FY 2021 Budget Outlook

Civic Federation
Tuesday, December 17, 2019
Update on FY 2021 Revenue Estimates

**Total Revenue Growth = 3% to 4%**

Taxes make up 85% of total County revenue

Real estate taxes provide 57% of total County revenue

Assessment growth expected of 4-6%.
Commercial Tax Indicators

COUNTY-WIDE COMMERCIAL VACANCY RATE

OTHER TAX GROWTH

- Business taxes driving much of the growth in other taxes
  - Business tangible property tax expected to grow 3%
  - Business, Professional, Occupational License (BPOL) forecasted to be up over 8%
- All other taxes up approximately 1.5%
FY 2021 Outlook: County Balanced within Preliminary Estimates (assumes revenue growth of 3% to 4%)

**Metro/Compensation / Affordable Housing**
compete for improved revenue growth

**Growth in assessments puts pressure on the real estate tax rate level**

*Plus... Other needs impact homeowners & businesses*
*Stormwater / Transportation / Schools needs*
Support of Schools

• Sharing Local Tax Revenue (47.0%)
  • Increased in FY 2020 from 46.6%

• FY 2020 Ongoing Revenue Transfer: $522.4 million (up from $497.6 million in FY 2019)
  • County Board raised the CY 2019 tax rate by 1.5 cents to support Schools enrollment & expansion

• Additional Support (approx. $7-$8 million) Through:
  • School Resource Officers
  • School Health Nurses & Services
  • Crossing Guards
  • DHS Programs Helping Children & Families
  • Athletic Fields
  • Maintaining Safe Routes to Schools

• Expected Local Tax Revenue for Schools in FY 2021 ranges from $541 million to $549 million, an increase of $19 - $27 million
Real Estate Taxes

Arlington’s Current Rate

$1.026* per $100 in assessed value

*$1.026 with stormwater tax included

CY 2019 RATES for neighboring jurisdictions

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Rate</th>
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</thead>
<tbody>
<tr>
<td>Alexandria</td>
<td>$1.130</td>
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<tr>
<td>Fairfax</td>
<td>$1.1835</td>
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<tr>
<td>Loudoun</td>
<td>$1.045</td>
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</tbody>
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CY 2019 Average Assessment = $658,600

• For every 1% change in assessments, the average residential real estate tax bill changes $68
Timeline

November
- Early Input on Budget
- Manager’s Budget Outlook & Board’s Budget Guidance
- Budget Season Kick-Off

November
- CIP Virtual Town Hall
- Real Estate Assessments Issued

January-February
- Early Input on CIP
- Manager’s Proposed Budget
- Public Hearings: Early April 2020

February-April
- Feedback on Proposed Budget
- Budget Adoption

May-July
- Feedback on Proposed CIP
- Manager’s Proposed CIP
- Public Hearing: July 2020

Key Milestones
- Important points in the budget development process.

Online Feedback
- Share your opinions with the Manager or the Board.

Virtual Town Hall
- Tune in to ask questions and share your thoughts.

Board Work Sessions
- Watch for a detailed look at each department’s budget proposal.

Public Hearings
- Share your thoughts in person with the County Board.

*Capital Improvement Plan
Community Engagement
https://www.engage.arlingtonva.us/

What Do You Think About Arlington

Play Budget Director

Remaining Diverse and Inclusive
EVERYONE COUNTS
The census counts every person living in the U.S. once, only once, and in the right place.

FAIR REPRESENTATION
Every 10 years, the results of the census are used to apportion the House of Representatives, determining how many seats each state gets.

$675 BILLION
Census data determine how more than $675 billion are spent, supporting our state, county and community’s vital programs.

For more information: www.arlingtonva.us/Census2020

<table>
<thead>
<tr>
<th>TIMELINE</th>
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<tbody>
<tr>
<td>March 2019</td>
<td>ESTABLISH CCC</td>
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<tr>
<td>April 1, 2019</td>
<td>KICKOFF CCC</td>
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<tr>
<td>June 2019</td>
<td>PARTNERSHIP RECRUITMENT</td>
</tr>
<tr>
<td>Sept 2019</td>
<td>PUBLIC AWARENESS</td>
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<tr>
<td>January 2020</td>
<td>PUBLIC EDUCATION</td>
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<tr>
<td>March 2020</td>
<td>BE COUNTED</td>
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<tr>
<td>April 1, 2020</td>
<td>CENSUS COUNT DAY</td>
</tr>
<tr>
<td>May 2020</td>
<td>CENSUS FOLLOW UP</td>
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<tr>
<td>July 2020</td>
<td>CENSUS FOLLOW-UP ENDS</td>
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Annual Federal Funding – Arlington

$1-2.2 Million
Department of Homeland Security
Department of Justice
- Crime Victim Assistance
- Homeland Security Grant

$20 Million
Housing and Urban Development
- CDBG | Section 8 | HOMEHUD

$3 Million
Education Department
- Title I Grants | Special Education
- Career and Technical Education

$9 Million
Health and Human Services
- Medicaid | Foster Care | Social Services Block Grants
- Adoption | Substance Abuse | Programs for the Aging
- Child Care for low income Families | Children’s health insurance

$9 Million
Department of Agriculture
- School lunch and breakfast programs | SNAP
- Child and Adult Care Food Program | WIC

$5-10 Million
Department of Transportation
- Highway Planning | Federal Transit Grants

$0.8 Million
Department of Labor
- WIOA Adult Activities and Grants
- Employment Services
BECOME an ARLINGTON CENSUS PARTNER
Arlingtonva.us/census
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