

REVENUES

OVERVIEW

Fiscal Year (FY) 2016 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. Northern Virginia's and Arlington's strong employment and solid real estate market are the foundation for steady incremental growth in the County's major revenue streams.

In the aggregate, Arlington's calendar year (CY) 2015 real estate assessments are up 3.4 percent over CY 2014 levels, reflecting strength in the residential market and in apartments. Excluding apartments, CY 2015 commercial assessments were down slightly (2.6 percent) compared to CY 2014, due in part to increased office vacancy rates. Apartment assessments grew 7.7 percent with 3.0 percent of that growth attributable to new construction.

The residential property assessment base increased 5.4 percent in the aggregate. Detached home and townhome assessments gained 5.7 percent, while condominiums saw slightly less growth (4.7 percent). The average single family home value in Arlington continued to increase — gaining 4.9 percent in 2015 — increasing from \$552,700 in CY 2014 to \$579,800 in CY 2015.

Meanwhile, other revenue streams are experiencing a variety of changes. Local taxes other than real estate are expected to remain relatively flat with a decrease of 0.5 percent in the aggregate. Local fees, interest, fines, and service charges are anticipated to remain relatively level — decreasing only 0.2 percent in the aggregate. Revenue from the Commonwealth grows by 4.6 percent in FY 2016, driven primarily by increasing highway aid as well as additional human services grants. Funds from the federal government are decreasing 0.4 percent primarily due to the expiration of the drug-free communities grant.

General Fund Revenues

Excluding fund balance, General Fund revenues for FY 2016 are forecast to be \$1,141,238,822, an increase of 3.0 percent over the FY 2015 adopted budget levels. This change reflects the increase in the assessment base and flat growth in all other tax revenue combined. Total General Fund revenues including fund balance total \$1,159,947,653.

Modest Gains in Local Tax Revenues

For the FY 2016 adopted budget, General Fund tax revenues are forecast to increase by 3.1 percent. This gain is driven by overall real estate assessment increases of 3.4 percent.

Other taxes combined are forecast to decrease 0.5 percent in FY 2016. Personal property tax (including business tangible tax) is expected to increase 1.4 percent overall. This tax stream is increasing in the business tangibles segment (up 6.3 percent) based on recent actual receipts. Vehicle personal property receipts are decreasing 0.8 percent in FY 2016. Sales and meals taxes are up slightly (1.1 percent) reflecting slightly higher growth trends in sales in FY 2015 while transient occupancy tax is up 4.6 percent reflecting higher daily rates and occupancy rates. Business, Professional and Occupational License Tax (BPOL) is projected to decrease 5.0 percent, reflecting the increasing competition in the metropolitan area to attract and maintain business as well as anticipated decreases due to a change in the gross receipts calculation methodology for certain deductions.

State and Federal Budget Adjustments

FY 2016 revenue from the Commonwealth grows by 4.6 percent while federal government revenues decrease 0.4 percent. The increase in Commonwealth revenue can be attributed to higher highway aid, bringing it in line with FY 2015 actuals and expected FY 2016 revenue. The County has also received increases in human services grants and Compensation Board revenue.

The decrease in federal funds reflects the expiration of the drug-free communities grant.

Real Estate Tax Rate Remains among the Lowest in Northern Virginia

The FY 2016 adopted budget reflects a CY 2015 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 \$270 more in real estate taxes in CY 2015 than in CY 2014, an increase of 4.9 percent.

Revenue Sharing with Arlington Public Schools (APS)

The County Board added \$6.2 million in ongoing funds to the FY 2016 transfer to APS. Thus, the FY 2016 adopted transfer is \$451,866,545 — \$451,637,045 in ongoing funding and \$229,500 in one-time — a 2.6 percent increase over the FY 2015 adopted budget. The revenue sharing percentage is now 46.5% 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 halfway 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 2016 with steady revenue streams, an overall positive real estate market, and low unemployment levels.

Economic Indicators

	CY 2012	CY 2013	CY 2014
Consumer Price Index (national CPI-U average)	2.1%	1.5%	1.6%
Employment Cost Index (private industry workers)	1.8%	2.0%	2.3%
Unemployment – US / Arlington (December)	8.1% / 3.3%	7.4% / 3.1%	6.2% / 3.2%
Mortgage Rate (annual average – 30 year fixed rate)	3.66% & 0.7 pts.	3.98% & 0.7 pts.	4.17% & 0.6 pts.
Federal Fund Rate (annualized)	0.14%	0.11%	0.09%
Retail Sales (based on 1% of Arlington tax revenue)	\$3.91 billion	\$3.92 billion	\$3.95 billion
Office Vacancy Rate – (including sublets)	16.3%	17.9%	20.7%
Tourism – Hotel Occupancy Rate	73%	72%	76%
Tourism – Average Hotel room rate	\$156.96	\$150.43	\$151.55

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) 2015, 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 2015) 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 2015, 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 2016

The following changes for FY 2016 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 2016 budget includes the following:

- The real estate tax rate remains at the CY 2015 adopted rate of \$0.983 per \$100 of assessment value.
- In the Department of Environmental Services (DES), the household solid waste rate remains flat at the FY 2015 revised rate of \$271.04 pending the results of the negotiation for a new contract. 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.
- Also in the DES, the County Board took action after budget adoption in May to increase parking meter rates by \$0.25. The revised FY 2016 revenue budget for parking meters will be increased by \$950,000.
- ↑ In the Department of Parks and Recreation, fee changes and new fees are expected to generate \$22,357 in additional revenue in FY 2016 and reduce the County's tax support of DPR. New fees include activities and rentals offered for the first time in FY 2016 including new camps, tournaments, cooperative playgroup, and soft playroom. Fee changes are designed to more accurately reflect the actual cost of activities and create consistency including decreasing non-resident surcharges, gymnastics and aquatics class and team fees, and adult flag football team fees as well as increasing the late night basketball fees and restructuring the 55+ memberships.

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 \$0.23 per thousand gallons to \$13.27 per thousand gallons. This corresponds to an estimated annual increase of \$16.10 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 2016 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 2016 revenue for the TIF is projected to be \$3,096,740.

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 2016 is

25 percent of the projected tax revenue generated from the incremental assessment growth forecast for CY 2015 in the defined Columbia Pike area. Total FY 2016 revenue for the TIF is projected to be \$536,130.

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. Total FY 2016 revenue for the Transportation Capital Fund is projected to be \$36.0 million.

Special Assessment District Funds

- The Ballston Business Improvement Service District CY 2015 tax rate remains \$0.045 for each \$100 of real estate assessment value, no change from the CY 2014 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 2015 tax rate remains at \$0.043 for each \$100 of real estate assessment value, no change from the CY 2014 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 2015 tax rate remains at \$0.078 for each \$100 of real estate assessment value, no change from CY 2014 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.

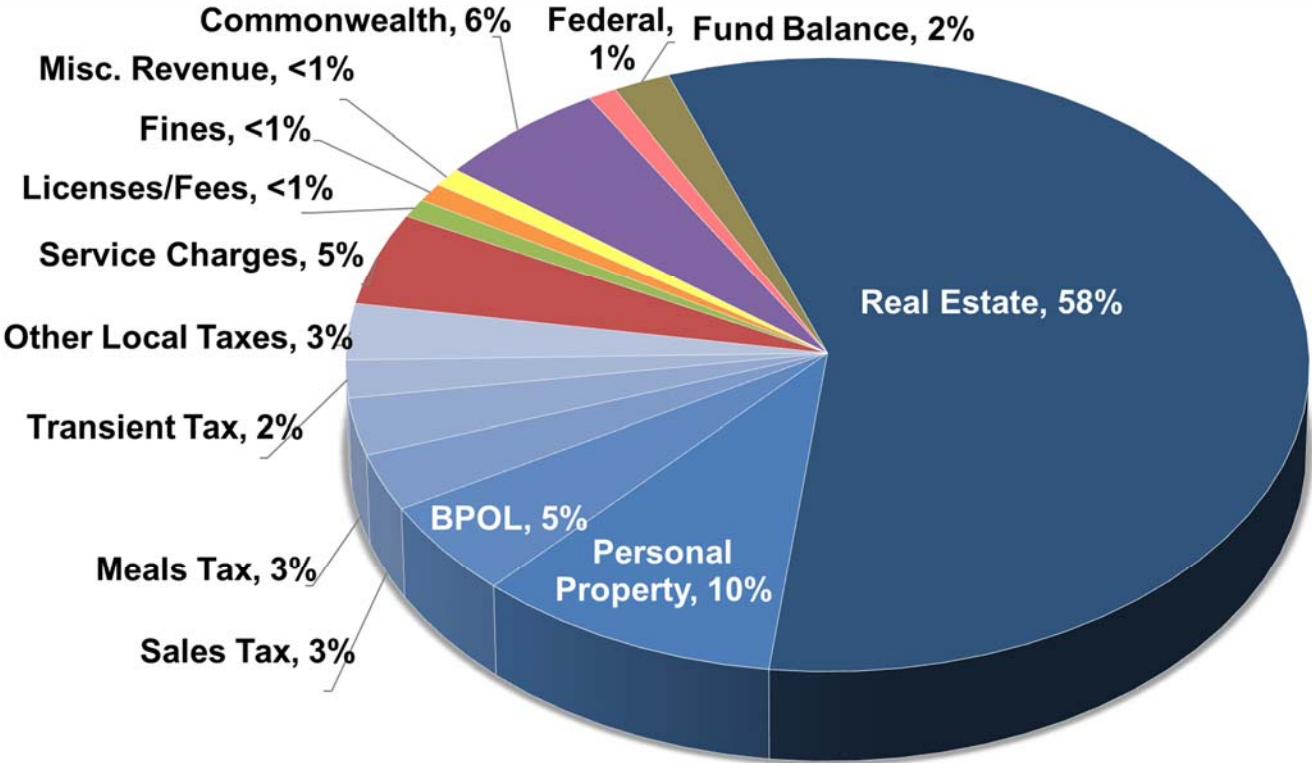
GENERAL FUND REVENUE SUMMARY

The FY 2016 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 \$1.16 billion, an increase of \$12.2 million (1.1 percent) over the adopted FY 2015 budget. Net of fund balance, General Fund revenues are projected to total \$1,141,238,822, an increase of \$32.7 million (3.0 percent).
- Local tax revenues are projected to total \$970,501,477, an increase of \$29.2 million (3.1 percent) over the FY 2015 adopted budget.
 - Local taxes represent 85 percent of total General Fund revenue.
 - Real estate assessments are up 3.4 percent over last year.
 - The base real estate tax rate remains at \$0.983 per \$100 of assessment value.
- License, Permits, and Fee revenue are projected to total \$10.6 million, a 1.3 percent increase over FY 2015 adopted budget levels. This increase is due primarily to an increase in site plan fees based on recent actual receipts.
- Fines and parking tickets are estimated to generate \$8.6 million, a 5.3 percent increase, primarily due to an increase in court fine revenue, offset by a decrease in parking ticket revenue.
- Interest income is forecast at \$1.7 million, a 10.0 percent increase from FY 2015.
- Service charge revenue is projected to decrease by \$1.1 million or 2.0 percent. This is primarily due to decreasing parking meter revenue and revised refuse/recycling revenue based on the revised rate adopted by County Board in July 2014, offset by increased reimbursements from the City of Falls Church for services, increased Mental Health revenue due to a higher reimbursement rate from managed care providers, increased Arlington Transit/Commuter Store revenue due to an increase in fare media sales and TDM contributions, and additional revenue generated by Department of Parks and Recreation programs.
- State revenue is estimated to total \$72.3 million, a 4.6 percent increase from the FY 2015 adopted budget. This is primarily due to increased highway aid and Compensation Board reimbursements as well as additional human services grants and prisoner expense reimbursement.
- Federal Government revenue is forecast to total \$15.2 million, a 0.4 percent decrease. This is primarily driven by the expiration of the drug-free communities grant.
- Previous year fund balance carryover totals \$18.7 million funded by a combination of additional revenue and/or expense savings identified from previous fiscal years.

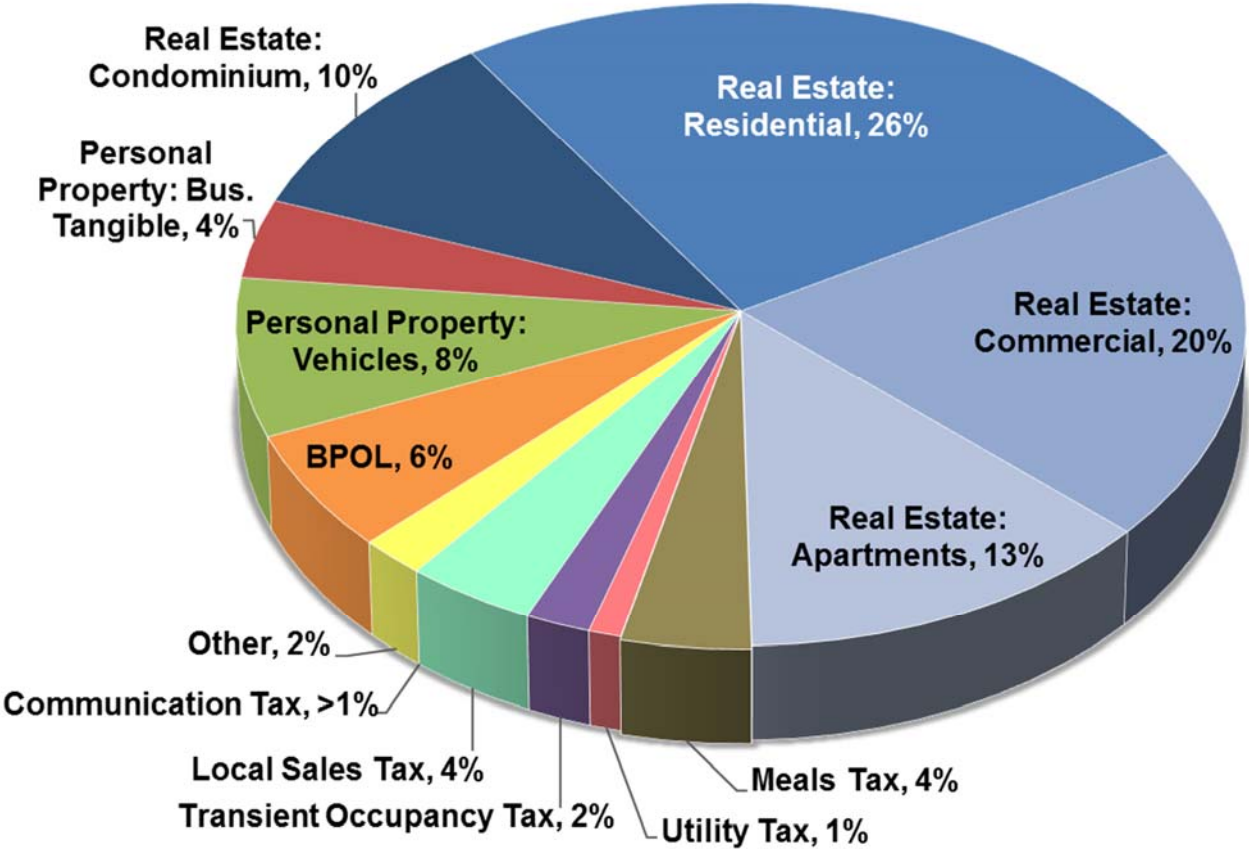
The pie chart on the next page illustrates the major sources of General Fund revenues.

FY 2016 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 2016 revenue projections follow.

FY 2016 Local Taxes



REAL ESTATE TAX

Real estate taxes are the largest source of County revenues, generating \$667.8 million or 58 percent of all revenues for the FY 2016 General Fund budget and 69 percent of all local tax revenues. Fiscal Year 2016 General Fund revenues reflect the real estate tax rate of \$0.983 for each \$100 of assessed real property value, no change from the CY 2014 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.

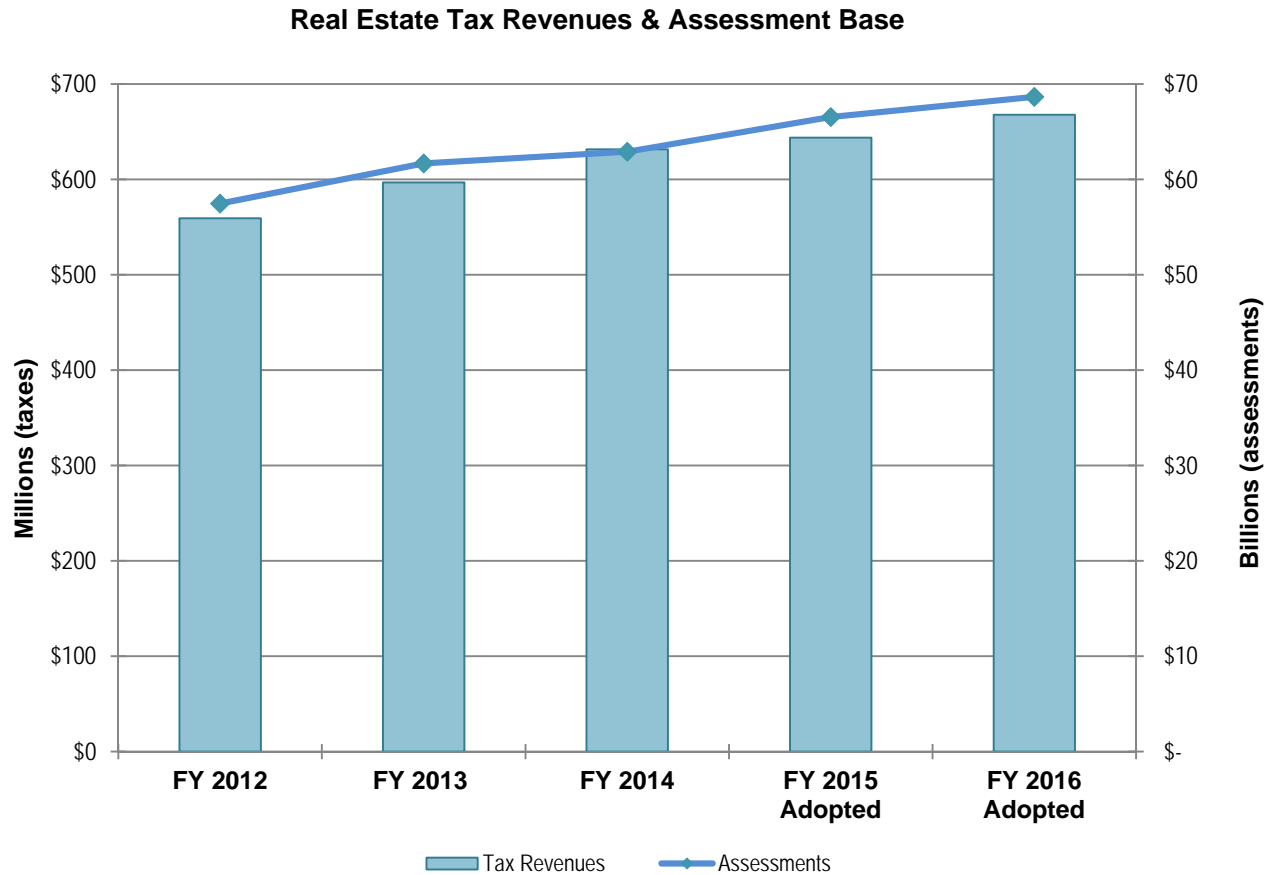
CY 2015 assessments showed modest growth primarily fueled by strength in the residential market as well as new construction in commercial properties and strength in apartments. The value of real property in the County excluding Public Service Corporations (PSCs) increased 3.4 percent from CY 2014 to CY 2015. New construction added 0.7 percent to the tax base, while assessments of existing properties increased 2.7 percent overall.

The combined value of commercial and apartment assessments increased 1.3 percent. Apartment buildings showed growth of 7.7 percent, which included a 3.0 percent increase from new construction. Commercial properties decreased 2.6 percent due in part to increased office vacancy rates. Decreases in office and hotel assessments were partially offset by strength in general commercial properties, which reflect a small percent of the tax base.

Single-family residential assessments increased 5.4 percent in the aggregate. Including new construction, single-family houses (including townhomes) increased 5.7 percent, while condominium assessment totals increased by 4.7 percent in CY 2015. The average value of a single-family property increased by 4.9 percent: from \$552,700 in CY 2014 to \$579,800 in CY 2015. At the existing real estate tax rate of \$0.996, which includes the \$0.013 cent sanitary district "stormwater" tax, the average single-family residential tax bill will increase by about \$270, or 4.9 percent, in CY 2015.

CHANGE IN ASSESSED VALUE OF REAL ESTATE IN ARLINGTON COUNTY Calendar Year 2014 to Calendar Year 2015 (In millions, numbers may not add due to rounding)

	Single-Family		Apartment	Commercial	Total
	Houses	Condominium			
Percentage of CY 2014 Tax Base	37%	14%	19%	31%	100%
CY 2014 Tax Base	\$24,300	\$9,278	\$12,450	\$20,371	\$66,400
Assessed Value Change	\$1,292	\$433	\$584	(\$537)	\$1,773
CY 2015 Tax Base (Excluding New Growth)	\$25,593	\$9,712	\$13,034	\$19,834	\$68,172
Percent Change	5.3%	4.7%	4.7%	-2.6%	2.7%
New Construction	\$93	-	\$375	\$9	\$476
Percent Change	0.4%	0.0%	3.0%	0.0%	0.7%
CY 2015 With New Construction	\$25,686	\$9,712	\$13,408	\$19,843	\$68,649
Percent Change CY 2014 to CY 2015	5.7%	4.7%	7.7%	-2.6%	3.4%



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 2016. The FY 2016 real estate tax revenues account for \$8.2 million in anticipated tax refunds and \$0.8 million in penalty and interest revenue. The \$675.2 million in real estate tax revenue is net of \$4.5 million in tax relief for qualified elderly and disabled taxpayers, \$0.3 million in tax relief for disabled veterans (state exemption effective January 1, 2011), \$3.1 million set aside for the Crystal City Tax Increment Financing (TIF) fund, and \$0.5 million set aside for the Columbia Pike TIF fund. A new exemption from real estate taxes was approved by the state in 2015 effective for tax payments due on or after January 1, 2015. Surviving spouses of members of the armed forces may qualify for an exemption if the residence is single family and their principal residence; the assessed value of the dwelling unit cannot exceed the County's average assessed value.

Penalty and interest revenue is lower due to a reduction in the late payment penalty for taxpayers who pay within thirty days of the due date from 10 percent to 5 percent.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Real Estate Taxes	\$638,468,630	\$644,059,230	\$675,209,330	5%
Additions, Delinquent Penalty & Interest	1,459,563	1,000,000	765,000	-24%
Tax Refunds	(8,412,777)	(8,000,000)	(8,200,000)	2%
Total	\$631,515,416	\$637,059,230	\$667,774,330	5%

FY 2015 REVISED - REAL ESTATE TAX REVENUES

Description	Percent Change	Assessed Value	Tax Rate*	Tax Levy	Percent Collected	Total for Tax Year	Total for Fiscal Year
REAL ESTATE							
County Property, CY 2013		\$62,891,330,300					
Net Change in Assessments	5.6%	<u>3,508,195,600</u>					
County Property as of April 2014		66,399,525,900	\$0.983	\$652,707,340	99.6%	\$650,096,510	
PSC Property in Tax Year 2013		\$158,142,520					
PSC Estimated Net Change in Assessments	-3.0%	<u>(4,685,285)</u>					
PSC Property in Tax Year 2014		\$153,457,235	\$0.983	\$1,508,485	100.0%	<u>\$1,508,485</u>	
Total Taxable Base, Fall 2014		\$66,552,983,135				\$651,604,995	
Taxes Due October 5, 2014							\$325,802,500
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							(1,741,240)
ESTIMATED REVENUE FOR FY 2015 - FALL 2014							<u>\$321,476,160</u>
County Property as of April 2014		\$66,399,525,900					
Net Change in Assessments	3.4%	<u>2,249,021,100</u>					
County Property as of January 1, 2015		68,648,547,000	\$0.983	\$674,815,220	99.6%	\$672,115,960	
PSC Property in Tax Year 2015 (prior to Fall 2015 adjustment)		\$153,457,235	\$0.983	\$1,508,485	100.0%	<u>\$1,508,485</u>	
Total Taxable Base, Spring 2015		\$68,802,004,235				\$673,624,445	
Taxes Due June 15, 2015							\$336,812,220
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							(1,047,230)
Less Tax Increment for Columbia Pike TIF							(180,560)
ESTIMATED REVENUE FOR FY 2015 - SPRING 2015							<u>\$332,949,330</u>
TOTAL ESTIMATED ASSESSMENT TAX REVENUE FOR FISCAL YEAR 2015							\$654,425,490

* 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 2016 ADOPTED - REAL ESTATE TAX REVENUES

Description	Percent Change	Assessed Value	Tax Rate*	Tax Levy	Percent Collected	Total for Tax Year	Total for Fiscal Year
REAL ESTATE							
County Property as of CY 2014 Land Book		\$66,399,525,900					
Net Change in Assessments	3.4%	<u>\$2,249,021,100</u>					
County Property as of January 1, 2015		\$68,648,547,000	\$0.983	\$674,815,220	99.6%	\$672,115,960	
PSC Property in Tax Year 2014		\$153,457,235					
PSC Estimated Net Change in Assessments	0.4%	<u>\$633,518</u>					
PSC Property in Tax Year 2015		\$154,090,753	\$0.983	\$1,514,710	100%	<u>\$1,514,710</u>	
Total Taxable Base, Fall 2015		\$68,802,637,753				\$673,630,670	
Taxes Due October 5, 2015							\$336,815,330
Less Tax Relief for Elderly and Disabled							(2,250,000)
Less Tax Relief for Disabled Veterans							(185,100)
Less Tax Increment for Crystal City TIF							(1,292,740)
Less Tax Increment for Columbia Pike TIF							(184,710)
ESTIMATED REVENUE FOR FY 2016 - FALL 2015							<u>\$332,902,780</u>
County Property as of January 1, 2015		\$68,648,547,000					
Net Change in Assessments	3.0%	<u>\$2,059,456,410</u>					
County Property as of January 1, 2016		\$70,708,003,410	\$0.983	\$695,059,670	99.6%	\$692,279,430	
PSC Property in Tax Year 2015 (prior to Fall 2015 adjustment)		\$154,090,753	\$0.983	\$1,514,710	100%	<u>\$1,514,710</u>	
Total Taxable Base, Spring 2016		\$70,862,094,163				\$693,794,140	
Taxes Due June 15, 2016							\$346,897,070
Less Tax Relief for Elderly and Disabled							(2,250,000)
Less Tax Relief for Disabled Veterans							(185,100)
Less Tax Increment for Crystal City TIF							(1,804,000)
Less Tax Increment for Columbia Pike TIF							(351,420)
ESTIMATED REVENUE FOR FY 2016 - SPRING 2016							<u>\$342,306,550</u>
TOTAL ESTIMATED ASSESSMENT TAX REVENUE FOR FISCAL YEAR 2016							\$675,209,330

* 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 2016.

It is anticipated that the County’s personal property tax revenues will increase 1.4 percent in FY 2016, from \$108.7 million to \$110.2 million. This increase reflects an increase in business tangible property tax, partially offset by a slight decrease in motor vehicle property tax, both reflecting trends in actuals.

FY 2016 motor vehicle personal property tax revenue is projected to decrease less than one percent over FY 2015 adopted amounts. The County bases its vehicle assessments on the National Automobile Dealer’s Association’s (NADA) assessment figures from January. However, the precise value of the assessment base is not known until July when the Commissioner of Revenue completes its primary assessment of vehicles on the tax rolls.

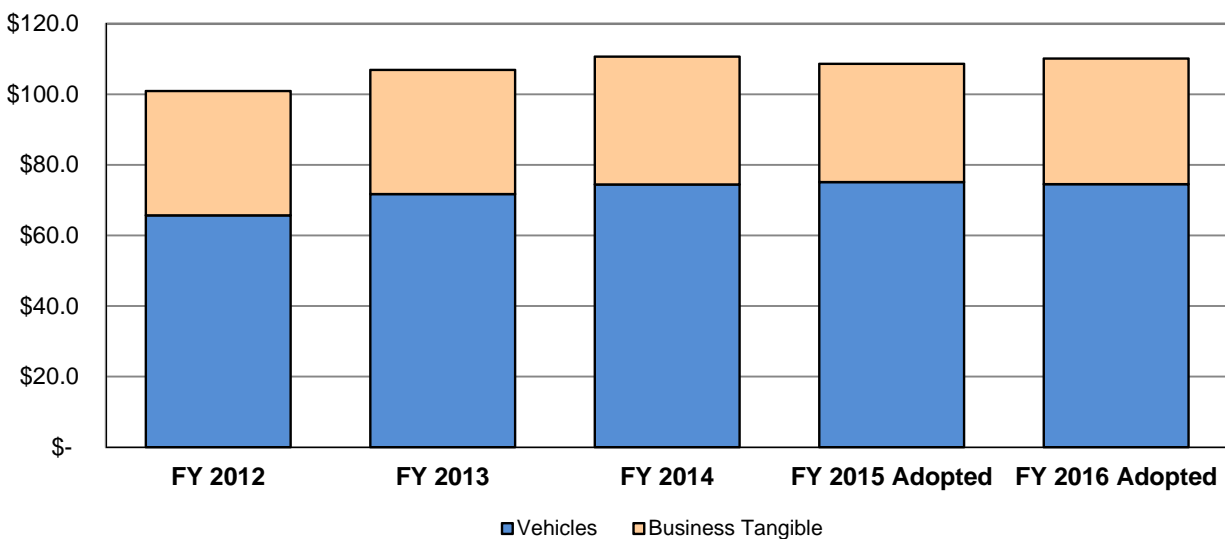
Meanwhile, business tangible tax assessments are expected to increase 6.3 percent in FY 2016.

The personal property tax rate remains unchanged for FY 2016. 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 2014 totaled approximately \$2.2 billion. Fiscal Year 2016 personal property tax revenue is projected to increase approximately one percent over the FY 2015 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 2015 estimated average assessed value (average loan value) of vehicles in the County is estimated to be approximately \$9,399, up one percent from \$9,284 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
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	\$9,284	\$5.00	\$464
2015 (projected)	\$9,399	\$5.00	\$470

*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 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Personal Property Taxes	\$110,930,962	\$109,552,147	\$110,452,147	1%
Penalty & Interest	1,653,178	1,700,000	1,700,000	-
Tax Refunds - Personal Property	(1,895,201)	(2,600,000)	(2,000,000)	-23%
Total	\$110,688,939	\$108,652,147	\$110,152,147	1%

In June 2004, the State General Assembly fundamentally changed the Personal Property Tax Relief Act (PPTRA) originally enacted in 1998. Beginning in CY 2006, Arlington is no longer reimbursed for 70 percent of vehicle taxes for automobiles assessed below \$20,000. Rather, the State reimburses Arlington County a fixed amount (\$31.3 million) annually as a fixed block grant for vehicle tax reductions.

The State requires localities to distribute the fixed block grant to qualifying vehicle values 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 2015, 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 71 percent of the tax liability, with the State block grant funds contributing the remaining 29 percent. However, the exact amount of the CY 2015 subsidy on the portion of conventional fuel value between \$3,001 and \$20,000 will not be known until July 2015, 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 \$13,060 in CY 2015. Thus, under the adopted tax relief formula, the owner of an average clean fuel vehicle would have a tax bill of \$252. This CY 2015 bill is roughly \$106 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 \$116 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 2016, based on preliminary estimates.

CY 2015 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 29%.

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	\$165	\$36	18%
\$5,000	\$250	\$179	\$71	28%
\$6,000	\$300	\$194	\$107	36%
\$7,000	\$350	\$208	\$142	41%
\$8,000	\$400	\$223	\$178	44%
\$9,000	\$450	\$237	\$213	47%
\$10,000	\$500	\$252	\$249	50%
\$11,000	\$550	\$266	\$284	52%
\$12,000	\$600	\$281	\$320	53%
\$13,000	\$650	\$295	\$355	55%
\$14,000	\$700	\$310	\$391	56%
\$15,000	\$750	\$324	\$426	57%
\$16,000	\$800	\$339	\$462	58%
\$17,000	\$850	\$353	\$497	58%
\$18,000	\$900	\$368	\$533	59%
\$19,000	\$950	\$382	\$568	60%
\$20,000	\$1,000	\$397	\$604	60%
\$21,000	\$1,050	\$397	\$654	62%

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

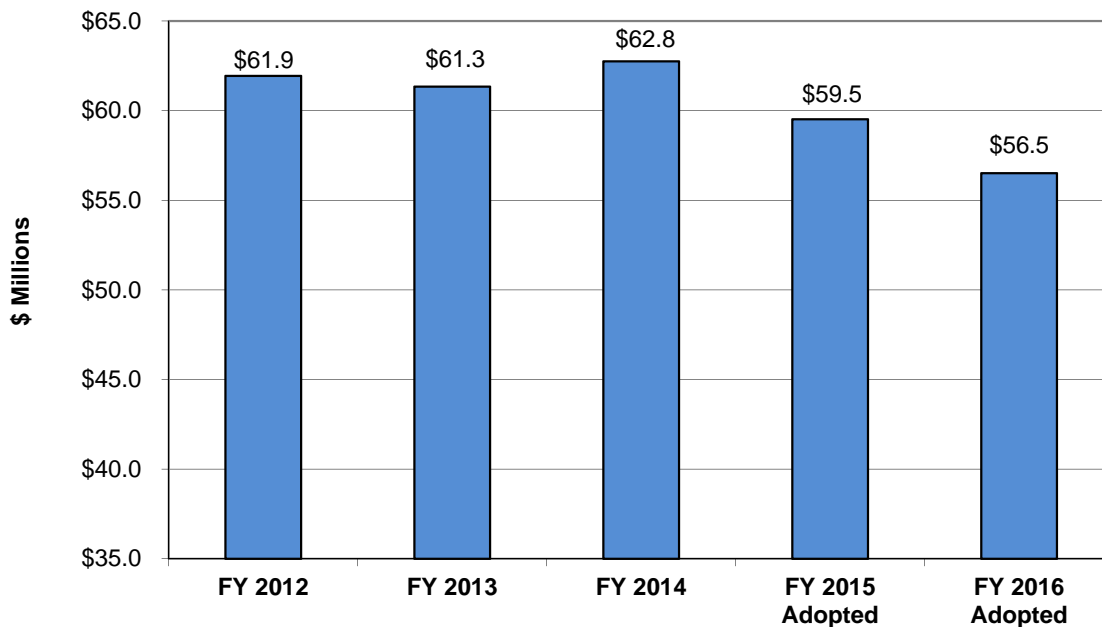
(State Code Section §58.1-3700, et al / County Code Section §11-57 thru §11-84)

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 2016 budget, BPOL revenues are anticipated to decrease five percent reflecting current office vacancy rates and a change in the calculation methodology for certain deductions.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
BPOL Taxes	\$63,931,225	\$62,000,000	\$59,000,000	-5%
Penalty & Interest	552,714	520,000	520,000	-
Tax Refunds - BPOL	(1,731,448)	(3,000,000)	(3,000,000)	-
Total	\$62,752,491	\$59,520,000	\$56,520,000	-5%

Business, Professional, and Occupational License Tax



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 2016 local sales tax revenue is anticipated to increase one percent compared to the FY 2015 adopted budget, reflecting the recovery following the government shutdown in the fall of 2013.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Sales Tax	\$39,046,328	\$40,000,000	\$40,600,000	1%

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 2016 TOT projections reflect increasing occupancy rates and room rates. Fiscal year 2016 revenues are projected increase five percent.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Transient Occupancy Tax	\$20,784,241	\$21,800,000	\$22,800,000	5%

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 2016, meals tax is expected to increase one percent over FY 2015 adopted budget levels.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Meals Tax	\$34,951,030	\$36,820,000	\$37,080,000	1%

OTHER LOCAL TAXES

The chart below lists other sources of local taxes.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Car Rental	\$5,270,912	\$5,350,000	\$4,750,000	-11%
Bank Stock	3,285,489	2,900,000	3,000,000	3%
Recordation	5,318,784	6,000,000	5,000,000	-17%
Cigarette	2,901,924	3,000,000	2,600,000	-13%
Utility	12,095,016	11,800,000	11,800,000	-
Short-Term Rental	50,698	45,000	50,000	11%
Wills & Administration	67,790	75,000	75,000	-
Consumption	807,733	750,000	800,000	7%
Communication	7,501,814	7,500,000	7,500,000	-
Total	\$37,300,160	\$37,420,000	\$35,575,000	-5%

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 2016, an 11 percent decrease in total revenue is projected based on recent actual receipts.

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 2016 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 2016 revenues are anticipated to decrease 13 percent based on recent actual receipts, which have declined in part due to consumers shifting to vapor tobacco products.

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 2016 is \$1.6 million, flat when compared to FY 2015 budgeted levels.

Short-term Rental Tax

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

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

Wills and Administration Tax

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

This tax, which is collected by the Circuit Court Clerk's Office, is imposed on the probate of every will or grant of administration. The tax rate is \$0.033 per \$100 of estate value. Total revenues in FY 2016 are expected to be flat 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 increase seven percent in FY 2016.

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 be flat in FY 2016.

REVENUE SHARING WITH ARLINGTON PUBLIC SCHOOLS (APS)

The County and Schools entered into a cooperative effort in FY 2001 to design a revenue sharing agreement as a way to fairly and appropriately apportion revenue for budget development purposes. Over the succeeding years the structure and revenue sharing calculations were adjusted to reflect the changing economic and resource demands of both the County and Schools. Since FY 2002, various adjustments were made for enrollment, funding retiree healthcare (OPEB), maintenance capital, affordable housing, and other County and School priority initiatives.

From FY 2002 to FY 2012, the structure of the revenue sharing was modified for various reasons as noted above. By FY 2012, over \$58 million was excluded from the local tax revenue calculation adding confusion and complexity to the annual calculation of revenue sharing. Beginning in FY 2013, the base calculation was reset to include all local tax revenue. Increasing the base amount led to an adjustment – not in total of funds shared – but in the percentage shared. The following illustrates the adjustment in FY 2013 to local tax revenues between the County and Schools.

	Prior to Adjustment	Revised Revenue Sharing %
FY 2013 Tax Revenue	\$873 million	\$873 million
Tax Revenue Exclusions	(\$58 million)	\$0
Shared Tax Revenues	\$815 million	\$873 million
Revenue Share %	49.1%	45.8%
Revenue to Schools	\$400 million	\$400 million

The table below shows the percentage of local tax revenue that has been allocated to the County and the Schools since FY 2002, the first year that a revenue sharing agreement was in effect.

Fiscal Year	County's Share	School's Share
2002	52.2%	47.8%
2003	51.4%	48.6%
2004	51.4%	48.6%
2005	51.4%	48.6%
2006	51.9%	48.1%
2007	52.3%	47.7%
2008	52.2%	47.8%
2009	51.9%	48.1%
2010	50.9%	49.1%
2011	50.9%	49.1%
2012	53.9%	46.1%
2013	54.2%	45.8%
2014	54.4%	45.6%
2015	54.1%	45.9%
2016	53.5%	46.5%

During 2014, the County Board and School Board worked collaboratively to structure revenue sharing principles that provide a framework for sharing local tax revenues in a predictable and

flexible way. In January 2015, both Boards adopted principles that emphasize the community priority of high quality education and utilizing community resources in a balanced and fiscally responsible way. The agreement outlines four main principles:

- 1) Revenue sharing provides a transparent, predictable, and flexible framework for developing the County and School budgets.
- 2) The planning for the next budget year will begin with the revenue sharing allocation adopted for the current fiscal year and that any critical needs identified by the Schools, including enrollment growth, will be considered as a top funding priority.
- 3) One-time funding (shortfalls or gains) will be shared between the County and Schools based on the current year's allocated tax revenue percentage. One-time funds from bond premiums will be allocated to either the County or Schools based on the bonds issued and will be used solely for capital projects.
- 4) Funds available from the close-out of the fiscal year will be used to contribute to the County's required operating reserve based on the revenue sharing percentage for that fiscal year and APS will also contribute to a limited joint infrastructure reserve fund to meet the infrastructure needs with school expansions and new school construction.

These principles will be the basis for budget development and will be a starting point for collaborative funding discussions as both entities begin to develop their proposed budgets for their respective board.

The County Board added \$6.2 million in ongoing funds to the FY 2016 transfer to APS. Thus, the FY 2016 adopted transfer is \$451,866,545 — \$451,637,045 in ongoing funding and \$229,500 in one-time — a 2.6 percent increase over the FY 2015 adopted budget. The revenue sharing percentage is now 46.5% of ongoing local tax revenues.

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 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Motor Vehicle License Fees	\$4,981,832	\$5,000,000	\$5,000,000	-
Highway Permits	2,172,497	1,400,000	1,400,000	-
Site Plan Fees	1,235,474	1,062,840	1,185,000	11%
Right-of-Way Fees	1,026,234	900,000	900,000	-
Other	2,980,807	2,121,892	2,132,350	-
Total	\$12,396,844	\$10,484,732	\$10,617,350	1%

Motor Vehicle License Fees

The annual motor vehicle license fee increased \$8 to \$33 per vehicle in FY 2011. Projected revenues for FY 2016 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 to be flat in FY 2016 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 2016, this revenue stream is expected to be flat compared to FY 2015 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 increase eleven percent in FY 2016 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 2016, 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 2016, "other" revenues are forecast to increase less than one percent. This is primarily due to increases in miscellaneous fee revenue in order to align the FY 2016 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 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Fines/Tickets	\$8,113,863	\$8,195,748	\$8,627,748	5%
Interest	2,632,514	1,500,000	1,650,000	10%
Courthouse Plaza Rent	2,568,952	3,000,000	3,000,000	-
Paid parking	891,198	815,000	930,000	14%
Other Revenue	680,049	655,046	701,895	7%
Total	\$14,886,576	\$14,165,794	\$14,909,643	5%

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 2016, this category is projected to increase five percent primarily based on actual 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 2016 revenues are expected to remain flat based on recent actual receipts.

Paid Parking

This revenue is generated by the monthly parking charges in various government buildings. FY 2016, revenue is projected to increase 14 percent due to a \$10 per space rate increase charged to employees for parking.

Other

Rentals, sales of surplus property, and lease agreements are included in this revenue category. The seven percent increase projected in FY 2016 is primarily a reflection of anticipated increased revenue from community center rentals that is based on prior year actual receipts and DES lease agreements due to the new lease agreement for restaurant space in the Arlington Mill Community Center.

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 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Refuse/Recycling Fee	\$9,707,996	\$10,163,024	\$8,525,760	-16%
Parking Meters	7,450,797	7,965,200	7,669,500	-4%
Recreation Fees	10,093,003	9,996,359	10,027,289	-
Ambulance Service Fees	3,202,726	3,300,000	3,300,000	-
Arlington Transit / Commuter Store	4,368,069	4,786,485	5,456,686	14%
Indirect Administrative Charges	3,742,931	4,033,585	4,054,299	1%
Mental Health Charges	1,717,611	1,642,237	1,780,724	8%
Falls Church Reimbursement	4,017,472	3,849,425	4,217,594	10%
Other	8,836,015	8,447,218	8,082,397	-4%
Total	\$53,136,620	\$54,183,533	\$53,114,249	-2%

Refuse/Recycling Fee

For FY 2016, the combined residential customer rate for refuse collection, disposal, and recycling is held flat at the FY 2015 revised rate of \$271.04 pending the results of the negotiation for a new contract for refuse and recycling collection. 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 2016 adopted budget. However, the County Board took action after budget adoption in May to increase rates by \$0.25. The revised FY 2016 revenue budget will be increased by \$950,000 to total \$8,619,500.

Recreation Fees

Recreation fees include charges for summer camp programs, senior adult programs, competitive swimming, recreation classes, membership in County fitness centers, use of the athletic fields, and many other services.

Ambulance Service Fees

Ambulance service fee revenue is expected to be flat in FY 2016.

Arlington Transit / Commuter Store

Arlington Transit / Commuter Store revenue includes ART bus fares and business contributions for transportation demand management (TDM) programs. FY 2016 revenues are projected to increase due to the addition of a contract for Maryland MTA Commuter Bus fare media sales and a rise in MTA MARC commuter rail fare media sales and an increase in TDM contributions. These increases will be partially offset by a projected net decrease in fee revenue for ART bus fares based on current fare revenue.

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. In FY 2016, increases to mental health service charges are related to the DHS managed care initiative related to the Affordable Care Act, which provided the County with the ability to seek a higher percentage of reimbursement from managed care providers.

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, emergency communication services, and jailing of prisoners. Fire Station No. 6 is a joint-use facility, which is staffed by Arlington County firefighters but owned by the City. The County manages the facility maintenance and capital improvements at the station. The City reimburses the County for a portion of fire/EMS expenses and the capital expenses.

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.

In addition, the city of Falls Church utilizes the Arlington County detention facility to house prisoners and is charged a daily prisoner rate.

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 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Circuit Court	\$26,738	\$28,364	\$36,299	28%
Clerk of the Circuit Court	101,192	133,635	135,181	1%
County Manager's Office (Community Corrections)	12,417	14,614	15,022	3%
General District Court	9,045	7,982	10,969	37%
Magistrate	1,911	2,104	2,319	10%
Juvenile and Domestic Relations Court	81,790	76,845	93,227	21%
Commonwealth's Attorney	147,735	133,639	141,783	6%
Sheriff	1,216,415	778,084	610,444	-22%
Fire	2,001,741	2,194,114	2,588,523	18%
Emergency Communications Center	410,332	471,302	573,638	22%
Department of Management and Finance	8,156	8,742	10,189	17%
Total	\$4,017,472	\$3,849,425	\$4,217,594	10%

Other

Major revenue sources in the "Other" category are: miscellaneous service charges (decreasing \$103,700 or four percent); recycled materials sales (decreasing \$139,000 or 46 percent based on recent actuals); the Treasurer's collections efforts (decreasing \$178,000 or 15 percent) due in part to changes in state code governing court collections; income-based fee reductions for recreation fees; public health fees; the wireless E-911 payments for the Office of Emergency Management; library fines and fees; and engineering service charges.

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 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Highway Aid	\$16,230,852	\$16,230,852	\$17,362,976	7%
Law Enforcement Aid	6,149,640	6,349,639	6,149,639	-3%
Health Reimbursement	3,485,712	3,434,598	3,513,704	2%
Social Services	3,595,836	4,569,640	4,766,070	4%
Mental Health/ Intellectual Disability	8,300,453	8,380,693	8,988,520	7%
Sheriff / Detention	7,550,650	7,533,177	7,690,328	2%
Prisoner Expense Reimbursement	933,923	800,000	950,000	19%
Commuter Assistance	5,855,674	5,559,791	5,183,172	-7%
Comprehensive Services Act	1,657,897	2,983,713	2,983,713	-
Other	14,224,024	13,243,099	14,699,092	11%
Total	\$67,984,661	\$69,085,202	\$72,287,214	5%

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 2016 budget, highway aid is projected to increase seven percent based on estimates for actual FY 2015 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. For the FY 2016 budget, the County is projecting law enforcement aid at \$6.1 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 2016 health reimbursement funds are increasing two percent due to an increase in the Emergency Preparedness and Response Grant allocation, which is based on a formula calculated by the state.

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.

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 2016, funds are increasing primarily due to additional funding for the Regional Discharge Assistance Program (RDAP), which is based on client volume and state allocation calculations.

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 19 percent increase in prisoner expense reimbursement is based on prior year actuals.

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 2016, funds are decreasing seven percent due to a reduction in the amount of Congestion Mitigation and Air Quality Improvement (CMAQ) grant funding.

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 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
WIA / JTPA	\$898,276	\$817,300	\$817,300	-
HUD / HOME	1,505,550	682,054	666,075	-2%
Health & Human Service	498,460	637,402	516,124	-19%
Mental Health	2,014,725	1,604,010	1,604,021	-
Social Services	8,741,265	7,669,581	7,894,593	3%
Substance Abuse	651,886	773,400	758,541	-2%
Other	3,705,127	3,050,264	2,913,909	-4%
Total	\$18,015,289	\$15,234,011	\$15,170,563	-

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. FY 2016 funding decreases 19 percent with the end of the drug-free communities grant.

Mental Health

Federal pass through revenue (i.e. federal grants to the state) from the Department of Mental Health, Mental Retardation and Substance Abuse Services. Programs funded from the agency provide residential treatment for the seriously mentally ill, early intervention, and emergency response to mental health crises, as well as the People Assisting the Homeless (PATH) Program.

Social Services

Social services revenue represents the largest single category of federal funds—accounting for approximately \$7.9 million—and is passed through the State's budget to Arlington County. Since some of the federal social service programs are 100 percent reimbursable, revenue will change with changes in caseloads. The increase in FY 2016 of federal social service funding is due to the formula for reimbursement.

Substance Abuse

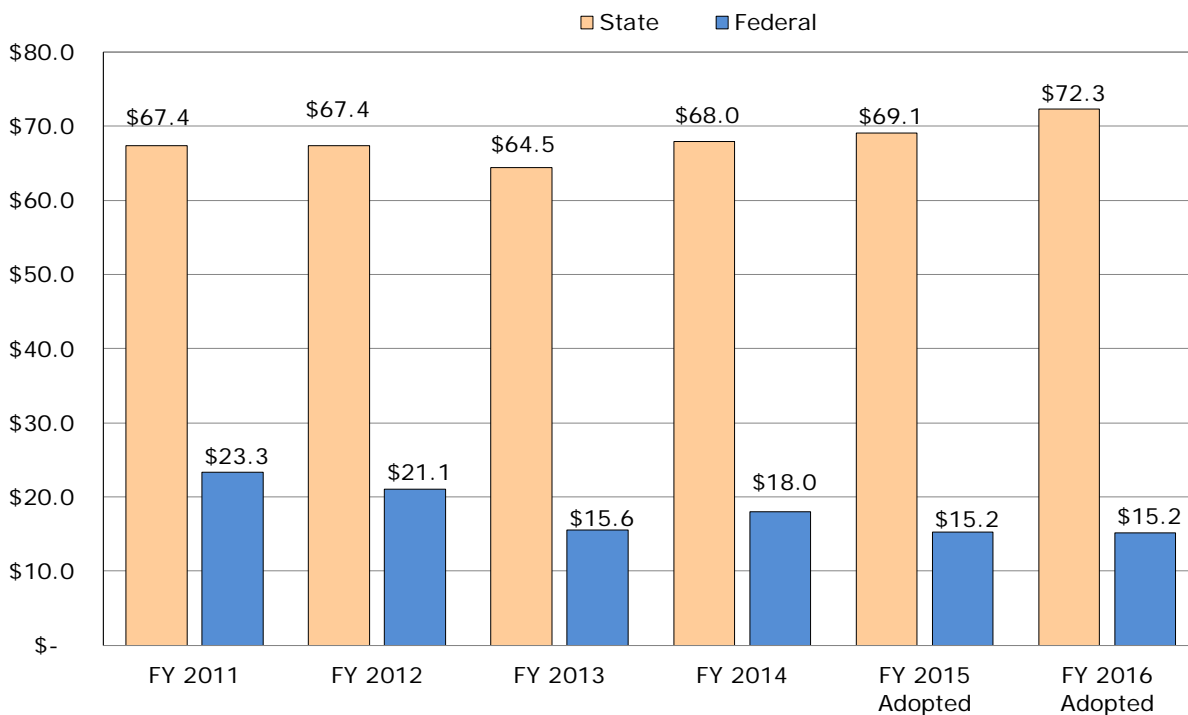
Federal substance abuse funds are used to prevent adverse social, legal, and medical conditions in individuals resulting from alcohol and drug dependency. Outpatient programs provide assessment, individual and group therapy, alcohol and drug education courses, relapse prevention services, psychological 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 2016, 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 flat or decreasing funding for most federal grants, accounting for an overall decrease of four percent in the “Other” category in the FY 2016 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, Department of Parks and Recreation reimbursements, and loan repayments from Signature Theater.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Sale of Land and Buildings	\$1,335,278	\$15,000	\$15,000	-
Cable TV Administration	239,076	-	-	-
Affordable Housing Investment Fund	24,729,385	-	-	-
Gifts & Donations	347,986	390,000	390,000	-
Treasurer's Returned Checks	35,467	20,000	30,000	50%
Other	4,199,911	869,259	1,066,385	23%
Total	\$30,887,103	\$1,294,259	\$1,501,385	16%

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 2016 budget includes \$18,708,831 in carryover funds, funded by a combination of additional revenue and/or expense savings identified from previous fiscal years.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Transfers	\$554,218	\$2,738,832	\$3,136,941	15%
Prior Year Adjusted Balance	124,845,794	39,249,471	18,708,831	-52%
Total	\$125,400,012	\$41,988,303	\$21,845,772	-48%

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 2014, 2015 (adopted), and 2016 (adopted).

General Fund Revenues	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Real Estate Tax	\$631,515,416	\$637,059,230	\$667,774,330	5%
Personal Property Tax	110,688,939	108,652,147	110,152,147	1%
BPOL Tax	62,752,491	59,520,000	56,520,000	-5%
Local Sales Tax	39,046,328	40,000,000	40,600,000	1%
Recordation Tax	5,318,784	6,000,000	5,000,000	-17%
Transient Occupancy Tax	20,784,241	21,800,000	22,800,000	5%
Cigarette Tax	2,901,924	3,000,000	2,600,000	-13%
Meals Tax	34,951,030	36,820,000	37,080,000	1%
Utility Tax	12,095,016	11,800,000	11,800,000	-
Communications Tax	7,501,814	7,500,000	7,500,000	-
Other Taxes	9,482,622	9,120,000	8,675,000	-5%
Total Local Taxes	937,038,605	941,271,377	970,501,477	3%
Licenses, Permits & Fees	12,396,844	10,484,732	10,617,350	1%
Fines, Interest, Rents	14,886,576	14,165,794	14,909,643	5%
Charges for Services	53,136,620	54,183,533	53,114,249	-2%
Commonwealth	67,984,661	69,085,202	72,287,214	5%
Federal Government	18,015,289	15,234,011	15,170,563	-
Miscellaneous Revenue	30,887,103	1,294,259	1,501,385	16%
Transfer	554,218	2,738,832	3,136,941	15%
Total Non-tax Revenue	197,861,311	167,186,363	170,737,345	2%
TOTAL (excluding prior year balance)	1,134,899,916	1,108,457,740	1,141,238,822	3%
Prior Year Adjusted Balance	124,845,794	39,249,471	18,708,831	-52%
Total (including Prior Year Balance)	\$1,259,745,710	\$1,147,707,211	\$1,159,947,653	1%

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 2015 adopted real estate tax rate is \$0.045 for each \$100 of assessed value, no change from the CY 2014 rate.
- ↓ BID expenditures and revenues decrease by two percent due to lower assessments.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Service District Revenue	\$1,494,734	\$1,572,603	\$1,544,770	-2%

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 2015 adopted real estate tax rate is \$0.078 for each \$100 of assessed value, no change from the CY 2014 rate.
- ↓ BID expenditures and revenues decrease by three percent due to lower assessments.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Service District Revenue	\$3,524,078	\$3,733,665	\$3,620,113	-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 2015 adopted real estate tax rate is \$0.043 for each \$100 of assessed value, no change from the CY 2014 tax rate.
- ↓ BID expenditures and revenues decrease by two percent due to lower assessments.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Service District Revenue	\$2,523,162	\$2,626,899	\$2,579,181	-2%

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 2016 projected revenue is expected to be flat.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
CDBG Revenues	\$2,794,376	\$1,179,289	\$1,182,536	-

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 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Housing Assistance	\$16,796,091	\$16,736,290	\$17,350,778	4%
Interest	5,990	-	-	-
HOPWA Grant	62,677	90,000	65,065	-28%
Shelter Plus Care	258,208	250,204	345,512	38%
Miscellaneous	16,445	40,900	40,900	-
Total	\$17,139,411	\$17,117,394	\$17,802,255	4%

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 2016 adopted budget, the County's ongoing funding for PAYG capital projects is \$6.8 million and one-time funding is \$2.8 million.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Charges for Services	\$4,362,954	-	-	-
Miscellaneous Revenue	1,331,344	-	-	-
Cable TV	1,147,388	-	-	-
Falls Church Reimbursement	-	-	150,000	-
State Grant - Misc.	17,279,102	-	-	-
Proceeds for Lease Purchase	5,459,004	-	-	-
Transfer In	29,553,643	22,952,288	9,408,646	-59%
Total	\$59,133,435	\$22,952,288	\$9,558,646	-58%

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 2015 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 \$9.3 million in FY 2016 will help ensure the future sustainability of the County's aging stormwater infrastructure and compliance with federal and State stormwater management requirements.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Sanitary District Tax	\$8,491,931	\$8,571,200	\$9,271,950	8%

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 2016 budget, revenue for the transportation capital fund is projected at \$36.0 million, with the tax rate remaining at \$0.125 and commercial property assessments decreasing 2.6 percent.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Commercial Real Estate Tax	\$25,734,105	\$25,261,657	\$24,703,462	-2%
Developer Contributions	750,000	-	-	-
State Aid	667,284	-	-	-
Miscellaneous	\$61,133	11,400,000	11,342,782	-1%
Total	\$27,212,522	\$36,661,657	\$36,046,244	-2%

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 existing CY 2015 base real estate tax rate is \$0.983 for each \$100 of assessed property value. The FY 2016 budget allocates 33 percent of the projected tax revenue generated from the incremental assessment growth between January 2011 and January 2015 in the Crystal City TIF area at the CY 2015 base tax rate. Total assessed value in the Crystal City TIF district decreased 2.6 percent from CY 2014 to CY 2015.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Real Estate	\$2,975,380	\$3,482,480	\$3,096,740	-11%
State Aid NVTC	8,901	-	-	-
Federal Funds Match	18,698	-	-	-
Total	\$3,002,979	\$3,482,480	\$3,096,740	-11%

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 existing CY 2015 base real estate tax rate is \$0.983 for each \$100 of assessed property value. The FY 2016 budget allocates 25 percent of the projected tax revenue generated from the incremental assessment growth between January 2014 and January 2015 in the Columbia Pike TIF area at the CY 2015 base tax rate. Total assessed value in the Columbia Pike TIF district increased 4.0 percent from CY 2014 to CY 2015.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Real Estate Tax Total	-	\$119,950	\$536,130	347%

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 \$13.04 per thousand gallons to \$13.27 per thousand gallons for FY 2016. This corresponds to an estimated annual residential cost of \$929, 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 2016 adopted budget, Utilities Fund revenues are projected to total \$99.8 million.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Interest	\$73,482	-	\$50,000	-
Hazardous Household Material Fee	11,674	\$20,000	20,000	-
Utility Marking Fee	213,419	200,000	210,000	5%
Water Sewer Service	89,341,133	92,645,221	93,726,068	1%
Water Service Connection Fees	1,423,100	1,230,000	1,297,000	5%
Sewage Treatment	4,173,429	3,923,038	4,252,119	8%
Flow Test Fees	20,939	10,000	14,000	40%
Miscellaneous Revenue	380,202	224,765	227,597	1%
Total	\$95,637,378	\$98,253,024	\$99,796,784	2%

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 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Interest	\$128,880	\$100,000	\$100,000	-
Water / Sewer Hook-up	5,039,414	5,000,000	5,000,000	-
Sewage Treatment Charges	2,380,361	612,000	585,650	-4%
Miscellaneous	13,494	-	-	-
Transfer In	14,102,027	12,524,545	12,121,850	-3%
Total	\$21,664,176	\$18,236,545	\$17,807,500	-2%

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. The five-day monthly rates is \$105, and the maximum daily rate is \$10.

	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Interest	\$7,483	\$12,000	\$12,000	-
Parking Revenue	4,739,961	4,905,134	4,474,528	-9%
Transfers In	1,367,321	-	-	-
Total	\$6,114,765	\$4,917,134	\$4,486,528	-9%

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 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Building Permits	\$8,033,214	\$7,915,894	\$8,541,000	8%
Electrical Permits	2,036,078	1,603,110	1,811,151	13%
Plumbing Permits	1,405,699	1,168,080	1,325,000	13%
Mechanical Permits	804,890	712,890	750,000	5%
Occupancy Permits	619,857	630,000	635,000	1%
Elevator Certificate Fees	818,753	768,000	850,000	11%
Plan Review - Walk Throughs	709,542	668,182	738,000	10%
Other Revenue	266,525	140,799	159,345	13%
Total	\$14,694,558	\$13,606,955	\$14,809,496	9%

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 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Sales of Surplus Equipment	\$901,618	\$250,000	\$250,000	-
Proceeds from Lease / Purchase	2,500,213	-	-	-
Services from Other Agencies	20,965,417	16,361,806	17,374,057	6%
Miscellaneous Revenue	231,997	331,000	331,000	-
Transfer In	-	42,000	100,624	140%
Total	\$24,599,245	\$16,984,806	\$18,055,681	6%

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 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	% Change '15 to '16
Services to Agencies	\$2,476,796	\$1,557,500	\$1,688,473	8%
Transfer In	195,853	226,499	231,484	2%
Total	\$2,672,649	\$1,783,999	\$1,919,957	8%

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 \$270, or 4.9 percent, in calendar year (CY) 2015. The average assessment for a single-family home increased 4.9 percent, from \$552,700 in CY 2014 to \$579,800 in CY 2015.

REAL ESTATE TAX PAYMENT Average Single Family Home

Calendar Year	Average Assessed Value	Tax Rate*	Tax Payment	Tax Payment Increase
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
2014	\$552,700	\$0.996	\$5,505	\$227
2015	\$579,800	\$0.996	\$5,775	\$270

*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
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
2014	\$9,284	\$5.00	\$928
2015	\$9,399	\$5.00	\$940

*Does not reflect the State's fixed block grant distribution, which reduces the amount each household pays.

Refuse Collection and Disposal Fees

The annual residential charge for refuse and recycling is held flat at the FY 2015 revised rate of \$271.04 pending the results of the negotiation for a new contract for refuse and recycling collection. 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
2007	\$260.36
2008	\$295.80
2009	\$306.56
2010	\$325.68
2011	\$344.24
2012	\$325.72
2013	\$293.92
2014	\$293.76
2015*	\$271.04
2016	\$271.04

*Reflects revised rate adopted in July 2014.

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 2016 water/sewer rate increased to \$13.27 per thousand gallons.

Fiscal Year	Water/Sewer Service Rate*	Average Annual Residential Cost
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
2015	\$13.04	\$912.80
2016	\$13.27	\$928.90

*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 2012 through CY 2015. Due primarily to the real estate assessment increase, the average tax and fee burden on County households is expected to increase four percent over CY 2014.

Summary of Major Residential Taxes and Fees

	CY 2012	CY 2013	CY 2014	CY 2015	% Change '14 to '15
Real Estate Tax (includes sanitary district tax)	\$5,043	\$5,278	\$5,505	\$5,775	5%
Personal Property (taxpayer share only)*	368	410	459	454	-1%
Annual Decal Fee*	66	66	66	66	-
Refuse Fee**	294	294	271	271	-
Water / Sewer Service**	883	883	913	929	2%
Residential Utility Tax**	72	72	72	72	-
Total	\$6,726	\$7,003	\$7,286	\$7,567	4%

* Assumes two conventional vehicles per household, the approximate average number of vehicles owned per Arlington household. The personal property tax figures reflect the PPTRA subsidy for personal property tax relief. For CY 2015, it is projected that 29% 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. FY 2015 refuse fee is the revised rate adopted in July 2014; FY 2016 rate is held constant due to pending contract negotiations.

The following chart compares the estimated major residential taxes and fees for the Northern Virginia jurisdictions for the average household using Calendar Year 2015 rates and assessments.

**Calendar Year 2015 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	\$579,800	\$509,853	\$517,101	\$643,900	\$462,883	\$331,768	\$413,606
Estimated Taxes							
Real Estate ¹	\$5,775	\$5,318	\$5,771	\$8,467	\$4,870	\$3,960	\$4,694
Personal Property ²	940	940	860	910	776	696	790
Residential Consumer Utility ³	72	72	96	120	54	72	65
Subtotal	\$6,787	\$6,330	\$6,727	\$9,497	\$5,700	\$4,728	\$5,549
Estimated Fees							
Water/Sewer ⁴	\$929	\$836	\$764	\$1,009	\$680	\$860	\$708
Solid-Waste/Recycling ⁵	271	337	345	n/a	n/a	388	318
Decal Fee ²	66	66	66	66	66	48	50
TOTAL	\$8,053	\$7,569	\$7,902	\$10,572	\$6,446	\$6,024	\$6,625
Amount more (less) than Arlington		(\$484)	(\$151)	\$2,519	(\$1,607)	(\$2,029)	(\$1,428)
Percent more or less than Arlington		-6.0%	-1.9%	31.3%	-20.0%	-25.2%	-17.7%

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

² Estimate based upon 2.0 cars per household, and assumes the same average vehicle value of \$9,399. However, given that Arlington and Loudoun uses a lower assessment, the actual average car value for the other jurisdictions may be higher. Taxes do not reflect the State's fixed block grant to localities for vehicle tax relief and the adopted method of distribution.

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

⁴ Assumes average single family residence uses 70,000 gallons of water per year. Estimates are based on either the proposed or adopted FY 2016 rates.

⁵ Residents in Falls Church and Fairfax City pay for the solid-waste/recycling fee as part of their real estate taxes. Loudoun & Prince William Counties do not offer this service. Instead, residents pay private haulers, such as BFI, directly. Most Fairfax County residents also pay a private hauler, but County collection is available in designated areas. 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 ⁽¹⁾
FOR THE AVERAGE SINGLE-FAMILY HOME ⁽²⁾**

	TAX YEAR 2014			TAX YEAR 2015			CHANGE FROM 2014 TO 2015			PERCENT CHANGE		
	Tax Rate	Average Assessed Value	Estimated Tax Payment	Tax Rate	Average Assessed Value	Estimated Tax Payment	Change in Tax Rate	Change in Average Assessed Value	Change in Tax Payment	Change in Tax Rate	Change in Average Assessed Value	Change in Tax Payment
Arlington ³	\$0.996	\$552,700	\$5,505	\$0.996	\$579,800	\$5,775	\$0.000	\$27,100	\$270	0.0%	4.9%	4.9%
Alexandria	\$1.043	\$490,422	\$5,115	\$1.043	\$509,853	\$5,318	\$0.000	\$19,431	\$203	0.0%	4.0%	4.0%
City of Fairfax ³	\$1.040	\$450,989	\$4,690	\$1.052	\$462,883	\$4,870	\$0.012	\$11,894	\$180	1.2%	2.6%	3.8%
City of Falls Church ⁴	\$1.305	\$616,774	\$8,049	\$1.315	\$643,900	\$8,467	\$0.010	\$27,126	\$418	0.8%	4.4%	5.2%
Fairfax County ⁵	\$1.129	\$500,146	\$5,644	\$1.129	\$517,101	\$5,835	\$0.000	\$16,955	\$191	0.0%	3.4%	3.4%
Loudoun County	\$1.155	\$419,000	\$4,839	\$1.135	\$429,000	\$4,869	(\$0.020)	\$10,000	\$30	-1.7%	2.4%	0.6%
Prince William Co. ⁶	\$1.221	\$310,823	\$3,796	\$1.194	\$331,768	\$3,960	(\$0.028)	\$20,945	\$164	-2.3%	6.7%	4.3%

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

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

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

⁴ City of Falls Church uses the median home value. The CY 2014 value is based on a calculation using the City's information regarding the increase in the tax payment.

⁵ Tax rate for Fairfax County includes additional levies for stormwater, leaf collection, and pest control.

⁶ Prince William's tax rate includes additional levies for fire and rescue and moth/mosquito control.

CALENDAR YEAR 2015 SELECTED BUSINESS, PROFESSIONAL, AND OCCUPATIONAL LICENSE TAX RATES*

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

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

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

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

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 \$18.56 per thousand square feet for a business to \$38.21 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 (\$0.0691). 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 was 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. Effective January 1, 2015, the per gallon tax on gasoline increased to 5.1%.

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, Loudon, 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 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	ADOPTED
FUND: 001 GENERAL							
REVENUE CATEG: LOCAL TAXES							
101	REAL ESTATE TAX	525,925,597	563,732,045	603,766,303	638,468,630	644,059,230	675,209,330
105	REAL ESTATE PENALTY	858,863	764,441	800,264	1,309,028	850,000	615,000
106	REAL ESTATE INTEREST	259,422	176,024	174,676	150,535	150,000	150,000
	TAX REFUNDS - REAL ESTATE	(6,467,546)	(5,557,823)	(7,922,121)	(8,412,777)	(8,000,000)	(8,200,000)
	SUBTOTAL	520,576,336	559,114,687	596,819,122	631,515,416	637,059,230	667,774,330
121	PERSONAL PROPERTY TAX	64,587,238	69,797,389	76,034,044	79,678,815	78,300,000	79,200,000
	STATE REIMBURSEMENT	31,252,147	31,252,147	31,252,147	31,252,147	31,252,147	31,252,147
123	PERSONAL PROPERTY PENALTY	1,086,636	1,414,442	1,392,360	1,377,930	1,380,000	1,380,000
125	PERSONAL PROPERTY INTEREST	310,511	350,432	326,966	275,248	320,000	320,000
	TAX REFUNDS - PERSONAL PROP	(1,990,402)	(1,886,344)	(2,048,304)	(1,895,201)	(2,600,000)	(2,000,000)
	SUBTOTAL	95,246,130	100,928,066	106,957,213	110,688,939	108,652,147	110,152,147
131	BPOL TAX	62,797,154	63,280,867	63,435,966	63,931,225	62,000,000	59,000,000
133	BPOL TAX PENALTY	57,390	87,474	63,344	94,562	260,000	260,000
134	BPOL TAX INTEREST	452,209	543,226	239,015	458,152	260,000	260,000
	TAX REFUNDS - BPOL	(2,846,644)	(1,972,355)	(2,397,171)	(1,731,448)	(3,000,000)	(3,000,000)
	SUBTOTAL	60,460,109	61,939,212	61,341,154	62,752,491	59,520,000	56,520,000
140	CAR RENTAL GROSS RECEIPTS TAX	5,279,343	5,630,079	6,173,823	5,270,912	5,350,000	4,750,000
141	LOCAL SALES TAX	36,889,895	38,630,486	39,447,636	39,046,328	40,000,000	40,600,000
143	BANK STOCK TAX	3,321,024	2,953,089	2,910,052	3,285,489	2,900,000	3,000,000
144	RECORDATION TAX	6,011,781	6,536,109	6,974,187	5,318,784	6,000,000	5,000,000
145	CIGARETTE TAX	2,928,355	3,125,075	3,109,154	2,901,924	3,000,000	2,600,000
146	TRANSIENT TAX	21,828,208	21,789,115	22,270,626	20,784,241	21,800,000	22,800,000
147	UTILITY TAX	13,051,807	11,947,382	11,815,946	12,095,016	11,800,000	11,800,000
148	SHORT TERM RENTAL	46,513	41,857	47,895	50,698	45,000	50,000
149	MEALS TAX	31,425,805	33,409,537	34,707,200	34,951,030	36,820,000	37,080,000
151	WILLS AND ADMINISTRATION TAX	109,483	72,779	64,011	67,790	75,000	75,000
152	CONSUMPTION TAX	847,064	781,684	800,128	807,733	750,000	800,000
153	COMMUNICATION TAX	7,965,227	7,552,604	7,784,666	7,501,814	7,500,000	7,500,000
	SUBTOTAL	129,704,505	132,469,796	136,105,324	132,081,759	136,040,000	136,055,000
	TOTAL LOCAL TAXES	805,987,080	854,451,761	901,222,813	937,038,605	941,271,377	970,501,477
REVENUE CATEG: LICENSES, PERMITS, & FEES							
215	CONCEALED WEAPONS	5,574	7,661	43,159	29,653	6,500	22,000
219	USE PERMITS	147,453	119,819	93,955	85,951	129,042	112,000
220	RIGHT OF WAY FEES	910,570	842,913	861,527	1,026,234	900,000	900,000
221	HIGHWAY PERMITS	1,033,812	1,376,965	1,100,743	2,172,497	1,400,000	1,400,000
222	BUILDING PERMITS	-	-	(2,854)	746	-	-
240	MOTOR VEHICLE LICENSE TAGS	4,913,198	4,931,030	4,971,835	4,981,832	5,000,000	5,000,000
241	LICENSE PLATE PENALTY FEES	162,171	265,483	284,307	297,050	200,000	250,000
243	SITE PLAN FEES	846,461	1,437,569	1,114,585	1,235,474	1,062,840	1,185,000
244	TRANSFER FEES	4,528	4,690	5,287	4,802	5,000	5,000
245	ZONING ADVERTISING	140,611	68,166	93,157	74,354	88,000	55,000
248	ZONING COMPLIANCE LETTERS	(422)	-	-	-	-	-
251	BUILDING PLANS/WALK-THROUGH	-	(50)	-	-	-	-
259	MIS LICENSES, PERMITS & FEES	1,765,149	1,551,870	1,936,436	2,488,251	1,693,350	1,688,350
	TOTAL REV CATEG	9,929,105	10,606,116	10,502,137	12,396,844	10,484,732	10,617,350

SIX-YEAR REVENUE SUMMARY		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	ADOPTED
REVENUE CATEG: FINES							
301	FINES	2,122,459	2,319,086	2,278,061	2,919,379	2,263,888	3,035,888
302	PARKING TICKETS	7,369,641	8,214,861	6,088,693	5,077,757	5,840,000	5,500,000
305	CIVIL PENALTIES	98,828	107,713	101,499	116,727	91,860	91,860
	TOTAL REV CATEG	9,590,928	10,641,660	8,468,253	8,113,863	8,195,748	8,627,748
REVENUE CATEG: INTEREST, RENTS & SURPLUS SALES							
311	INTEREST ON GENERAL FUND	2,487,652	583,978	(1,014,489)	2,182,979	1,000,000	1,500,000
312	INTEREST ON BOND FUNDS	487,089	553,043	83,390,244	449,535	500,000	150,000
320	COURTHOUSE PLAZA	3,833,518	2,753,071	3,394,743	2,568,952	3,000,000	3,000,000
321	RENTALS & SALES OF SURPLUS	270,890	244,853	312,167	296,549	282,363	295,363
322	PAID PARKING	832,872	822,406	851,223	891,198	815,000	930,000
335	DES LEASE AGREEMENTS	412,059	514,776	344,215	383,500	372,683	406,532
355	MISCELLANEOUS	-	750	-	-	-	-
	TOTAL REV CATEG	8,324,080	5,472,877	87,278,103	6,772,713	5,970,046	6,281,895
REVENUE CATEG: CHARGES FOR SERVICES							
400	INMATE MEDICAL COSTS	23,308	23,612	24,065	22,649	7,200	9,300
401	COURT COSTS	511,397	549,367	581,075	339,379	550,000	350,000
402	COMMONWEALTH'S ATTORNEY FEES	6,496	10,741	11,232	11,825	11,000	12,000
403	A S A P ENTRANCE FEES	442,143	486,639	480,879	483,681	477,298	483,401
404	IMPOUNDED VEHICLES STORAGE FEE	36,614	47,423	29,584	16,900	40,000	30,000
405	FALLS CHURCH REIMBURSEMENT	2,734,485	2,964,712	3,240,561	4,017,472	3,849,425	4,217,594
406	AMBULANCE SERVICE FEES	3,717,966	3,569,809	3,302,338	3,202,726	3,300,000	3,300,000
407	JAIL SERVICE CHARGES	11,234	6,455	16,505	12,195	17,500	14,800
408	DOG LICENSE FEES	51,553	66,188	59,250	59,664	60,000	60,000
409	SIDEWALK FRONTAGE ASSESSMENTS	54,511	64,701	59,329	50,820	55,000	55,000
410	PARKING METER CHARGES	6,558,592	8,293,226	7,885,752	7,450,797	7,965,200	7,669,500
411	ENGINEERING SERVICES CHARGES	1,284,221	1,352,603	1,652,086	1,727,296	1,137,124	1,137,124
412	REFUSE/RECYCLING FEES	11,302,260	10,716,241	9,697,424	9,707,996	10,163,024	8,525,760
413	MULCH FEES	167,277	152,673	143,873	135,071	144,000	144,000
414	RECYCLED MATERIALS SALES	729,948	655,565	251,070	109,612	300,000	161,000
415	MENTAL HEALTH CLINIC CHARGES	1,597,542	1,442,731	1,404,140	1,717,611	1,642,237	1,780,724
416	DRUG & ALCOHOL PROG. PAYMENTS	30,330	38,552	35,012	46,204	41,000	44,000
417	MADISON CENTER CHARGES	160,378	152,347	194,106	221,920	182,000	202,000
420	RECREATION INSTRUCTION SRVCS.	2,663,359	3,006,164	3,862,091	4,277,872	4,408,595	4,310,085
421	SUPPLEMENTAL RECREATION FEES	4,555,753	4,814,171	5,208,345	5,986,055	5,587,764	5,897,204
422	LIBRARY FEES & FINES	580,322	563,061	513,046	533,965	530,000	530,000
423	OLDER AMERICANS ACT PROGS.	28,194	32,942	27,204	23,843	27,253	22,683
424	GROUP HOME CHARGES ARGUS	3,407	2,398	6,736	1,492	3,000	1,750
425	FEE REDUCTIONS	-	-	-	(170,924)	(30,000)	(180,000)
426	APPLIANCE PICK UP FEE	41,840	23,255	25,270	36,944	25,000	25,000
429	BOOKLET SALES	(510)	-	-	-	-	-
430	INDIRECT ADMIN CHARGES	3,545,898	3,444,688	3,890,258	3,742,931	4,033,585	4,054,299
431	HEALTH SERVICES FEES	2,102	2,257	2,166	1,598	2,500	2,500
443	WIRELESS E-911 SURCHARGE	799,420	584,341	1,132,804	837,036	850,920	888,128
445	GIS PROGRAM REVENUES	44,782	36,861	40,630	40,280	44,000	44,000
447	SERVICES TO OUTSIDE AGENCIES	203,547	144,572	144,171	109,675	93,000	120,000
449	MISC SERVICE CHARGES	1,782,697	1,811,704	1,867,214	2,432,706	2,343,865	2,240,153
450	ARLINGTON TRANSIT / COMMUTER STORE	4,286,911	4,325,659	4,229,926	4,368,069	4,786,485	5,456,686
453	COURT HOUSE SECUR.-COURT FEE	515,758	559,659	572,066	543,521	534,830	534,830
455	CHESAPEAKE BAY FEE	85,593	103,530	164,460	224,163	90,000	90,000
460	PROJECT RECEIPTS	228,903	308,044	316,426	272,112	291,984	291,984

SIX-YEAR REVENUE SUMMARY		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	ADOPTED
471	PUBLIC HEALTH FEES	974,245	617,104	630,248	553,193	638,744	608,744
472	CREDIT CARD FEES - TREAS.	(34,939)	2,567	(45,420)	(11,729)	(20,000)	(20,000)
477	SERVICES TO OUTSIDE AGENCIES	16,942	11,594	-	-	-	-
	TOTAL REV CATEG	49,744,479	50,988,156	51,655,922	53,136,620	54,183,533	53,114,249
					8,836,015	8,477,218	8,082,397
REVENUE CATEG: MISCELLANEOUS REVENUE							
501	SALE OF LAND & BUILDINGS	197,233	1,799,470	2,450	1,335,278	15,000	15,000
509	MISCELLANEOUS REVENUES	2,260,550	2,024,268	2,747,498	1,863,380	869,259	1,066,385
525	CABLE TV ADMINISTRATION	223,132	223,132	233,171	239,076	-	-
570	AHIF	5,439,647	12,443,380	21,235,748	24,729,385	-	-
595	CABLE TV SCHOOL ANNUAL PAYMENTS	-	-	-	62,172	-	-
599	GIFTS AND DONATIONS	492,007	567,850	327,388	347,986	390,000	390,000
	TOTAL REV CATEG	8,612,569	17,058,100	24,546,255	28,577,277	1,274,259	1,471,385
					4,199,911	see non-revenue receipts below as well	
REVENUE CATEG: COMMONWEALTH OF VIRGINIA							
612	MOTOR VEHICLE CARRIERS TAX	16,034	21,937	17,122	19,248	12,000	12,000
613	TAX ON DEEDS-GRANTOR'S TAX	1,489,921	1,448,992	1,516,252	1,384,585	1,400,000	1,400,000
621	COMMONWEALTH'S ATTORNEY	1,033,887	1,071,145	1,097,558	1,180,886	1,225,591	1,305,202
622	SHERIFF	6,993,253	6,959,120	7,243,190	7,550,650	7,533,177	7,690,328
623	COMMISSIONER OF THE REVENUE	408,757	405,116	410,633	444,528	434,352	456,702
624	TREASURER	442,772	432,001	435,579	480,433	476,485	501,141
625	REGISTRAR/ELECTORAL BOARD	78,733	142,913	76,627	83,552	85,000	152,400
626	LAW ENFORCEMENT AID	5,965,948	5,807,300	5,863,810	6,149,640	6,349,639	6,149,639
627	CLERK -COMP BOARD FUNDS	827,907	821,225	829,994	888,719	886,568	920,307
628	DCJS FORFEITED ASSETS	70,887	51,512	72,558	379,231	-	-
629	VICTIM WITNESS GRANT	166,213	130,235	214,300	166,710	173,753	178,966
631	HIGHWAY AID	15,104,698	15,880,379	16,126,094	16,230,852	16,230,852	17,362,976
632	TRANSIT AID	3,339,952	3,138,452	3,138,452	3,244,416	3,943,517	4,543,517
633	JUVENILE DETENTION-ARGUS	253,701	255,025	325,022	340,331	270,059	270,059
634	JUVENILE & DOMESTIC RELATIONS	487,114	486,601	491,336	638,420	515,286	726,275
635	PRISONER EXPENSE REIMBURSE.	1,100,157	806,722	826,521	933,923	800,000	950,000
638	COMP COMM CORRECTIONS ACT	375,896	298,227	377,300	409,086	404,556	404,556
640	COMMUTER ASSISTANCE GRANTS	4,650,435	5,440,811	5,090,210	5,855,674	5,559,791	5,183,172
641	HEALTH REIMBURSEMENTS	3,422,729	3,482,120	3,418,232	3,485,712	3,434,598	3,513,704
642	LIBRARY SUPPLEMENTS	164,005	161,831	163,077	176,293	171,026	171,026
643	FIRE PROGRAMS	710,921	555,032	592,166	448,302	583,306	623,566
644	HIGHWAY SAFETY GRANTS	31,058	17,956	14,094	11,908	7,150	625
645	MENTAL HEALTH/ INTELLECTUAL DISAB.	7,165,228	7,447,319	7,479,245	8,300,453	8,380,693	8,988,520
646	SUBSTANCE ABUSE	1,090,147	1,148,563	1,122,251	1,144,057	1,121,478	1,138,417
647	SOCIAL SERVICES	4,736,071	4,095,871	3,244,405	3,595,836	4,569,640	4,766,070
648	SIGNAL REIMBURSEMENT	624,100	601,820	632,396	679,960	655,867	1,008,839
649	MISC STATE GRANTS	1,699,107	2,592,060	1,755,914	1,869,662	674,233	642,622
651	JAIL CONSTRUCTION REIMBURS.	1,822,203	1,818,130	-	-	-	-
652	STATE EMERGENCY MGMT GRANTS	11,555	-	7,680	8,100	-	-
654	COMPREHENSIVE SERVICES ACT (CSA)	2,977,138	1,681,132	1,677,752	1,657,897	2,983,713	2,983,713
655	DEPARTMENT OF AGING	185,507	186,437	214,160	225,597	202,872	242,872
	TOTAL REV CATEG	67,446,034	67,385,984	64,473,930	67,984,661	69,085,202	72,287,214
					14,224,024	13,243,099	14,699,092
REVENUE CATEG: FEDERAL GOVERNMENT							
714	WORKFORCE INVESTMENT ACT (WIA)	1,527,180	1,392,336	1,291,508	898,276	817,300	817,300
718	HUD EDI GRANT	89,415	153,901	96,224	-	-	-
719	HUD RENTAL REHAB/HOME	3,245,723	2,507,518	283,490	1,505,550	682,054	666,075
722	U S MARSHAL PRISONERS	156,882	163,644	127,382	108,705	125,000	100,000

SIX-YEAR REVENUE SUMMARY		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	ADOPTED
724	FBI REIMBURSEMENT	184,910	474,453	202,875	250,205	-	-
725	OLDER AMERICANS ACT	553,614	548,804	610,493	510,672	594,729	492,561
730	HIDTA GRANT	189,270	95,124	195,754	180,826	207,890	207,890
741	FEDERAL HEALTH REIMB	99,443	66,437	61,080	111,305	70,000	70,000
742	HEALTH & HUMAN SERVICE	788,783	355,791	532,419	498,460	637,402	516,124
745	MENTAL HEALTH / M. R.	1,494,301	1,456,465	1,077,756	2,014,725	1,604,010	1,604,021
746	SUBSTANCE ABUSE	909,110	802,071	791,357	651,886	773,400	758,541
747	SOCIAL SERVICES	10,569,452	9,802,973	8,022,625	8,741,265	7,669,581	7,894,593
748	WIC PROGRAM FUNDS	625,896	671,654	601,255	667,976	607,381	687,426
749	MISC FEDERAL GRANTS	2,114,091	2,018,495	1,177,715	1,349,817	1,086,774	981,432
752	FEDERAL EMERGENCY MGMT GRANTS	706,322	578,673	523,823	525,621	358,490	374,600
	TOTAL REV CATEG	23,254,392	21,088,340	15,595,756	18,015,289	15,234,011	15,170,563
					3,705,127	3,050,264	2,913,909
REVENUE CATEG: NON-REVENUE RECEIPTS							
805	OTHER	6,267,065	6,712,155	8,394,143	2,274,572	-	-
847	TREASURERS CASH OVER & SHORT	18	144	(66)	(213)	-	-
848	TREASURER'S RETURNED CHECKS	18,051	29,609	37,899	35,467	20,000	30,000
	TOTAL REV CATEG	6,285,134	6,741,908	8,431,976	2,309,826	20,000	30,000
REVENUE CATEG: TRANSFERS IN							
900	TRANSFER IN FROM OTHER FUNDS	177,582	196,461	(82,291,440)	130,000	209,332	207,441
913	TRANSFER IN FROM 313	-	-	-	-	-	400,000
981	TRANSFERS IN FROM OTHER FUNDS	-	-	-	25,363	2,400,000	2,400,000
987	TRANSFERS IN FROM FUND 887	99,715	-	140,846	-	-	-
999	TRANSFERS IN FROM FUND 799	1,627,828	584,500	331,126	398,855	129,500	129,500
	TOTAL REV CATEG	1,905,125	780,961	(81,819,468)	554,218	2,738,832	3,136,941
TOTAL GENERAL FUND REVENUES		991,078,926	1,045,215,863	1,090,355,677	1,134,899,916	1,108,457,740	1,141,238,822
860	FUND BALANCE ADJ -PREV YEAR	92,709,272	95,565,845	129,373,675	124,845,794	39,249,471	18,708,831
TOTAL GENERAL FUND WITH FUND BALANCE		1,083,788,198	1,140,781,708	1,219,729,352	1,259,745,710	1,147,707,211	1,159,947,653
FUND: 202 TRAVEL & TOURISM PROMOTION							
146	TRANSIENT OCCUPANCY	1,085,624	523,744	-	-	-	-
505	COUNTY STORE REVENUE	-	-	-	-	-	-
509	MISC. REVENUE	-	-	-	-	-	-
980	TRANSFER FROM GENERAL FUND	247,000	247,000	-	-	-	-
	TOTAL FUND	1,332,624	770,744	-	-	-	-
FUND: 203 BALLSTON SPECIAL ASSESSMENT DISTRICT							
101	REAL ESTATE TAX	-	1,234,580	1,472,863	1,494,123	1,572,603	1,544,770
311	INTEREST EARNINGS	-	332	488	611	-	-
	TOTAL FUND	-	1,234,912	1,473,351	1,494,734	1,572,603	1,544,770
FUND: 204 ROSSLYN SPECIAL ASSESSMENT DISTRICT							
101	REAL ESTATE CURRENT TAXES	2,757,464	3,142,598	3,491,943	3,523,214	3,733,665	3,620,113
311	INTEREST EARNINGS	3,165	3,038	1,592	864	-	-
509	MISCELLANEOUS	-	-	30,281	-	-	-
	TOTAL FUND	2,760,629	3,145,636	3,523,816	3,524,078	3,733,665	3,620,113

SIX-YEAR REVENUE SUMMARY		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	ADOPTED
FUND: 205 CRYSTAL CITY SPECIAL							
ASSESSMENT DISTRICT							
101	REAL ESTATE CURRENT TAXES	2,020,727	2,268,894	2,531,034	2,522,688	2,626,899	2,579,181
311	INTEREST EARNINGS	1,736	904	730	474	-	-
	TOTAL FUND	2,022,463	2,269,798	2,531,764	2,523,162	2,626,899	2,579,181
FUND: 206 COMMUNITY DEVELOPMENT							
311	INTEREST EARNINGS	-	-	69	1	-	-
509	MISCELLANEOUS	-	(500,000)	500,000	-	-	-
718	FEDERAL AID - CDBG	1,928,689	1,912,323	3,970,870	2,773,078	1,124,725	1,133,749
719	FEDERAL RENTAL REHAB	27,458	24,395	21,297	21,297	54,564	48,787
901	TRANSFERS IN FROM FUND 101	-	500,000	-	-	-	-
	TOTAL FUND	1,956,147	1,936,718	4,492,236	2,794,376	1,179,289	1,182,536
FUND: 208 SECTION 8 HOUSING							
311	INTEREST	-	-	-	5,990	-	-
509	MISCELLANEOUS REVENUES	43,821	40,901	25,429	16,445	40,900	40,900
727	SECTION 8 HOUSING	16,434,532	16,034,411	16,096,216	16,796,091	16,736,290	17,761,355
749	MISC FEDERAL REVENUE	352,175	291,019	326,256	320,885	340,204	-
	TOTAL FUND	16,830,528	16,366,331	16,447,901	17,139,411	17,117,394	17,802,255
FUND: 313 CAPITAL							
301	FINES	18,139	9,302	12,916	29,190	-	-
311	INTEREST	-	-	2,826	-	-	-
321	RENTAL & SALES OF SURPLUS	48,483	-	5,168	926	-	-
335	LEASE AGREEMENTS	41,158	46,130	-	-	-	-
405	FALLS CHURCH REIMBURSEMENTS	-	-	-	-	-	150,000
460	DEVELOPERS STREET LIGHTS	393,072	794,565	312,165	1,365,427	-	-
461	DEVELOPER/PROJECT RECEIPTS	134,507	507,866	259,068	2,997,527	-	-
501	SALE OF LAND	-	-	-	627,985	-	-
509	MISCELLANEOUS	1,425,962	299,899	204,873	673,243	-	-
520	CABLE TV - PEG	786,025	884,962	954,321	985,176	-	-
521	CABLE TV - INET	151,524	151,524	158,239	162,212	-	-
632	STATE AID NVTC	1,011,143	5,735,451	3,118,826	6,322,862	-	-
640	STATE TRANSPORTATION GRANTS	927,047	1,863,139	9,687,339	1,918,445	-	-
648	SIGNAL REIMBURSEMENT	240,139	3,664,628	174,823	7,545,304	-	-
649	MISC STATE GRANTS	13,588	6,516	12,429	14,454	-	-
655	VA GENERAL FUND-FED FUND MATCH	-	145,232	232,888	1,076,678	-	-
660	VA TRANS DEPT GRANTS	2,598,345	2,901,273	2,497,292	401,359	-	-
749	MISC FEDERAL GRANTS	556,888	878,833	-	-	-	-
805	OTHER BOND REVENUE	-	-	-	-	-	-
808	PROCEEDS FROM LEASE PURCHASE	4,287,958	1,435,230	4,473,803	5,459,004	-	-
980	TRANSFER FROM GENERAL FUND	25,763,873	28,980,839	31,166,645	29,553,643	22,952,288	9,408,646
981	TRANSFER FROM OTHER FUNDS	300,000	300,000	-	-	-	-
999	TRANSFER FROM FUND 799	190,000	121	3,742,285	-	-	-
	TOTAL FUND	38,887,851	48,605,510	57,015,906	59,133,435	22,952,288	9,558,646
FUND: 321 STORMWATER FUND							
101	REAL ESTATE TAX	7,173,184	7,853,960	7,755,271	8,331,275	8,571,200	9,021,950
301	FINES	-	-	200	3,050	-	-
411	SEDIMENT/EROSION CONTROL	-	-	-	-	-	250,000
428	MISC REVENUE	-	-	-	8,000	-	-
649	MISC STATE GRANTS	-	41,656	152,808	89,606	-	-

SIX-YEAR REVENUE SUMMARY		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	ADOPTED
749	MISC FEDERAL GRANTS	-	-	-	60,000	-	-
913	TRANSFER FROM CAPITAL	-	-	1,227,686	-	-	-
	TOTAL FUND	7,173,184	7,895,616	9,135,965	8,491,931	8,571,200	9,271,950
FUNDS: 330 & 331 TRANSPORTATION CAPITAL FUND							
101	REAL ESTATE TAX	21,088,831	23,874,833	25,399,599	25,734,105	25,261,657	24,703,462
311	INTEREST	-	-	1,339	-	-	-
509	MISC REVENUES	80,000	-	-	61,133	11,400,000	11,342,782
461	DEVELOPER CONTRIBUTIONS	-	-	-	750,000	-	-
632	STATE AID	-	17,131,883	3,876,968	667,284	-	-
	TOTAL FUND	21,168,831	41,006,716	29,277,906	27,212,522	36,661,657	36,046,244
FUND: 335 CRYSTAL CITY TIF FUND							
101	REAL ESTATE TAX	-	1,520,190	2,735,430	2,975,380	3,482,480	3,096,740
632	STATE AID NVTC	-	-	-	8,901	-	-
655	VIRGINIA GENERAL FUND - FED FUND MATCH	-	-	-	18,698	-	-
	TOTAL FUND	-	1,520,190	2,735,430	3,002,979	3,482,480	3,096,740
FUND 336: COLUMBIA PIKE TIF FUND							
101	REAL ESTATE TAX	-	-	-	-	119,950	536,130
	TOTAL FUND	-	-	-	-	119,950	536,130
FUND: 503 UTILITIES OPERATING							
311	INTEREST	278,801	299,612	(31,197)	73,482	-	50,000
321	RENTALS & SALES OF SURPLUS	129,453	144,572	143,208	153,733	151,930	154,762
426	APPLIANCE FEE RECYCLING	21,844	20,062	16,600	11,674	20,000	20,000
444	UTILITY MARKING FEE	141,290	174,349	191,228	213,419	200,000	210,000
482	WATER SEWER SERVICE	81,641,099	86,840,829	87,398,588	89,341,133	92,645,221	93,726,068
484	WATER SERVICE CONNECTIONS	1,227,826	1,363,492	1,250,765	1,423,100	1,230,000	1,297,000
486	SEWAGE TREAT. SERVICE CHARGES	6,311,937	3,922,783	3,700,442	4,173,429	3,923,038	4,252,119
488	FLOW TEST FEES	23,200	21,730	34,960	20,939	10,000	14,000
509	MISCELLANEOUS REVENUES	21,626	28,946	103,185	84,438	72,835	72,835
805	MISC. OTHER BOND REVENUE	1,554,617	1,278,652	593,030	142,031	-	-
	TOTAL FUND	91,351,693	94,095,027	93,400,809	95,637,378	98,253,024	99,796,784
FUND: 519 UTILITIES CAPITAL							
311	INTEREST ON GENERAL FUND	168,581	233,192	1,713	113,285	100,000	100,000
312	INTEREST ON BOND FUNDS	149,785	76,841	57,187	15,595	-	-
485	WATER SEWER HOOK-UP CHARGES	3,165,075	4,419,474	5,042,836	5,039,414	5,000,000	5,000,000
486	SEWAGE TREATMENT SERVICE CHRG	6,823,671	4,491,010	3,924,147	2,380,361	612,000	585,650
509	MISCELLANEOUS	19,805	1,073	20,144	13,494	-	-
649	MISCELLANEOUS STATE REVENUES	5,286,423	1,314,524	3,494,285	-	-	-
771	REVENUE FROM FEDERAL GOVT	-	199,667	215,740	-	-	-
814	PROCEEDS FROM VRA LOAN	15,883,625	2,142,126	5,471,152	-	-	-
953	TRANSFER FROM FUND 503	14,178,014	17,671,116	14,805,834	14,000,000	12,524,545	12,121,850
913	TRANSFER FROM FUND 313	-	-	-	102,027	-	-
	TOTAL FUND	45,674,979	30,549,023	33,033,038	21,664,176	18,236,545	17,807,500
FUND: 540 BALLSTON GARAGE							
312	INTEREST	17,578	11,914	12,031	7,483	12,000	12,000
351	SECURITIES LENDING	(1,867)	-	-	-	-	-
428	PARKING REVENUES	4,318,389	4,528,050	4,811,697	4,411,414	4,609,836	4,169,150
848	RETURNED CHECK FEE	-	-	-	-	-	-
	TOTAL FUND	4,334,100	4,539,964	4,823,728	4,418,897	4,621,836	4,181,150

SIX-YEAR REVENUE SUMMARY		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	ADOPTED
FUND: 548 BALLSTON GARAGE - 8th LEVEL							
428	PARKING REVENUES	253,352	272,133	337,133	328,547	295,298	305,378
913	TRANSFER FROM FUND 313	-	-	-	1,267,321	-	-
981	TRANSFERS FROM OTHER FUNDS	-	173,632	826,368	100,000	-	-
	TOTAL FUND	253,352	445,765	1,163,501	1,695,868	295,298	305,378
FUND: 570 CPHD DEVELOPMENT FUND							
211	HOME IMPROVEMENT CONTRACT	(554)	-	150	225	-	-
222	BUILDING PERMITS	7,576,273	10,148,726	8,293,030	8,033,214	7,915,894	8,541,000
223	ELECTRICAL PERMITS	1,712,425	1,758,488	1,778,270	2,036,078	1,603,110	1,811,151
224	PLUMBING PERMITS	996,278	1,277,233	1,301,512	1,405,699	1,168,080	1,325,000
225	MECHANICAL PERMITS	576,057	852,368	642,711	804,890	712,890	750,000
226	OCCUPANCY PERMITS	646,920	710,555	597,975	619,857	630,000	635,000
228	SIGN PERMITS	60,140	57,830	45,666	57,901	38,182	50,000
242	ELEVATOR CERTIFICATE FEES	833,521	834,348	858,291	818,753	768,000	850,000
247	VARIANCES/S F EXISTING	75,671	63,622	74,734	76,455	47,727	50,000
248	ZONING COMPLIANCE LETTERS	36,616	38,329	34,932	30,845	28,636	30,636
251	PLAN REVIEW - WALK THROUGH	770,229	738,415	776,196	709,542	668,182	738,000
252	SUBDIVISION PLAT REVIEW	7,829	12,254	16,887	15,322	9,545	12,000
259	MISC LICENSES PERMITS & FEES	10,795	11,270	16,193	14,145	12,409	12,409
311	INTEREST	76,612	126,263	(17,606)	73,045	-	-
449	MISC SERVICE CHARGES	7,855	1,376	(2,015)	(1,343)	4,300	4,300
509	MISC REVENUE	-	(3,445)	(1,451)	(70)	-	-
	TOTAL FUND	13,386,667	16,627,632	14,415,475	14,694,558	13,606,955	14,809,496
FUND: 609 AUTOMOTIVE EQUIPMENT							
321	RENTALS & SALES OF SURPLUS	333,514	625,555	1,347,139	901,618	250,000	250,000
448	SERVICES TO OUTSIDE AGENCIES	16,248,070	21,716,541	19,884,293	20,965,417	16,361,806	17,374,057
509	MISCELLANEOUS REVENUE	6,574	43,241	2,332	184,024	271,000	271,000
512	THIRD PARTY RECOVERY	39,640	-	16,811	47,973	60,000	60,000
649	MISC STATE GRANTS	-	41,400	-	-	-	-
808	PROCEEDS FROM LEASE PURCHASE	-	-	2,861,645	2,500,213	-	-
901	TRANSFER FROM GENERAL FUND	-	-	102,520	-	-	-
903	TRANSFER IN FROM FUND 503	-	-	569,960	-	-	100,624
980	TRANSFER FROM GENERAL FUND	-	171,374	-	-	42,000	-
981	TRANSFER FROM OTHER FUNDS	-	45,000	-	-	-	-
	TOTAL FUND	16,627,798	22,643,111	24,784,700	24,599,245	16,984,806	18,055,681
FUND: 611 PRINTING							
446	SERVICES TO AGENCIES	1,638,308	2,304,501	2,213,754	2,476,508	1,557,500	1,688,473
448	SERVICES TO OUTSIDE AGENCIES	-	3,064	2,613	288	-	-
980	TRANSFER FROM GENERAL FUND	207,699	155,421	172,203	195,853	226,499	231,484
	TOTAL FUND	1,846,007	2,462,986	2,388,570	2,672,649	1,783,999	1,919,957
ARLINGTON PUBLIC SCHOOLS FUNDS							
FUND: 880 SCHOOL OPERATING FUND							
400	CHARGES FOR SERVICES	6,752,333	2,278,038	8,540	5,356,128	2,605,000	2,782,000
500	CARRYOVER AND OTHER	-	-	8,515,738	-	13,743,872	9,319,401
692	VIRGINIA SALES TAX	17,134,732	17,782,467	18,171,301	19,368,051	21,163,638	22,550,106
690	COMMONWEALTH	25,840,130	28,263,194	31,439,865	32,508,765	33,234,295	36,132,740
700	FEDERAL FUNDS	9,000	-	115,474	-	-	-
808	PROCEEDS FROM LEASE PURCHASE	367,766	1,372,600	2,106,706	1,199,435	-	-
900	TRANSFERS IN	318,159,176	313,491,928	357,365,958	347,480,865	383,464,820	393,287,621
	TOTAL FUND	368,263,137	363,188,227	417,723,582	405,913,244	454,211,625	464,071,868

SIX-YEAR REVENUE SUMMARY		FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
CODE	DESCRIPTION	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ADOPTED	ADOPTED
FUND: 881 FOOD AND NUTRITION SERVICES FUND							
400	CHARGES FOR SERVICES	3,112,134	3,341,200	3,325,576	3,450,361	3,543,348	3,706,118
600	COMMONWEALTH	77,901	78,255	82,961	84,838	82,046	90,246
700	FEDERAL FUNDS	3,670,527	3,958,650	4,118,654	4,374,332	4,043,460	4,223,000
900	TRANSFERS IN	-	-	-	-	-	-
	TOTAL FUND	6,860,562	7,378,105	7,527,191	7,909,531	7,668,854	8,019,364
FUND: 882 COMMUNITY ACTIVITIES FUND							
400	CHARGES FOR SERVICES	7,893,257	7,812,510	9,003,233	9,639,778	9,306,815	9,955,760
500	CARRYOVER/OTHER	-	-	-	63,000	-	-
900	TRANSFERS IN	5,575,855	6,550,552	5,438,115	4,712,193	6,344,395	6,266,646
	TOTAL FUND	13,469,112	14,363,062	14,441,348	14,414,971	15,651,210	16,222,406
FUND: 883 SPECIAL GRANTS							
400	CHARGES FOR SERVICES	2,652,364	3,349,802	3,075,411	2,629,690	1,927,788	1,833,727
600	COMMONWEALTH	3,707,750	3,117,177	3,328,119	3,468,316	3,408,787	3,634,359
700	FEDERAL FUNDS	14,687,771	10,742,501	9,438,504	8,546,480	8,014,940	8,082,885
	TOTAL FUND	21,047,885	17,209,480	15,842,034	14,644,486	13,351,515	13,550,971
FUND: 886 SCHOOL CONSTRUCTION AND CAPITAL FUND							
500	CARRYOVER AND OTHER	-	-	-	3,493,705	3,613,020	1,259,600
600	COMMONWEALTH	-	-	-	-	-	-
900	TRANSFERS IN	5,702,479	7,667,642	44,972,045	2,821,345	3,299,883	4,358,329
	TOTAL FUND	5,702,479	7,667,642	44,972,045	6,315,050	6,912,903	5,617,929
FUND: 888 SCHOOL DEBT SERVICE FUND							
500	CARRYOVER AND OTHER	-	-	1,975,000	1,400,000	265,000	100,000
900	TRANSFERS IN	33,238,053	34,826,307	35,448,396	41,545,385	44,972,778	45,339,449
	TOTAL FUND	33,238,053	34,826,307	37,423,396	42,945,385	45,237,778	45,439,449
FUND: 889 SCHOOL COMPREHENSIVE SERVICES FUND							
600	COMMONWEALTH	1,849,061	1,939,734	2,241,727	1,894,309	2,236,850	2,115,000
900	TRANSFERS IN	2,057,605	2,363,602	2,533,972	2,535,915	2,508,150	2,385,000
	TOTAL FUND	3,906,666	4,303,336	4,775,699	4,430,224	4,745,000	4,500,000
TOTAL ARLINGTON PUBLIC SCHOOLS		452,487,894	448,936,159	542,705,295	496,572,891	547,778,885	557,421,987