

SUMMARY OF GENERAL FUND RECEIPTS

Attachment II

Category	FY 2014 Actual	FY 2015 Adopted Budget Plan	FY 2015 Revised Budget Plan	FY 2015 Actual	Change from the FY 2015 Revised Budget Plan	
					Increase/ (Decrease)	Percent Change
Real Estate Taxes - Current and Delinquent	\$2,216,159,309	\$2,353,636,574	\$2,353,636,574	\$2,356,351,644	\$2,715,070	0.1%
Personal Property Taxes - Current and Delinquent ¹	571,445,574	574,306,439	573,940,535	580,753,923	6,813,388	1.2%
Other Local Taxes	514,822,178	497,075,274	488,355,945	505,820,261	17,464,316	3.6%
Permits, Fees and Regulatory Licenses	39,351,756	39,438,395	41,902,168	45,545,990	3,643,822	8.7%
Fines and Forfeitures	14,073,583	14,235,071	13,348,086	13,115,761	(232,325)	(1.7%)
Revenue from Use of Money/Property	15,234,796	14,221,937	15,238,034	15,118,488	(119,546)	(0.8%)
Charges for Services	71,318,911	77,379,473	73,422,479	73,092,594	(329,885)	(0.4%)
Revenue from the Commonwealth and Federal Governments ¹	125,849,051	122,945,574	123,170,954	125,481,574	2,310,620	1.9%
Recovered Costs / Other Revenue	17,852,508	15,324,755	20,112,361	20,126,171	13,810	0.1%
Total Revenue	\$3,586,107,666	\$3,708,563,492	\$3,703,127,136	\$3,735,406,406	\$32,279,270	0.9%
Transfers In	23,870,596	8,148,516	12,148,516	12,148,516	0	0.0%
Total Receipts	\$3,609,978,262	\$3,716,712,008	\$3,715,275,652	\$3,747,554,922	\$32,279,270	0.9%

¹ The portion of the Personal Property Tax reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998 is included in the Personal Property Tax category for the purpose of discussion in this section.

General Fund Revenues and Transfers In for FY 2015 are \$3,747,554,922, an increase of \$32,279,270, or 0.9 percent, over the *FY 2015 Revised Budget Plan* estimate. The increase is the result of increases in Real Estate and Personal Property Tax receipts, Other Local Taxes, Permits, Fees and Regulatory Licenses, and Revenue from the Commonwealth and the Federal Government. FY 2015 General Fund revenues grew 4.2 percent compared to the 2.5 percent growth rate experienced in FY 2014.

Aside from adjustments associated with expenditure changes, as noted in the Administrative Adjustments section, no other adjustments have been made to FY 2016 revenue estimates. Staff is closely monitoring economic conditions to determine the impact on various revenue sources. Revenue categories such as Sales Tax, Transient Occupancy Tax, and Business, Professional and Occupational Licenses (BPOL) that had declined in FY 2014 due to sequestration and other economic factors, experienced moderate growth in FY 2015 over their reduced levels. Growth in these revenue categories is anticipated to continue but at more modest rates in FY 2016. The impact of economic conditions on FY 2016 revenues will be more apparent during the fall 2015 revenue review after several months of actual FY 2016 collections have been received. Any necessary FY 2016 revenue adjustments will be made as part of the fall review or during the *FY 2016 Third Quarter Review*.

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REAL PROPERTY TAXES

REAL ESTATE TAX-CURRENT AND DELINQUENT

FY 2014 Actual	FY 2015 Adopted	FY 2015 Revised	FY 2015 Actual	Increase/ (Decrease)	Percent Change
\$2,216,159,309	\$2,353,636,574	\$2,353,636,574	\$2,356,351,644	\$2,715,070	0.1%

Total Real Estate Taxes in FY 2015 are \$2,356,351,644, an increase of \$2,715,070, or 0.1 percent, over the *FY 2015 Revised Budget Plan*. FY 2015 Current Real Estate Taxes are \$2,346,344,642, representing an increase of \$1,669,083 over the *FY 2015 Revised Budget Plan*. This net increase is due to variances in exonerations, supplemental assessments, tax relief, and a higher than projected collection rate. The budget estimate included a 99.65 percent collection rate and the actual FY 2015 collection rate is 99.74 percent. The increase in the collection rate accounted for a revenue increase of \$2.0 million. In addition, actual Tax Relief for the Elderly and Disabled was lower than projected which increased revenue by \$0.6 million. These increases in revenue were partially offset by higher than projected exonerations, which decreased revenues by \$0.6 million, and lower than projected supplemental assessments, which decreased revenues by \$0.2 million.

FY 2015 Delinquent Real Estate Taxes are \$10,007,002, an increase of \$1,045,987, or 11.7 percent, over the *FY 2015 Revised Budget Plan* estimate, due to significant collection and enforcement activity by the Department of Tax Administration.

PERSONAL PROPERTY TAX

PERSONAL PROPERTY TAX-CURRENT AND DELINQUENT

FY 2014 Actual	FY 2015 Adopted	FY 2015 Revised	FY 2015 Actual	Increase/ (Decrease)	Percent Change
\$571,445,574	\$574,306,439	\$573,940,535	\$580,753,923	\$6,813,388	1.2%

Total Personal Property Taxes in FY 2015 are \$580,753,923, an increase of \$6,813,388, or 1.2 percent, over the *FY 2015 Revised Budget Plan*. FY 2015 collections for Current Personal Property Taxes are \$567,335,546, an increase of \$5,045,351, or 0.9 percent, over the *FY 2015 Revised Budget Plan* estimate. The increase is primarily due to higher than expected vehicle levy. Of the total FY 2015 Current Personal Property Tax revenue, \$211.3 million is the portion reimbursed by the Commonwealth of Virginia under the Personal Property Tax Relief Act (PPTRA). A collection rate of 98.10 percent was achieved in FY 2015 on the taxpayer's portion of Personal Property levy compared to the 98.0 percent projected.

FY 2015 Delinquent Personal Property Taxes are \$13,418,376, an increase of \$1,768,036 or 15.2 percent, over the *FY 2015 Revised Budget Plan* estimate, due to significant collection and enforcement activity by the Department of Tax Administration.

OTHER LOCAL TAXES

Actual FY 2015 collections for Other Local Taxes are \$505,820,261, a net increase of \$17,464,316, over the *FY 2015 Revised Budget Plan* estimate of \$488,355,945. This increase is primarily due to increases in Sales Tax receipts, Bank Franchise Taxes, Business, Professional and Occupational License (BPOL) Taxes, Transient Occupancy Taxes, and Recordation and Deed of Conveyance Taxes, partially offset with a decrease in the Communications Tax.

FY 2015 Carryover Review

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LOCAL SALES TAX

FY 2014 Actual	FY 2015 Adopted	FY 2015 Revised	FY 2015 Actual	Increase/ (Decrease)	Percent Change
\$165,459,545	\$167,358,651	\$171,089,575	\$176,374,517	\$5,284,942	3.1%

Actual FY 2015 Sales Tax receipts are \$176,374,517, an increase of \$5,284,942, or 3.1 percent, over the *FY 2015 Revised Budget Plan* estimate. The increase is primarily due to stronger than projected collections during the final four months of FY 2015. While receipts were up 6.9 percent through March representing retail sales through January, the rate was believed to be artificially high due to significant refunds and severe winter weather that occurred in FY 2014. However, Sales Tax receipts during the last four months of FY 2015 continued to be strong, rising 6.1 percent. FY 2015 Sales Tax receipts grew 6.6 percent after falling 0.9 percent in FY 2014.

BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE TAX-CURRENT

FY 2014 Actual	FY 2015 Adopted	FY 2015 Revised	FY 2015 Actual	Increase/ (Decrease)	Percent Change
\$151,965,995	\$155,152,381	\$146,818,108	\$152,533,993	\$5,715,885	3.9%

Actual FY 2015 receipts from Current Business, Professional, and Occupational License (BPOL) Taxes are \$152,533,993, an increase of \$5,715,885, or 3.9 percent, over the *FY 2015 Revised Budget Plan* estimate. The budget estimate represented a 3.4 percent decrease from FY 2014 receipts and was based on an econometric model that uses calendar year sales tax and employment as predictors and an adjustment for potential lower filings as a result of a revised methodology of determining the basis for the BPOL tax as set forth by the Virginia Tax Commissioner. Since businesses file and pay their BPOL Taxes simultaneously on March 1 based on the prior calendar year's gross receipts, little actual data was available to adjust the BPOL estimate during the Third Quarter Review. Actual FY 2015 receipts increased 0.4 percent over the FY 2014 level which had fallen 2.7 percent primarily due to federal sequestration cuts. In FY 2015, the combined Consultant and Business Service Occupations categories, which represent 43 percent of total BPOL receipts, decreased 1.9 percent from the FY 2014 level. The remaining categories rose a combined 2.2 percent. The Retail category, which represents 20 percent of total BPOL receipts, rose a strong 4.1 percent in FY 2015.

BANK FRANCHISE TAX

FY 2014 Actual	FY 2015 Adopted	FY 2015 Revised	FY 2015 Actual	Increase/ (Decrease)	Percent Change
\$16,705,890	\$15,153,475	\$13,872,628	\$15,352,834	\$1,480,206	10.7%

Actual FY 2015 Bank Franchise Tax revenue is \$15,352,834, an increase of \$1,480,206, or 10.7 percent, over the *FY 2015 Revised Budget Plan* estimate. During the fall revenue review, the estimate for the Bank Franchise Tax was reduced \$1.3 million primarily due to a \$1.8 million refund resulting from a statewide audit for taxes paid by a bank in previous years. The estimate was not adjusted at the *Third Quarter Budget Review* because revenue in this category is not received until late May or June. Absent the refund, Bank Franchise Taxes would have been \$17.2 million, an increase of \$0.4 million, or 3.0 percent, over FY 2014.

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RECORDATION/DEED OF CONVEYANCE TAXES

FY 2014 Actual	FY 2015 Adopted	FY 2015 Revised	FY 2015 Actual	Increase/ (Decrease)	Percent Change
\$25,105,000	\$28,465,957	\$24,615,632	\$30,257,610	\$5,641,978	22.9%

Actual FY 2015 Recordation and Deed of Conveyance Tax revenue is \$30,257,610, an increase of \$5,641,978, or 22.9 percent, over the *FY 2015 Revised Budget Plan*. The revenue estimate was reduced \$3.9 million during the fall 2014 revenue review based on a decrease in mortgage refinancing and home sales in FY 2014 and early FY 2015. FY 2014 receipts had declined 25.4 percent and collections during the first three months of FY 2015 were down 11.0 percent. Mortgage refinancing and home sales picked up significantly during the remainder of FY 2015 and receipts ended the year up 20.5 percent.

COMMUNICATIONS SALES TAX

FY 2014 Actual	FY 2015 Adopted	FY 2015 Revised	FY 2015 Actual	Increase/ (Decrease)	Percent Change
\$45,831,948	\$22,856,052	\$22,856,052	\$20,648,449	(\$2,207,603)	(9.7%)

Actual FY 2015 revenue from the Communications Sales and Use Tax that is directed to the General Fund is \$20,648,449, a decrease of \$2,207,603, or 9.7 percent, from the *FY 2015 Revised Budget Plan*. Communications Tax receipts are deposited to three funds: the General Fund; Fund 40030, Cable Communications; and Fund 40090, E-911. The portion of the tax that comes from Cable Franchise Fees is directed to the Cable Communications Fund. In addition, beginning in FY 2015, the Communication Tax directed to the E-911 Fund was increased to a set amount so that no General Fund transfer to the fund would be necessary. In FY 2015, total receipts from the Communications Tax for all funds were essentially level with FY 2014; however, a larger share of the total was comprised of the Cable Franchise Fee and as a result, the revenue to the General Fund was lower than projected.

TRANSIENT OCCUPANCY TAX

FY 2014 Actual	FY 2015 Adopted	FY 2015 Revised	FY 2015 Actual	Increase/ (Decrease)	Percent Change
\$18,329,279	\$18,386,794	\$18,854,145	\$19,461,430	\$607,285	3.2%

Actual FY 2015 Transient Occupancy Tax receipts are \$19,461,430, an increase of \$607,285, or 3.2 percent, over the *FY 2015 Revised Budget Plan*. Based on early collection trends, the budget estimate was increased \$0.5 million, reflecting a 2.9 percent increase over FY 2014. Transient Occupancy Tax receipts rose during the latter part of the year and total FY 2015 taxes are up 6.2 percent compared to FY 2014 receipts which had declined 3.5 percent.

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REVENUE FROM THE USE OF MONEY AND PROPERTY

INVESTMENT INTEREST

FY 2014 Actual	FY 2015 Adopted	FY 2015 Revised	FY 2015 Actual	Increase/ (Decrease)	Percent Change
\$10,805,326	\$9,909,316	\$10,610,199	\$10,659,349	\$49,150	0.5%

Actual FY 2015 Interest on Investments is \$10,659,349, an increase of \$49,150, or 0.5 percent, over the *FY 2015 Revised Budget Plan* estimate. Annual revenue in this category is based on a combination of factors including the average portfolio size, average yield, and the percent of interest earnings attributable to the General Fund in FY 2015. The Actual FY 2015 average portfolio of \$2,729.6 million earned a yield of 0.43 percent. The General Fund's average interest allocation of total interest earned on the investment portfolio was 73.75 percent.

PERMITS, FEES AND REGULATORY LICENSES
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PERMITS, FEES AND REGULATORY LICENSES

FY 2014 Actual	FY 2015 Adopted	FY 2015 Revised	FY 2015 Actual	Increase/ (Decrease)	Percent Change
\$39,351,756	\$39,438,395	\$41,902,168	\$45,545,990	\$3,643,822	8.7%

Actual FY 2015 revenue from Permits, Fees and Regulatory Licenses is \$45,545,990, an increase of \$3,643,822, or 8.7 percent, over the *FY 2015 Revised Budget Plan*. This increase is primarily due to higher than projected receipts for Building and Inspection fees, Fire Marshal fees, and Zoning fees.

Actual FY 2015 revenue from Building and Inspection fees is \$33.7 million, \$2.7 million more than estimated. The budget estimate was raised \$2.1 million during the *Third Quarter Budget Review* as a result of an across-the-board fee increase effective January 2015. Issuance of building permits continued stronger than expected during the latter part of the year and FY 2015 revenues increased 16.3 percent over the FY 2014 level. Fire Marshal fees in FY 2015 are \$4.4 million, an increase of \$0.4 million over the *FY 2015 Revised Budget Plan* estimate. In addition, Zoning fees are \$3.0 million, \$0.3 million higher than projected, rising 10.9 percent in FY 2015.

FINES AND FORFEITURES

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FY 2014 Actual	FY 2015 Adopted	FY 2015 Revised	FY 2015 Actual	Increase/ (Decrease)	Percent Change
\$14,073,583	\$14,235,071	\$13,348,086	\$13,115,761	(\$232,325)	(1.7%)

Actual FY 2015 revenue from Fines and Forfeitures is \$13,115,761, a decrease of \$232,325, or 1.7 percent, from the *FY 2015 Revised Budget Plan*. This net decrease is primarily due to lower than projected receipts from Parking Violation fines, partially offset by higher than anticipated General District Court fines. Parking Violation fines in FY 2015 are \$2.6 million, a decrease of \$0.5 million from the *FY 2015 Revised Budget Plan* estimate. General District Court fines are \$7.3 million, \$0.2 million more than projected.

FY 2015 Carryover Review

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CHARGES FOR SERVICES

CHARGES FOR SERVICES

FY 2014 Actual	FY 2015 Adopted	FY 2015 Revised	FY 2015 Actual	Increase/ (Decrease)	Percent Change
\$71,318,911	\$77,379,473	\$73,422,479	\$73,092,594	(\$329,885)	(0.4%)

Actual FY 2015 revenue from Charges for Services is \$73,092,594, a decrease of \$329,885, or 0.4 percent, from the *FY 2015 Revised Budget Plan* estimate. This net decrease is primarily due to lower than projected Police Reimbursement fees, Recreation Class fees, and School Age Child Care (SACC) fees, partially offset with increased Emergency Management Services Transport Fees. Police Reimbursement fees in FY 2015 are \$1.3 million, a decrease of \$0.2 million from the *FY 2015 Revised Budget Plan* estimate. Construction projects, which the County was reimbursed for in the previous fiscal year, were completed and FY 2015 receipts declined 9.3 percent from the FY 2014 level. In addition, Recreation Class fees are \$1.1 million, \$0.3 million lower than projected, while SACC fees are \$0.2 million lower than the *FY 2015 Revised Budget Plan* estimate, rising 2.7 percent in FY 2015, slightly lower than the 3.2 percent projected.

REVENUE FROM THE COMMONWEALTH AND FEDERAL GOVERNMENT

REVENUE FROM THE COMMONWEALTH AND FEDERAL GOVERNMENT

FY 2014 Actual	FY 2015 Adopted	FY 2015 Revised	FY 2015 Actual	Increase/ (Decrease)	Percent Change
\$125,849,051	\$122,945,574	\$123,170,954	\$125,481,574	\$2,310,620	1.9%

Actual FY 2015 Revenue from the Commonwealth and Federal Government is \$125,481,574, a net increase of \$2,310,620, or 1.9 percent, over the *FY 2015 Revised Budget Plan*. The increase is primarily due to additional revenue associated with reimbursable expenditures for public assistance programs.