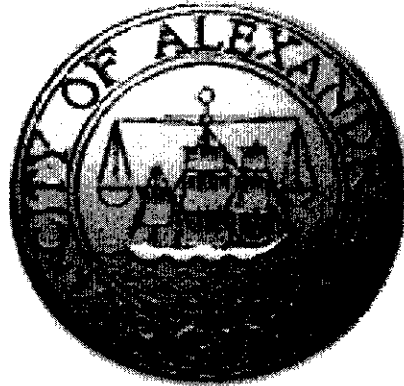


II
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FY 2002 Revenue Overview

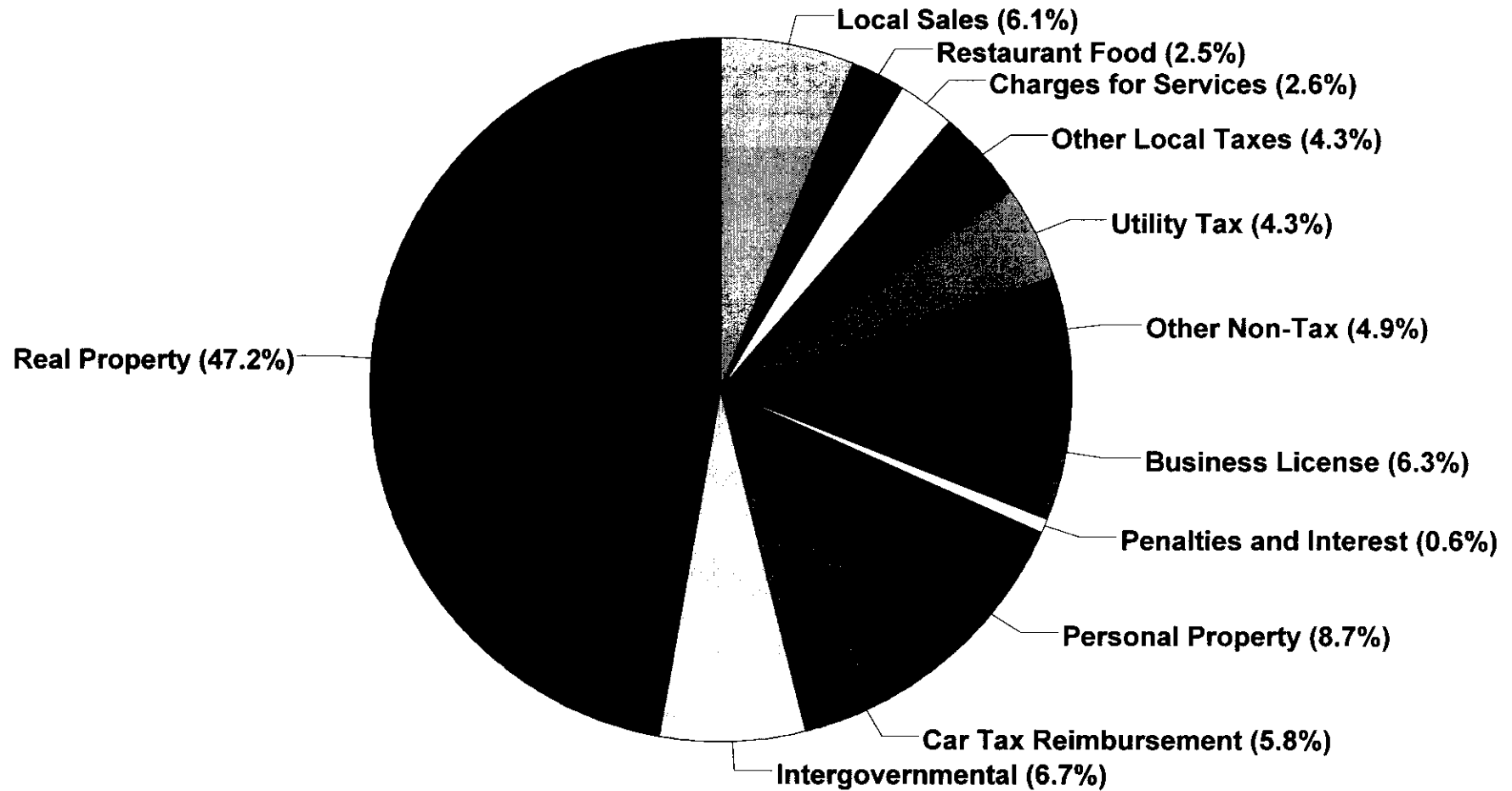


City Council Budget Work Session

March 20, 2001



FY 2002 General Fund Revenues





FY 2002 General Fund Revenues (\$346.4 million)

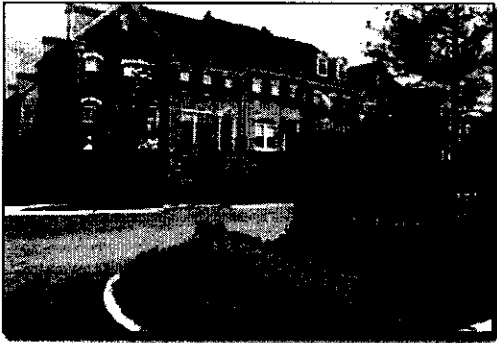
- General economic assumptions
- Real Property (\$163.6 million)
- Personal Property (\$30.1 million)
- Car tax reimbursement (\$19.9 million at 70% level)
- Other local taxes (\$81.3 million)



FY 2002 General Fund Revenues (continued)

- Impact of business license due date change
- Impact of Governor's budget reductions
- No change in the \$185 per household solid waste rate
- No change in the 20-cent per thousand gallon sewer use fee

CY 2001 Real Property



Assessment Report



Real Property Assessment Changes CY 2000 to CY 2001

- Real property tax base increased 10.06%, or \$1.3 billion, over the 2000 level from \$13.3 billion to \$14.6 billion
- 67% of the \$1.3 billion increase is the result of value appreciation
 - Residential \$627.1 million
 - Commercial \$268.6 million



Real Property Assessment Appreciation CY 2000 to CY 2001

- Residential
 - Average assessed value increased 9.35%
 - \$194,300 in 2000
 - \$212,467 in 2001
 - Strong demand coupled with limited supply
 - 3,449 residential units sold in 2000

Change in the Average Assessed Value of a Residential Property from 2000 to 2001	
Location	Average % Change
City of Alexandria	9.35%
Arlington County	10.66%
Fairfax County	11.26%
Loudoun County	14.40%
Prince William County	8.00%



Real Property Assessment Appreciation CY 2000 to CY 2001

- **Single Family Homes**
 - Average assessed value increased 10.61%
 - \$260,907 in 2000
 - \$288,589 in 2001

- **Residential Condominiums**
 - Average assessed value increased 5.32%
 - \$106,875 in 2000
 - \$112,561 in 2001



Real Property Assessment Appreciation CY 2000 to CY 2001

- Commercial
 - Average assessed value increased 4.64%
 - \$1.5 million in 2000
 - \$1.6 million in 2001
 - Multi-family 4%
 - Commercial Office, Retail and Service 4.26%
 - Vacant land 9.47%

Change in Average Assessed Value of a Commercial Property from 2000 to 2001	
Location	Average % of Change
City of Alexandria	4.64%
Arlington County	7.30%
Fairfax County	5.92%
Loudoun County	13.60%



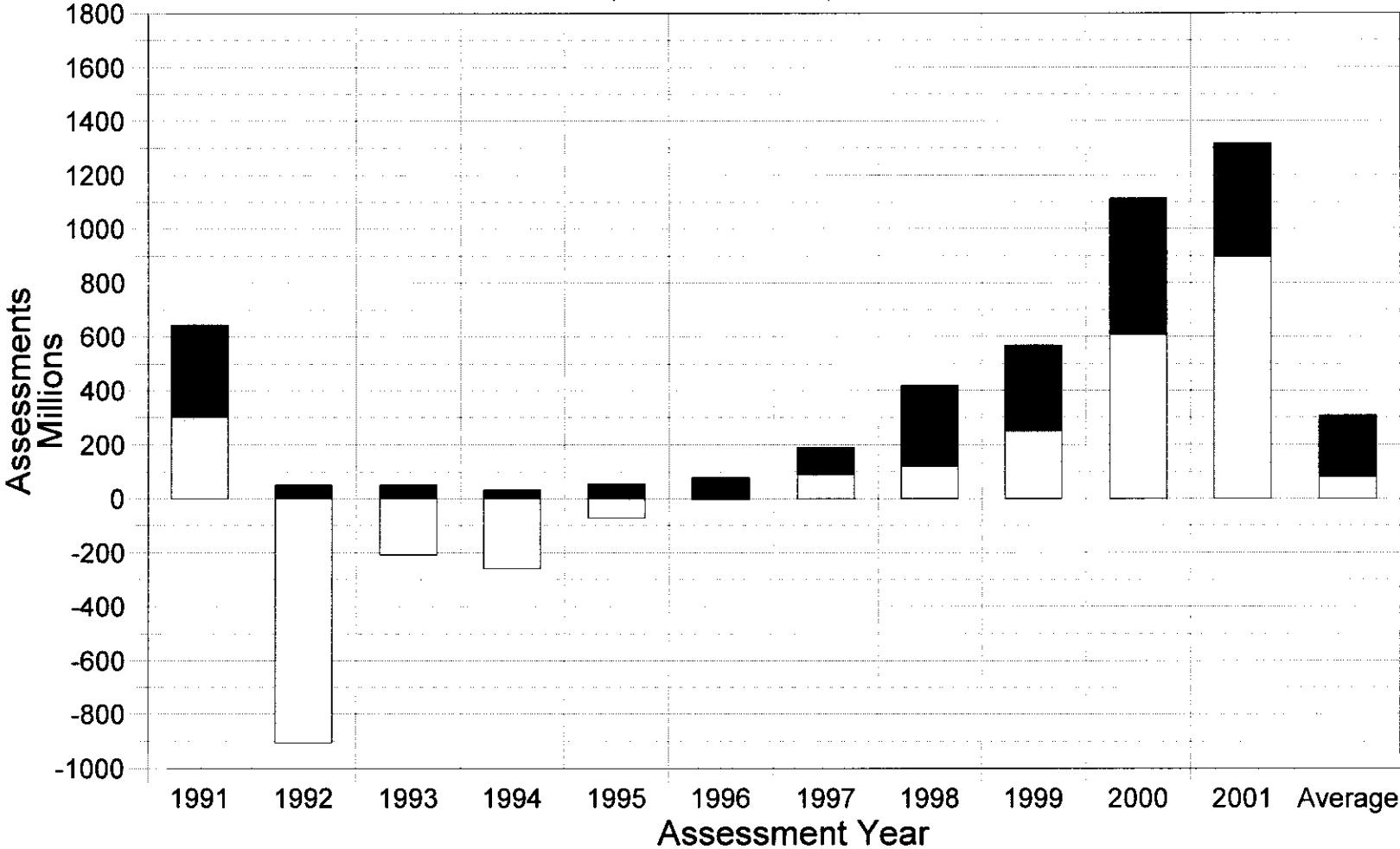
Real Property Assessment New Value CY 2000 to CY 2001

- \$441.3 million increase from new value
- \$421.4 million increase from locally assessed new construction
 - \$169.8 million residential
 - \$251.6 million commercial
- \$ 19.9 million in new improvements at State-assessed public service corporation properties

Change in Total Tax Base

Calendar Year 1991 - 2001

(millions of dollars)



Appreciation (All Properties) (Depreciation)

 New Construction (All Properties)

Source: Department of Real Estate Assessments
 Prepared by: Office of Management and Budget



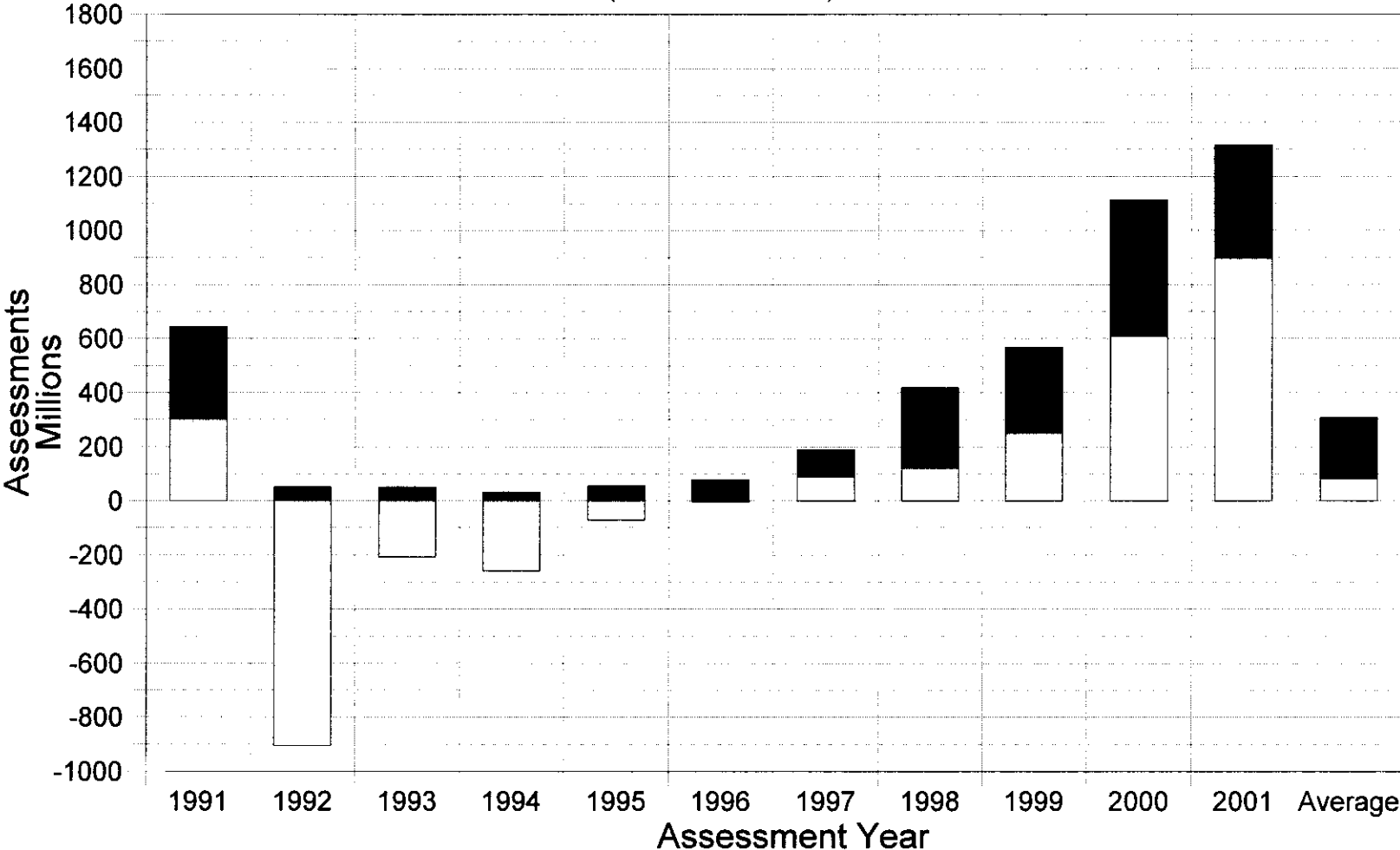
Real Property Assessment Changes CY 1991 to CY 2001

- 48% of the \$1.9 billion in assessed value of new construction occurred in the last two years
- 73% of the residential single family home appreciation occurred between 1999 and 2001
 - 5.68% from 1999 to 2000
 - 10.61% from 2000 to 2001
- Without new value being added to the City's real property tax base, the 2001 assessments would be 4.7% higher than they were 10 years ago

Change in Total Tax Base

Calendar Year 1991 - 2001

(millions of dollars)



Appreciation (All Properties) (Depreciation)

 New Construction (All Properties)

Source: Department of Real Estate Assessments
 Prepared by: Office of Management and Budget



Fee Studies in Process

- Certain major fee reviews initiated
- Planning & Zoning, Sewer Connection and Parking Fees proposed for review
- Recommendations to come to City Council outside of the budget process
- Current fee rates in place for some time
- Business and community input planned to help form recommendations



Planning and Zoning Fees

- \$2.6 million Planning and Zoning budget
- Annual fee income currently \$50,000
- Fees below other jurisdictions and below cost
- \$185,000 in new fee income budgeted in FY 2002
- Fall 2001 recommendations to City Council planned



Sewer Connection Fees

- Current fee rates in place since 1985
- Fees aimed at funding system capital costs
- System capital costs increasing
- General Fund capital subsidy increasing
- Fees below neighboring jurisdictions
- \$200,000 fee income projected for FY 2001



Parking Garage, Lot and Meter Fees

- Garage and lot fees below market
- Rate incentives and disincentives
- Meter rates to be reviewed
- Meter replacement proposed in CIP