,489</b>	<b>1,147,707,211</b>
<b>FUND: 202 TRAVEL &amp; TOURISM PROMOTION</b>								
146	TRANSIENT OCCUPANCY	1,053,861	1,085,624	523,744	-	-	-	-
505	COUNTY STORE REVENUE	-	-	-	-	-	-	-
509	MISC. REVENUE	-	-	-	-	-	-	-
980	TRANSFER FROM GENERAL FUND	247,000	247,000	247,000	-	-	-	-
	TOTAL FUND	1,300,861	1,332,624	770,744	-	-	-	-
<b>FUND: 203 BALLSTON SPECIAL ASSESSMENT DISTRICT</b>								
101	REAL ESTATE TAX	-	-	1,234,580	1,472,863	1,524,736	1,572,603	1,572,603
311	INTEREST EARNINGS	-	-	332	488	-	-	-
	TOTAL FUND	-	-	1,234,912	1,473,351	1,524,736	1,572,603	1,572,603

SIX-YEAR REVENUE SUMMARY		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2015
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED	ADOPTED
<b>FUND: 204 ROSSLYN SPECIAL</b>								
<b>ASSESSMENT DISTRICT</b>								
101	REAL ESTATE CURRENT TAXES	3,089,302	2,757,464	3,142,598	3,491,943	3,630,847	3,733,665	3,733,665
311	INTEREST EARNINGS	3,914	3,165	3,038	1,592	-	-	-
509	MISCELLANEOUS	-	-	-	30,281	-	-	-
	TOTAL FUND	3,093,216	2,760,629	3,145,636	3,523,816	3,630,847	3,733,665	3,733,665
<b>FUND: 205 CRYSTAL CITY SPECIAL</b>								
<b>ASSESSMENT DISTRICT</b>								
101	REAL ESTATE CURRENT TAXES	2,219,043	2,020,727	2,268,894	2,531,034	2,591,803	2,626,899	2,626,899
311	INTEREST EARNINGS	2,224	1,736	904	730	-	-	-
	TOTAL FUND	2,221,267	2,022,463	2,269,798	2,531,764	2,591,803	2,626,899	2,626,899
<b>FUND: 206 COMMUNITY DEVELOPMENT</b>								
311	INTEREST EARNINGS	-	-	-	69	-	-	-
509	MISCELLANEOUS	-	-	(500,000)	500,000	-	-	-
718	FEDERAL AID - CDBG	2,055,541	1,928,689	1,912,323	3,970,870	1,222,028	1,035,912	1,124,725
719	FEDERAL RENTAL REHAB	24,386	27,458	24,395	21,297	21,297	20,738	54,564
901	TRANSFERS IN FROM FUND 101	-	-	500,000	-	-	-	-
	TOTAL FUND	2,079,927	1,956,147	1,936,718	4,492,236	1,243,325	1,056,650	1,179,289
<b>FUND: 208 SECTION 8 HOUSING</b>								
509	MISCELLANEOUS REVENUES	38,195	43,821	40,901	25,429	40,900	40,900	40,900
727	SECTION 8 HOUSING	15,919,719	16,434,532	16,034,411	16,096,216	18,087,967	16,736,290	16,736,290
749	MISC FEDERAL REVENUE	263,199	352,175	291,019	326,256	340,204	340,204	340,204
	TOTAL FUND	16,221,113	16,830,528	16,366,331	16,447,901	18,469,071	17,117,394	17,117,394
<b>FUND: 313 CAPITAL</b>								
301	FINES	13,057	18,139	9,302	12,916	-	-	-
311	INTEREST	6,260	-	-	2,826	-	-	-
321	RENTAL & SALES OF SURPLUS	2,584	48,483	-	5,168	-	-	-
335	LEASE AGREEMENTS	-	41,158	46,130	-	-	-	-
460	DEVELOPERS STREET LIGHTS	216,863	393,072	794,565	312,165	-	-	-
461	DEVELOPER/PROJECT RECEIPTS	90,951	134,507	507,866	259,068	-	-	-
509	MISCELLANEOUS	6,454,236	1,425,962	299,899	204,873	-	-	-
520	CABLE TV - PEG	684,164	786,025	884,962	954,321	-	-	-
521	CABLE TV - INET	149,876	151,524	151,524	158,239	-	-	-
632	STATE AID NVTC	599,122	1,011,143	5,735,451	3,118,826	-	-	-
640	STATE TRANSPORTATION GRANTS	23,362	927,047	1,863,139	9,687,339	-	-	-
648	SIGNAL REIMBURSEMENT	193,310	240,139	3,664,628	174,823	-	-	-
649	MISC STATE GRANTS	799,530	13,588	6,516	12,429	-	-	-
655	VA GENERAL FUND-FED FUND MATCH	-	-	145,232	232,888	-	-	-
660	VA TRANS DEPT GRANTS	1,794,050	2,598,345	2,901,273	2,497,292	-	-	-
749	MISC FEDERAL GRANTS	-	556,888	878,833	-	-	-	-
805	OTHER BOND REVENUE	41,080,606	-	-	-	-	-	-
808	PROCEEDS FROM LEASE PURCHASE	7,418,179	4,287,958	1,435,230	4,473,803	-	-	-
980	TRANSFER FROM GENERAL FUND	21,349,543	25,763,873	28,980,839	31,166,645	18,691,066	10,220,646	22,952,288
981	TRANSFER FROM OTHER FUNDS	-	300,000	300,000	-	-	-	-
999	TRANSFER FROM FUND 799	1,100,000	190,000	121	3,742,285	-	-	-
	TOTAL FUND	81,975,693	38,887,851	48,605,510	57,015,906	18,691,066	10,220,646	22,952,288

SIX-YEAR REVENUE SUMMARY		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2015
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED	ADOPTED
<b>FUND: 321 STORMWATER FUND</b>								
101	REAL ESTATE TAX	6,396,357	7,173,184	7,853,960	7,755,271	8,002,000	8,571,200	8,571,200
301	FINES	-	-	-	200	-	-	-
649	MISC STATE GRANTS	61,773	-	41,656	152,808	-	-	-
913	TRANSFER FROM CAPITAL	-	-	-	1,227,686	-	-	-
	TOTAL FUND	6,458,130	7,173,184	7,895,616	9,135,965	8,002,000	8,571,200	8,571,200
<b>FUNDS: 330 &amp; 331 TRANSPORTATION CAPITAL FUND</b>								
101	REAL ESTATE TAX	20,370,459	21,088,831	23,874,833	25,399,599	23,862,600	25,261,657	25,261,657
311	INTEREST	-	-	-	1,339	-	-	-
509	MISC REVENUES	-	80,000	-	-	-	11,400,000	11,400,000
632	STATE AID	-	-	17,131,883	3,876,968	-	-	-
	TOTAL FUND	20,370,459	21,168,831	41,006,716	29,277,906	23,862,600	36,661,657	36,661,657
<b>FUND: 335 CRYSTAL CITY TIF FUND</b>								
101	REAL ESTATE TAX	-	-	1,520,190	2,735,430	2,289,560	3,517,900	3,482,480
	TOTAL FUND	-	-	1,520,190	2,735,430	2,289,560	3,517,900	3,482,480
<b>FUND 336: COLUMBIA PIKE TIF FUND</b>								
101	REAL ESTATE TAX	-	-	-	-	-	119,950	119,950
	TOTAL FUND	-	-	-	-	-	119,950	119,950
<b>FUND: 503 UTILITIES OPERATING</b>								
311	INTEREST	390,550	278,801	299,612	(31,197)	100,000	-	-
321	RENTALS & SALES OF SURPLUS	125,683	129,453	144,572	143,208	147,505	151,930	151,930
426	APPLIANCE FEE RECYCLING	18,207	21,844	20,062	16,600	25,000	20,000	20,000
444	UTILITY MARKING FEE	141,986	141,290	174,349	191,228	200,000	200,000	200,000
449	MISC SERVICE CHARGES	7,607	-	-	-	-	-	-
482	WATER SEWER SERVICE	77,806,562	81,641,099	86,840,829	87,398,588	89,553,964	92,645,221	92,645,221
484	WATER SERVICE CONNECTIONS	881,815	1,227,826	1,363,492	1,250,765	1,100,000	1,230,000	1,230,000
486	SEWAGE TREAT. SERVICE CHARGES	5,831,744	6,311,937	3,922,783	3,700,442	3,922,698	3,923,038	3,923,038
488	FLOW TEST FEES	12,000	23,200	21,730	34,960	10,000	10,000	10,000
509	MISCELLANEOUS REVENUES	31,263	21,626	28,946	103,185	467,035	72,835	72,835
805	MISC. OTHER BOND REVENUE	-	1,554,617	1,278,652	593,030	-	-	-
	TOTAL FUND	85,247,417	91,351,693	94,095,027	93,400,809	95,526,202	98,253,024	98,253,024
<b>FUND: 519 UTILITIES CAPITAL</b>								
311	INTEREST ON GENERAL FUND	127,515	168,581	233,192	1,713	100,000	100,000	100,000
312	INTEREST ON BOND FUNDS	-	149,785	76,841	57,187	-	-	-
485	WATER SEWER HOOK-UP CHARGES	2,390,390	3,165,075	4,419,474	5,042,836	4,000,000	5,000,000	5,000,000
486	SEWAGE TREATMENT SERVICE CHRG	15,680,786	6,823,671	4,491,010	3,924,147	561,000	612,000	612,000
509	MISCELLANEOUS	-	19,805	1,073	20,144	-	-	-
649	MISCELLANEOUS STATE REVENUES	15,997,975	5,286,423	1,314,524	3,494,285	-	-	-
771	REVENUE FROM FEDERAL GOVT	-	-	199,667	215,740	-	-	-
814	PROCEEDS FROM VRA LOAN	47,453,562	15,883,625	2,142,126	5,471,152	-	-	-
953	TRANSFER FROM FUND 503	9,692,814	14,178,014	17,671,116	14,805,834	14,000,000	12,524,545	12,524,545
	TOTAL FUND	91,343,042	45,674,979	30,549,023	33,033,038	18,661,000	18,236,545	18,236,545

SIX-YEAR REVENUE SUMMARY		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2015
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED	ADOPTED
<b>FUND: 540 BALLSTON GARAGE</b>								
312	INTEREST	17,273	17,578	11,914	12,031	12,000	12,000	12,000
351	SECURITIES LENDING	-	(1,867)	-	-	-	-	-
428	PARKING REVENUES	3,946,239	4,318,389	4,528,050	4,811,697	5,084,798	4,609,836	4,609,836
848	RETURNED CHECK FEE	-	-	-	-	-	-	-
	TOTAL FUND	3,963,512	4,334,100	4,539,964	4,823,728	5,096,798	4,621,836	4,621,836
<b>FUND: 548 BALLSTON GARAGE - 8th LEVEL</b>								
428	PARKING REVENUES	228,367	253,352	272,133	337,133	257,530	295,298	295,298
981	TRANSFERS FROM OTHER FUNDS	-	-	173,632	826,368	-	-	-
	TOTAL FUND	228,367	253,352	445,765	1,163,501	257,530	295,298	295,298
<b>FUND: 570 CPHD DEVELOPMENT FUND</b>								
211	HOME IMPROVEMENT CONTRACT	250	(554)	-	150	-	-	-
219	USE PERMITS	-	-	-	-	-	-	-
222	BUILDING PERMITS	6,498,179	7,576,273	10,148,726	8,293,030	7,915,894	7,915,894	7,915,894
223	ELECTRICAL PERMITS	1,695,024	1,712,425	1,758,488	1,778,270	1,603,110	1,603,110	1,603,110
224	PLUMBING PERMITS	973,065	996,278	1,277,233	1,301,512	1,168,080	1,168,080	1,168,080
225	MECHANICAL PERMITS	685,057	576,057	852,368	642,711	712,890	712,890	712,890
226	OCCUPANCY PERMITS	662,564	646,920	710,555	597,975	630,000	630,000	630,000
228	SIGN PERMITS	39,090	60,140	57,830	45,666	38,182	38,182	38,182
242	ELEVATOR CERTIFICATE FEES	851,570	833,521	834,348	858,291	768,000	768,000	768,000
247	VARIANCES/S F EXISTING	58,181	75,671	63,622	74,734	47,727	47,727	47,727
248	ZONING COMPLIANCE LETTERS	14,938	36,616	38,329	34,932	28,636	28,636	28,636
251	PLAN REVIEW - WALK THROUGHS	620,057	770,229	738,415	776,196	668,182	668,182	668,182
252	SUBDIVISION PLAT REVIEW	12,993	7,829	12,254	16,887	9,545	9,545	9,545
259	MISC LICENSES PERMITS & FEES	12,767	10,795	11,270	16,193	12,409	12,409	12,409
311	INTEREST	95,224	76,612	126,263	(17,606)	-	-	-
449	MISC SERVICE CHARGES	17,568	7,855	1,376	(2,015)	4,300	4,300	4,300
509	MISC REVENUE	3	-	(3,445)	(1,451)	-	-	-
570	TRANSFER IN	-	-	-	-	-	-	-
	TOTAL FUND	12,236,530	13,386,667	16,627,632	14,415,475	13,606,955	13,606,955	13,606,955
<b>FUND: 609 AUTOMOTIVE EQUIPMENT</b>								
321	RENTALS & SALES OF SURPLUS	1,270,589	333,514	625,555	1,347,139	250,000	250,000	250,000
448	SERVICES TO OUTSIDE AGENCIES	-	16,248,070	21,716,541	19,884,293	16,591,903	16,678,938	16,361,806
509	MISCELLANEOUS REVENUE	5,317	6,574	43,241	2,332	271,000	271,000	271,000
512	THIRD PARTY RECOVERY	47,722	39,640	-	16,811	60,000	60,000	60,000
649	MISC STATE GRANTS	-	-	41,400	0	-	-	-
808	PROCEEDS FROM LEASE PURCHASE	2,258,274	-	-	2,861,645	1,842,205	-	-
901	TRANSFER FROM GENERAL FUND	-	-	-	102,520	-	-	-
903	TRANSFER IN FROM FUND 503	105,000	-	-	569,960	-	-	-
980	TRANSFER FROM GENERAL FUND	27,611	-	171,374	0	-	42,000	42,000
981	TRANSFER FROM OTHER FUNDS	127,475	-	45,000	0	-	-	-
	TOTAL FUND	3,841,988	16,627,798	22,643,111	24,784,700	19,015,108	17,301,938	16,984,806
<b>FUND: 611 PRINTING</b>								
446	SERVICES TO AGENCIES	24,766	1,638,308	2,304,501	2,213,754	1,380,601	1,557,500	1,557,500
448	SERVICES TO OUTSIDE AGENCIES	-	-	3,064	2,613	-	-	-
980	TRANSFER FROM GENERAL FUND	207,699	207,699	155,421	172,203	195,853	226,499	226,499
	TOTAL FUND	232,465	1,846,007	2,462,986	2,388,570	1,576,454	1,783,999	1,783,999

SIX-YEAR REVENUE SUMMARY		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2015
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	PROPOSED	ADOPTED
<b>ARLINGTON PUBLIC SCHOOLS FUNDS</b>								
<b>FUND: 880 SCHOOL OPERATING FUND</b>								
400	CHARGES FOR SERVICES	3,692,516	6,752,333	2,278,038	8,540	2,584,492	2,605,000	2,605,000
500	CARRYOVER AND OTHER	137,240	-	-	8,515,738	15,292,999	13,743,872	13,743,872
692	VIRGINIA SALES TAX	16,332,840	17,134,732	17,782,467	18,171,301	20,179,702	21,163,638	21,163,638
690	COMMONWEALTH	26,752,328	25,840,130	28,263,194	31,439,865	31,842,908	33,234,295	33,234,295
700	FEDERAL FUNDS	2,390,393	9,000	-	115,474	-	-	-
808	PROCEEDS FROM LEASE PURCHASE	3,132,234	367,766	1,372,600	2,106,706	-	-	-
900	TRANSFERS IN	293,401,561	318,159,176	313,491,928	357,365,958	357,613,364	375,107,015	383,464,820
	TOTAL FUND	345,839,112	368,263,137	363,188,227	417,723,582	427,513,465	445,853,820	454,211,625
<b>FUND: 881 FOOD AND NUTRITION SERVICES FUND</b>								
400	CHARGES FOR SERVICES	2,925,775	3,112,134	3,341,200	3,325,576	3,469,177	3,543,348	3,543,348
600	COMMONWEALTH	78,545	77,901	78,255	82,961	82,046	82,046	82,046
700	FEDERAL FUNDS	3,365,779	3,670,527	3,958,650	4,118,654	3,927,460	4,043,460	4,043,460
900	TRANSFERS IN	-	-	-	0	-	-	-
	TOTAL FUND	6,370,099	6,860,562	7,378,105	7,527,191	7,478,683	7,668,854	7,668,854
<b>FUND: 882 COMMUNITY ACTIVITIES FUND</b>								
400	CHARGES FOR SERVICES	6,905,647	7,893,257	7,812,510	9,003,233	8,581,600	9,306,815	9,306,815
500	CARRYOVER/OTHER	-	-	-	-	63,000	-	-
900	TRANSFERS IN	6,843,758	5,575,855	6,550,552	5,438,115	7,730,084	6,344,395	6,344,395
	TOTAL FUND	13,749,405	13,469,112	14,363,062	14,441,348	16,374,684	15,651,210	15,651,210
<b>FUND: 883 SPECIAL GRANTS</b>								
400	CHARGES FOR SERVICES	3,360,064	2,652,364	3,349,802	3,075,411	2,945,295	1,927,788	1,927,788
600	COMMONWEALTH	2,342,275	3,707,750	3,117,177	3,328,119	3,138,492	3,408,787	3,408,787
700	FEDERAL FUNDS	10,790,791	14,687,771	10,742,501	9,438,504	8,351,610	8,014,940	8,014,940
	TOTAL FUND	16,493,130	21,047,885	17,209,480	15,842,034	14,435,397	13,351,515	13,351,515
<b>FUND: 886 SCHOOL CONSTRUCTION AND CAPITAL FUND</b>								
500	CARRYOVER AND OTHER	216,372	-	-	0	3,493,705	3,613,020	3,613,020
600	COMMONWEALTH	216,701	-	-	0	-	-	-
900	TRANSFERS IN	9,542,723	5,702,479	7,667,642	44,972,045	4,508,490	3,299,883	3,299,883
	TOTAL FUND	9,975,796	5,702,479	7,667,642	44,972,045	8,002,195	6,912,903	6,912,903
<b>FUND: 888 SCHOOL DEBT SERVICE FUND</b>								
500	CARRYOVER AND OTHER	-	-	-	1,975,000	1,400,000	265,000	265,000
900	TRANSFERS IN	31,431,220	33,238,053	34,826,307	35,448,396	43,323,691	44,972,778	44,972,778
	TOTAL FUND	31,431,220	33,238,053	34,826,307	37,423,396	44,723,691	45,237,778	45,237,778
<b>FUND: 889 SCHOOL COMPREHENSIVE SERVICES FUND</b>								
600	COMMONWEALTH	1,837,746	1,849,061	1,939,734	2,241,727	1,992,500	2,236,850	2,236,850
900	TRANSFERS IN	1,964,832	2,057,605	2,363,602	2,533,972	2,527,500	2,508,150	2,508,150
	TOTAL FUND	3,802,578	3,906,666	4,303,336	4,775,699	4,520,000	4,745,000	4,745,000
<b>TOTAL ARLINGTON PUBLIC SCHOOLS</b>		<b>427,661,340</b>	<b>452,487,894</b>	<b>448,936,159</b>	<b>542,705,295</b>	<b>523,048,115</b>	<b>539,421,080</b>	<b>547,778,885</b>