



CITY OF **FALLS**
CHURCH

FINANCIAL UPDATE



Council Work Session
April 6, 2020

FY2020 Revenues

March – June Projected Decline

REVENUE	MODERATE	WORSE
Real Property Taxes	1%	2%
Sales Tax	25%	50%
Meals Tax	50%	75%
Transient Occupancy Tax	75%	90%
Charges for Services	100%	100%
Fines & Forfeitures	70%	90%
Investment & Rent	50%	60%

FY2020 Revenue Projections

REVENUES	BUDGET	PROJECTION - MODERATE			PROJECTION - WORSE		
	FY2020 ADOPTED BUDGET	FY2020 PROJECTION	OVER/ (UNDER)	% DIFF	FY2020 PROJECTION	OVER/ (UNDER)	% DIFF
Real Property Tax	\$57,991,000	\$58,094,000	\$103,000	0.2%	\$57,804,000	(\$187,000)	-0.3%
Personal Property Tax	6,278,200	5,934,000	(344,200)	-5.5%	5,935,400	(342,800)	-5.5%
Sales Tax	4,979,000	5,439,000	460,000	9.2%	4,751,000	(228,000)	-4.6%
Meals Tax	3,496,000	2,999,600	(496,400)	-14.2%	2,674,000	(822,000)	-23.5%
BPOL	4,369,000	4,208,400	(160,600)	-3.7%	4,107,400	(261,600)	-6.0%
Other Taxes	4,621,000	3,921,400	(699,600)	-15.1%	3,848,000	(773,000)	-16.7%
Licenses & Permits	1,410,626	2,137,426	726,800	51.5%	2,137,426	726,800	51.5%
Federal Grants	367,014	367,014	(0)	0.0%	367,014	(0)	0.0%
State Revenue	4,877,919	4,886,319	8,400	0.2%	4,886,319	8,400	0.2%
Charges for Services	3,778,389	2,600,789	(1,177,600)	-31.2%	2,315,589	(1,462,800)	-38.7%
Fines & Forfeitures	605,200	293,000	(312,200)	-51.6%	293,000	(312,200)	-51.6%
Investment and Rent	757,454	884,454	127,000	16.8%	864,254	106,800	14.1%
Miscellaneous	370,415	400,815	30,400	8.2%	400,815	30,400	8.2%
	\$93,901,217	\$92,166,217	(\$1,735,000)	-1.8%	\$90,384,217	(\$3,517,000)	-3.7%

FY2020 Revenue Gap

FY2020	Moderate	Worse
Revenue Gap	(\$1,735,000)	(\$3,517,000)
Percentage of Budget	-1.8%	-3.7%
Tax Revenues	(\$1,114,000)	(\$2,578,000)

FY2020 Balancing Measures

General Government

Moderate Case

- ✓ Freeze recruitment for vacancies
- ✓ Freeze travel, training
- ✓ Recreation program savings

Worse Case

- ✓ Defer pay-as-you-go capital projects
- ✓ Defer paving, traffic signal maintenance programs
- ✓ Defer Neighborhood Traffic Calming projects
- ✓ Use of City's reserve

FY2021 Prelim. Revenue Projections

REVENUE	MODERATE	WORSE
Real Property Tax	4%	4%
Personal Property Tax	-10%	-15%
Sales Tax	-1%	-15%
Meals Tax	-20%	-30%
BPOL	-30%	-50%
Transient Occupancy Tax	-35%	-60%
Charges for Services	-15%	-25%
Fines & Forfeitures	-15%	-20%
Investment & Rent	-1%	-2%

FY2021 Revenue Gap

	FY 2021	Moderate	Worse
Compared to FY2021 Proposed Budget	Revenue Gap	(\$5,525,000)	(\$8,624,000)
	% of FY2021 Budget	-5.3%	-8.3%
Compared to FY2020 Adopted Budget	Revenue Gap	(\$1,284,000)	(\$4,383,000)
	% of FY2020 Budget	-1.3%	-4.1%
	Tax Revenues	(\$1,255,000)	(\$3,900,000)

FY2020 Relief Measures

Regional Initiatives

- ✓ **Extension / Waiver of penalty and interest on local taxes**
 - Arlington – Meals Tax, TOT (till May 31st)
 - Alexandria – Meals Tax, TOT and BPOL (till June 30th)
 - City of Fairfax – 90 day extension for Meals tax, TOT
 - Town of Vienna – considering action on April 13th
 - Town of Herndon – 90 day extension for TOT
 - Loudoun County – 30 day extension for Personal Property tax
- ✓ **Deferral of Real Estate tax payments**
 - Fairfax (30 days deferral from July 28th to Aug 28th);
 - Town of Vienna 30 days pending council action
 - Town of Herndon 30 days pending council action

FY2020 Relief Measures

Regional Initiatives

- ✓ **Extension of tax relief application for Seniors & Disabled**
 - Fairfax – 60 days (April 1st to June 1st)
 - Alexandria – 75 days (April 15th to July 1st)
- ✓ **Deferral of Personal Property Filing information**
 - Alexandria – 60 days (May 1st to July 1st)
 - Fairfax – 30 days (May 1st to June 1st)
- ✓ **Continuation of water and sewer services**
 - All VA jurisdictions

Schedule

- **April 20: March Meals/TOT due**
- **May 11: 1st Reading FY2021 Budget, CIP, Tax Rate Ord.; and FY2020 Budget Amendment Ordinance**
- **May 25: Public Hearing FY2021 Budget, CIP, Tax Rate Ord.; FY2020 Budget Amendment Ordinance**
- **June 8: Public Hearing, 2nd Reading & Adoption of FY2021 Budget, CIP, Tax Rate Ordinance; and FY2020 Budget Amendment Ordinance**

Public Information & Comment

- Find Budget Presentations and data www.fallschurchva.gov/budget
- Send comments to budget@fallschurchva.gov