

**ATTACHMENT II:**  
**SUMMARY OF GENERAL FUND RECEIPTS**

# SUMMARY OF GENERAL FUND RECEIPTS

*Attachment II*

Category	FY 2021 Actual	FY 2022 Adopted Budget Plan	FY 2022 Revised Budget Plan	FY 2022 Actual	Change from the FY 2022 Revised Budget Plan	
					Increase/ (Decrease)	Percent Change
Real Estate Taxes - Current and Delinquent	\$3,006,833,157	\$3,047,959,917	\$3,051,670,797	\$3,053,629,808	\$1,959,011	0.1%
Personal Property Taxes - Current and Delinquent <sup>1</sup>	642,393,566	654,120,443	672,019,272	685,086,321	13,067,049	1.9%
Other Local Taxes	549,104,239	525,807,944	559,626,031	591,940,176	32,314,145	5.8%
Permits, Fees and Regulatory Licenses	57,076,113	52,439,181	50,782,784	59,606,581	8,823,797	17.4%
Fines and Forfeitures	5,477,214	8,727,970	6,913,687	7,202,177	288,490	4.2%
Revenue from Use of Money/Property	24,776,135	14,973,158	14,597,536	19,249,568	4,652,032	31.9%
Charges for Services	33,695,016	57,104,738	50,885,981	52,729,635	1,843,654	3.6%
Revenue from the Commonwealth and Federal Government <sup>1</sup>	253,962,109	141,664,665	140,616,142	255,440,861	114,824,719	81.7%
Recovered Costs / Other Revenue	18,312,162	15,526,944	14,778,130	16,968,046	2,189,916	14.8%
<b>Total Revenue</b>	<b>\$4,591,629,711</b>	<b>\$4,518,324,960</b>	<b>\$4,561,890,360</b>	<b>\$4,741,853,173</b>	<b>\$179,962,813</b>	<b>3.9%</b>
Transfers In	8,707,781	9,000,481	24,000,481	24,000,481	0	0.0%
<b>Total Receipts</b>	<b>\$4,600,337,492</b>	<b>\$4,527,325,441</b>	<b>\$4,585,890,841</b>	<b>\$4,765,853,654</b>	<b>\$179,962,813</b>	<b>3.9%</b>

<sup>1</sup> 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 2022 are \$4,765,853,654, an increase of \$179,962,813, or 3.9 percent, over the *FY 2022 Revised Budget Plan* estimate. Of the increase, \$111,447,319 is unbudgeted federal stimulus revenue from the American Rescue Plan Act (ARPA) that the County received at the end of FY 2022. The remaining increase of \$68,515,494 is primarily the result of higher-than-expected Property Tax receipts, Other Local Taxes, Permits, Fees, and Regulatory Licenses, Revenue from the Use of Money and Property, Charges for Services, and Recovered Costs/Other Revenue. Projecting revenues during FY 2022 continued to be a challenge as many of the County's revenue streams recovered, while others were still negatively impacted by the effects of the pandemic. Excluding the one-time federal stimulus received in FY 2022, the revenue variance compared to the *FY 2022 Revised Budget Plan* estimate was 1.5 percent. FY 2022 General Fund revenues increased 3.3 percent over the FY 2021 level.

As noted in the Administrative Adjustments section, an increase of \$32,902,710 in General Fund revenues is recommended for FY 2023. The adjustment is associated with increased Revenue from the Commonwealth of \$6.3 million and higher Investment Interest revenue of \$26.6 million. Other revenue categories such as Sales Tax, Business, Professional, and Occupational License tax (BPOL), Transient Occupancy Tax, Recordation and Deed of Conveyance taxes will be closely monitored and the impact of economic conditions, including inflation, consumer confidence, and interest rates among others, will be evaluated once several months of actual revenue collections information is available. Sales Tax receipts were up 14.0 percent in FY 2022, but this level of growth is unlikely in FY 2023 as rising inflation could impact consumer spending. FY 2022 BPOL tax revenue increased 7.6 percent after declining 1.5 percent in FY 2021 as it recovered from the pandemic-related disruptions. Any necessary FY 2023 revenue adjustments will be made as part of the fall 2022 revenue review or during the *FY 2023 Third Quarter Review*.

## **FY 2022 Carryover Review**

# SUMMARY OF GENERAL FUND RECEIPTS

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<b>REAL PROPERTY TAXES</b>
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### REAL ESTATE TAX-CURRENT AND DELINQUENT

FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2022 Actual	Increase/ (Decrease)	Percent Change
\$3,006,833,157	\$3,047,959,917	\$3,051,670,797	\$3,053,629,808	\$1,959,011	0.1%

Total Real Estate Taxes in FY 2022 are \$3,053,629,808, an increase of \$1,959,011, or 0.1 percent, over the *FY 2022 Revised Budget Plan*. FY 2022 Current Real Estate Taxes are \$3,049,482,561, representing an increase of \$6,367,058 over the *FY 2022 Revised Budget Plan*. This increase is primarily due to lower than projected tax relief and higher collection rate of 99.66 percent compared to the projected collection rate of 99.50 percent. Partially offsetting the increase are higher exonerations and lower than projected supplemental assessments. FY 2022 Real Estate Current Tax revenue reflects an increase of 1.7 percent over FY 2021.

FY 2022 Delinquent Real Estate Tax collections are \$4,147,247, a decrease of \$4,408,047 from the *FY 2022 Revised Budget Plan* estimate. The decrease compared to the budget estimate is due to a large refund for prior years' taxes.

<b>PERSONAL PROPERTY TAX</b>
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### PERSONAL PROPERTY TAX-CURRENT AND DELINQUENT

FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2022 Actual	Increase/ (Decrease)	Percent Change
\$642,393,566	\$654,120,443	\$672,019,272	\$685,086,321	\$13,067,049	1.9%

Total Personal Property Taxes in FY 2022 are \$685,086,321, an increase of \$13,067,049, or 1.9 percent, over the *FY 2022 Revised Budget Plan*. FY 2022 collections for Current Personal Property Taxes are \$657,711,279, an increase of \$237,665 over the *FY 2022 Revised Budget Plan* estimate. Of the total FY 2022 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 96.67 percent was achieved in FY 2022 on the taxpayer's portion of Personal Property levy. FY 2022 Personal Property Current Tax revenue reflects an increase of 4.8 percent over FY 2021 primarily due to a strong increase of 7.2 percent in the average vehicle levy and an increase of 0.6 percent in the number of vehicles registered in the County.

FY 2022 Delinquent Personal Property Taxes are \$27,375,042, an increase of \$12,829,384 over the *FY 2022 Revised Budget Plan* estimate as a result of significant collection activity by the Department of Tax Administration (DTA).

# SUMMARY OF GENERAL FUND RECEIPTS

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<b>OTHER LOCAL TAXES</b>
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Actual FY 2022 collections for Other Local Taxes are \$591,940,176, a net increase of \$32,314,145, or 5.8 percent, over the *FY 2022 Revised Budget Plan* estimate of \$559,626,031. This increase is primarily due higher than expected Sales Tax, Business, Professional, and Occupational License (BPOL) Tax, Recordation and Deed of Conveyance Taxes, Transient Occupancy Tax, and Bank Franchise Tax receipts.

### LOCAL SALES TAX

FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2022 Actual	Increase/ (Decrease)	Percent Change
\$200,832,101	\$199,209,725	\$218,759,355	\$228,931,884	\$10,172,529	4.7%

Actual FY 2022 Sales Tax receipts are \$228,931,884, an increase of \$10,172,529, or 4.7 percent, over the *FY 2022 Revised Budget Plan* estimate. During the FY 2022 fall revenue review and at the *FY 2022 Third Quarter Review*, the FY 2022 estimate was increased a total of \$19.5 million based on year-to-date collections, representing growth of 8.9 percent over the FY 2021 level. At the time of the *FY 2022 Third Quarter Review*, Sales Tax collections were up 15.1 percent through February 2022. The revised budget estimate assumed that collections for the remaining months of the fiscal year would be level with the same period of FY 2021. There was a significant economic uncertainty due to geopolitical factors and surging inflation pressures, which could have negatively impacted consumer spending. However, receipts held up well through the remainder of the fiscal year and increased 14.0 percent compared to FY 2021 collections.

### BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE TAX-CURRENT

FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2022 Actual	Increase/ (Decrease)	Percent Change
\$171,263,824	\$170,000,000	\$176,400,000	\$184,346,268	\$7,946,268	4.5%

Actual FY 2022 receipts from Current Business, Professional, and Occupational License (BPOL) Taxes are \$184,346,268, an increase of \$7,946,268, or 4.5 percent, over the *FY 2022 Revised Budget Plan* estimate. 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 2022 receipts increased a strong 7.6 percent after declining 1.5 percent in FY 2021. In FY 2022, the combined Consultant and Business Service Occupations categories, which represent almost 44 percent of total BPOL receipts, increased 5.2 percent over the FY 2021 level. The Retail category, which represents over 18 percent of total BPOL receipts, increased 17.8 percent after declining 10.7 percent in FY 2021 due to the COVID-19 pandemic. Also heavily impacted by the pandemic disruptions in FY 2021, the Hotels/Motels category increased 62.5 percent in FY 2022 and the Amusement category brought in five times more BPOL tax revenue compared to FY 2021.

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## TRANSIENT OCCUPANCY TAX

FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2022 Actual	Increase/ (Decrease)	Percent Change
\$6,637,031	\$7,040,000	\$12,716,655	\$14,133,401	\$1,416,746	11.1%

Actual FY 2022 receipts from the Transient Occupancy Tax are \$14,133,401, an increase of \$1,416,746, or 11.1 percent, over the *FY 2022 Revised Budget Plan* estimate. Due to the impact of the COVID-19 pandemic, the U.S. hotel industry reported significant year-over-year declines and total collections decreased almost 58 percent in FY 2021. FY 2022 collections partially recovered and increased 113 percent compared to FY 2021. However, the FY 2022 level is still well below the pre-pandemic collections, as business travel is yet to fully recover.

## BANK FRANCHISE TAX

FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2022 Actual	Increase/ (Decrease)	Percent Change
\$26,706,225	\$23,654,317	\$23,654,317	\$27,055,959	\$3,401,642	14.4%

Actual FY 2022 Bank Franchise Tax revenue is \$27,055,959, an increase of \$3,401,642, or 14.4 percent, over the *FY 2022 Revised Budget Plan* estimate. Revenue in this category is not received until late May or June, making it a particularly difficult category to project. The Adopted FY 2022 estimate was not adjusted during the year and reflected a decrease of 11.4 percent compared to the actual FY 2021 receipts. Actual Bank Franchise Tax receipts increased 1.3 percent over the FY 2021 level.

## RECORDATION/DEED OF CONVEYANCE TAXES

FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2022 Actual	Increase/ (Decrease)	Percent Change
\$51,925,761	\$35,730,727	\$38,264,711	\$46,480,941	\$8,216,230	21.5%

Actual FY 2022 Recordation and Deed of Conveyance Tax revenue is \$46,480,941, an increase of \$8,216,230, or 21.5 percent, over the *FY 2022 Revised Budget Plan* estimate. FY 2022 Recordation Tax decreased 14.7 percent compared to FY 2021. The rate of decline accelerated as mortgage interest rates increased substantially and collections dropped 24.4 percent in the second half of the fiscal year. FY 2022 Deed of Conveyance Tax increased 9.8 percent compared to the FY 2021 level on strong home sales prices.

<b>REVENUE FROM THE USE OF MONEY AND PROPERTY</b>
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Actual FY 2022 revenue from the Use of Money and Property is \$19,249,568, an increase of \$4,652,032, or 31.9 percent, over the *FY 2022 Revised Budget Plan* estimate and is primarily due to an increase in Interest on Investments.

***FY 2022 Carryover Review***

# SUMMARY OF GENERAL FUND RECEIPTS

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## INVESTMENT INTEREST

FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2022 Actual	Increase/ (Decrease)	Percent Change
\$22,953,530	\$12,638,976	\$12,638,976	\$17,186,790	\$4,547,814	36.0%

Actual FY 2022 Interest on Investments is \$17,186,790, an increase of \$4,547,814, or 36.0 percent, over the *FY 2022 Revised Budget Plan* estimate as a result of higher than projected average portfolio size and higher yield. 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 2022. The actual FY 2022 average portfolio of \$4,352.7 million earned a yield of 0.48 percent. The General Fund's average interest allocation of total interest earned on the investment portfolio net of administrative fees was 77.94 percent.

<b>PERMITS, FEES AND REGULATORY LICENSES</b>
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## PERMITS, FEES AND REGULATORY LICENSES

FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2022 Actual	Increase/ (Decrease)	Percent Change
\$57,076,113	\$52,439,181	\$50,782,784	\$59,606,581	\$8,823,797	17.4%

Actual FY 2022 revenue from Permits, Fees and Regulatory Licenses is \$59,606,581, an increase of \$8,823,797, or 17.4 percent, over the *FY 2022 Revised Budget Plan* estimate. This increase is primarily the result of higher than projected revenue from Land Development Services (LDS) Building and Inspection fees. Actual FY 2022 LDS revenue is \$50.5 million, an increase of 7.5 percent over the FY 2021 level.

<b>FINES AND FORFEITURES</b>
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## FINES AND FORFEITURES

FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2022 Actual	Increase/ (Decrease)	Percent Change
\$5,477,214	\$8,727,970	\$6,913,687	\$7,202,177	\$288,490	4.2%

Actual FY 2022 revenue from Fines and Forfeitures is \$7,202,177, an increase of \$288,490, or 4.2 percent, over the *FY 2022 Revised Budget Plan* estimate. This increase is primarily due to higher than projected receipts from the Administrative Fee for Collection of Delinquent Taxes, partially offset by lower General District Court fines.

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<b>CHARGES FOR SERVICES</b>
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### CHARGES FOR SERVICES

FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2022 Actual	Increase/ (Decrease)	Percent Change
\$33,695,016	\$57,104,738	\$50,885,981	\$52,729,635	\$1,843,654	3.6%

Actual FY 2022 revenue from Charges for Services is \$52,729,635, a net increase of \$1,843,654, or 3.6 percent, over the *FY 2022 Revised Budget Plan* estimate. This increase is primarily due to higher than projected EMS Transport fee revenue.

The FY 2022 budget estimate was decreased \$6.6 million during the *FY 2022 Mid-Year Review*. By far the largest reduction was associated with School-Age Child Care (SACC) revenues which were reduced from \$22.0 million in the Adopted Budget to \$18.4 million. FY 2022 actual SACC revenue was \$17.9 million, \$0.5 million lower than expected. Other user fee estimates that were reduced include Court Maintenance and Court Security fees, and a number of Health Department fees.

Total Charges for Services revenue increased 56.5 percent compared to the FY 2021 level. While many revenue categories continued to recover from the pandemic disruptions to County services, receipts are still well below pre-pandemic levels.

<b>RECOVERED COSTS / OTHER REVENUE</b>
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### RECOVERED COSTS / OTHER REVENUE

FY 2021 Actual	FY 2022 Adopted	FY 2022 Revised	FY 2022 Actual	Increase/ (Decrease)	Percent Change
\$18,312,162	\$15,526,944	\$14,778,130	\$16,968,046	\$2,189,916	14.8%

Actual FY 2022 Revenue from Recovered Costs/Other Revenue is \$16,968,046, a net increase of \$2,189,916, or 14.8 percent, over the *FY 2022 Revised Budget Plan* estimate. The increase is primarily due to higher reimbursement revenue that the County received for the additional school nurse positions which were added to comply with the state mandate.

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## REVENUE FROM THE COMMONWEALTH AND FEDERAL GOVERNMENT

### REVENUE FROM THE COMMONWEALTH AND FEDERAL GOVERNMENT<sup>1</sup>

<b>FY 2021 Actual</b>	<b>FY 2022 Adopted</b>	<b>FY 2022 Revised</b>	<b>FY 2022 Actual</b>	<b>Increase/ (Decrease)</b>	<b>Percent Change</b>
\$253,962,109	\$141,664,665	\$140,616,142	\$255,440,861	\$114,824,719	81.7%

<sup>1</sup> Excludes Personal Property Taxes that are reimbursed by the Commonwealth as a result of the Personal Property Tax Relief Act of 1998. See the "Personal Property Tax - Current and Delinquent" heading in this section.

Actual FY 2022 Revenue from the Commonwealth and Federal Government is \$255,440,861, a net increase of \$114,824,719, or 81.7 percent, over the *FY 2022 Revised Budget Plan* estimate. In FY 2022, the County received approximately \$111.4 million in unbudgeted stimulus funds from the American Rescue Plan Act (ARPA) to mitigate revenue shortfalls and the negative effects of the pandemic. Compared to FY 2021, Revenue from the Commonwealth and Federal Government increased 0.6 percent in FY 2022.