

FY 2021 Budget Outlook

Civic Federation

Tuesday, December 17, 2019



Update on FY 2021 Revenue Estimates

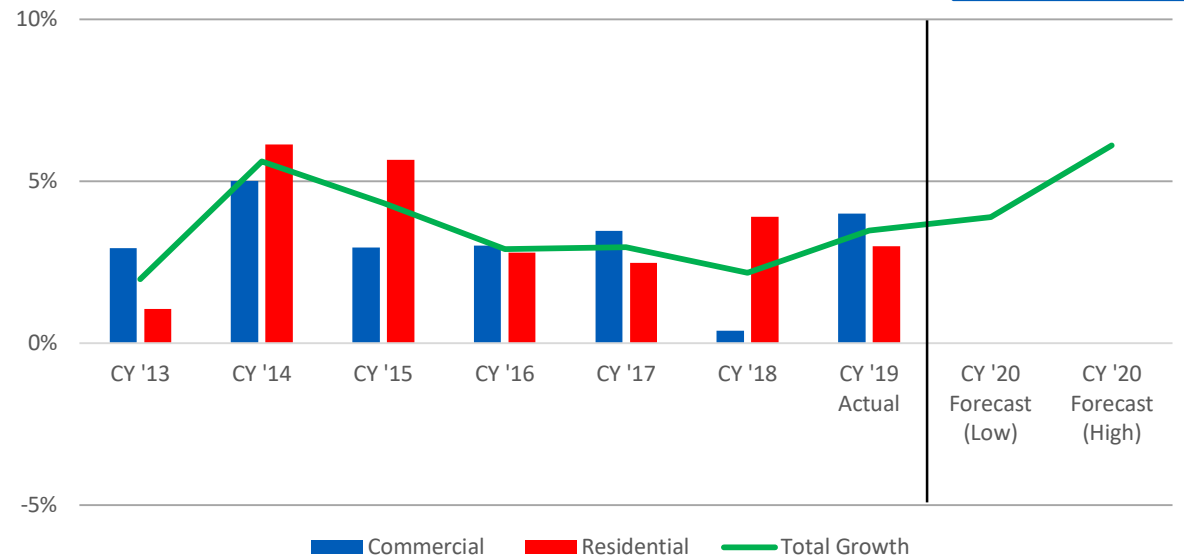
Total Revenue Growth = 3% to 4%

Taxes make up 85% of total County revenue

REAL ESTATE REVENUE GROWTH

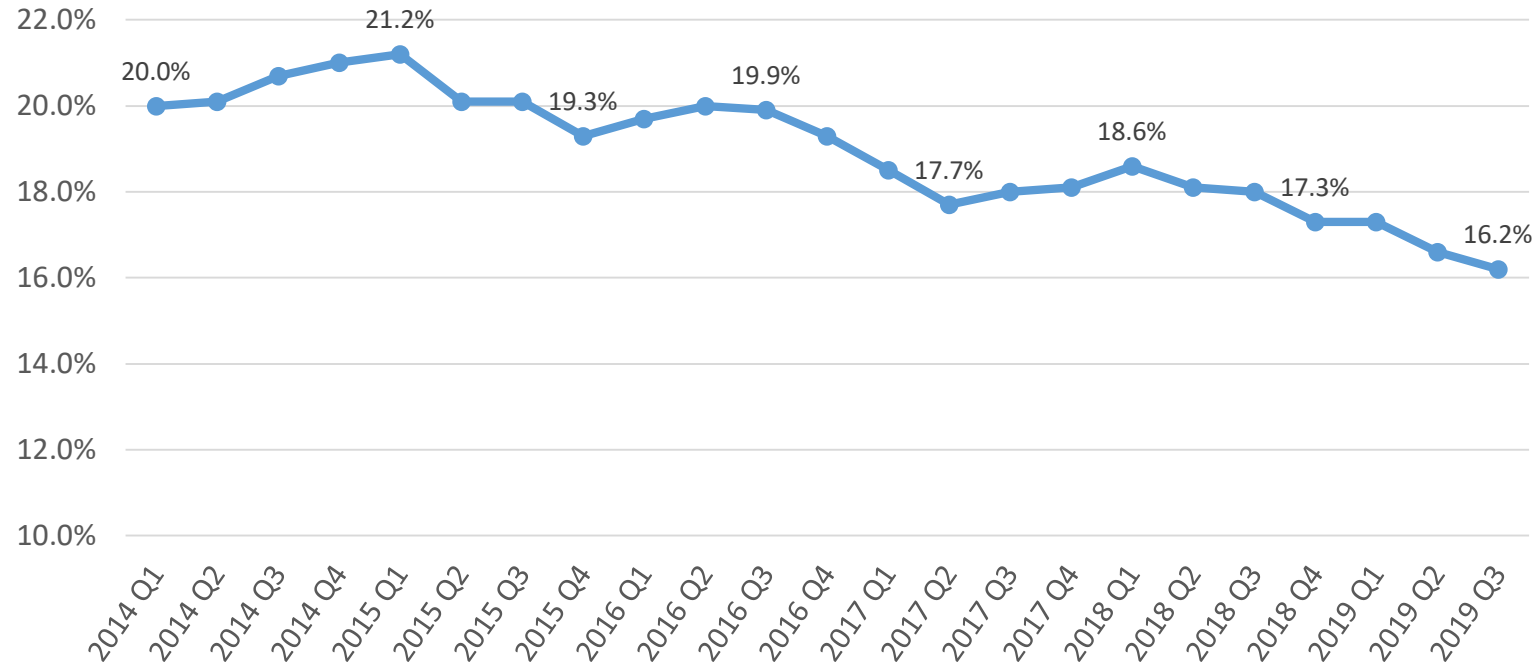
Real estate taxes provide 57% of total County revenue

Assessment growth expected of 4-6%.



Commercial Tax Indicators

COUNTY-WIDE COMMERCIAL VACANCY RATE

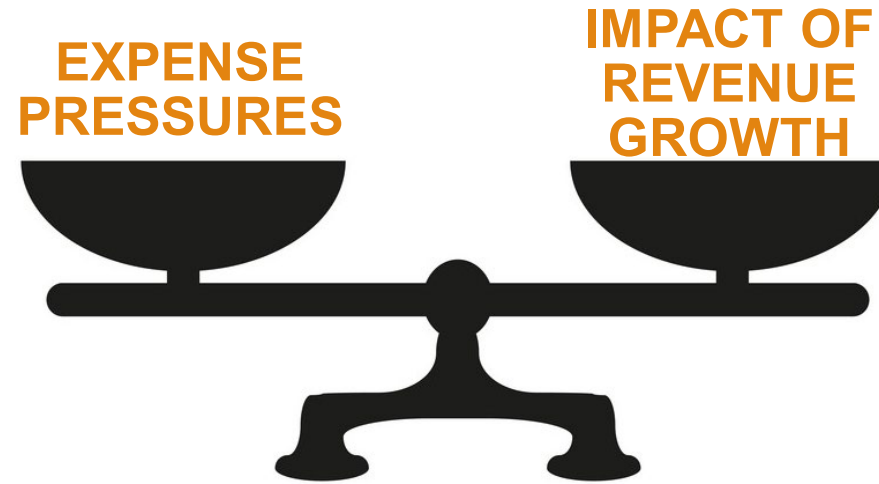


OTHER TAX GROWTH

- 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

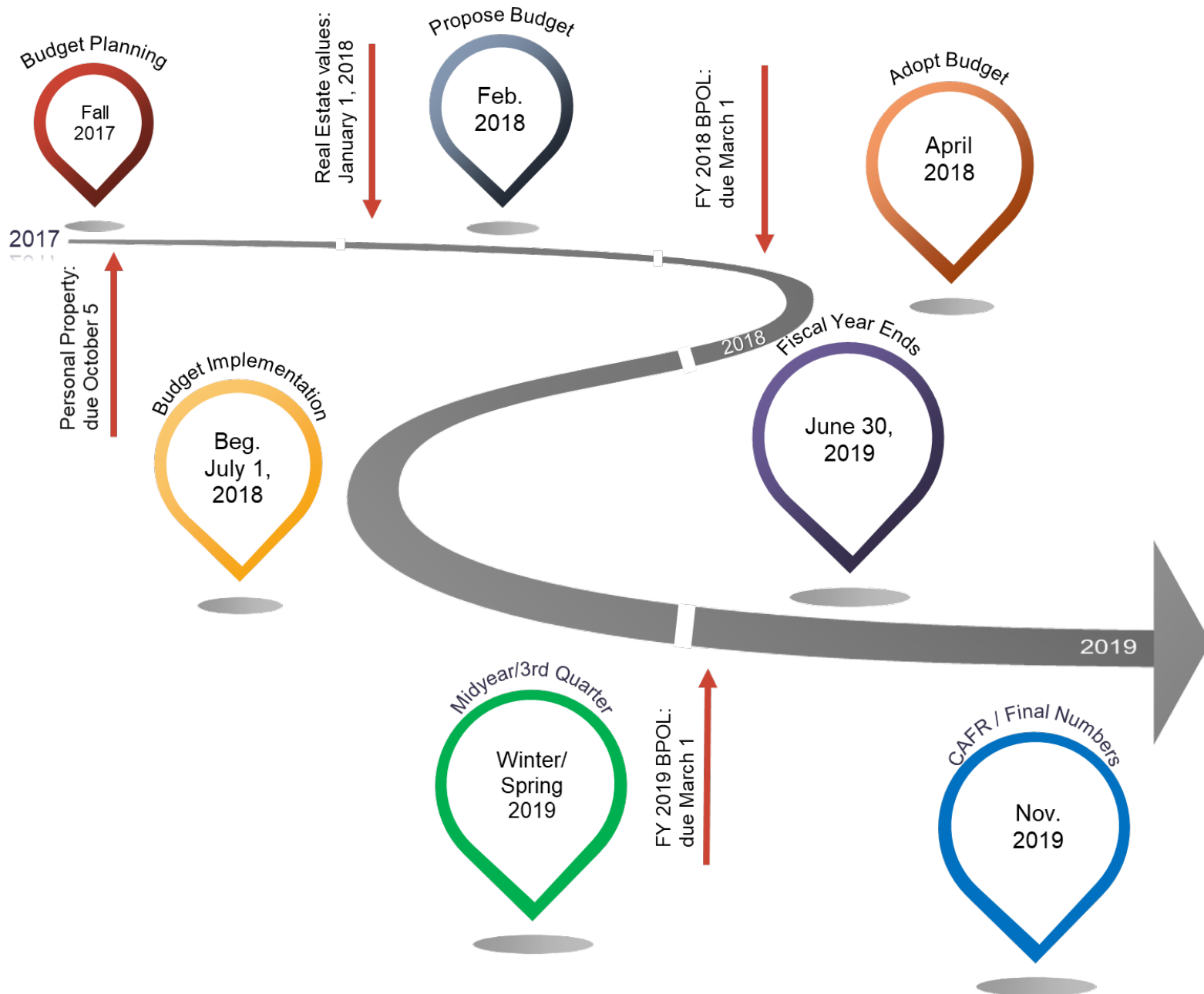
**\$1.026 with stormwater tax included*

CY 2019 RATES for neighboring jurisdictions

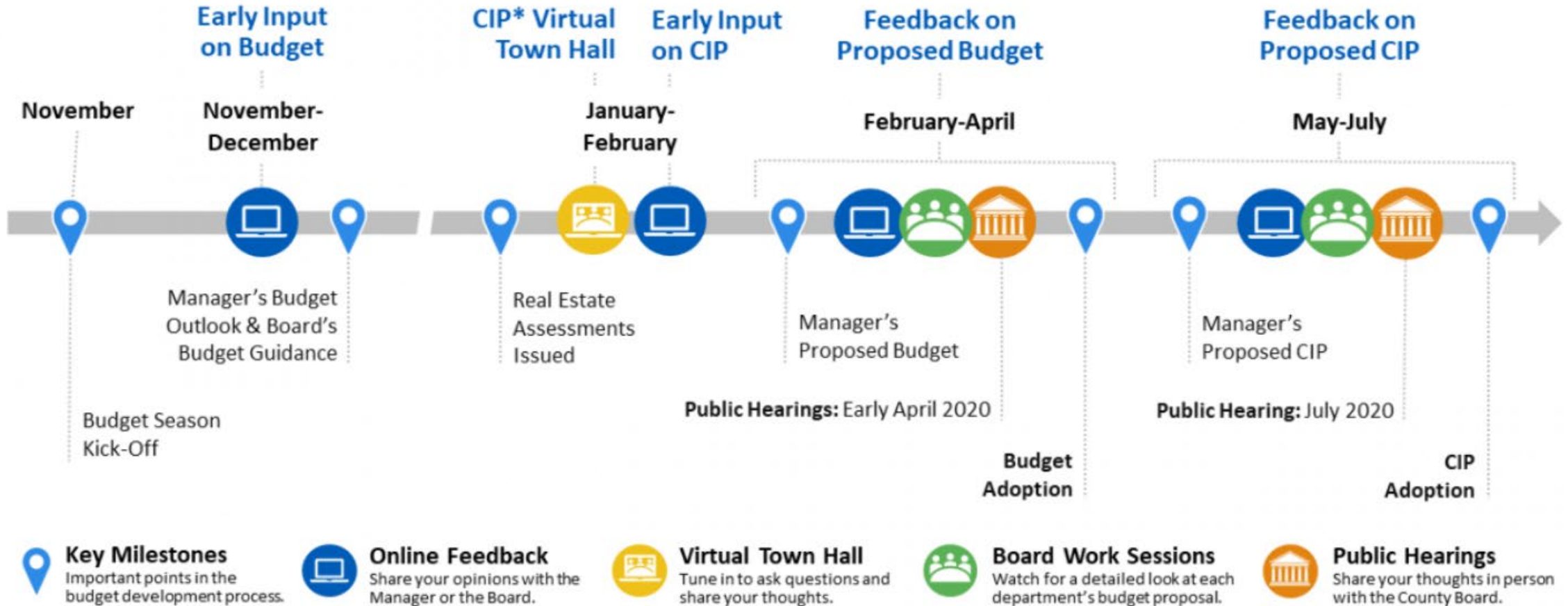
| | |
|------------|----------|
| Alexandria | \$1.130 |
| Fairfax | \$1.1835 |
| Loudoun | \$1.045 |

CY 2019 Average Assessment = \$658,600

- For every 1% change in assessments, the average residential real estate tax bill changes **\$68**



Timeline



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



FY 2021 BOARD GUIDANCE

Community Engagement

<https://www.engage.arlingtonva.us/>



**What Do
You Think
About
Arlington**

**Play
Budget
Director**

**Remaining
Diverse
and
Inclusive**

Census 2020



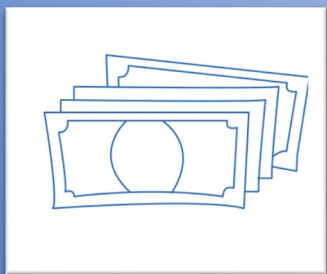
EVERYONE COUNTS

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.

TIMELINE

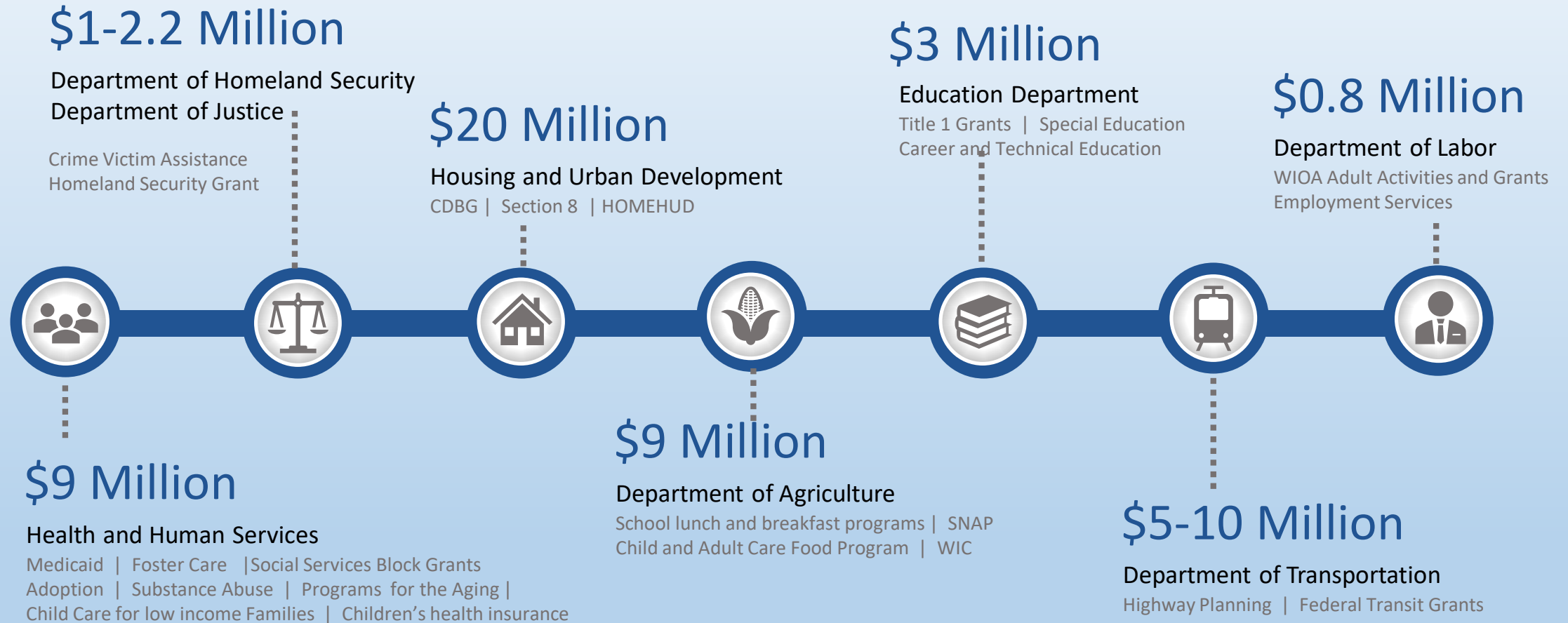


For more information: www.arlingtonva.us/Census2020

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2020

Annual Federal Funding – Arlington





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2020**



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