

SUMMARY OF GENERAL FUND RECEIPTS

Attachment II

Category	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2016 Actual	Change from the FY 2016 Revised Budget Plan	
					Increase/ (Decrease)	Percent Change
Real Estate Taxes - Current and Delinquent	\$2,357,117,530	\$2,434,215,819	\$2,434,215,819	\$2,436,917,841	\$2,702,022	0.1%
Personal Property Taxes - Current and Delinquent ¹	581,606,165	580,703,367	587,511,521	591,827,644	4,316,123	0.7%
Other Local Taxes	506,567,278	495,137,332	504,309,764	509,507,996	5,198,232	1.0%
Permits, Fees and Regulatory Licenses	45,545,990	45,572,818	46,549,359	48,443,054	1,893,695	4.1%
Fines and Forfeitures	13,115,761	13,348,086	12,443,009	11,648,758	(794,251)	(6.4%)
Revenue from Use of Money/Property	15,118,488	21,003,774	21,116,191	21,635,558	519,367	2.5%
Charges for Services	72,911,452	74,616,185	74,937,994	79,251,725	4,313,731	5.8%
Revenue from the Commonwealth and Federal Government ¹	125,754,953	127,575,900	127,181,047	132,249,392	5,068,345	4.0%
Recovered Costs / Other Revenue	20,126,106	18,334,374	16,713,329	17,679,754	966,425	5.8%
Total Revenue	\$3,737,863,723	\$3,810,507,655	\$3,824,978,033	\$3,849,161,722	\$24,183,689	0.6%
Transfers In	12,148,516	9,828,217	9,828,217	9,828,217	0	0.0%
Total Receipts	\$3,750,012,239	\$3,820,335,872	\$3,834,806,250	\$3,858,989,939	\$24,183,689	0.6%

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 2016 are \$3,858,989,939, an increase of \$24,183,689, or 0.6 percent, over the *FY 2016 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, Charges for Services and Revenue from the Commonwealth and the Federal Government. The extremely small variance between estimated and actual revenue collections leaves little flexibility in the event that a large revenue category experiences a significant unanticipated decline late in the fiscal year. FY 2016 General Fund revenues grew 2.98 percent compared to the 4.23 percent growth rate experienced in FY 2015.

Aside from adjustments associated with expenditure changes, as noted in the Administrative Adjustments section, no other adjustments have been made to FY 2017 revenue estimates. Staff is closely monitoring economic conditions to determine the impact on various revenue sources. Possible areas of concern are the impact of the state budget, which ended FY 2016 with a revenue shortfall, as well as the very modest growth in the County's FY 2016 Business, Professional, and Occupational License (BPOL) and Sales Taxes, two revenue sources that are a good indicator of economic activity in the County. The impact of economic conditions on FY 2017 revenues will be more apparent during the fall 2016 revenue review after several months of actual FY 2017 collections have been received. Any necessary FY 2017 revenue adjustments will be made as part of the fall review or during the *FY 2017 Third Quarter Review*.

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REAL PROPERTY TAXES

REAL ESTATE TAX-CURRENT AND DELINQUENT

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2016 Actual	Increase/ (Decrease)	Percent Change
\$2,357,117,530	\$2,434,215,819	\$2,434,215,819	\$2,436,917,841	\$2,702,022	0.1%

Total Real Estate Taxes in FY 2016 are \$2,436,917,841, an increase of \$2,702,022, or 0.1 percent, over the *FY 2016 Revised Budget Plan*. FY 2016 Current Real Estate Taxes are \$2,428,449,061, representing an increase of \$3,194,257 over the *FY 2016 Revised Budget Plan*. This increase is due to variances in exonerations, tax relief, and a higher than projected collection rate. The budget estimate included a 99.70 percent collection rate and the actual FY 2016 collection rate is 99.74 percent. The increase in the collection rate accounted for a revenue increase of \$1.0 million. Exonerations were lower than projected and as a result, revenue increased \$1.5 million. In addition, actual Tax Relief for the Elderly and Disabled was lower than projected, which increased revenue by \$0.8 million, partially offset by a decrease of \$0.1 million due to lower supplemental assessments.

FY 2016 Delinquent Real Estate Taxes are \$8,468,780, a decrease of \$0.5 million, or 5.5 percent, from the *FY 2016 Revised Budget Plan* estimate. Collections were lower than anticipated primarily due to a large refund processed late in the fiscal year.

PERSONAL PROPERTY TAX

PERSONAL PROPERTY TAX-CURRENT AND DELINQUENT

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2016 Actual	Increase/ (Decrease)	Percent Change
\$581,606,165	\$580,703,367	\$587,511,521	\$591,827,644	\$4,316,123	0.7%

Total Personal Property Taxes in FY 2016 are \$591,827,644, an increase of \$4,316,123, or 0.7 percent, over the *FY 2016 Revised Budget Plan*. FY 2016 collections for Current Personal Property Taxes are \$579,134,828, an increase of \$4,676,394, or 0.8 percent, over the *FY 2016 Revised Budget Plan* estimate. The increase is primarily due to higher than expected business and Public Service Corporation (PSC) levy. Of the total FY 2016 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 98.37 percent was achieved in FY 2016 on the taxpayer's portion of Personal Property levy compared to the 98.0 percent projected.

FY 2016 Delinquent Personal Property Taxes are \$12,692,816, a decrease of \$0.4 million, or 2.8 percent, from the *FY 2016 Revised Budget Plan* estimate. The level of delinquent collections varies year-to-year due to collection rates achieved on current year taxes, as well as the level of refunds that occur throughout the year.

OTHER LOCAL TAXES

Actual FY 2016 collections for Other Local Taxes are \$509,507,996, a net increase of \$5,198,232 over the *FY 2016 Revised Budget Plan* estimate of \$504,309,764. This increase is primarily due to increases in Bank Franchise Taxes, Business, Professional and Occupational License (BPOL) Taxes, and Recordation and Deed of Conveyance Taxes, partially offset with a decrease in Consumer Utility Taxes.

FY 2016 Carryover Review

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LOCAL SALES TAX

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2016 Actual	Increase/ (Decrease)	Percent Change
\$176,374,517	\$175,815,535	\$179,020,134	\$178,839,665	(\$180,469)	(0.1%)

Actual FY 2016 Sales Tax receipts are \$178,839,665, a decrease of \$180,469, or 0.1 percent, from the *FY 2016 Revised Budget Plan* estimate. While receipts were up 3.5 percent through February representing retail sales through December, Sales Tax collections during the last five months of the fiscal year decelerated considerably and decreased in three of those five months. FY 2016 Sales Tax receipts grew a modest 1.4 percent after increasing a strong 6.6 percent in FY 2015. Growth would have been even weaker absent a transfer of \$2.2 million that the County received in FY 2016 as the result of a state audit.

BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE TAX-CURRENT

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2016 Actual	Increase/ (Decrease)	Percent Change
\$152,533,993	\$146,818,108	\$152,533,993	\$153,540,723	\$1,006,730	0.7%

Actual FY 2016 receipts from Current Business, Professional, and Occupational License (BPOL) Taxes are \$153,540,723, an increase of \$1,006,730, or 0.7 percent, over the *FY 2016 Revised Budget Plan* estimate. The budget estimate was increased \$5.7 million during the fall 2015 revenue review to the same level received in FY 2015 and was based on an econometric model that uses calendar year sales tax and employment as predictors. Little actual data about this revenue category is available until late in the fiscal year because businesses file and pay their BPOL Taxes simultaneously on March 1 based on the prior calendar year's gross receipts. This makes it a challenging category to forecast. Actual FY 2016 receipts increased 0.7 percent over the FY 2015 level. In FY 2016, the combined Consultant and Business Service Occupations categories, which represent 42 percent of total BPOL receipts, decreased 1.0 percent from the FY 2015 level. The remaining categories rose a combined 1.9 percent. The Retail category, which represents 20 percent of total BPOL receipts, rose 2.4 percent in FY 2016.

BANK FRANCHISE TAX

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2016 Actual	Increase/ (Decrease)	Percent Change
\$15,352,834	\$15,892,881	\$16,245,000	\$19,994,503	\$3,749,503	23.1%

Actual FY 2016 Bank Franchise Tax revenue is \$19,994,503, an increase of \$3,749,503, or 23.1 percent, over the *FY 2016 Revised Budget Plan* estimate. Revenue in this category is not received until late May or June, making it a particularly difficult category to project. FY 2016 Bank Franchise Tax receipts grew 30.2 percent over the FY 2015 level due to a significant growth in bank assets.

RECORDATION/DEED OF CONVEYANCE TAXES

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2016 Actual	Increase/ (Decrease)	Percent Change
\$30,257,610	\$24,861,788	\$28,689,513	\$30,252,619	\$1,563,106	5.4%

Actual FY 2016 Recordation and Deed of Conveyance Tax revenue is \$30,252,619, an increase of

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\$1,563,106, or 5.4 percent, over the *FY 2016 Revised Budget Plan*. Based on the previous fiscal year actual receipts and early collection trends, the revenue estimate was increased \$3.8 million during the fall 2015 revenue review, reflecting a decrease of 5.2 percent from the FY 2015 level. Mortgage refinancing and home sales were stronger than initially expected during FY 2016 and receipts ended the year level with FY 2015.

TRANSIENT OCCUPANCY TAX

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2016 Actual	Increase/ (Decrease)	Percent Change
\$20,040,188	\$19,325,499	\$20,541,193	\$20,663,807	\$122,614	0.6%

Actual FY 2016 Transient Occupancy Tax receipts are \$20,663,807, an increase of \$122,614, or 0.6 percent, over the *FY 2016 Revised Budget Plan*. Based on early collection trends, as well as data on room and occupancy rates, the budget estimate was increased \$1.2 million during the fall 2015 revenue review, reflecting a 2.5 percent increase over FY 2015. Transient Occupancy Tax receipts rose more than expected and total FY 2016 taxes are up 3.1 percent over the FY 2015 level. In comparison, however, FY 2015 receipts increased a much stronger 9.3 percent.

CONSUMER UTILITY TAXES - GAS AND ELECTRIC

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2016 Actual	Increase/ (Decrease)	Percent Change
\$45,812,447	\$46,044,609	\$46,044,609	\$45,060,021	(\$984,588)	(2.1%)

Actual FY 2016 revenue from the Consumer Utility Taxes is \$45,060,021, a decrease of \$984,588, or 2.1 percent, from the *FY 2016 Revised Budget Plan*. County residents and businesses are subject to Consumer Utility Taxes based on their consumption of electricity and gas services. Based on historical collection trends, receipts were expected to grow 0.5 percent. While receipts were up 0.5 percent through January, Consumer Utility Tax collections during the second half of the fiscal year decreased and receipts ended the year 1.6 percent down from the FY 2015 level.

REVENUE FROM THE USE OF MONEY AND PROPERTY

INVESTMENT INTEREST

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2016 Actual	Increase/ (Decrease)	Percent Change
\$10,659,349	\$15,761,539	\$15,761,539	\$16,168,492	\$406,953	2.6%

Actual FY 2016 Interest on Investments is \$16,168,492, an increase of \$406,953, or 2.6 percent, over the *FY 2016 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 2016. The actual FY 2016 average portfolio of \$2,955.5 million earned a yield of 0.66 percent. The General Fund's average interest allocation of total interest earned on the investment portfolio was 74.24 percent.

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

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2016 Actual	Increase/ (Decrease)	Percent Change
\$45,545,990	\$45,572,818	\$46,549,359	\$48,443,054	\$1,893,695	4.1%

Actual FY 2016 revenue from Permits, Fees and Regulatory Licenses is \$48,443,054, an increase of \$1,893,695, or 4.1 percent, over the *FY 2016 Revised Budget Plan*. This increase is primarily due to higher than projected receipts for Building and Inspection fees, and Zoning fees.

Actual FY 2016 revenue from Building and Inspection fees is \$36.4 million, \$1.6 million more than estimated. The budget estimate was raised \$0.8 million during the fall 2015 revenue review based on year-to-date collection trends. Issuance of building permits continued stronger than expected during the latter part of the year and FY 2016 revenues increased 8.1 percent over the FY 2015 level. In addition, Zoning fees are \$2.8 million, \$0.2 million higher than projected.

FINES AND FORFEITURES

FINES AND FORFEITURES

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2016 Actual	Increase/ (Decrease)	Percent Change
\$13,115,761	\$13,348,086	\$12,443,009	\$11,648,758	(\$794,251)	(6.4%)

Actual FY 2016 revenue from Fines and Forfeitures is \$11,648,758, a decrease of \$794,251, or 6.4 percent, from the *FY 2016 Revised Budget Plan*. This net decrease is primarily due to lower than projected receipts from General District Court fines. General District Court fines in FY 2016 are \$6.1 million, a decrease of \$0.9 million from the *FY 2016 Revised Budget Plan* estimate.

CHARGES FOR SERVICES

CHARGES FOR SERVICES

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2016 Actual	Increase/ (Decrease)	Percent Change
\$72,911,452	\$74,616,185	\$74,937,994	\$79,251,725	\$4,313,731	5.8%

Actual FY 2016 revenue from Charges for Services is \$79,251,725, an increase of \$4,313,731, or 5.8 percent, over the *FY 2016 Revised Budget Plan* estimate. This increase is primarily due to higher than projected School Age Child Care (SACC) fees and Emergency Management Services (EMS) Transport fees. SACC fees are \$40.7 million, an increase of \$2.2 million over the *FY 2016 Revised Budget Plan* estimate, rising 12.6 percent in FY 2016. In addition, EMS fees are \$20.0 million, \$2.0 million higher than projected, increasing 11.3 percent for the year. In FY 2016, the number of EMS patients without health insurance decreased, which resulted in a higher revenue collection rate. In addition, there was an improvement in capturing patient insurance information as a result of putting in place new processes in partnership with hospitals.

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RECOVERED COSTS / OTHER REVENUE
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RECOVERED COSTS / OTHER REVENUE

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2016 Actual	Increase/ (Decrease)	Percent Change
\$20,126,106	\$18,334,374	\$16,713,329	\$17,679,754	\$966,425	5.8%

Actual FY 2016 Revenue from Recovered Costs/Other Revenue is \$17,679,754, a net increase of \$966,425, or 5.8 percent, over the *FY 2016 Revised Budget Plan*. The increase is primarily due to a one-time reimbursement of \$0.7 million associated with the Fire and Rescue Department.

REVENUE FROM THE COMMONWEALTH AND FEDERAL GOVERNMENT

REVENUE FROM THE COMMONWEALTH AND FEDERAL GOVERNMENT

FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2016 Actual	Increase/ (Decrease)	Percent Change
\$125,754,953	\$127,575,900	\$127,181,047	\$132,249,392	\$5,068,345	4.0%

Actual FY 2016 Revenue from the Commonwealth and Federal Government is \$132,249,392, a net increase of \$5,068,345, or 4.0 percent, over the *FY 2016 Revised Budget Plan*. The increase is primarily due to additional revenue associated with reimbursable expenditures for public assistance programs.