

Revenues overview

Revenues

Total FY 2010 General Fund revenues are expected to decrease 2.2% compared to FY 2009 including the impact of a 5.8 cent increase in the real property tax rate.

FY 2009 projected revenues at this time have decreased from the FY 2009 Approved Budget, mostly due to declining real property values and a slowing of economic activity in Alexandria as part of a larger global, national, and regional economic recession.

The total overall value of real property decreased by 2.07% from last year's equalized assessments.

Millions of Dollars

	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	%Change 09 Approved/ 10 Approved*
Real Property Taxes	\$293.6	\$295.5	\$296.3	0.9%
Other taxes	157.0	150.0	149.1	-5.0%
Non-tax revenue	32.0	25.9	27.6	-13.6%
Federal & State Revenue	52.8	53.3	53.4	1.1%
Prior Year Surplus & Transfers	6.6	6.6	3.6	-45.5%
Total	\$542.0	\$531.4	\$530.0	-2.2%

* The total change from FY 2009 Projected Revenues is -0.2%.

Real property taxes are taxes on residential and commercial real estate.

Other taxes include the personal property tax, the 1% sales tax, utility taxes, business license (BPOL) gross receipt taxes, transient lodging taxes, and others.

Non-tax revenue includes fines and forfeitures such as parking fees, and charges for services, such as solid waste fees.

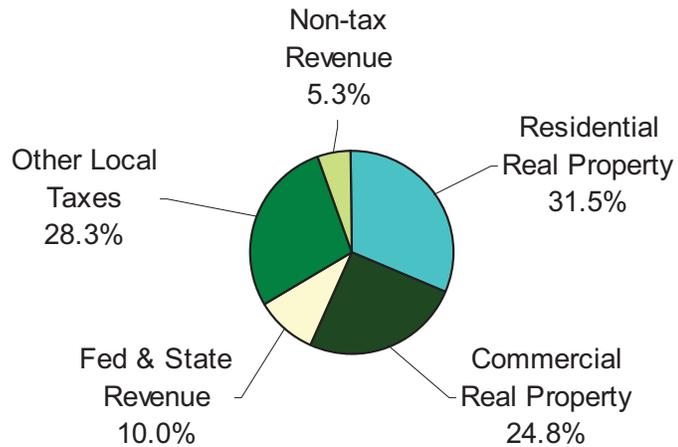
Federal & State revenue is aid from the federal government and the Commonwealth of Virginia which goes into the City's General Fund and is not generally restricted to special activities. Federal and state revenue which is restricted is budgeted in the City's Special Revenue Fund.

Prior Year Surplus & Transfers finances the difference between the General Fund revenue projection and the General Fund expenditure budget. This category includes accumulated surpluses from prior years and Sewer Fund and Metro Matters debt service.

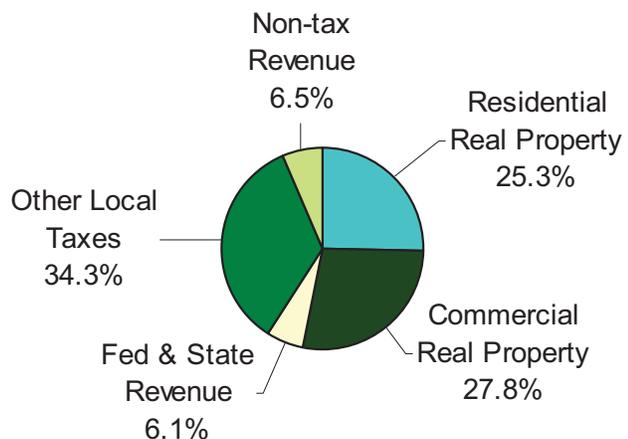
In Fiscal Year 2010, about 56% of total General Fund revenues are expected to come from real estate taxes. 31% of total revenues come from residential real estate taxes. Revenue from residential property taxes peaked at 34% in FY 2007.

In Fiscal Year 1991, about 53% of General Fund revenue came from real estate taxes, but the amount of total revenues from residential real estate taxes was 25%. Commercial property provided proportionally more in real estate tax revenues at that time.

FY 2010 Approved General Fund Revenue \$530.0 million*



FY 1991 General Fund Revenue \$221.7 million*

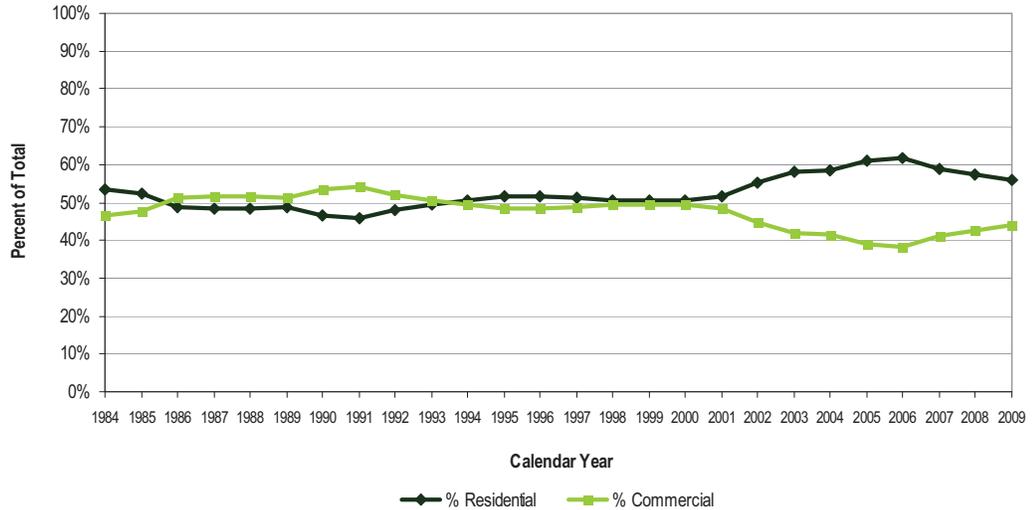


*Does not include prior-year surplus & transfers.

A comparison of the sources of General Fund Revenue in FY 1991 and FY 2010 reveals two major changes. Increased residential real estate assessments, increased population, and the increased number of homes have increased the share that residential real property taxes contribute toward total City revenues. Federal and state revenue have also increased as a percentage of revenues (compared to FY 1991) in part because the Commonwealth of Virginia now picks up a large portion of the Car Tax. In Calendar Year 2008, the State paid 69% of eligible car taxes.

FY 2010 Revenues Overview

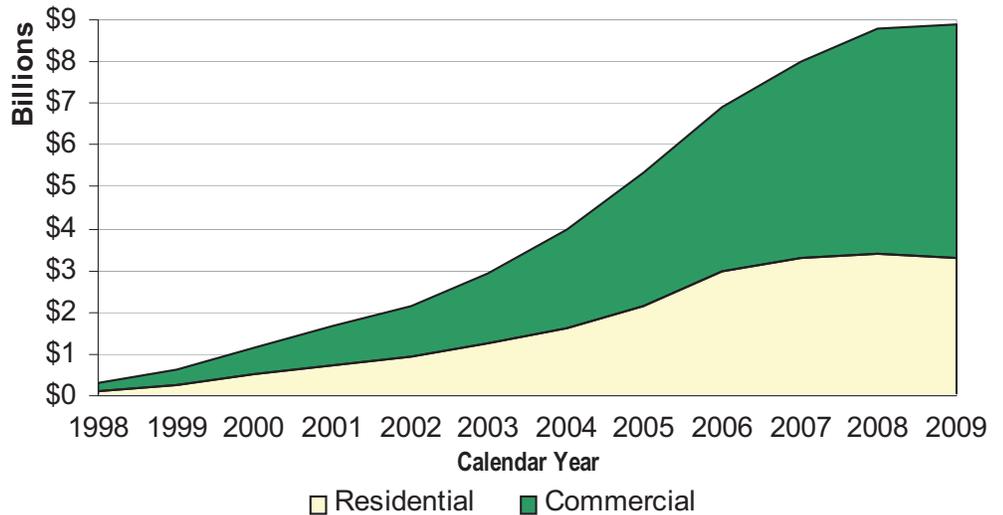
After several years above the long-term average, residential real estate as a share of the City's tax base is reverting toward the long-term average.



The graph above displays the change in the City's real property tax base since 1984. The darker line represents the share of the residential property (single family and condominiums) as a percentage of the City's total assessed tax base and the lighter line represents the share of commercial property. Between 1984 and 2000, residential and commercial assessments each accounted for approximately 50 percent of the City's tax base. After 2000, residential assessments began to significantly increase as a share of the tax base. Since 2006, that trend has begun to reverse itself and the share of residential property has fallen by 5.8 percentage points from 61.8% of the City's tax base in 2006 to 56.0% in 2009. The commercial tax base has thus commensurately increased by 5.8 percentage points from 38.2% of the City's tax base to 44.0% in 2009.

New construction has slowed in recent years as the residential and commercial real estate markets have cooled, but without \$268.4 million in new construction, the tax base would have decreased by 2.86%.

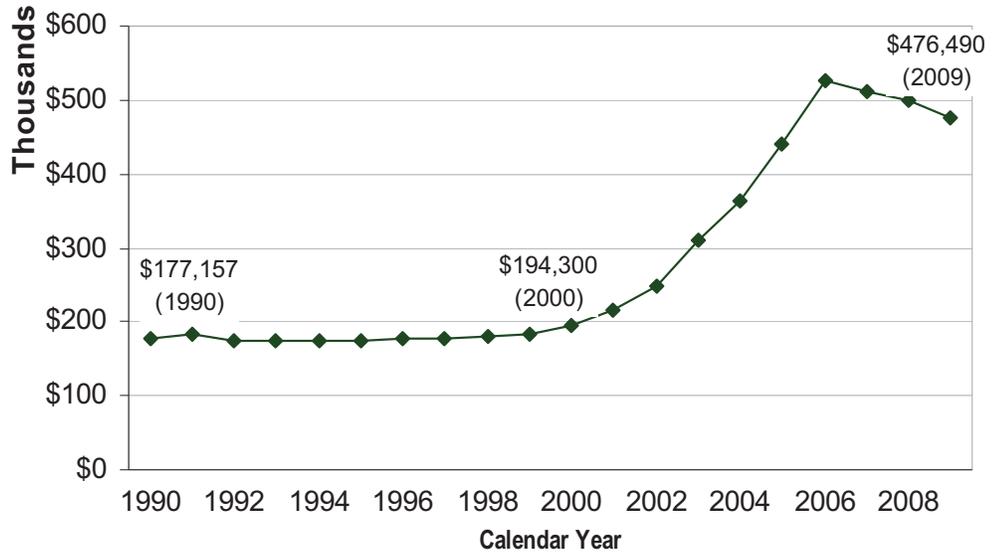
Cumulative Increase in Real Property Tax Base Attributable to New Construction Since 1998



As of 2009, the value of the tax base contributed by new construction each year since 1998 totals \$8.8 billion or 25.9% out of a real property tax base of \$34.4 billion.

After remaining mostly flat during the 1990's, between 2000 and 2006 the average assessed value of a home in Alexandria increased by over two and one half times. Since 2006, the average assessed value has declined 11.4%, including a decline of 4.75% in CY 2009.

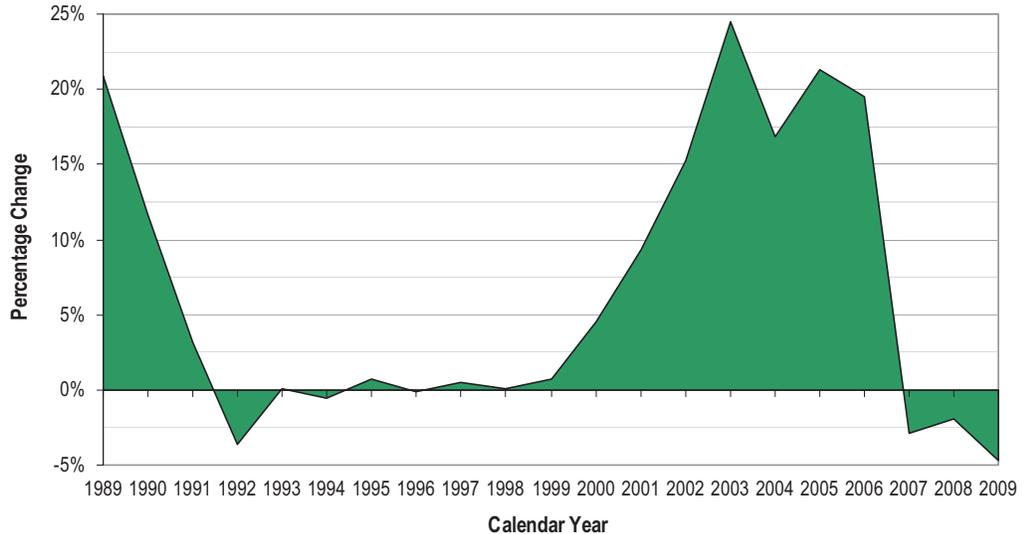
Average Residential Assessed Value Since 1990



The City is currently in the downward leg of the residential real estate cycle.

Residential Appreciation % Change

Calendar Year 1989 to 2009



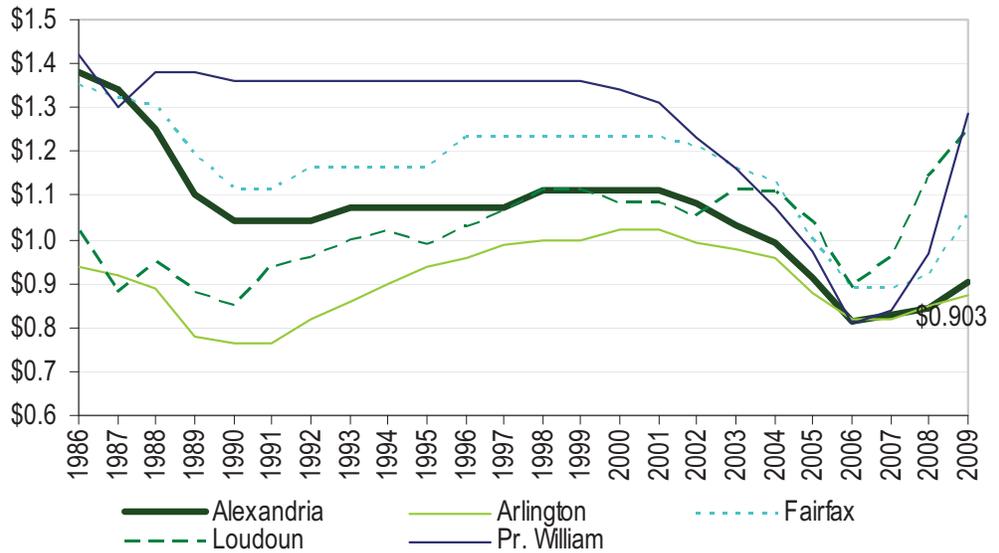
The chart above reflects the percentage change in appreciation of existing residential properties. Due to demand for housing in the City, driven by strong regional job growth and low mortgage interest rates, from 2001 until 2006, appreciation exceeded the historic norm. In 2006, the residential real estate market slowed dramatically, and residential assessments decreased by 2.9% in 2007, 1.9% in 2008, and by an additional 4.75% in 2009. If the pattern of the early 1990's and earlier real estate cycles repeat themselves, the slowdown in the real estate market will likely last several more years.

In 1986, Alexandria had the second highest real estate tax rate in Northern Virginia.

The Approved FY 2010 budget includes a tax rate of \$0.903 per \$100 of assessed value, an increase of 5.8 cents. This rate will remain among the lowest in the region, higher only than Arlington County's rate.

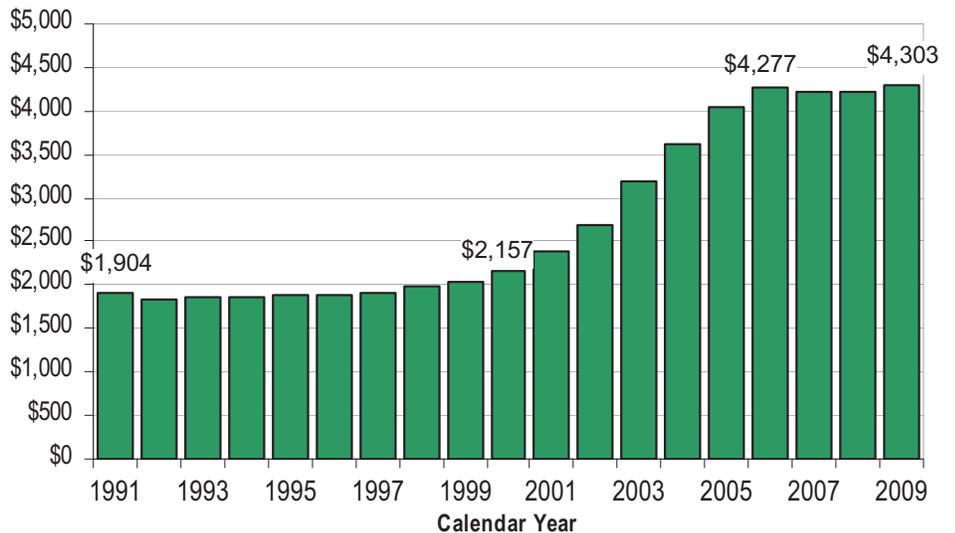
The FY 2010 tax rate increase of 5.8 cents, leaves the average homeowner with a tax bill of \$4,303 in CY 2009 compared to a tax bill of \$4,227 in CY 2008. Since CY 2006, the tax bill for the average homeowner has increased by less than 1%.

Real Estate Tax Rate*
Cents Per \$100 of Assessed Value



*Excludes special tax district levies, as well as the add-on commercial real estate tax rate in place in Arlington and Fairfax counties.

Average Residential Tax Bill



The City of Alexandria has a variety of programs to provide tax relief to seniors and citizens with low and moderate income and to provide affordable housing assistance.

These programs served over 2,000 homeowners or about 6% of Alexandria homeowners last year. In Calendar Year 2009, the AHOP program will not be continued due in part to the declining real estate market.

One way to measure the relative local tax capacity and tax burden of a community is to measure the ratio of local personal income to local taxes and other revenue sources.

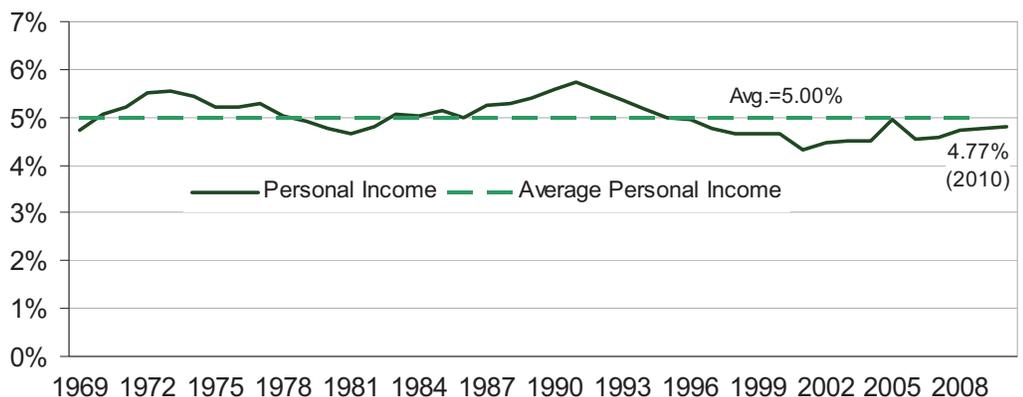
The FY 2010 Approved Budget is estimated below the long-term historical average of 5.00% of local personal income.

Affordable Home Ownership Preservation Grant Program (AHOP). To help low and moderate income homeowners keep up with rising real estate taxes, in the FY 2005 budget the City established the Affordable Home Ownership Preservation Grant Program (AHOP). In 2008, an average of over \$700 was provided to over 800 AHOP grantees for a total of about \$600,000 in grants. Due to a decline in real estate values, particularly among AHOP recipients whose average assessment decreased by 9.4% from CY 2008 to CY 2009, the City has discontinued the program starting in 2009.

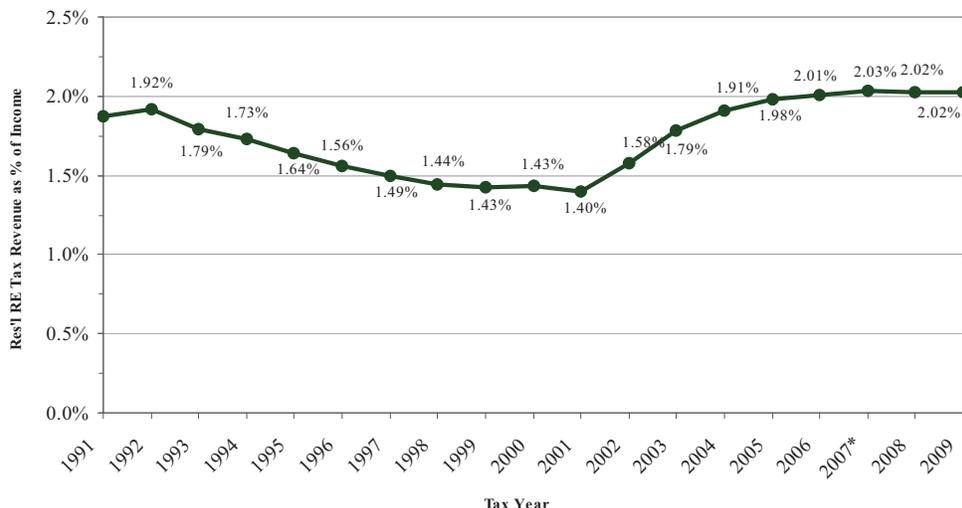
Real Estate Tax Relief Program for the Elderly or Disabled. To counter the cost of real estate taxes for people with fixed incomes, the City has established a program to fully or partly exempt elderly or disabled homeowners in Alexandria, based on an income limit and age. In FY 2010, an estimated \$3.4 million is set aside for this program.

Other Affordable Housing Programs. Beginning in FY 2006, the City set aside 1 cent of total real estate tax revenues for new affordable housing initiatives. This set aside would be equal to about \$3.3 million in FY 2010. The budget continues to pay \$2.25 million debt service on bonds issued (or to be issued for affordable housing purposes.) The remainder is no longer being set aside for this purpose so the dedicated 1 cent has been reduced to 0.7 of a cent. During the Add/Delete process of the FY 2010 budget, separately Council added an additional \$455,000 to contingent reserves for potentially increasing homeownership assistance.

General Fund Revenue from Local Sources as a Percentage of Personal Income



Another way to measure tax burden is to compare the proportion of City residential personal income that goes to pay the real property tax. This percentage remains relatively constant in CY 2009.

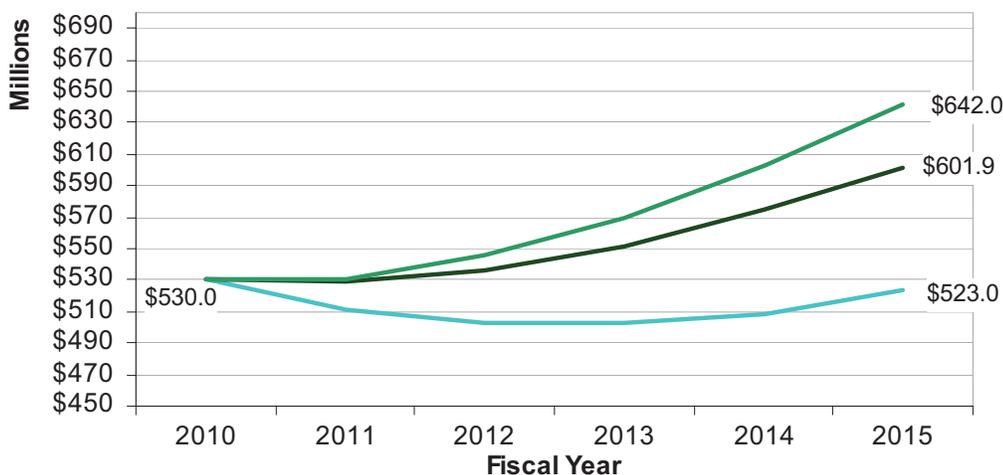


For purposes of this graph, residential tax revenues include real property taxes generated by single family homes, condominiums, and apartments (multi-family housing). As shown in the graph, the real property tax burden declined through the nineties as appreciation of properties failed to keep up with rising personal income. However, beginning in 2001, the effect of a strong real estate tax market is evidenced by an increasing portion of personal income that goes to pay the personal property tax. For the last four years, the real estate tax paid by the average homeowner has been constant or declined, and with per capita income expected to be flat in 2008 and 2009, the ratio has remained relatively constant.

General Fund Revenue Outlook

Without changes in the real estate tax rate and because of general economic conditions, General Fund revenue is projected to grow slowly – approximately between -0.2% and 4.1% per year, with 2.6% per year in the mid range scenario.

Projected Revenue Growth Under Low, Medium, and High Forecasts



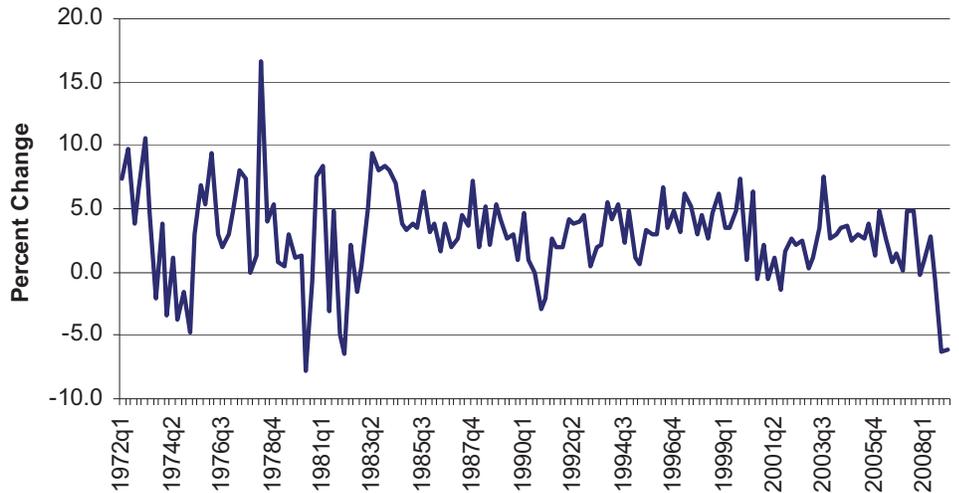
Due to Virginia laws which limit the City's ability to expand its revenue base, for the foreseeable future the City will need to continue to rely on real property tax revenues for the majority of General Fund revenue. Details on these projections can be found in the Multi-year Revenues and Expenditure Projections chapter of the text.

Projecting Revenues in an Economic Downturn

Economically sensitive revenues such as sales tax, transient lodging, and meals tax have all been affected by the economic downturn, already the most severe since the early 1980's. The situation could get worse.

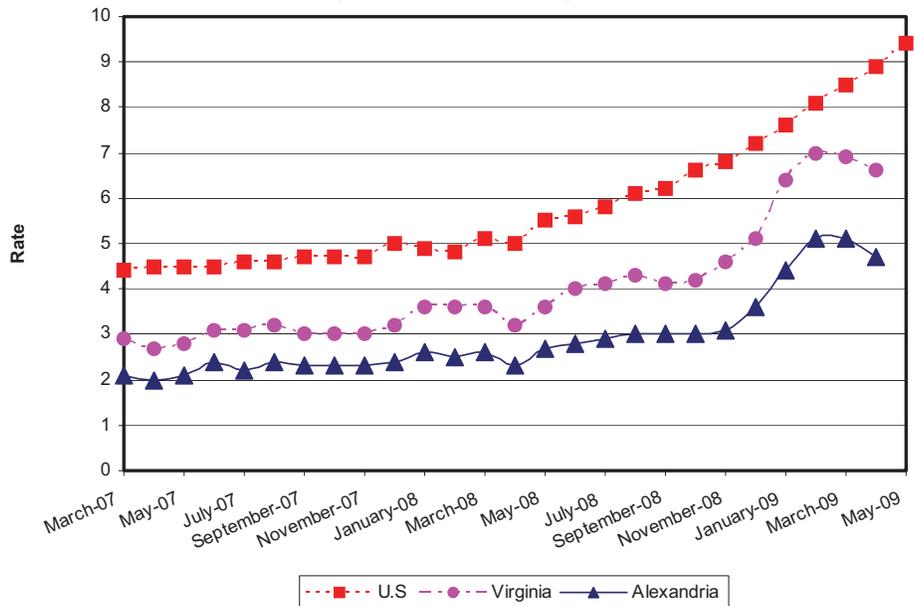
While Alexandria is relatively well positioned to ride out the downturn because of its location and mix of jobs in relatively recession proof fields such as public administration and health care, the City is not immune to deteriorating economic conditions.

GDP Change by Quarter
1972- q1 2009



Nationally, the U.S. economy is experiencing its worst recession in about 30 years. The recession, which officially began in December 2007, became the longest post-World War II recession as of April 2009. In its March minutes, the Federal Open Market Committee wrote that it, "expected real GDP to flatten out gradually over the 2nd half of this year and then to expand slowly next year as the stresses in the financial markets ease, the effects of the fiscal stimulus take hold, inventory adjustments are worked through, and the correction in housing activity comes to an end." In its revenue forecasts, the City assumes the economic downturn will continue through the rest of 2009 and that economic recovery will begin in 2010. In general, the City has assumed a 3% decrease in economically sensitive revenues for FY 2010.

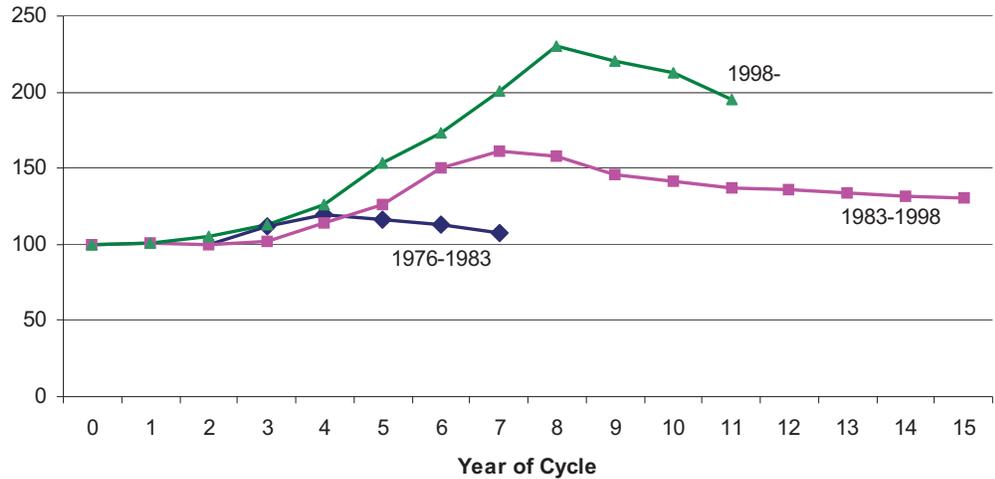
Unemployment Rates - US, Virginia and Alexandria



Real Estate Assessments Under Pressure

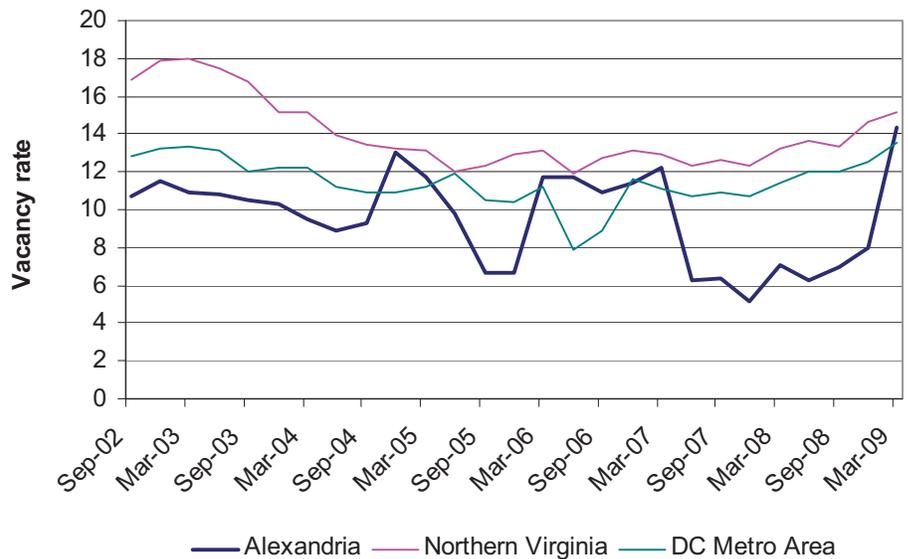
This chart which compares the previous two residential real estate cycles with the current residential real estate cycle, implies that the bottom of the current cycle may yet be several years away. This will be influenced by market demand and mortgage interest rates.

**Alexandria Single Family Dwellings
Average Value by cycle
Beginning of Cycle = 100**



Even in the relatively minor recession earlier this decade, office vacancy rates in the City and the area reached double digit levels. Capitalization rates are likely to rise to some degree as investors and lenders begin to expect a higher rate of return. This will influence assessments of commercial property in 2010 and beyond.

**Office Vacancy Rates
q3 2002 - q1 2009**

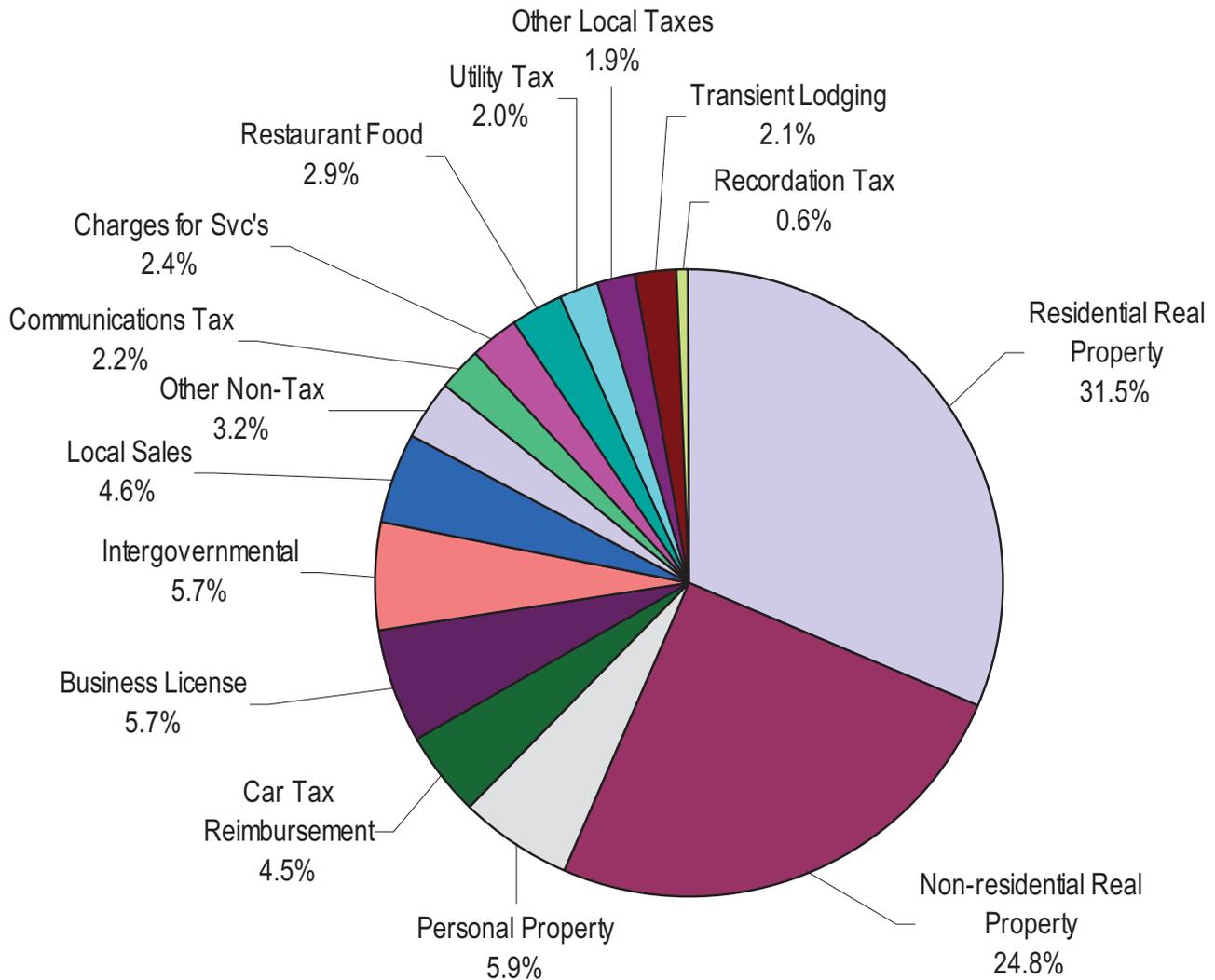


Revenues

General Fund Revenue Distribution

Approved FY 2010

The pie chart below shows the distribution of estimated General Fund revenues for FY 2010 (\$526.4 million), excluding the \$3,616,907 appropriation from fund balance.



Revenues

Summary of Budgeted General Fund Revenues and Other Financing Sources

	FY 2008 Actuals	FY 2009 Approved	FY 2009 Revised	FY 2010 Proposed	FY 2010 Approved
General Fund					
General Property Tax Revenue					
Real property tax	287,344,299	293,600,499	295,510,151	290,997,724	296,281,111
Personal property tax	34,883,037	33,700,000	35,400,000	31,100,000	31,300,000
Penalties and Interest	1,885,682	1,770,000	1,870,000	1,870,000	1,870,000
<i>Total general property tax revenue</i>	<i>324,113,019</i>	<i>329,070,499</i>	<i>332,780,151</i>	<i>323,967,724</i>	<i>329,451,111</i>
Other local tax revenue					
Local sales tax	24,256,803	24,000,000	21,600,000	23,400,000	24,050,000
Utility tax	10,019,854	10,700,000	10,400,000	10,600,000	10,600,000
Business licenses	31,993,444	33,513,000	30,600,000	32,300,000	30,100,000
Motor vehicle licenses	3,197,576	3,200,000	3,200,000	3,200,000	3,200,000
Recordation	4,947,208	4,800,000	3,100,000	2,900,000	3,100,000
Cigarette	2,681,573	2,700,000	2,800,000	2,800,000	3,100,000
Transient Lodging	8,506,762	11,500,000	11,000,000	10,700,000	11,000,000
Restaurant food	10,972,048	15,000,000	14,900,000	15,300,000	15,200,000
Admissions	1,090,067	1,000,000	1,050,000	1,000,000	1,050,000
Communications service	12,402,256	13,000,000	11,350,000	12,000,000	11,800,000
Other miscellaneous	2,196,349	2,080,000	2,680,000	2,230,000	2,730,000
<i>Total other local tax revenues</i>	<i>112,263,940</i>	<i>121,493,000</i>	<i>112,680,000</i>	<i>116,430,000</i>	<i>115,930,000</i>
Non-tax revenue					
Licenses, permits, and fees	4,761,484	6,157,000	4,662,000	5,727,760	5,406,595
Fines forfeitures	3,903,807	4,755,300	3,981,550	4,552,050	4,781,325
Use of money and property	9,044,947	6,000,000	4,637,876	4,959,476	3,859,476
Charges for services	11,302,001	14,473,877	11,887,149	12,640,834	12,827,808
Intergovernmental revenues (PPTRA)	23,578,531	23,578,531	23,578,531	23,578,531	23,578,531
Intergovernmental revenues	30,874,434	29,209,481	29,715,231	29,056,611	29,779,114
Miscellaneous	616,887	616,749	756,749	772,151	772,151
<i>Total non-tax revenue</i>	<i>84,082,091</i>	<i>84,790,938</i>	<i>79,219,086</i>	<i>81,287,413</i>	<i>81,005,000</i>
Total General Fund Revenues	520,459,050	535,354,437	524,679,237	521,685,137	526,386,110
Other financing sources (uses)					
Appropriations from Fund Balances					
City Fund Balance	-	4,600,000	4,600,000	1,285,347	2,315,347
Sewer Fund	1,311,109	1,323,910	1,323,910	1,301,560	1,301,560
Transfer from IT Equipment Replacement Fund		700,000	721,000	-	
Total Fund Balance Appropriations	<i>1,311,109</i>	<i>6,623,910</i>	<i>6,644,910</i>	<i>2,586,907</i>	<i>3,616,907</i>
Total General Fund Revenues and Other Sources	521,770,159	541,978,347	531,324,147	524,272,044	530,003,018

Revenues

Tax Rate and other Non-fee Changes

FY 2009 - FY 2010

	Tax/Fee Rate From	Tax/Fee Rate To	Estimated FY 2010 Revenue Change	Details
Cigarette Tax	\$0.70 per pack of 20 cigarettes	\$0.80 per pack of 20 cigarettes	\$400,000	Cigarette Tax

Revenues

Significant Fee and Fine Changes

FY 2009 - FY 2010

Department	Tax Rate/ Fee	Estimated Revenue
Code Enforcement	Increased building construction fees	\$383,000
Finance	Parking ticket administration fee	\$40,000
	Garnishment administration fee	\$12,000
General Services	City parking garage fees	\$21,600
	Farmer's market stall fee increase	\$13,836
Health	Miscellaneous fee increases	\$63,760
Historic Alexandria	New membership fee program	\$10,725
Police	Fine increase for illegally parking in HOV& Handicapped spots	\$100,000
	HOV Parking fine increase	\$114,000
	HOV Moving Violation Fine increase	\$20,625
	Boot removal fee increase	\$74,250
Recreation	Activity fee for after school and summer programs	\$58,181
	Charles Houston Recreation Center	\$26,520
Transportation & Environmental Services	ROW Permit Fees	\$44,970
	Increase in residential refuse fee	\$287,970
	DOT Paratransit Fare Increase	\$10,454
Total		\$1,281,891

For more details, see the departmental text.

The following departments reviewed their fees for possible changes during FY 2010 budget cycle: Code, Finance, Historic Alexandria, Health, Library, Mental Health, Recreation.

1/ This total does not include increases in revenue expected from increased enforcement efforts or increased efficiency in collecting fees and fines. It does also not include minor CPI-U driven fee increases such as in Recreation & Parks. The budget assumes a total of \$1.6 million in increased revenue from fines, fees, and user charges.

Revenues

Real Property Tax Revenues

FY 2010 Approved \$296.3 million
56.3% of General Fund Revenues

FY 2008 Actuals	FY 2009 Budget	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$287,344,299	\$293,600,499	\$295,510,151	\$296,281,111	0.3%

Average Annual Increases through FY 2008

	5 years	10 years	15 years
Nominal Increase	9.0%	8.8%	6.2%
Inflation Adjusted Increase	5.3%	5.6%	3.3%

Background

The budget reflects a CY 2009 and CY 2010 Real Property Tax Rate of 90.3 cents per \$100, an increase of 5.8 cents compared to CY 2008. As required by State law, all real estate parcels in the City are annually assessed at 100 percent of estimated fair market value. One cent of real estate tax revenue applied to the current estimated tax in the last half of FY 2009 equals \$1.69 million and the 12 months of FY 2010 equals \$3.30 million.

The chart below shows the tax rate and other real property tax revenues since 2005.

Calendar Year	Tax Rate Per \$100	Changes
2005	.915	One cent of real estate tax dedicated for affordable housing. One cent of real estate tax for Open Space dedication continues.
2006	.815	One cent of real estate tax for affordable housing continues. Open Space Fund dedication changed from one cent to one percent of real estate tax revenues.
2007	.830	One cent of real estate tax for affordable housing continues. One percent of real estate tax for Open Space dedication continues.
2008	.845	One cent of real estate tax for affordable housing continues. One percent of real estate tax for Open Space dedication continues.
2009	.903	Affordable housing dedication reduced to 0.7 cents. Open Space dedication reduced to 0.3 cents.

Revenues

As detailed in the Calendar Year 2009 Real Property Assessment Report, which is prepared by the Department of Real Estate Assessments, the total 2009 (calendar year) locally assessed tax base is approximately \$33.5 billion, a decrease of \$0.7 billion , or 2.1% , as compared to the CY 2008 equalized tax base. Including Public Service Corporations and railroad real property which are assessed by the State, the total real property tax base has decreased to approximately \$34.4 billion, a decrease of \$0.7 billion , or 2.1%, as compared to the 2008 equalized tax base. The total decrease of \$0.7 billion was offset by \$268.4 million in new growth, including \$64.5 million in new residential growth and \$204.0 million in new commercial growth. The reassessments of existing properties decreased \$992.1 million. Existing commercial real property decreased \$43.9 million; the value of existing residential real property decreased by \$948.2 million.

Real Property tax revenues for the first half of FY 2010 (the second half of calendar year 2009) are based on the 2009 real property assessment, an increase in the tax rate by 5.8 cents to \$0.903 and a 49.25 percent collection rate for the second half of the 2009 tax levy. Real property tax revenues for the second half of FY 2010 (the first half of calendar year 2010) assume a decrease of 5% in real property assessments in 2010 and no change in the tax rate or collection rate. This projection is a best mid-point estimate based on the uncertainties of a modestly declining residential real estate market, a more significantly declining commercial real estate market, and limited new construction (See the Statement of Estimated Real Property Tax Revenues following this summary for calculations.)

The real property tax estimate for FY 2009 has been reduced by an approximately \$1.6 million refund to PEPCO for the parcel on which the Mirant plant was located. The parcel was assessed locally from 2002 to 2008 and was also included in the total tax assessments issued by the State Corporation Commission during that period. Also, assessments and real estate taxes paid in FY 2009 were reduced \$1.8 million by the sale of Mark Center property to the federal government for Base Realignment and Closure purposes and the settlement of the assessment disputes with Mirant and the private sector owners of the U.S. Patent and Trademark Office.

The real property tax estimate for FY 2010 has been reduced by approximately \$3.4 million to reflect the costs of the senior citizen and disabled persons tax relief program. The table below reflects tax relief extended to qualified taxpayers for the last six calendar years. CY/FY 2010 Senior and Disabled Tax Relief is expected to decrease slightly after three years of gradually decreasing real estate values.

Revenues

Senior Citizens and Disabled Tax Relief, CY 2004 – CY 2010 (estimated)

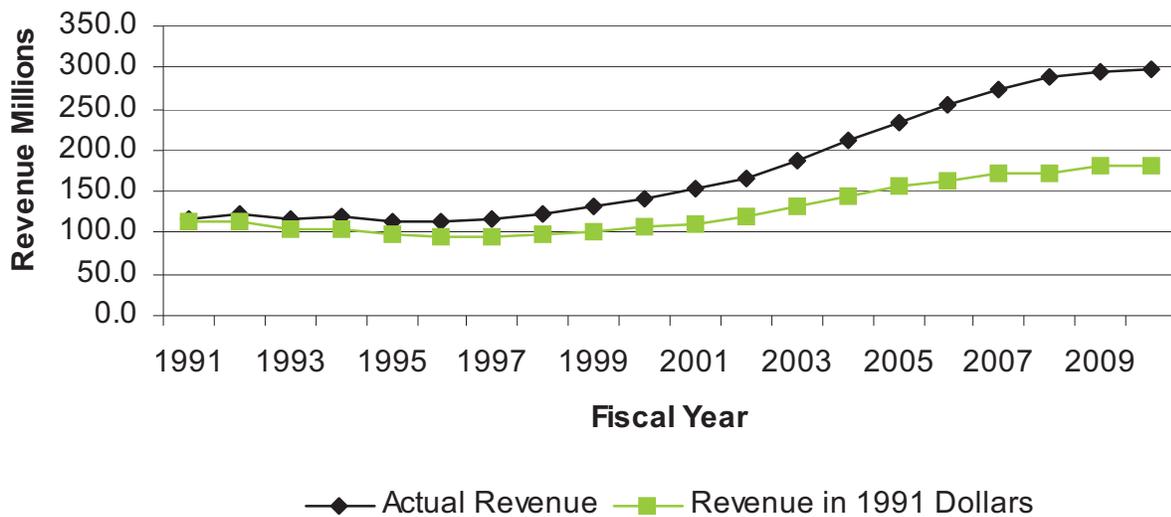
2004	2005	2006	2007	2008	2009(est)	2010(est)
\$2,229,949	\$2,273,857	\$3,317,005	\$3,375,000	\$3,444,095	\$3,400,000	\$3,400,000

Legislative Authority

Virginia Code §58.1-3200

City Code Section §3-2-181

Real Property Tax Revenue FY 1991-FY 2010



Revenues

City of Alexandria, Virginia

STATEMENT OF ESTIMATED REAL PROPERTY TAX REVENUES

For the fiscal years ending June 30, 2009 and June 30, 2010

	Due Date	Assessed Value (thousands)	Tax rate (per \$100)	Tax Year Gross Levy	Estimated Collection rate	Net Tax revenue	Value of 1 cent
Fiscal Year 2009							
Second half tax year 2008							
Locally assessed real property	11/15/2008	34,210,764	0.845	289,080,956	49.25%	142,372,371	1,684,880
Non-locally assessed property	11/15/2008	892,054	0.845	7,537,856	49.90%	3,761,390	44,513
<i>Total second half tax year 2008</i>		<i>35,102,818</i>		<i>296,618,812</i>		<i>146,133,761</i>	<i>1,729,394</i>
First half tax year 2009							
Locally assessed real property	6/15/2009	33,502,178	0.903	302,524,667	49.25%	148,993,399	1,649,982
Non-locally assessed property	6/15/2009	876,985	0.903	7,919,175	49.50%	3,919,991	43,411
<i>Total first half tax year 2009</i>		<i>34,379,163</i>		<i>310,443,842</i>		<i>152,913,390</i>	<i>1,693,393</i>
Total fiscal year 2009 revenue						299,047,151	3,422,787
Less projected senior citizen and disability tax relief						-3,400,000	
Less refund to PEPCO						-1,637,000	
Plus delinquent FY 2008 and prior year real estate tax revenues collected in FY 2009						1,500,000	
Total FY 2008 revenue after adjustments						295,510,151	
Fiscal Year 2010							
Second half tax year 2009							
Locally assessed real property	11/15/2009	33,502,178	0.903	302,524,667	49.25%	148,993,399	1,649,982
Non-locally assessed property	11/15/2009	876,985	0.903	7,919,175	49.50%	3,919,991	43,411
<i>Total second half tax year 2009</i>		<i>34,379,163</i>		<i>310,443,842</i>		<i>152,913,390</i>	<i>1,693,393</i>
First half tax year 2010							
Locally assessed real property	6/15/2010	31,827,069	0.903	287,398,433	49.25%	141,543,728	1,567,483
Non-locally assessed property	6/15/2010	833,136	0.903	7,523,218	49.50%	3,723,993	41,240
<i>Total first half tax year 2010</i>		<i>32,660,205</i>		<i>294,921,651</i>		<i>145,267,722</i>	<i>1,608,723</i>
Total fiscal year 2010 revenue						298,181,112	3,302,116
Less projected senior citizen and disability tax relief						-3,400,000	
Plus delinquent FY 2009 and prior year real estate tax revenues collected in FY 2010						1,500,000	
Total FY 2010 revenue after adjustments						296,281,111	

Revenues

Real Estate Assessments by Calendar Year

(Amounts in Thousands)

	1998	1999	2000	2001	2002	2003
Residential Single Family	4,387,491	4,657,845	5,119,264	5,830,209	6,791,096	8,361,631
Residential Condominium	1,495,305	1,511,210	1,597,678	1,743,688	2,098,194	2,830,219
Commercial Multi-Family	1,376,604	1,500,100	1,584,496	1,734,225	2,004,540	2,264,921
Office/Retail Property	3,094,323	3,318,516	3,744,874	4,061,051	4,155,509	4,623,100
Other Commercial	630,872	553,705	608,320	598,139	421,220	464,500
Public Service Corporation	620,694	646,144	640,676	665,038	662,430	681,555
Total	11,605,289	12,187,520	13,295,308	14,632,350	16,132,989	19,225,926
Residential Single Family	37.8%	38.2%	38.5%	39.8%	42.1%	43.5%
Residential Condominium	12.9%	12.4%	12.0%	11.9%	13.0%	14.7%
Commercial Multi-Family	11.9%	12.3%	11.9%	11.9%	12.4%	11.8%
Office/Retail Property	26.7%	27.2%	28.2%	27.8%	25.8%	24.0%
Other Commercial	5.4%	4.5%	4.6%	4.1%	2.6%	2.4%
Public Service Corporation	5.3%	5.3%	4.8%	4.5%	4.1%	3.5%
Total	100% 	100% 	100% 	100% 	100%	100%
Residential	50.7%	50.6%	50.5%	51.8%	55.1%	58.2%
Commercial	49.3%	49.4%	49.5%	48.2%	44.9%	41.8%

Sources: Assessment Values are from the 1998-2009 Real Property Assessment Reports.

Revenues

Real Estate Assessments by Calendar Year

(Amounts in Thousands)

	2004	2005	2006	2007	2008	2009
Residential Single Family	9,727,249	11,604,207	13,840,915	13,810,784	13,770,377	13,331,171
Residential Condominium	3,518,100	4,668,117	6,490,841	6,394,580	6,252,379	5,803,247
Vacant Residential*					116,858	121,488
Commercial Multi-Family	2,570,652	3,088,102	3,378,614	4,102,178	4,383,780	4,416,807
Office/Retail Property	5,447,070	6,499,398	7,565,870	8,386,548	9,165,161	9,299,034
Other Commercial	549,565	726,886	850,487	694,879	522,208	530,431
Public Service Corporation	76,860	772,941	779,992	854,062	892,054	876,985
Total	21,889,496	27,359,651	32,906,719	34,243,031	35,102,817	34,379,163
Residential Single Family	44.4%	42.4%	42.1%	40.3%	39.2%	38.8%
Residential Condominium	16.1%	17.1%	19.7%	18.7%	17.8%	16.9%
Vacant Residential					0.3%	0.4%
Commercial Multi-Family	11.7%	11.3%	10.3%	12.0%	12.5%	12.8%
Office/Retail Property	24.9%	23.8%	23.0%	24.5%	26.1%	27.0%
Other Commercial	2.5%	2.7%	2.6%	2.0%	1.5%	1.5%
Public Service Corporation	0.4%	2.8%	2.4%	2.5%	2.5%	2.6%
Total	100% 	100% 	100% 	100%	100%	100%
Residential	60.5%	59.5%	61.8%	59.0%	57.4%	56.0%
Commercial	39.5%	40.5%	38.2%	41.0%	42.6%	44.0%

*Prior to CY 2008, "Vacant Residential" was included in "Other Commercial."

Sources: Assessment Values are from the 1987-2009 Real Property Assessment Reports.

2008 data has been revised from the FY 2009 document and reflects equalized data as of 12/31/2008.

2009 figures are estimated.

Revenues

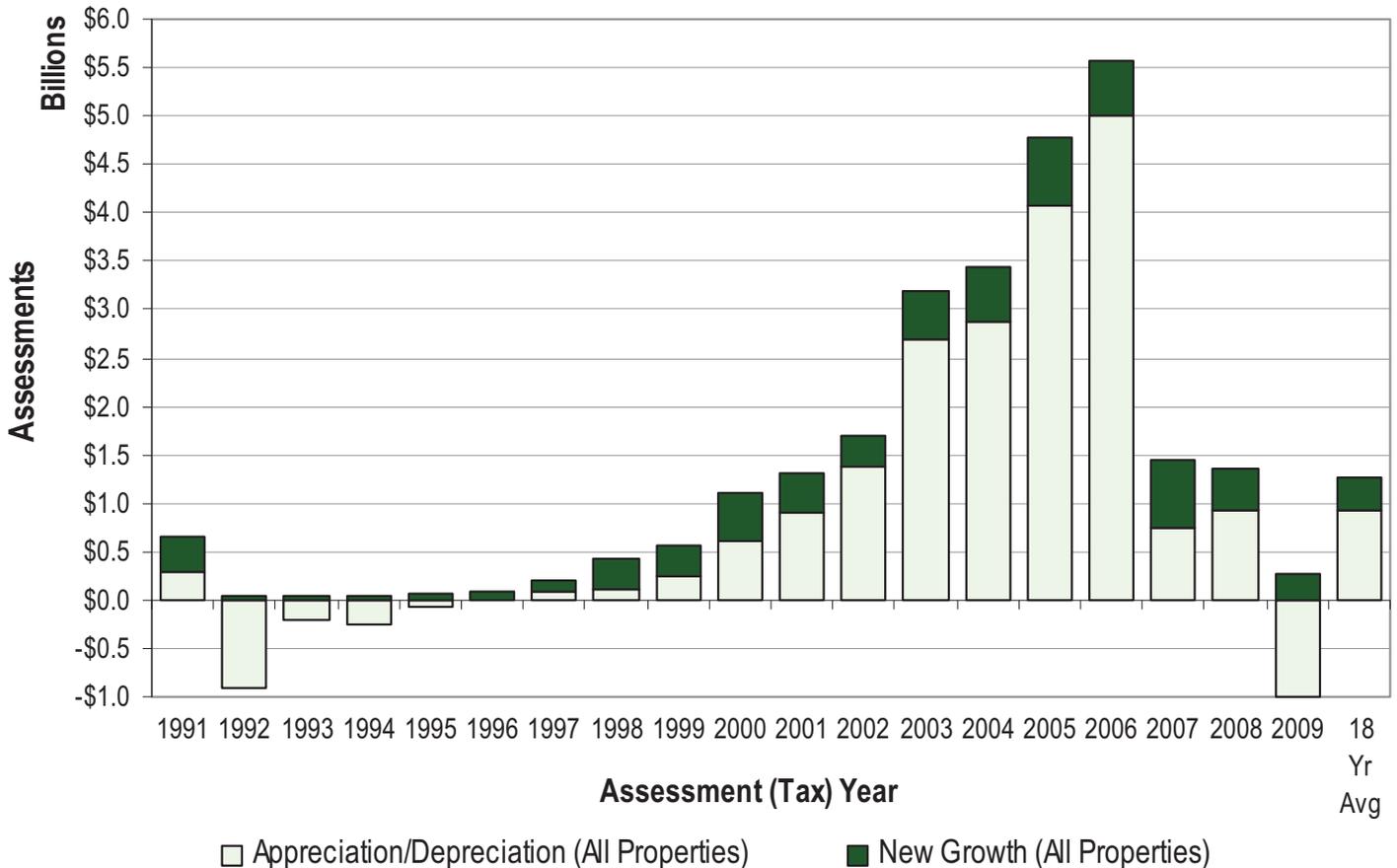
Real Property Tax Base

Change in Total Tax Base Years 1991-2009

The following chart compares the total appreciation of existing properties with total new construction. As shown in the graph, increases to the tax base have been primarily the result of appreciation. From tax year 2001 to 2006, appreciation significantly exceeded the value of new construction. The real estate market has slowed, and for the first time since 1994, the total value of the tax base decreased as the decline in values of existing properties exceeded the increase from new construction. Even so, as a result of significant increases in appreciation from 2001-2006, the average value of appreciation for the eighteen year period shown is over three times the average value of new construction. During this eighteen years new construction totaled some \$6.4 billion or some 18.6% of the current City real property tax base.

Change in Total Tax Base

Tax Year 1991-2009



Revenues

Real Estate Tax Rates

Regional Tax Rates Tax Years 1986-2009 (Approved)

Shown below is a comparison of real estate tax rates from selected major Northern Virginia jurisdictions over the past twenty-four calendar years. In Virginia, the tax and calendar years coincide. Rates listed are per \$100 of assessed value.

Tax Year	Alexandria	Arlington***	Fairfax	Loudoun	Pr. William *
1986	1.380	0.940	1.35	1.02	1.420
1987	1.340	0.920	1.32	0.88	1.300
1988	1.250	0.890	1.30	0.95	1.380
1989	1.100	0.780	1.19	0.88	1.380
1990	1.045	0.765	1.11	0.85	1.360
1991	1.045	0.765	1.11	0.94	1.360
1992	1.045	0.820	1.16	0.96	1.360
1993	1.070	0.860	1.16	1.00	1.360
1994	1.070	0.897	1.16	1.02	1.360
1995	1.070	0.940	1.16	0.99	1.360
1996	1.070	0.960	1.23	1.03	1.360
1997	1.070	0.986	1.23	1.06	1.360
1998	1.110	0.998	1.23	1.11	1.360
1999	1.110	0.998	1.23	1.11	1.360
2000	1.110	1.023	1.23	1.08	1.340
2001	1.110	1.023	1.23	1.08	1.310
2002	1.080	0.993	1.21	1.05	1.230
2003	1.035	0.978	1.16	1.11	1.160
2004	0.995	0.958	1.13	1.1075	1.070
2005	0.915	0.878	1.00	1.04	0.974
2006	0.815	0.818	0.89	0.89	0.8071
2007	0.830	0.818	0.89	0.96	0.8379
		Res/Comm**	Res/Comm		
2008	0.845	0.848/0.973	0.92/1.03	1.14	0.97
2009	0.903	0.875/1.00	1.05/1.16	1.245	1.288

* Prince William includes a general tax levy and two special levies that are levied throughout the County.

** Beginning in calendar year 2008, Arlington County levied an additional tax rate of 12.5 on most commercial real property. The proceeds of these two special levies are dedicated for transportation purposes. Fairfax levied an additional 11 cents on most commercial real property.

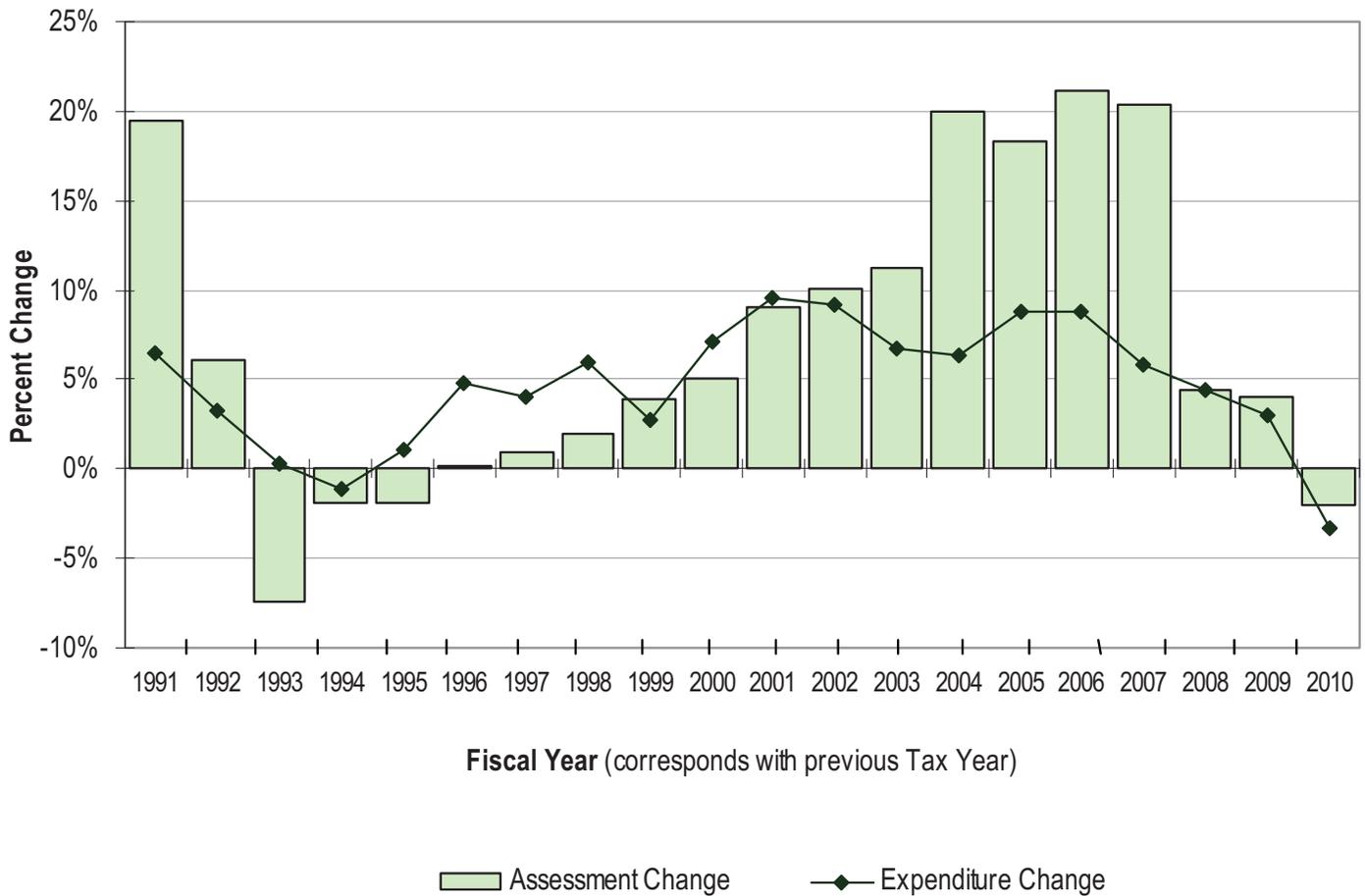
*** The 2009 rate includes an Arlington County-wide add-on tax of \$0.01 for stormwater management initiatives.

Revenues

Real Property Assessments Compared to General Fund Expenditures

Fiscal Years 1991-2010

The following graph compares the growth in the City's Real Property Tax Base (all sources) with the growth of the overall General Fund budget (including the appropriation to the Schools and cash capital funding of the Capital Improvement Program budget.) As noted below, from 1991 to 1993, as the City's tax base declined, overall spending declined as well. Since the time the City's tax base started significantly appreciating in Tax Year (TY) 2000, the average annual compounded appreciation of the tax base (TY 2000 – TY 2009) is 11.7%. This is compared to an average annual compounded increase in the City's General Fund amended operating budget (FY 2001 – FY 2010) of 5.8%. The City's Approved General Fund Operating budget including the School transfer is budgeted to decrease 2.2% in FY 2010.



Revenues

Personal Property Tax

FY 2010 Approved \$54.9 million (\$31.3 million local/\$23.6 million Virginia car tax reimbursement)

10.2% of General Fund Revenues (5.7% local/4.5% Virginia reimbursement)

FY 2008 Actuals	FY 2009 Budgeted	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$58,461,568	\$57,278,531	\$58,978,531	\$54,878,531	-7.0%

Personal Property Tax revenues can be divided into two categories – vehicular personal property tax, paid on vehicles in the City and business personal property tax, consisting of tax paid on business tangible equipment. For calendar year 2008, the assessed value of personal property in the City is approximately \$1.4 billion, of which \$900 million is individual vehicle personal property.

Vehicular Personal Property Tax

	FY 2008 Actuals	FY 2009 Budgeted	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
Personal Property Tax	\$17,235,189	\$16,900,000	\$17,900,000	\$13,800,000	-22.9%
<i>State Reimbursement</i>	<i>\$23,578,531</i>	<i>\$23,578,531</i>	<i>\$23,578,531</i>	<i>\$23,578,531</i>	<i>0.0%</i>
Total	\$40,813,720	\$40,478,531	\$41,478,531	\$37,378,531	-9.9%

Average Annual Increases through FY 2008

	5 years	10 years	15 years
Nominal Increase	3.2%	NA	NA
Inflation Adjusted Increase	-0.3%	NA	NA

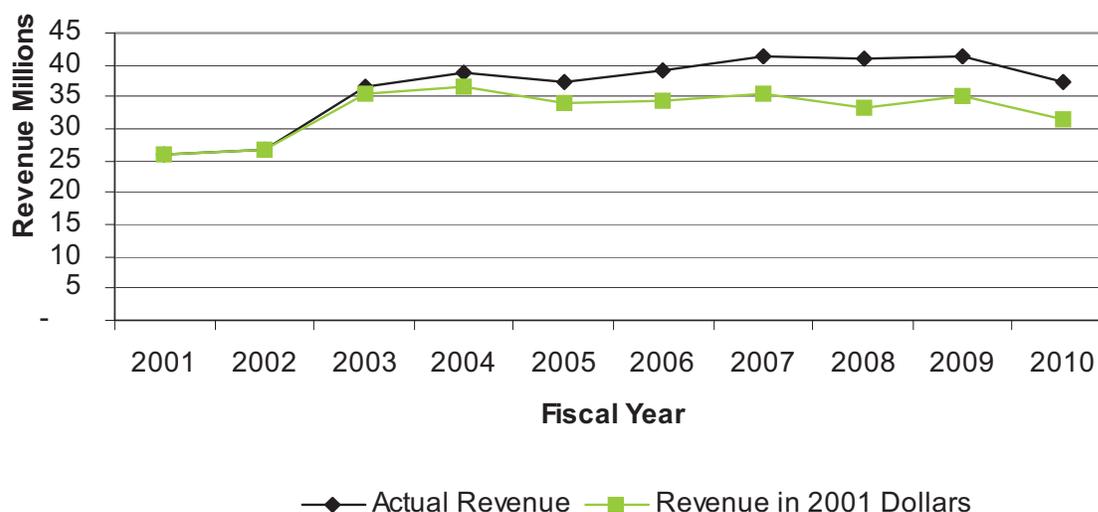
Alexandria's vehicle tax rate is \$4.75 per \$100. The City computes the value of vehicles using trade-in-value, which equals 86% of the National Automobile Dealers Association (N.A.D.A.) retail value. Thus, the effective rate on vehicles is \$4.09 per \$100 retail value. The tax is paid yearly. Personal Property tax bills are mailed in August; payment is due by October 5. If taxes are not paid on time, a 10% penalty and interest are applied. Since 1999, the Commonwealth of Virginia has reimbursed all localities in Virginia for the vehicle portion of the personal property tax as part of the Personal Property Tax Relief Act (PPTRA). (See italicized line above.) From CY 2002 to CY 2005, the reimbursement amount was 70% of the first \$20,000 of a vehicle's assessed tax bill. From CY 2006 to CY 2008, the reimbursement amount was 69%, the highest of all local jurisdictions. In CY 2009, it will be 73%. Beginning in CY 2006, the State began to reimburse localities a fixed amount based on the CY 2004 level of State reimbursement. For Alexandria, this totals \$23,578,531. Unless the General Assembly determines otherwise, that reimbursement from the State is not expected to change.

Revenues

Revenues projected for FY 2009 are based on actual revenues through March 2009. For FY 2010, revenues from vehicular personal property are expected to fall 22.9%, based on decreasing sales of new automobiles and the drop in trade-in value of many larger vehicles such as SUV's and pickup trucks. That number is based on a projected 10% decrease in vehicle assessments.

Vehicular Personal Property Tax Revenue including PPTRA

FY 2001 – FY 2010 Approved



Business Personal Property Tax

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$15,888,276	\$15,700,000	\$16,000,000	\$16,000,000	+0.0%

Average Annual Increases through FY 2008

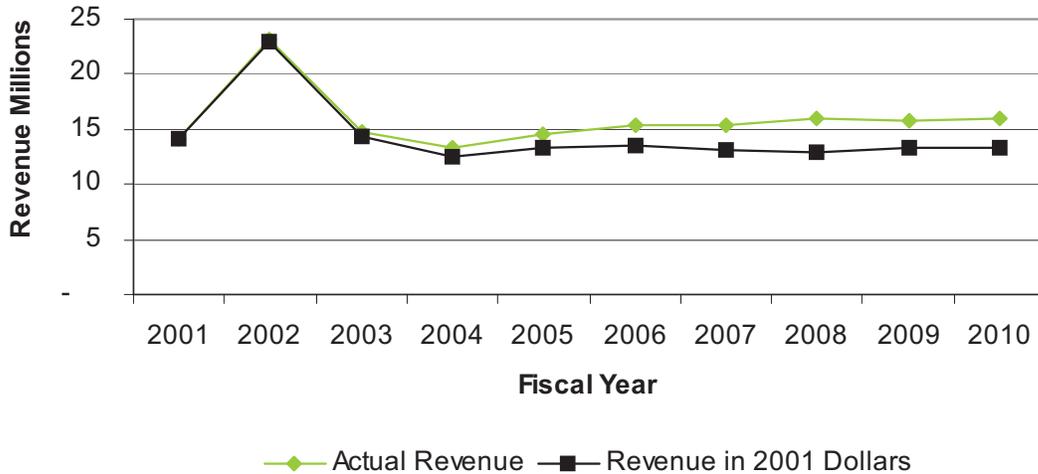
	5 years	10 years	15 years
Nominal Increase	1.4%	NA	NA
Inflation Adjusted Increase	-2.1%	NA	NA

Business tangible equipment is valued using established depreciation tables based on original cost. Business personal property consists of motor vehicles, machinery, computers, and furniture. The self-assessing tax return is due to the City on May 1. As with vehicular personal property, the tax on business property is due by October 5.

Revenues for FY 2009 are based on collections through the first nine months of the fiscal year. Business personal property tax collections are expected to increase only modestly in FY 2010 compared to FY 2009 projections due to the weakening economy.

Revenues

Business Personal Property Tax FY 2001 – FY 2010 Approved

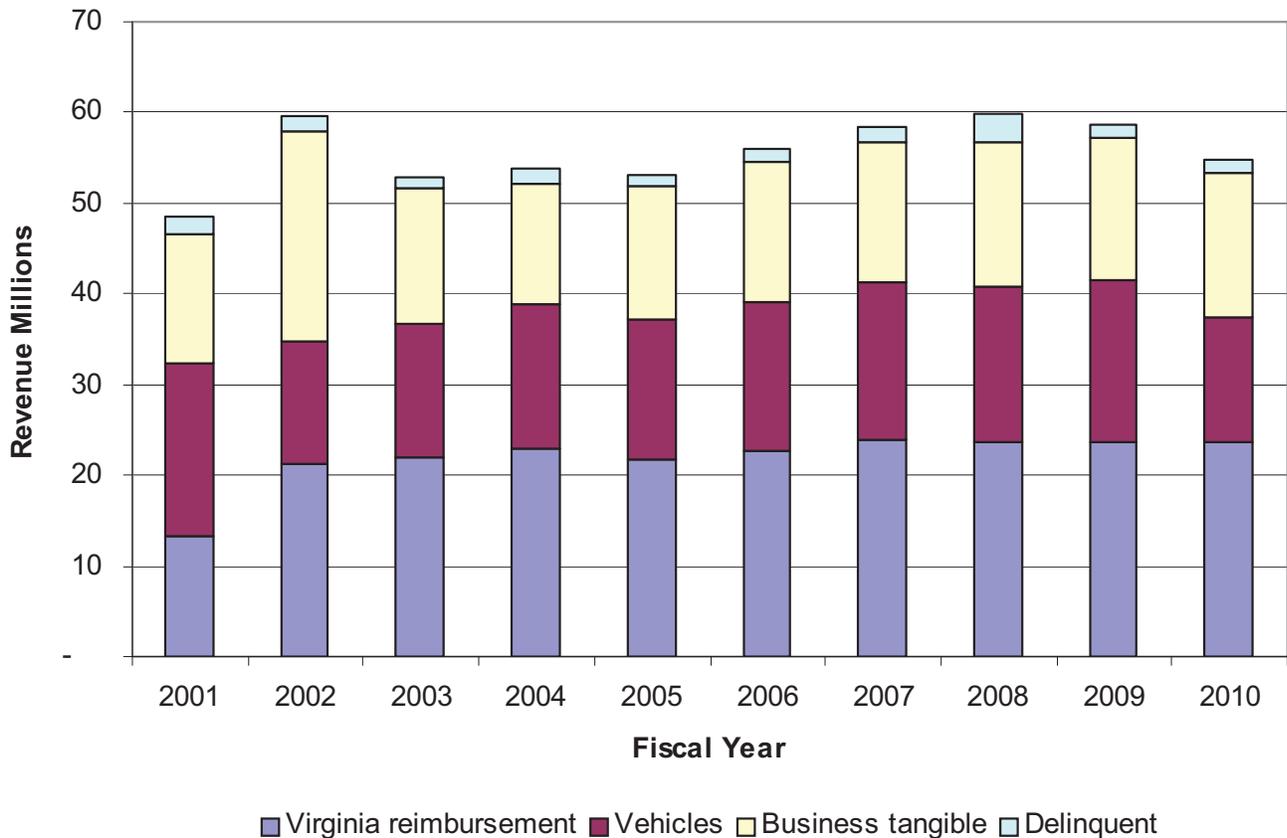


Legislative Authority

Virginia Code §58.1-3507 City Code §3-2-324

The chart below shows the share of Personal Property Tax from each source. Projected revenues in FY 2009 of \$54,878,531 include the PPTRA reimbursement from the State (43%), vehicular personal property (25%), business personal property (29%), and delinquencies (3%). For budgeting purposes, the PPTRA reimbursement is considered an intergovernmental revenue.

Personal Property Tax Revenue



Revenues

Intergovernmental Revenues

FY 2010 Approved \$52.6 million

10.1% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$54,452,965	\$52,788,012	\$53,293,862	\$53,357,645	0.1%

Average Annual Increases through FY 2008

	5 years	10 years	15 years
Nominal Increase	3.1%	14.2%	9.8%
Inflation Adjusted Increase	-0.4%	10.9%	6.8%

Background

General Fund Intergovernmental Revenues include state and federal aid that are generally not legally restricted to a specific program use. This excludes grant funding from the state and federal government which is accounted for in the City's Special Revenue Fund. General Fund Intergovernmental Revenues projected for FY 2010 are based on actual revenues through the first six months of FY 2009 as well as the State biennium budget as Approved by the Governor of Virginia. The largest sources of intergovernmental revenue are the Personal Property Tax (Car Tax) reimbursement discussed in the previous section (44.2%), Compensation Board Revenue (15.6%), HB599 revenue (11.5%), and State Aid for Road Maintenance (12.4%). The proposed budget included decreases of 7% in Compensation Board revenues for Public Safety Agencies, and a 5% reduction in HB599 revenues. The federal stimulus package allowed the Commonwealth to reverse much of the decrease in intergovernmental transfers to local jurisdictions, and the FY10 Approved Budget restores HB599 revenues to FY 2009 levels and restores most Compensation Board revenues as well.

Revenues

Intergovernmental Revenues

	FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved
STATE AID				
HB 599 (law enforcement aid)	\$ 6,397,009	\$ 6,397,010	\$ 6,156,548	\$ 6,156,548
Personal Property Tax Reimbursement	23,778,360	23,578,531	23,578,531	23,578,531
Compensation Board Reimbursements for Sheriff and Other Constitutional Officers	7,444,359	7,583,151	7,713,241	7,621,863
Compensation Board Reimbursements for Treasury & Revenue Administration	643,726	702,820	690,034	680,078
State Prisoner Per Diem	907,854	1,000,000	1,000,000	1,000,000
Wine Taxes and Alcoholic Beverage Control (ABC) Taxes	154,033	0	0	0
State Aid for Road Maintenance	6,234,184	6,400,000	6,421,944	6,614,602
Other State Aid	1,143,175	953,500	1,263,500	1,291,500
Less Other Reduction in State Aid	0	-1,050,000	-1,050,000	-1,050,000
TOTAL STATE AID	\$ 46,702,700	\$ 45,565,012	\$ 45,773,798	\$ 45,893,122
	FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved
FEDERAL AID				
Federal Prisoner Per Diem	\$ 6,710,845	\$ 6,363,000	\$ 6,501,000	\$ 6,448,523
State Criminal Alien Assistance Program	181,666	245,000	197,909	195,000
Other Federal Aid (Including indirect costs recovered from federal grants)	857,754	615,000	821,055	821,000
TOTAL FEDERAL AID	\$ 7,750,265	\$ 7,223,000	\$ 7,519,964	\$ 7,464,523
TOTAL INTERGOVERNMENTAL AID	\$ 54,452,965	\$ 52,788,012	\$ 53,293,762	\$ 53,357,645

Sources of General Fund Intergovernmental Revenues – State Aid

HB599 Aid. The City receives funding from the Commonwealth of Virginia to help defray the costs of the Police Department.

Personal Property Tax Reimbursement. Since 1999, the Commonwealth of Virginia has paid a portion of Alexandria's personal property tax on vehicles in Alexandria, the "car tax." For additional information about the reimbursement, see the previous description of the personal property tax.

Compensation Board Reimbursement. The City receives assistance from the Virginia Compensation Board to help defray part of the cost of office operations for Constitutional Officers, including the Sheriff, the Commonwealth's Attorney, the Clerk of Court, and the Registrar. The City also receives assistance to fund part of the cost of the Finance Department.

State Prisoner Per Diem. The City receives per diem compensation from the Commonwealth of Virginia for State prisoners maintained in the Alexandria Detention Center.

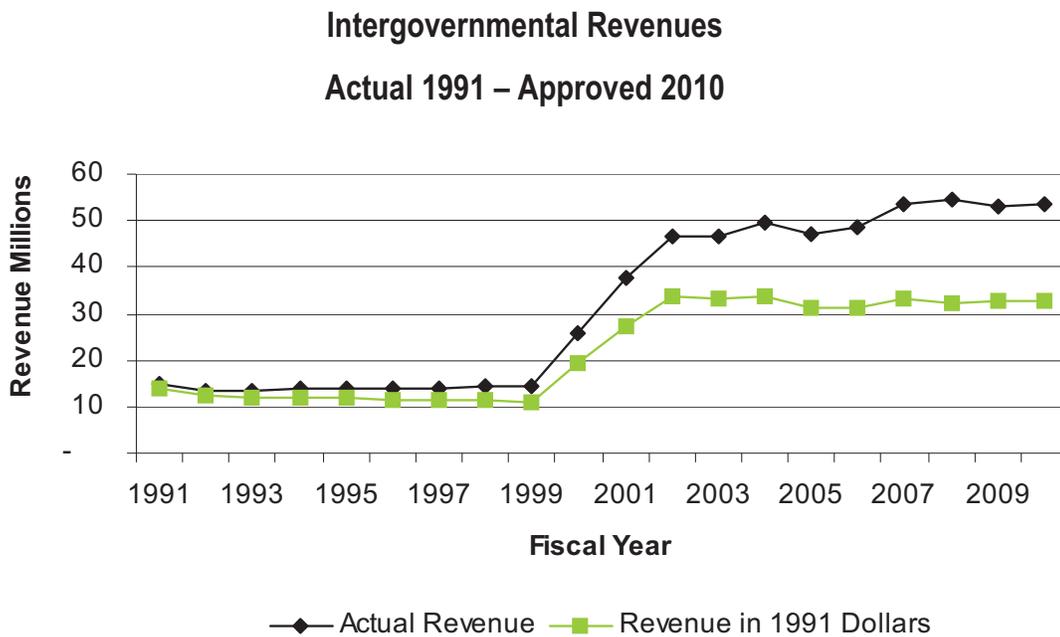
State Aid for Road Maintenance. The City receives State aid for local maintenance of its primary and secondary roads based on a formula including reimbursement rate and locally maintained lane miles.

Other Reduction in State Aid. The General Assembly reduced aid to localities by \$100 million in the FY 2009 budget. The City of Alexandria's share of the reduction was approximately \$1.05 million in its FY 2009 budget. The City was allowed to choose the revenue categories in which the reductions were applied. The City chose to allocate its reduction across all categories of State aid except HB599 Aid. The reduction will continue into FY 2010.

Sources of General Fund Intergovernmental Revenues – Federal Aid

Federal Prisoner Per Diem. The City receives per diem compensation from the Federal Government for federal prisoners held in custody in the Alexandria Detention Center. The Sheriff has agreed to hold 18 additional prisoners above its contractual guarantee to hold 150 federal prisoners in order to generate approximately \$0.5 million in additional revenue for the City.

State Criminal Alien Assistance Program. The City receives aid from the Federal Government to help defray the cost of incarceration for undocumented criminal aliens.



Revenues

Business License Taxes

FY 2010 Approved \$30.1 million

5.7% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$31,993,444	\$33,513,000	\$30,600,000	\$30,100,000	-1.6%

Average Annual Increases through FY 2008

	5 years	10 years	15 years
Nominal Increase	6.2%	7.3%	6.7%
Inflation Adjusted Increase	2.6%	4.2%	3.8%

Background

The Business License (BPOL) tax is levied on those doing business in the City and is a fixed fee of \$50 for businesses with gross receipts ranging from \$10,000 to \$100,000. For business with gross receipts of \$100,000 or more, the Business License tax is assessed as a percentage of the gross receipts at rates ranging from .0016 (building contractors) to .0058 (professionals, such as doctors and lawyers). The progressively increasing rates by class of business make the BPOL tax function much like a value added tax (VAT). In May 1996, Council approved the following changes to the City's business license tax ordinance: an increase from \$50,000 to \$100,000 in minimum gross receipts collected by a licensable business before a tax based on the amount of gross receipts is imposed, and an increase from \$40 to \$50 in the fee on businesses below the \$100,000 cap.

In FY 2003, reductions in late filing penalties were approved. In FY 2006, Council approved major business license tax relief, reform, and simplification for small and medium sized businesses in their first two years of operation by eliminating the estimating process and related tax payments. Alexandria was the first jurisdiction on the state to reform the BPOL tax in this manner.

In 2008, the top three single category contributors to the Business License Tax were Business Services (28%), Professional Occupations (23%) and Retail Merchants (16%).

The tax is paid annually. License renewal applications and taxes are due March 1 of each year.

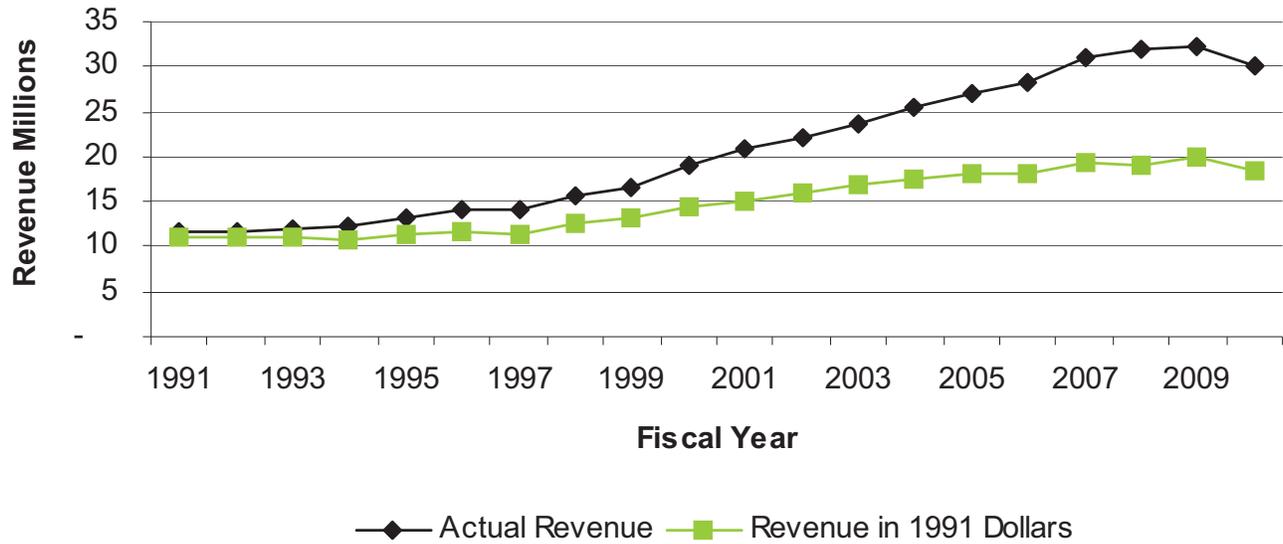
Revenues projected for FY 2009 are based on actual collections through March 2009. For FY 2010, due to weak economic conditions, it is expected that this revenue will decrease moderately. The estimate includes a temporary FY 2010 increase of approximately \$200,000 from Base Realignment and Closure (BRAC) construction in the Mark Center based on gross receipts income from construction contractors.

Revenues

Legislative Authority

Virginia Code §58.1-3703 and §58.1-3706 City Code §3-2-372 - §3-2-379

Business License Tax Revenue Actual FY 1991 – Approved FY 2010



Revenues

Sales Tax Revenues

FY 2010 Approved \$24.1 million

4.6% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$24,256,803	\$24,050,000	\$21,600,000	\$24,050,000	11.3%

Average Annual Increases through FY 2008

	5 years	10 years	15 years
Nominal Increase	2.7%	3.7%	4.1%
Inflation Adjusted Increase	-0.8%	0.7%	1.3%

Background

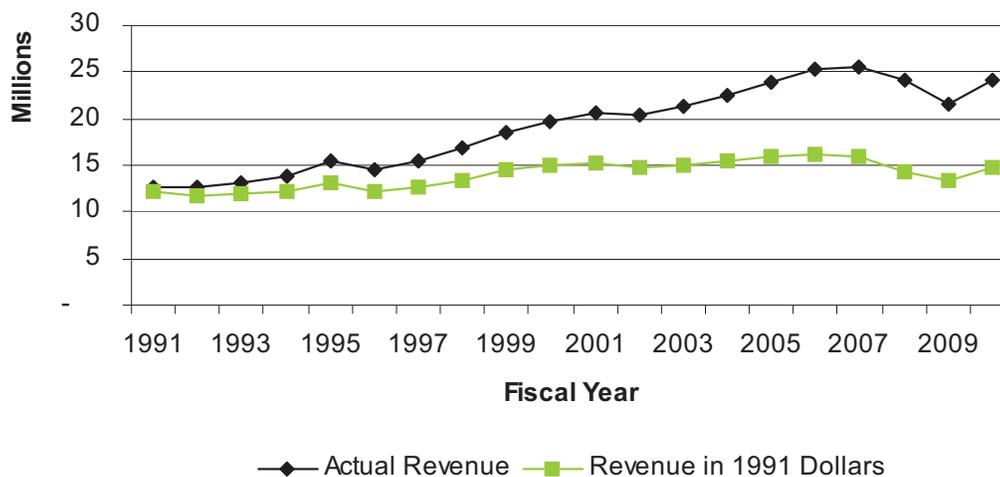
The total sales tax in Alexandria and in all Virginia localities is generally 5.0% (grocery store food is 2.5%), which includes the locally levied sales tax of 1.0% and the State sales tax of 4.0%. The sales tax is collected by retail merchants when goods and services are purchased. Of the total 4.0% State sales tax remitted by businesses which collect tax for the State, 1.0% is allocated to education statewide, 0.5% is allocated to transportation projects statewide, and the balance finances other State funded programs and services.

Revenues projected for FY 2009 are based on actual revenues through the first nine months of FY 2009. The FY 2009 projected number reflects a one-time \$1.9 million transfer to Fairfax County for revenues that were reported erroneously by merchants as Alexandria sales tax revenue over the last three years. Excluding the transfer, sales tax revenues are down by an estimated 3.5% for the first seven months of FY 2009. It is expected that sales tax revenues will decrease moderately from the base level of revenues (before the one time transfer) in FY 2010 due to continuing economic weakness. The estimate also includes a temporary FY 2010 increase of approximately \$1.25 million in sales tax from Base Realignment and Closure (BRAC) construction in the Mark Center based on projected sales tax receipts from construction materials. This temporary increase from the BRAC construction is not expected to extend beyond FY 2011.

Legislative Authority

Virginia Code §58.1-605 City Code §3-2-91

Sales Tax Revenue



Revenues

Restaurant Meals Tax Revenues

FY 2010 Approved \$15.2 million

2.9% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Projected	% Change Proj. '09 to '10
\$10,972,048	\$15,000,000	\$14,900,000	\$15,200,000	2.0%

Average Annual Increases through FY 2008

	5 years	10 years	15 years
Nominal Increase	4.5%	5.9%	6.5%
Inflation Adjusted Increase	0.9%	2.8%	3.6%

Background

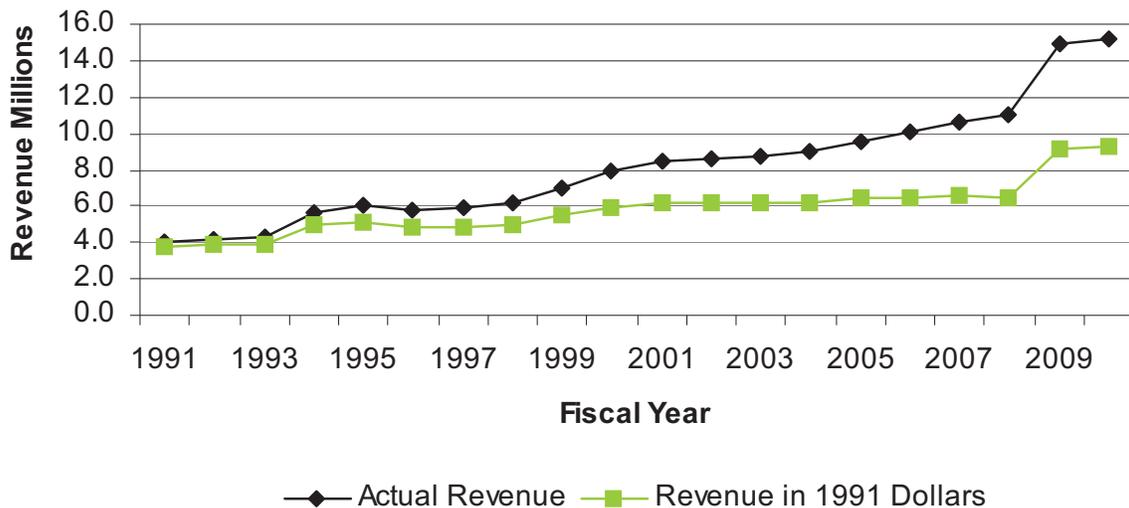
Alexandria's restaurant meals tax was increased from 3% to 4% as part of the FY 2009 Approved Budget. The tax is in addition to a 4% sales tax and a 1% local option sales tax. In FY 2008, approximately 80% of the meals tax came from the sale of food within a restaurant or bar; 20% came from sales of alcohol.

Revenues projected for FY 2009 are based on actual revenues through the first nine months of FY 2009. For FY 2010, it is expected that collections will increase by approximately 2.0%. Overall, the City expects demand to decrease by about 2.5% due to the weak economy, offset by continuing strong inflation in food eaten away from home (running at a year over year rate of 4.6% through March, 2009 according to the Bureau of Labor Statistics.)

Legislative Authority

Virginia Code §58.1-3833 City Code §3-2-242

Restaurant Meals Tax Revenue



Revenues

Transient Lodging Tax Revenues

FY 2010 Approved \$11.0 million

2.1% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$8,506,762	\$11,500,000	\$11,000,000	\$11,000,000	0.0%

Average Annual Increases through FY 2008

	5 years	10 years	15 years
Nominal Increase	10.2%	9.4%	7.3%
Inflation Adjusted Increase	6.4%	6.2%	4.3%

Background

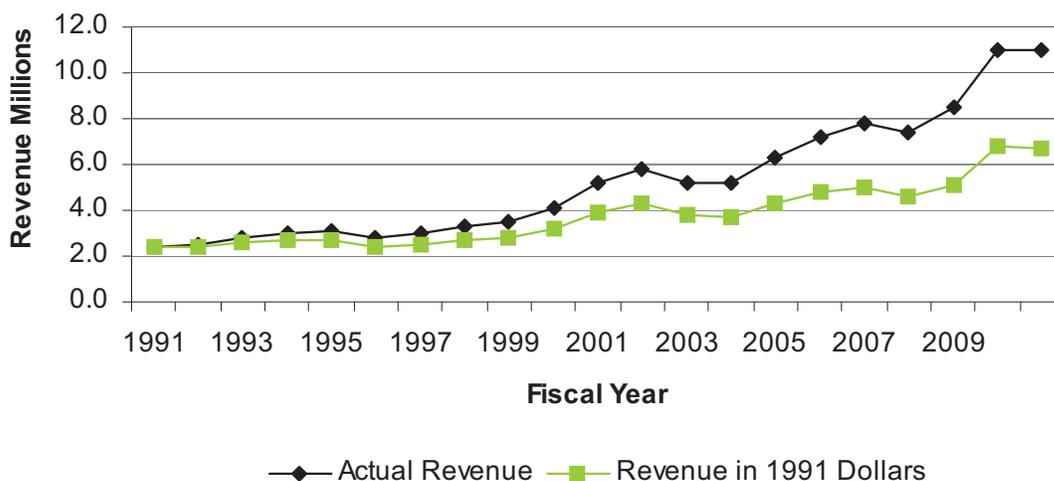
The amount of local tax levied on the amount paid for hotel and motel rooms is 6.5% of the room charge plus a \$1 per night lodging fee. The rate was increased by 1% from 5.5% plus \$1 as part of the Approved FY 2009 Budget. Prior to FY 2000, the City levied a tax of 5.65% on the room charge and assessed no per night room charge.

Revenues projected for FY 2009 are based on actual revenues through the first nine months of FY 2009. The City's hotel vacancy rates have increased modestly compared to FY 2008 and revenue per room has decreased. During FY 2009, several new hotels have opened, increasing the City's high end hotel room capacity, resulting in an increasing number of hotel room nights sold and moderating the impact of the recession on the City's transient lodging revenues. For FY 2010, it is expected that demand and revenue per room will decrease moderately, offset by added revenue from the City's new high end hotels which will be open for the full fiscal year.

Legislative Authority

Virginia Code §58.1-3840 City Code §3-2-141 to 3-2-151

Transient Lodging Tax Revenue
Actual FY 1991 – Approved FY 2010



Revenues

Communications Sales and Use Tax

FY 2010 Approved \$11.8 million

2.2% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$12,402,256	\$13,000,000	\$11,350,000	\$11,800,000	4.0%

Average Annual Increases through FY 2008

	5 years	10 years	15 years
Nominal Increase	NA	NA	NA
Inflation Adjusted Increase	NA	NA	NA

Background

Virginia HB 568 replaced many of the telephone and cable television taxes previously collected by the City with a State administered Communications Sales and Use Tax and a uniform statewide E-911 tax on landline telephone service. Taxes previously collected by the City such as the utility tax on phone service, the E-911 service tax, the cable franchise fee, and part of the gross receipts tax on telecommunications companies are now collected by Virginia and remitted to Alexandria. The tax of 5% on all communications services including landline phones, cell phones, cable television, and satellite television service went into effect on January 1, 2007. The E-911 fee rose from \$0.50 per line per month to \$0.75 per line per month.

The implementation of the new State collected tax was designed to be initially revenue neutral for local governments. Based on information provided to Virginia about Alexandria's collection of existing taxes in FY 2006 which equate to 2.6% of taxes collected statewide, the City will receive approximately 2.6% of the State's total Communication Sales and Use tax revenues going forward. As total Communications Tax increases statewide, the City will receive 2.6% of these new tax revenues. Revenues projected in FY 2009 are based on revenues collected through the first seven months of FY 2009. The projected amount is decreased by a state refund to a communications vendor, of which Alexandria's share is \$0.4 million. Due to the weak economy, Alexandria's revenues are expected to increase only slightly from the projected FY 2009 base level of \$11.75 million.

Revenues

Utility Tax Revenues

FY 2010 Approved \$10.6 million

2.0% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$10,019,854	\$10,700,000	\$10,400,000	\$10,600,000	1.9%

Average Annual Increases through FY 2008

	5 years	10 years	15 years
Nominal Increase	-10.1%	-3.3%	-1.5%
Inflation Adjusted Increase	-13.2%	-6.1%	-4.2%

Background

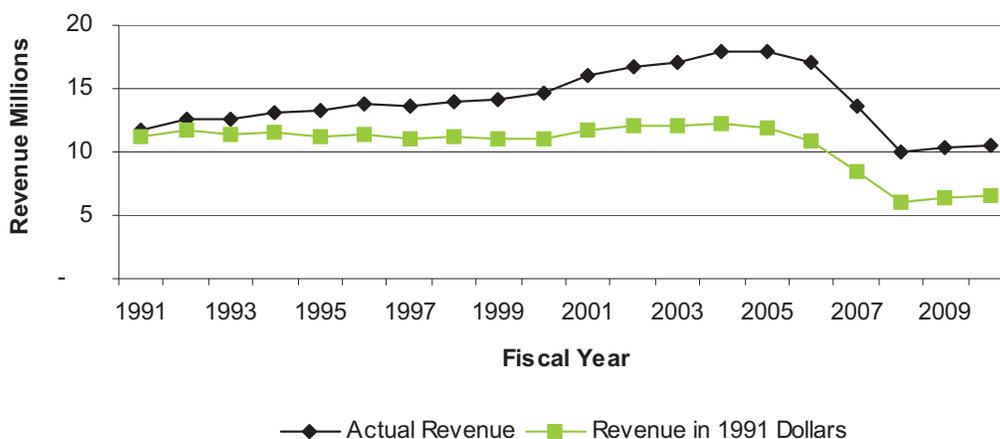
The consumer utility tax is levied on all residential and commercial users of water, natural gas, and electricity. The utility tax rates are detailed in the table titled "FY 2010 Approved Tax Rates for Major Revenue Sources" at the end of this section. Until the end of calendar year 2006, the tax on landline telephone service was also included in this category. Effective on January 1, 2007, state law was changed and the state assumed responsibility for collecting a flat 5% tax on landline telephone service. For additional information, see the section on the Communication Sales and Use tax.

Revenues projected for FY 2009 are based on actual revenues from water, natural gas, and electricity through the first nine months of FY 2009. The decrease in utility revenues reflected in the "Average Annual Increases through FY 2008" table is due to the exclusion of landline telephone service in FY 2008, now included in the Communications Sales and Use tax. This revenue category is relatively unaffected by the economy and is expected to increase at its long-term average of about 2% annually.

Legislative Authority

Virginia Code §58.1-605 City Code §3-2-372 - §3-2-379

Consumer Utility Tax Revenue Actual FY 1991 – Approved FY 2010



Revenues

Motor Vehicle License Revenues

FY 2010 Approved \$3.2 million

0.6% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$3,197,576	\$3,200,000	\$3,200,000	\$3,200,000	0.0%

Average Annual Increases through FY 2008

	5 years	10 years	15 years
Nominal Increase	6.7%	4.6%	3.3%
Inflation Adjusted Increase	3.0%	1.6%	0.5%

Background

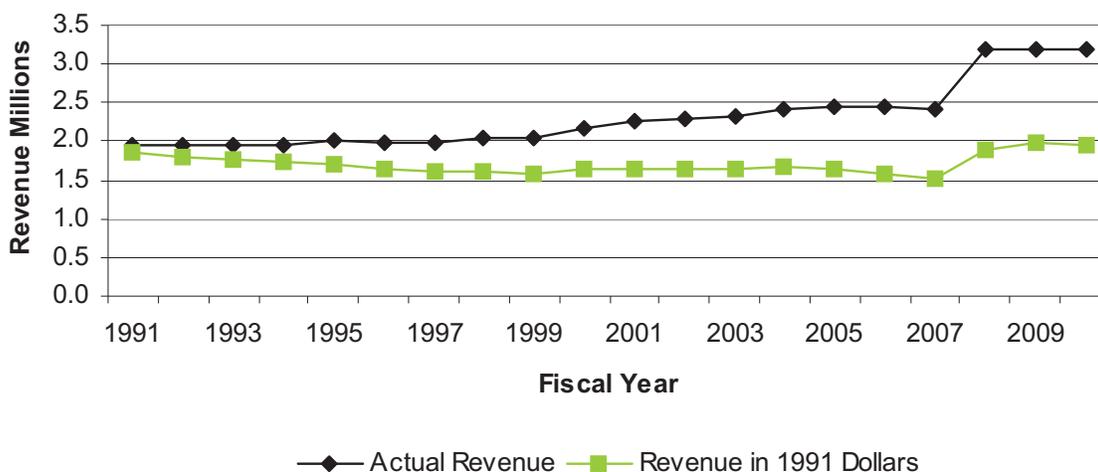
The City levies an annual vehicle license tax on all motor vehicles, trailers, and semitrailers and issues a vehicle license decal as proof that the license tax has been paid. In 2007, Virginia HB 3202 was signed into law, giving localities the ability to increase the license tax to fund transportation needs. In May 2007, City Council passed an ordinance increasing the City's license tax from \$25 to \$33 for passenger vehicles and from \$15 to \$21 for motorcycles. This license tax increase raises \$700,000 per year with these funds dedicated to transportation purchases, namely the support of debt service to pay for Washington Metropolitan Area Transit Authority (WMATA) capital projects.

Revenues projected for FY 2009 are based on actual collections the first nine months of the year. For FY 2010, it is expected that this revenue will remain flat as the number of vehicles in the City is not expected to change.

Legislative Authority

Virginia Code §46.2-752 to §46.2-753 City Code §3-2-321 to §3-2-337

Motor Vehicle License Revenue
Actual FY 1991 – Approved FY 2010



Revenues

Recordation Tax Revenues

FY 2010 Approved \$3.1 million

0.6% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$4,987,208	\$4,800,000	\$3,100,000	\$3,100,000	0.0%

Average Annual Increases through FY 2008

	5 years	10 years	15 years
Nominal Increase	8.7%	14.2%	11.5%
Inflation Adjusted Increase	4.9%	10.9%	8.5%

Background

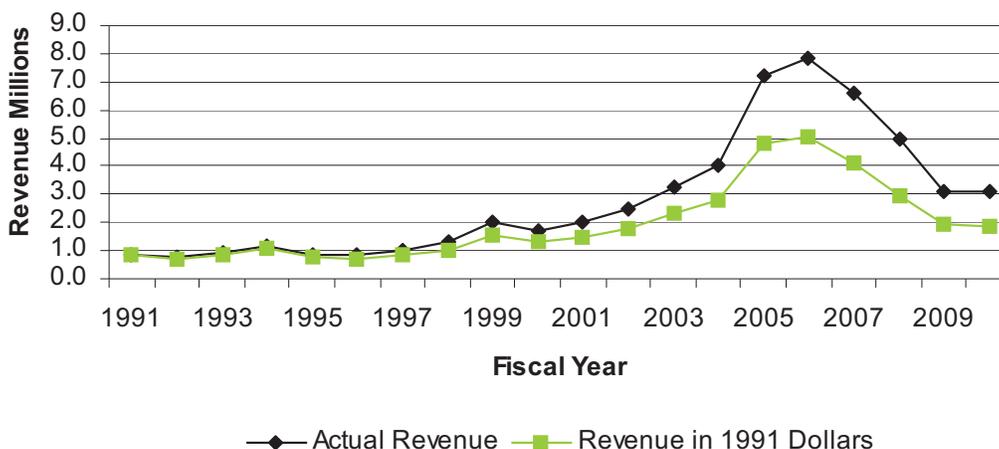
Alexandria's recordation tax rate is assessed at a rate of \$0.083 per \$100 of value for all transactions, including the recording of deeds, deeds of trust, mortgages, and contracts admitted to record by the Clerk of the Circuit Court. The City's recordation tax rate was increased from \$0.050 to \$0.083, effective September 1, 2004, as a result of General Assembly action increasing the State's rate. By law, Alexandria and other Virginia cities may impose a recordation tax of up to 1/3 of the State's tax rate, which is currently \$0.25 per \$100.

Revenues projected for FY 2009 are based on actual revenues through the first nine months of FY 2009. For FY 2010, it is expected that this revenue will not increase due to continuing weakness in the total sales volume of the Alexandria real estate market. This estimate is also affected by refinancing activity to a lesser extent. It will be monitored closely.

Legislative Authority

Virginia Code §58.1-814 City Code §3-2-41

Recordation Tax Revenue
Actual FY 1991 – Approved FY 2010



Revenues

Cigarette Tax Revenues

FY 2010 Approved \$3.1 million

0.6% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$2,681,573	\$2,700,000	\$2,800,000	\$3,100,000	10.7%

Average Annual Increases through FY 2008

	5 years	10 years	15 years
Nominal Increase	5.2%	4.6%	4.3%
Inflation Adjusted Increase	1.6%	1.6%	1.5%

Background

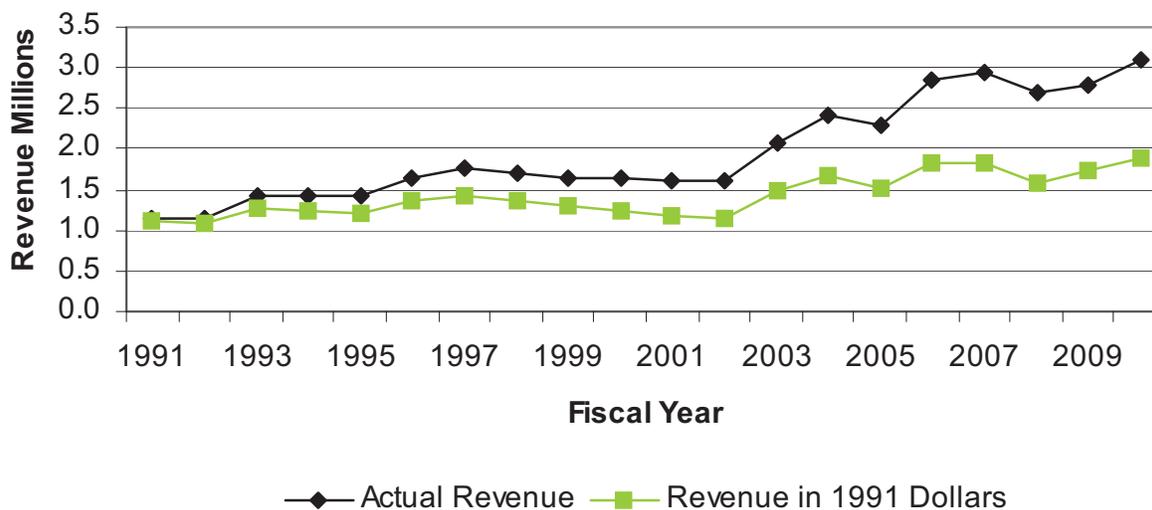
The local cigarette tax is levied at a rate of \$0.80 per pack of 20 cigarettes sold in the City. For FY 2010, the rate was increased from \$0.70 in FY 2009.

Revenues projected for FY 2009 are based on actual revenues through the first nine months of FY 2009. For FY 2010, it is expected that this revenue will increase at or somewhat less than the percentage increase in the tax rate (14%), based on stable or modestly declining cigarette purchases. Demand for cigarettes is relatively price inelastic.

Legislative Authority

Virginia Code §58.1-3840 City Code §3-2-102

Cigarette Tax Revenue
Actual FY 1991 – Approved FY 2010



Revenues

Charges for Services

FY 2010 Approved \$12.8 million
2.4% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$11,302,001	\$14,473,877	\$11,887,149	\$12,827,808	7.9%

This category includes the refuse user charge (\$5.7 million in FY 2010) and parking meter receipts (\$1.4 million in FY 2010). The City Council's general user fee guidelines, adopted in FY 1994, provide that the City's user fees and charges for service shall be set in consideration of the City's ability (a) to recover the cost of providing the service, except in cases where the City's economic development goals or the income levels of affected residents or other market considerations have a bearing on fee setting, and (b) to maintain comparability with fees and charges in neighboring jurisdictions. There are several new charges and increases to existing charges in the Approved Budget. See "Tax Rates and Fee Changes" and the departmental text section for more details.

Licenses, Permits, and Fees

FY 2010 Approved \$5.4 million
1.0% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$4,761,484	\$6,157,000	\$4,662,000	\$5,406,596	16.0%

This category includes Building Permits (budgeted in FY 2010 at \$2.3 million), Fire Protection Systems (\$0.4 million), and Electrical Permits (\$0.3 million). The FY 2009 budget estimate for all licenses, permits, and fees is based generally on the trend in actual revenues received through March 2009. Since many of the fees are building or real estate related fees, the decline in the real estate market has strongly affected this category. Beginning in FY 2010, departments are required to review all of their fees no more than once every three years. In FY 2010, this revenue category is expected to increase primarily due to increases in several Code fees.

Revenues from the Use of Money and Property

FY 2010 Approved \$3.9 million
0.7% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$9,044,947	\$6,000,000	\$4,637,876	\$3,859,476	-16.8%

This category includes interest on General Fund investments (budgeted at \$1.1 million in FY 2010), and Parking Garage revenues (budgeted at \$1.8 million in FY 2010). Much of the decrease in this revenue category over the last few years is the result of the economic downturn and reductions in short-term interest rates to near zero, which affects the City's interest income on invested short-term cash balances. With continuing economic weakness, this category of revenues is expected to decrease further in FY 2010.

Revenues

Fines and Forfeitures

FY 2010 Approved \$4.8 million
0.9% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$3,903,807	\$4,755,300	\$3,981,550	\$4,781,325	20.1%

This category includes parking fines (budgeted in FY 2010 at \$3.3 million), and court fines (budgeted in FY 2010 at \$1.0 million). This category is expected to increase as the Red Light Camera Program is expected to begin generating revenues in the first quarter of 2010 and also as a result of increased handicapped parking fines and HOV parking and moving violations.

Other Miscellaneous Tax Revenues

FY 2010 Approved \$2.7 million
0.5% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$2,196,348	\$2,080,000	\$2,680,000	\$2,730,000	1.9%

This category includes the State's telecommunications tax, bank and other franchise taxes, and the daily rental tax. Alexandria receives a fixed percentage of the total collections by the state. FY 2009 is stronger than expected due to higher than expected Bank Franchise fees. Revenues in this category are expected to show a minimal increase based on state population growth.

Admissions Tax

FY 2010 Approved \$1.1 million
0.2% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$1,090,067	\$1,050,000	\$1,050,000	\$1,050,000	0.0%

The Admissions Tax, equal to 10% of the admissions fee up to 50 cents, is levied on the sale of movie and live theatre tickets. It was first levied by the City during FY 2006. The sluggish economy and competition from theaters in neighboring jurisdictions is expected to result in relatively flat collections in FY 2010.

Revenues

Miscellaneous Non-Tax Revenues

FY 2010 Approved \$0.8 million
0.1% of General Fund Revenues

FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved	% Change Proj. '09 to '10
\$616,887	\$616,749	\$756,749	\$772,151	2.0%

This category includes revenue sources such as payment in lieu of taxes, insurance and damage recoveries, offsets to expenditures, impound lot revenues, and Freedom of Information Act fees.

Other Financing Sources

FY 2010 Approved \$3.6 million

	FY 2008 Actuals	FY 2009 Approved	FY 2009 Projected	FY 2010 Approved
City General Fund Fund Balance	\$2,576,550	\$4,600,000	\$4,600,000	\$2,315,347
Sewer Fund (transfer in)	\$1,311,109	\$1,323,910	\$1,323,910	\$1,301,560
IT Equipment Replacement Fund (transfer in)	NA	\$700,000	\$721,000	NA
Total	\$3,887,659	\$6,623,910	\$6,644,910	\$3,616,907

This category reflects other non-revenue financing sources used to help finance the \$3.6 million difference between the \$526.4 million revenue projection and the \$530.0 million projected General Fund Expenditure budget. The elements of these financing sources include:

(a) \$2.3 million in FY 2008 General Fund surplus funds designated for use in FY 2010. Of this amount \$0.8 million is to offset increased costs for Metro Matters City debt service. This amount was redirected from the CIP Metro Matters capital budget because the CIP program was reduced by a commensurate amount due to the City financing \$12.8 million of Metro Matters debt service rather than WMATA.

(b) \$1.3 million in a FY 2009 transfer into the General Fund from the City's Sanitary Sewer Fund in order to pay sanitary sewer debt service.

Revenues

FY 2010 Approved Tax Rates for Major Revenue Sources

	City Approved Rate	Virginia Code Reference	Maximum Rate Allowable by State
Real Estate Tax	\$0.903 per \$100 assessed value	58.1-3200	None
Personal Property Tax	\$4.50 per \$100 assessed value (machinery and tools)	58.1-3507	None
	\$4.75 per \$100 assessed value (tangible personal property)	58.1-3506-b	None
	\$3.55 per \$100 assessed value (handicap vehicles)	58.1-3506.1	None
Utility Tax (for residential users)	15% of water service charge	58.1-3814	20% on 1 st \$15
	\$1.12 plus \$.012075 for each KWh (\$2.40 max)	58.1-3814	\$3.00
	\$1.28 plus \$0.124444 of each CCF of gas delivered (\$2.40 max)	58.1-3814	\$3.00
	\$1.28 plus \$0.050909 of each CCF of gas delivered to group meter customers (\$2.40 max)	58.1-3814	\$3.00
	\$1.28 plus \$0.023267 of each CCF of gas delivered to group meter interruptible consumers (\$2.40 max)	58.1-3814	\$3.00
Utility Tax (for commercial users)	15% of first \$150 of water service charge		20%
(Commercial consumer)	\$0.97 plus \$0.004610 of each KWh delivered	58.1-3814	20%
(Industrial consumer)	\$0.97 plus \$0.003755 of each KWh delivered	58.1-3814	Various
(Commercial or industrial)	\$1.42 plus \$0.050213 of each CCF of gas delivered	58.1-3814	Various
(Non-residential interruptible gas consumer)	\$4.50 plus \$0.00367 of each CCF of gas delivered	58.1-3814	Various
Business and Professional Licenses		58.1-3700	
Gross Receipts Greater than \$10,000	\$50.00	58.1-3703	\$50.00
And less than \$100,000		through	
Amusement and Entertainment	\$0.36 per \$100 gross receipts	58.1-3735	\$0.36
Professional	\$0.58 per \$100 gross receipts		\$0.58
Renting of Residential Property	\$0.50 per \$100 gross receipts		**
Renting of Commercial Property	\$0.35 per \$100 gross receipts		**
Finance Services	\$0.35 per \$100 gross receipts (\$0.58 per \$100 gross receipts for Payday & Car Title lending)		\$0.58
Personal, Business, & Repair Services	\$0.35 per \$100 gross receipts		\$0.36
Retail Merchants and Restaurants	\$0.20 per \$100 gross receipts		\$0.20
Filling Stations	\$0.20 per \$100 gross receipts		\$0.20
Contractors	\$0.16 per \$100 gross receipts		\$0.16
Wholesale Merchants	\$0.05 per \$100 gross receipts		\$0.05
Alcoholic Beverages	\$5-\$1,500 (flat fee assessed as part of business license for sales of alcoholic beverages; fee is dependent upon seating capacity and/or type of license)	4.1-233	Various
Public Utilities:			
Telephone Company	\$0.50 per \$100 gross receipts	58.1-2960	**
Water	\$0.50 per \$100 gross receipts	58.1-3731	\$0.50
Telecommunications Right of Way Tax	\$0.61 per line per month	56-468.1	Minimum of \$0.50 per line per month; annual rate calculated by VDOT
Electric Consumption Tax	\$0.0038/kWh	58.1-2900	
Natural Gas Consumption Tax	\$0.004/CCF	58.1-2904	
Communications Sales and Use Tax	5% of all communications services including landline phones and cell phones	58.1-648	
	E-911 tax of \$0.75 per landline per month	58.1-1730	
Admissions Tax	10% of gross admissions, not to exceed \$0.50 per admission		
Cigarette Tax	\$0.80 on each package of 20 cigarettes	58.1-3830	None
Daily Rental Tax	1.0% of gross receipts	58.1-3510.1	1%
Local Sales Tax	1.0% added to the rate of the State tax imposed	58.1-605	1%
Transient Lodging Tax	6.5% of total amount paid for room rental, plus \$1 per night lodging fee	58.1-3819	None
Restaurant Meals Tax	4.0% on all food and drink sold in the City	58.1-3840	
Recordation Tax:			
Deed of Bargain and Sale		58.1-3800	
Grantor	\$0.83 per \$1,000 of sales price (equals State max)	58.1-3800	1/3 of State Chrgs
Grantee	\$0.83 per \$1,000 of sales price (equals State max)	58.1-3800	1/3 of State Chrgs
Deed of Trust	\$0.83 per \$1,000 of loan amount (equals State max)	58.1-3916	1/3 of State Chrgs
Tax Penalty	10% or \$10, whichever is greater	58.1-3916	10% or \$10
Tax Interest	10% per annum until January 1, 2000; after January 1, 2000 10% per annum for 1 st year, 5% per annum thereafter. Equals refund rates.		10%

** The City's existing tax rate exceeds state cap. The State cap was established after the City had set this rate.

Grant Funding and Special Revenue Funds

Summary of Major Revenue Sources

Total All Funds Revenues

	FY 2008 Actual	FY 2009 Approved	FY 2010 Approved	% Change FY 09 - FY 10
General Fund	\$521,770,063	\$541,978,347	\$530,003,018	-2.2%
Non-general fund				
State	\$46,619,741	\$50,015,847	\$49,676,202	-0.7%
Federal	\$30,852,744	\$32,738,075	\$28,675,848	-12.4%
Charges, Donations and Other Sources	\$36,640,304	\$26,642,452	\$24,436,141	-8.3%
Total Special Revenue Funds	\$114,112,789	\$109,396,374	\$102,788,191	-6.0%
Schools Fund Balance	\$0	\$1,009,222	\$4,355,938	331.6%
Equipment Replacement Fund	\$4,717,991	\$6,097,326	\$4,649,822	-23.7%
Total All Funds	\$640,600,843	\$658,481,269	\$641,796,969	-2.5%

Special Revenue Funds account for all non-General Fund revenue. The majority of this revenue is derived from specific sources (other than capital projects) that are restricted by legal and regulatory provisions to finance specific activities. In addition to revenue received from outside sources, the City also accounts for donations and charges or fees for services in these funds.

The City receives funding from several different types of sources with a variety of requirements. Basic categories and types of grants are presented below. An example of funding currently received by the City is included.

Types of Funding (examples of City programs)

- Competitive grants (Federal or State)
 - One-year funding - Victim Witness Program (Commonwealth's Attorney)
 - Multi-year funding – Virginia Tobacco Settlement Grant - MHMRSA
- Non-competitive or formula-based grants (federal or state)
 - Allocations for general programs – Community Development Block Grant - Housing
 - Allocations for defined programs – Substance Abuse Prevention and Treatment – HIV/AIDS
- State General Fund Revenues – Mental Health/Mental Retardation/Substance Abuse
- Federal Earmarks/Grants – King Street Metro Platform Extension
- State Earmarks/Grants – Gadsby's Tavern Improvements

Grant Funding and Special Revenue Funds

Special Revenue Funds can rarely be used to replace or supplant City funds and the amount of funding received varies. In addition, the City's requirement to contribute funding for the program varies based on the program requirements. The City Department grants described in pages 9 and beyond reflect the revenue the city receives from the grant agency, mandatory cash match amounts, as well as voluntary general fund support to provide an enhanced program or to cover program costs that exceed revenue.

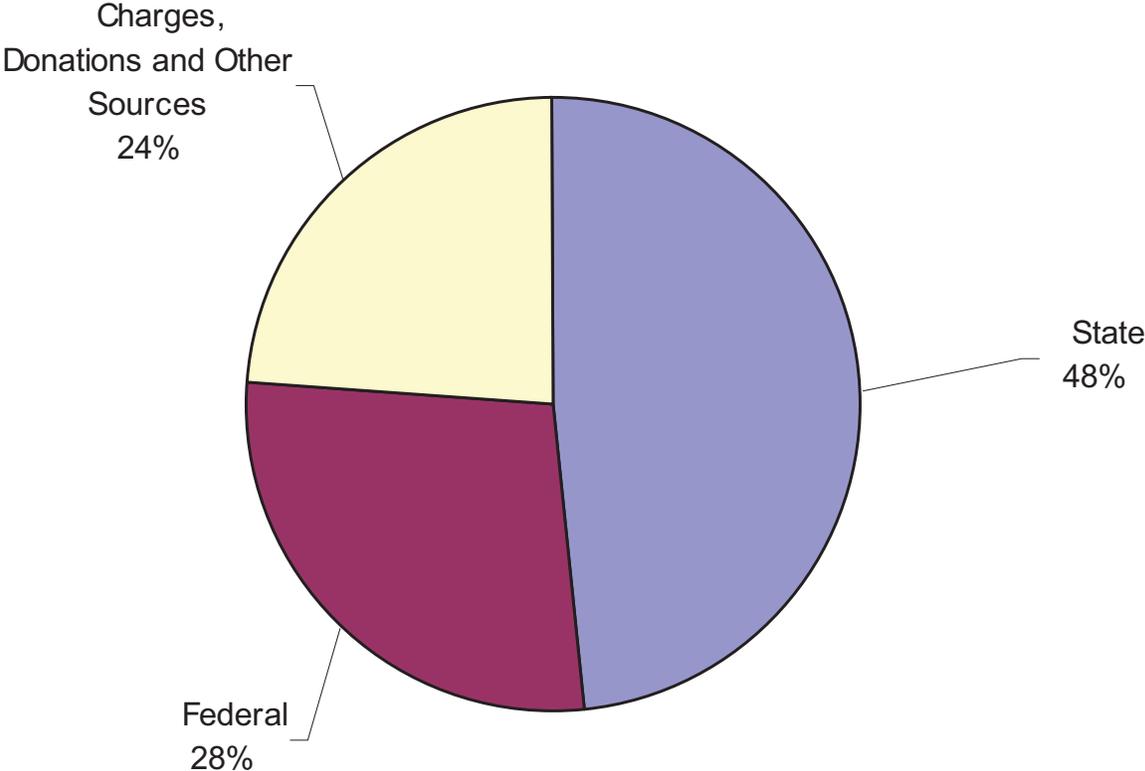
Program funding is described below.

- Fully-funded or partially funded – There is no expectation of City funding.
- Level effort/minimum level spending – The City is expected to continue to provide the same level of funding it did prior to receiving special revenue.
- Mandatory city match – There is a percentage share of program costs that the city is required to contribute.
- Voluntary city match – There is no requirement by the funding agency, but the City contributes general funds in order to enhance the program.
- In-kind contribution – There is no expectation of cash from the City, but the City is expected to provide support. This is often done in the form of administrative support, lease costs or other quantifiable programmatic support.
- Reimbursement – The City incurs costs and applies for full or partial reimbursement from the funding agency.

The Special Revenue described in this section do not include funding from the State and federal government that is accounted for within the City's General Fund, such as HB599 law enforcement aid and funding for street maintenance. State Compensation Board funding is also accounted for in the General Fund and is received from the Commonwealth to compensate the City for constitutional officers or positions related to them, such as the Clerk of the Court and the Sheriff. Grant funds received by the City from the State and federal government are accounted for and audited as per State and federal requirements.

As shown in the pie chart on the following page the City's Special Revenue Fund budget of \$102.8 million consists primarily of State Aid, Federal Aid and discretionary State and federal grants (\$78.4 million) and charges for fees, donations and other sources (\$24.4 million). This compares to the FY 2009 approved Special Revenue Fund budget of \$109.4 million. The 6.0%, or \$6.6 million, decrease is primarily attributable to \$4.1 million in anticipated federal revenue decreases, primarily for the Schools (\$1.0 million), DHS (\$3.3 million), offset by an increase at MHMRSA (\$0.2 million). In addition to declines in State and federal revenues, other special revenues, such as developer fee supported initiatives have been reduced or eliminated (\$2.2 million) to reflect more realistic estimates of revenue generation.

**FY 2010 Estimated Special Revenue Funds
\$102.5 million**



Grant Funding and Special Revenue Funds

Summary of Major Special Revenue Sources by Department

Total Special Revenues

	FY 2008 Actual	FY 2009 Approved	FY 2010 Approved	% Change FY 09 - FY 10
Schools	\$44,627,655	\$46,695,452	\$42,068,455	-9.9%
DHS	\$26,281,797	\$27,849,510	\$26,927,924	-3.3%
MHM RSA	\$13,022,130	\$12,613,734	\$13,479,019	6.9%
Housing	\$12,160,206	\$1,949,923	\$1,946,390	-0.2%
Other City Agencies	\$18,021,001	\$20,287,755	\$18,366,403	-9.5%
Total Special Revenue Funds	\$114,112,789	\$109,396,374	\$102,788,191	-6.0%

Total State and Federal Funds

	FY 2008 Actual	FY 2009 Approved	FY 2010 Proposed	% Change FY 09 - FY 10
Schools	\$38,730,504	\$42,207,342	\$38,005,320	-10.0%
DHS	\$25,578,408	\$27,443,283	\$26,481,702	-3.5%
MHM RSA	\$6,968,215	\$7,254,911	\$7,962,177	9.7%
Housing	\$1,939,372	\$1,941,923	\$1,941,890	0.0%
Other City Agencies	\$4,255,986	\$3,906,463	\$3,960,961	1.4%
Total State and Federal Funds	\$77,472,485	\$82,753,922	\$78,352,050	-5.3%

Total Donations, Fees and Charges for Services

	FY 2008 Actual	FY 2009 Approved	FY 2010 Approved	% Change FY 09 - FY 10
Schools	\$5,897,151	\$4,488,110	\$4,063,135	-9.5%
DHS	\$703,389	\$406,227	\$446,222	9.8%
MHM RSA	\$6,053,915	\$5,358,823	\$5,516,842	2.9%
Fire and Code Administration	\$965,002	\$2,301,318	\$571,705	-75.2%
TES	\$7,870,634	\$8,557,753	\$8,039,178	-6.1%
Transit Subsidies	\$3,133,927	\$3,421,000	\$3,710,000	8.4%
Housing	\$10,220,834	\$8,000	\$4,500	-43.8%
Other City Agencies	\$1,795,452	\$2,101,221	\$2,084,559	-0.8%
Total Donations, Fees and Charges for Services	\$36,640,304	\$26,642,452	\$24,436,141	-8.3%

Grant Funding and Special Revenue Funds

Summary of Major Special Revenue Sources by Department

On the subsequent pages, the Special Revenue Funds received from the State and federal government for each Department are described. Donations, fees and charges for services are not included. The budget estimates reflect the most current information available from grant agencies. Adjustments to grant budgets are made through the supplemental appropriations ordinances once the grant award is received and accepted.

Addendum Table I Department of Mental Health/Mental Retardation/Substance Abuse Federally Funded Programs

	Federal Funds	FY 2009 Approved Budget Estimate	FY 2010 Approved Budget Estimate	% Change FY09 - FY 10
Mental Health Programs	Block Grant for Community Mental Health Services - Serious Emotionally Disturbed Children	\$256,654	\$256,654	0.0%
	Block Grant for Community Mental Health Services - Serious Mental Illness (Adults)	\$336,203	\$336,203	0.0%
	Projects for Assistance in Transition from Homelessness	\$35,575	\$35,575	0.0%
	Welfare TANF Foster Care (Title IV-E)	\$143,000	\$143,000	0.0%
MH and SA Programs	U.S. Department of Housing and Urban Development	\$282,359	\$322,359	14.2%
Substance Abuse (SA) Programs	Substance Abuse Residential Purchase of Services (SARPOS)	\$137,284	\$137,284	0.0%
	Substance Abuse Federal Block Grant - Alcohol & Drug Treatment	\$555,831	\$555,831	0.0%
	Substance Abuse Federal Block Grant - Primary Prevention	\$205,768	\$205,768	0.0%
	Substance Abuse Prevention Coalition of Alexandria	\$0	\$120,586	0.0%
	High Intensity Drug Trafficking Area Treatment Grant - Residential	\$109,069	\$109,069	0.0%
Mental Retardation Programs	Grants for Infants and Toddlers with Disabilities	\$93,698	\$93,698	0.0%
	Total Federal Funds	\$2,155,441	\$2,195,441	1.9%

Grant Funding and Special Revenue Funds

Summary of Major Special Revenue Sources by Department

Addendum Table II Department of Mental Health/Mental Retardation/Substance Abuse State Funded Programs

	State Funds	FY 2009 Approved Budget Estimate	FY 2010 Approved Budget Estimate	% Change FY09 - FY 10
Mental Health Programs	Crisis Stabilization	\$0	\$139,856	0.0%
	MH Law Reform	\$0	\$285,194	0.0%
	DAP - Discharge Assistance	\$183,085	\$183,085	0.0%
	MH Initiative - SED Children State	\$77,033	\$77,033	0.0%
	MH DAD/Wintex	\$113,229	\$113,229	0.0%
	Transformation	\$70,000	\$70,000	0.0%
	System of Care	\$475,000	\$475,000	0.0%
	Juvenile Detention	\$110,000	\$110,000	0.0%
	Other State Aid	\$2,332,792	\$2,576,845	10.5%
Substance Abuse (SA) Programs	Substance Abuse Residential Purchase of Services (SARPOS)	\$29,645	\$29,645	0.0%
	MH Law Reform	\$0	\$55,000	0.0%
	Other State Aid	\$1,356,686	\$1,229,823	-9.4%
Mental Retardation Programs	Other State Aid	\$352,000	\$301,440	-14.4%
	Total State Funds	\$5,099,470	\$5,646,150	10.7%

Grant Funding and Special Revenue

Addendum Table III Department of Human Services Federally Funded Programs

Federal Funds	FY 2009 Approved Budget Estimate	FY 2010 Approved Budget Estimate	% Change FY09 to FY10
Welfare Administrative Cost Pool	\$135,475	\$79,061	-41.6%
Welfare Income Maintenance Eligibility	\$2,253,157	\$1,934,987	-14.1%
Welfare Clerical Cost Pool	\$259,999	\$306,438	17.9%
Child Welfare Administration	\$3,299,395	\$1,647,373	-50.1%
Adult Services Administration	\$372,883	\$305,588	-18.0%
Child Care Administration	\$786,041	\$433,624	-44.8%
Foster Care IV - E	\$1,514,805	\$874,547	-42.3%
Welfare Adoption Subsidy	\$526,930	\$526,930	0.0%
TANF/View Child Care	\$709,802	\$742,676	4.6%
Child Care Fee System	\$1,866,862	\$1,990,100	6.6%
Older Americans Act	\$169,990	\$165,341	-2.7%
Home Delivered Meals	\$106,877	\$80,888	-24.3%
In-Home Services to Companion	\$337,000	\$379,642	12.7%
Head Start	\$1,752,313	\$1,774,545	1.3%
Transitional Apartment Planning & Eviction Storage (CDBG)	\$122,000	\$122,000	0.0%
Community Services Block Grant (CSBG\BASIC)	\$155,292	\$161,017	3.7%
Virginia Refugee Resettlement Program (VRRP)	\$108,000	\$108,000	0.0%
WIA Adult Training	\$103,095	\$70,479	-31.6%
WIA Dislocated Worker	\$108,773	\$106,946	-1.7%
VIEW	\$461,746	\$373,084	-19.2%
Employment Advancement Project	\$192,184	\$168,487	-12.3%
Program Improvement	\$111,090	\$0	-100.0%
General Relief - Eligibility	\$140,237	\$92,574	0.0%
Childcare - Eligibility	\$202,407	\$166,826	0.0%
All other Federal grants (includes individual program grants under \$100,000)	\$758,401	\$670,310	-11.6%
Total Federal Funds	\$16,554,754	\$13,281,463	-19.8%

Grant Funding and Special Revenue

Addendum Table IV Department of Human Services State Funded Programs

State Funds	FY 2009 Approved Budget Estimate	FY 2010 Approved Budget Estimate	% Change FY09 to FY10
Auxiliary Grants - Aged	\$110,000	\$110,000	0.0%
Auxiliary Grants - Disabled	\$157,194	\$157,194	0.0%
Foster Care IV - E	\$1,514,805	\$1,514,805	0.0%
Welfare Adoption Subsidy	\$526,930	\$526,930	0.0%
Welfare Special Needs	\$552,496	\$552,496	0.0%
TANF/VIEW Child Care	\$567,842	\$594,141	4.6%
Welfare Clerical Cost Pool	\$103,000	\$148,998	44.7%
Welfare Income Eligibility	\$711,781	\$1,178,213	65.5%
Child Welfare Administration	\$90,000	\$652,122	624.6%
Child Care Administration	\$0	\$182,531	0.0%
General Relief - Public Assistance	\$117,600	\$87,500	-25.6%
General Relief - Emergency Services	\$117,600	\$0	-100.0%
Comprehensive Services Act	\$4,664,390	\$5,424,738	16.3%
Childcare Fee System	\$463,910	\$521,728	12.5%
Community Services Block Grant - Supplemental	\$79,263	\$106,179	34.0%
Homeless Intervention	\$215,001	\$269,182	25.2%
VIEW	\$248,633	\$248,557	0.0%
Virginia Preschool Initiative	\$208,440	\$229,320	10.0%
All other Federal grants (includes individual program grants under \$100,000)	\$439,644	\$695,605	58.2%
Total State Funds	\$10,888,529	\$13,200,239	21.2%

Addendum Table V Office of Housing Federally Funded Programs

State Funds	FY 2009 Approved Budget Estimate	FY 2010 Approved Budget Estimate	% Change FY09 to FY10
CDBG Program Administration	\$175,749	\$208,457	18.6%
HOME HAP Loans	\$509,038	\$428,083	-15.9%
CDBG Hap Loans	\$357,416	\$125,000	-65.0%
CDBG Rehabilitation Loans	\$242,122	\$312,692	29.1%
CDBG HAP Administration	\$112,773	\$153,068	35.7%
CDBG Rehabilitation Administration	\$142,878	\$235,089	64.5%
HOME Housing Opportunities Fund/Housing Development Assistance	\$240,000	\$320,000	33.3%
All other Federal grants (includes individual program grants under \$100,000)	\$161,947	\$159,501	-1.5%
Total State Funds	\$1,941,923	\$1,941,890	0.0%

Grant Funding and Special Revenue

FY 2010 Housing Program Sources and Uses

Program Activity (Uses) Funding (Sources)	Home Ownership			Housing Rehab.	Landlord Tenant		Affordable Housing Development & Preservation		Leadership & Mgmt Support Services*		Totals
	Lending & Loan Management	Counseling & Training	Sales & Marketing	Financing & Loan/Grant Management	Tenant Mediation & Education	Fair Housing Enforcement & Education	Securing & Fostering Affordable Development	Lending	Leadership & General Management	Grant & Financial Management	
	CDBG										
New Grant	278,068	0	0	547,781	0	52,712	0	0	62,537	170,216	1,111,314
Program Income	175,000	0	0	175,000	0	0	0	0	0	0	350,000
Carryover	0	0	0	325,743	0	0	0	0	0	0	325,743
	453,068			1,048,524		52,712			62,537	170,216	1,787,057
	6 HAP Loans			10 HRLP Loans 1		1 Testing Round					
HOME											
New Grant	428,083	0	0	0	0	0	0	320,000	49,496	32,997	830,576
Program Income	125,000	0	0	0	0	0	0	0	0	0	125,000
	553,083							320,000	49,496	32,997	955,576
	12 HAP Loans (w/ General Fund)							TBD Projects			
GENERAL FUND											
New	126,161	12,645	113,801	0	287,308	31,923	265,515	804,818	327,577	229,304	2,199,051
New HOME Match	107,021	0	0	0	0	0	0	0	0	0	107,021
	233,182	12,645	113,801		287,308	31,923	265,515	804,818	327,577	229,304	2,306,072
		350 Clients Served (w/ HTF below)	2 units placed under contract		1,000 disputes mediated & 4,000		TBD Pledged Units Completed	TBD Projects Financed			
Housing Trust Fund											
New	386,000	0	0	0	0	0	0	1,081,160	0	0	1,467,160
Carryover	382,000	150,000	0	3,000				520,000			1,055,000
HOME Match (Carryover)	0	0	0	0	0	0	0	80,000	0	0	80,000
	768,000	150,000		3,000				1,681,160			2,602,160
	20 MIHP Loans 15 EHIP Loans			2 Mini-RAMP Grants				TBD Projects			
OTHER NON-FED											
New		4,500	0	0	0	0	0	0	0	0	4,500
		Homeowner- ship Fair									
ALL FUNDS	2,007,333	167,145	113,801	1,051,524	287,308	84,635	265,515	2,805,978	439,610	432,517	7,655,365

City Agency FY 2010 Estimated Special Revenue Funds

The attached chart reflects Special Revenue Funds for the remaining City departments. Revenue reflects the amount the City receives from the grant agency. General Fund reflects our voluntary contribution to the program. Cash match reflects the amount required based on the grant award, and the final column reflects the total funds for the program.

<u>TITLE/DESCRIPTION</u>	<u>GRANTOR AGENCY</u>	<u>FTE</u>	<u>Revenue</u>	<u>General Fund</u>	<u>Cash Match</u>	<u>Total Program Funding</u>
<u>Commonwealth's Attorney</u> Victim Witness Assistance Program	VA Department of Criminal Justice Services	4.0	\$177,138	\$116,020	\$0	\$293,158
Funds are provided by the VA Department of Criminal Justice Services to achieve three goals: assisting prosecutors in gaining and maintaining the cooperation of victims and witnesses to better ensure their cooperation throughout the criminal justice process; to ensure the rights of Alexandria's crime victims; and to provide community education and establish coordinated services.						
Violence Against Women Act Funds (V-Stop)	VA Department of Criminal Justice Services	1	\$62,416	\$0	\$0	\$62,416
Funds are provided by the Department of Criminal Justice Services to provide services to victims of domestic violence cases, including court advocacy, follow-up services and data collection and to encourage victims to participate in the prosecution.						
<u>Office on Women</u> Sexual Assault Response and Awareness (SARA) - Violence Against Women Act Funds	Virginia Department of Criminal Justice Services	1.0	\$35,940	\$42,307	\$0	\$78,247
Funds are provided through the Violence Against Women Act for comprehensive services to Spanish speaking victims of sexual assault in Alexandria and educational outreach.						
Rape Victims Companion Program - Sexual Assault Response and Awareness	Virginia Department of Criminal Justice Services	3	\$163,088	\$34,764	\$0	\$197,852
Funds are provided through the federal Victims of Crime Act for rape crisis centers to provide direct services for victims of sexual violence.						

City Agency FY 2010 Estimated Special Revenue Funds

<u>TITLE/DESCRIPTION</u>	<u>GRANTOR AGENCY</u>	<u>FTE</u>	<u>Revenue</u>	<u>General Fund</u>	<u>Cash Match</u>	<u>Total Program Funding</u>
<u>Office on Women (continued)</u>						
Domestic Violence	Virginia Department of Social Services	3.0	\$183,662	\$31,852	\$0	\$215,514
Funds are provided through the Federal Family Violence Prevention Act and Victims of Crime Act for services to victims of domestic violence, including a 24-hour hotline, emergency shelter, emergency transportation and other services.						
Sexual Assault Response and Awareness - Prevention Education	Virgina Department of Health	0.6	\$36,000	\$0	\$0	\$36,000
Funds are provided through the Violence Against Women Act to develop specific programs addressing prevention and education efforts to reduce the incidence of sexual assault.						
Federal Shelter	State Department of Housing and Community Development		\$9,917	\$0	\$0	\$9,917
Funds are provided to pay for utilities at the battered women's shelter.						
Stepout/Manhood		4.0	\$8,500	\$0	\$0	\$8,500
Funds are provided to education at-risk youth about available opportunities and the impact of their choices on their adult lives.						
Shelter Support	State Department of Housing and Community Development		\$19,075	\$0	\$0	\$19,075
Funds are provided for program support and facility operations for the Battered Women's Shelter.						
<u>Sheriff</u>						
CCCA (Pre-trial and Local Services)	State Department of Criminal Justice	6	\$459,209	\$188,895	\$0	\$648,104
Funds are provided through the Comprehensive Community Corrections Act to enhance public and community safety by providing supervision services through a variety of intermediate sanctions and punishments regarding local probation and the Pretrial Services Act which provides defendant background information and recommendations that assist judicial officers in determining or reconsidering bail decisions and conditions.						

City Agency FY 2010 Estimated Special Revenue Funds

<u>TITLE/DESCRIPTION</u>	<u>GRANTOR AGENCY</u>	<u>FTE</u>	<u>Revenue</u>	<u>General Fund</u>	<u>Cash Match</u>	<u>Total Program Funding</u>
CSU and Other Public Safety						
VJCCCA Sheltercare	State Department of Juvenile Justice		\$193,358	\$740,378	\$0	\$933,736
The State Department of Juvenile Justice provides funds for caseworkers as well as daily meals, supplies and expenses for youths in the Juvenile Justice program for the Youth Shelter.						
VJCCCA Court Service Unit	State Department of Juvenile Justice	4	\$58,085	\$166,659	\$95,575	\$320,319
The State Department of Juvenile Justice provides funds for caseworkers as well as daily meals, supplies and expenses for youths in the Juvenile Justice program for the Youth Shelter.						
Juvenile Accountability Block Grant	Federal Department of Criminal Justice	1.7	\$35,251	\$52,997	\$3,923	\$92,171
JABG is a high level accountability program that provides after hours supervision to youth released on Court ordered conditions and are awaiting final disposition.						
Gang Prevention Intervention	Federal Department of Justice - State Department of Juvenile Justice	1	\$45,000	\$89,479		\$134,479
The City participates in regional gang prevention/intervention activities. Federal funds allocated to the City of Alexandria are used to fund a Gang Prevention/Intervention Coordinator who serves on a regional gang task force and coordinates gang resistance efforts in the City.						
Human Rights						
Fair Employment Practices Agency Program - EEOC	Federal Equal Employment Opportunity Commission	0.5	\$35,100	\$0	\$0	\$35,100
Funds are provided for investigating and closing EEOC cases. The City receives \$550 per closed case approved by the Equal Employment Opportunity Commission						

City Agency FY 2010 Estimated Special Revenue Funds

<u>TITLE/DESCRIPTION</u>	<u>GRANTOR AGENCY</u>	<u>FTE</u>	<u>Revenue</u>	<u>General Fund</u>	<u>Cash Match</u>	<u>Total Program Funding</u>
TES						
Ridesharing Administration	Virginia Department of Transportation	2	\$230,975	\$0	\$58,072	\$289,047
Funds are provided for outreach and staff to manage the City's Rideshare Program.						
Public Transportation Intern	Virginia Department of Rail and Public Transportation		\$26,600	\$0	\$1,400	\$28,000
Funds are provided for one intern annually to assist with public transportation projects.						
Employer Outreach	Federal Highway Administration (FHWA) - Regional Surface Transportation Program Projects		\$66,625	\$0	\$0	\$66,625
Funds are provided through a contract with the Metropolitan Council of Governments to complete outreach and encourage employers to participate in programs that decrease the number of single occupancy vehicles.						

City Agency FY 2010 Estimated Special Revenue Funds

<u>TITLE/DESCRIPTION</u>	<u>GRANTOR AGENCY</u>	<u>FTE</u>	<u>Revenue</u>	<u>General Fund</u>	<u>Cash Match</u>	<u>Total Program Funding</u>
Fire						
Emergency Management Assistance	Federal Homeland Security - State Homeland Security Program		\$32,943	\$0	\$0	\$32,943
Funds are provided through the Emergency Management Program Grant to enhance local emergency management programs. Funds support salaries, operating costs, equipment and outreach efforts.						
Fire Programs Public Education	Virginia Department of Fire Programs		\$15,000	\$0	\$0	\$15,000
These funds, which are part of the Fire Training Fund allocation, are set aside by the Fire Department to provide information to the public, in order to prevent fires and reduce injuries, fatalities and property damage.						
EMS Four for Life	Virginia Department of Health		\$127,166	\$0	\$0	\$127,166
The State collects \$4.00 each year for all registered vehicles and returns 26% of the revenue to localities to be used for training of Emergency Medical Services (EMS) personnel and for the purchase of equipment and supplies used by EMS personnel.						
Fire Training Fund	Virginia Department of Fire Programs		\$323,166	\$0	\$0	\$323,166
Funds are provided through the Aid to Localities Fire Programs Fund for Emergency Services to support training, equipment, supplies and overtime for fire training exercises and public education activities.						
Hazmat Calls Answered	Virginia Department of Emergency Management		\$7,000	\$0	\$0	\$7,000
Funds are provided through a contractual agreement with the Virginia Department of Emergency Management (VDEM) for salaries, equipment and physicals for fire fighters responding to state-approved hazardous materials calls.						
Hazmat Agreement	Virginia Department of Emergency Management		\$31,000	\$0	\$0	\$31,000
Funds are provided through a contractual agreement with the Virginia Department of Emergency Management (VDEM) for a team to respond to incidents in Northern Virginia jurisdictions when directed by the VDEM.						

City Agency FY 2010 Estimated Special Revenue Funds

TITLE/DESCRIPTION	GRANTOR AGENCY	FTE	Revenue	General Fund	Cash Match	Total Program Funding
Recreation						
USDA After School Snack	United States Department of Agriculture		\$142,447	\$0	\$0	\$142,447
The USDA provides reimbursement to the City for after school snacks to the seven full time recreation centers, six part-time after school centers and the two therapeutic recreation after school programs during the school year.						
USDA Summer Food	United States Department of Agriculture		\$112,000	\$0	\$0	\$112,000
The USDA provides reimbursement to the City for up to two meals per day at 26 summer program sites that are located in a geographical area served by a school in which 50 percent or more of the enrolled children are eligible for free or reduce priced meals.						
Litter Control	Virginia Department of Environmental Quality, Litter Prevention and Recycling Program		\$30,000	\$0	\$0	\$30,000
The Virginia Department of Environmental Quality provides non-competitive grant funding to support the Adopt-a-Park Litter Control program						
Local Government Challenge	Virginia Commission for the Arts		\$5,000	\$0	\$0	\$5,000
The Virginia Commission for the Arts provides matching funds, up to \$5,000, to be allocated to arts organizations and artists who have submitted requests for funding to the Alexandria Commission for the Arts.						
Total Special Revenue Funds			\$2,671,661	\$1,426,489	\$158,970	\$4,257,120