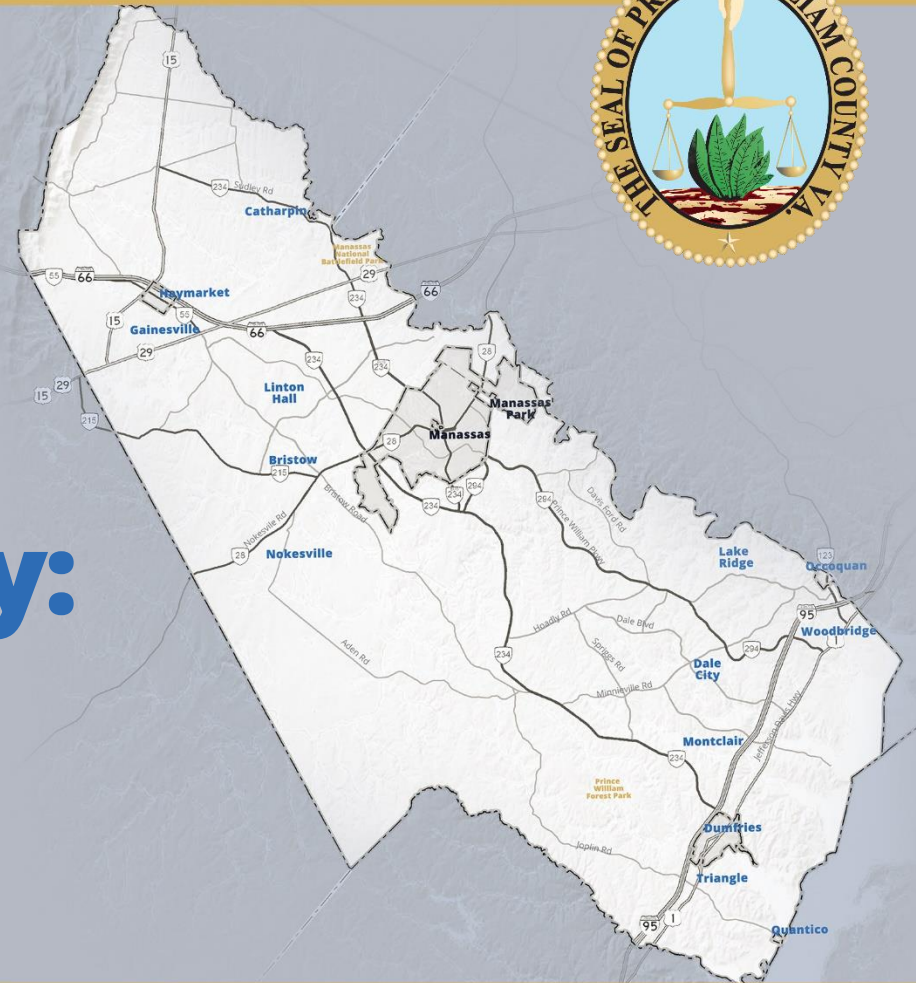


Robust Economy:

What is 35% Commercial?



Michelle L. Attreed

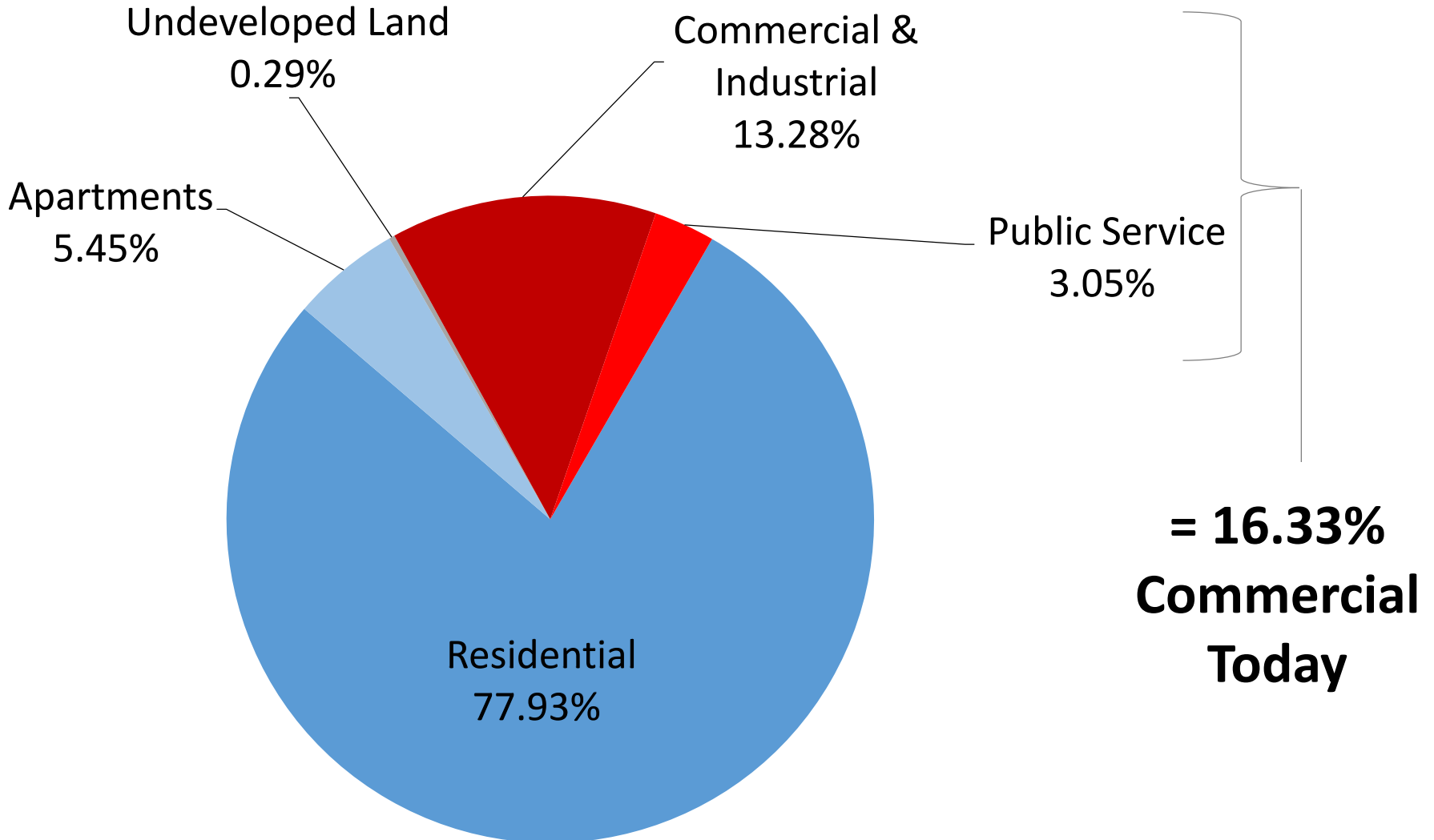
Director of Finance

Prince William County

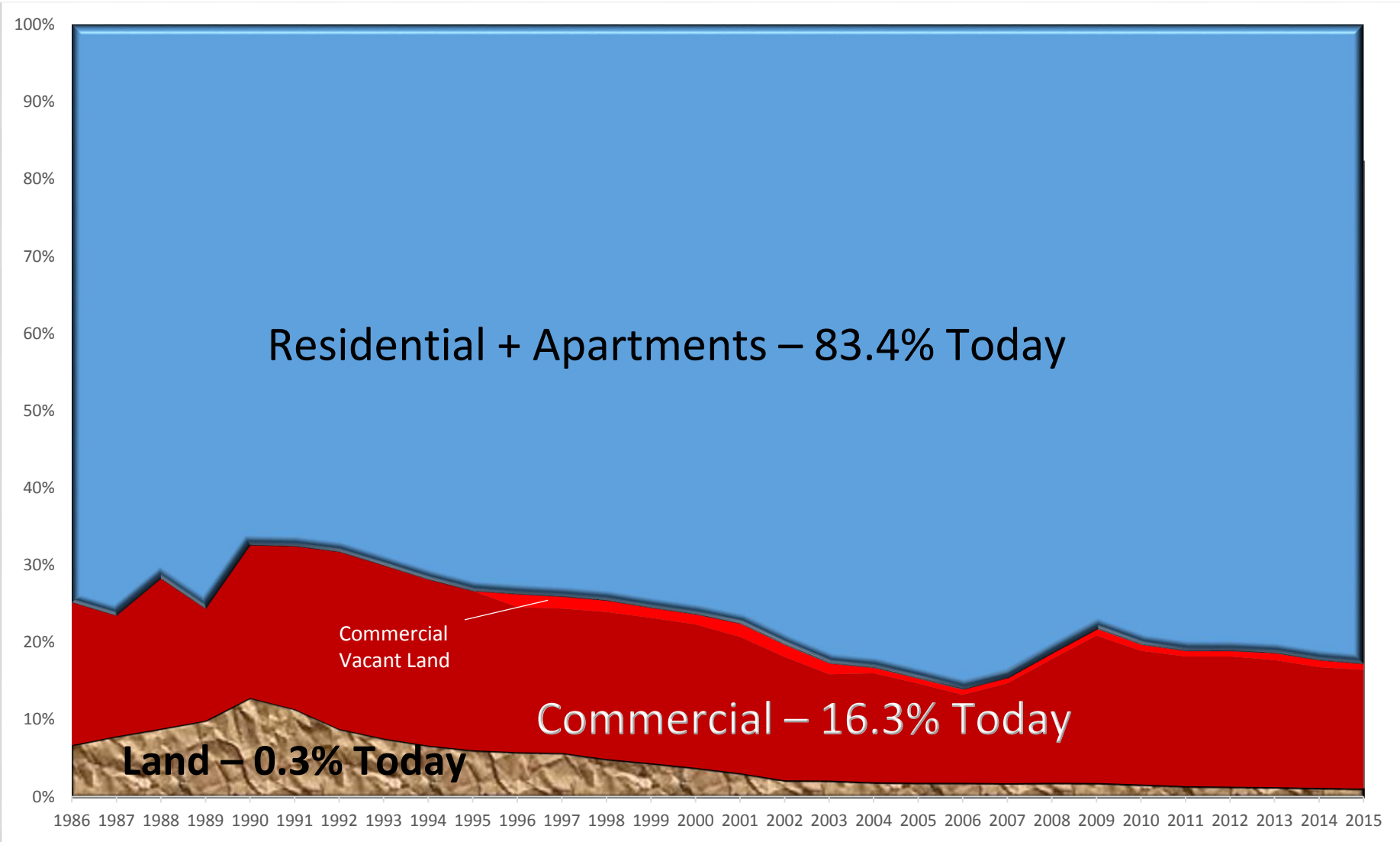
What is 35% Commercial?

- Is it only the percentage of commercial Real Estate in the County's land book?
- Is it the percentage of tax revenues deemed received from commercial activity?
- Or is it something else?

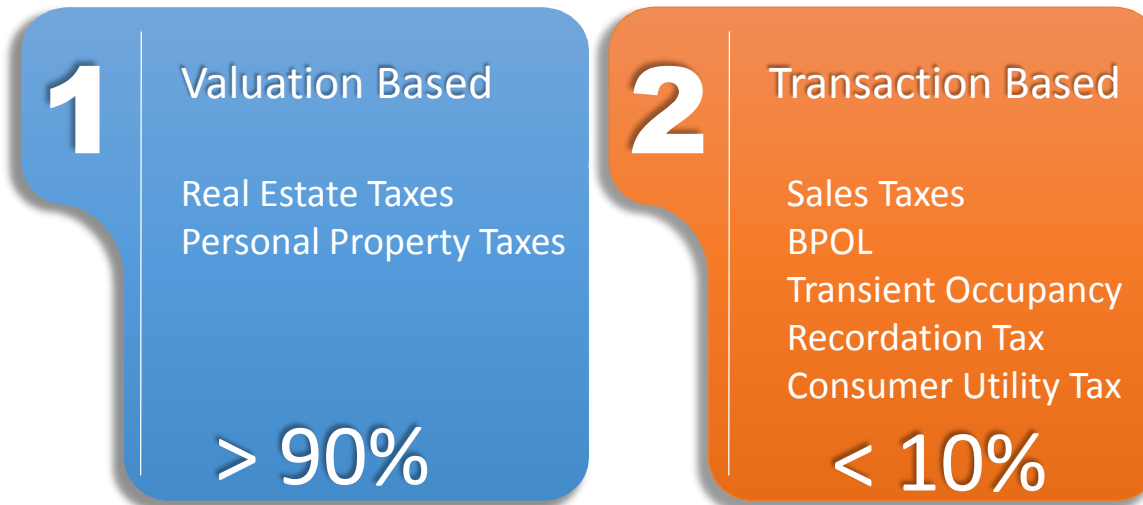
Commercial / Residential Real Estate Valuation



Commercial / Residential Split Over Time



The County Has Two Primary Types of Tax Revenues

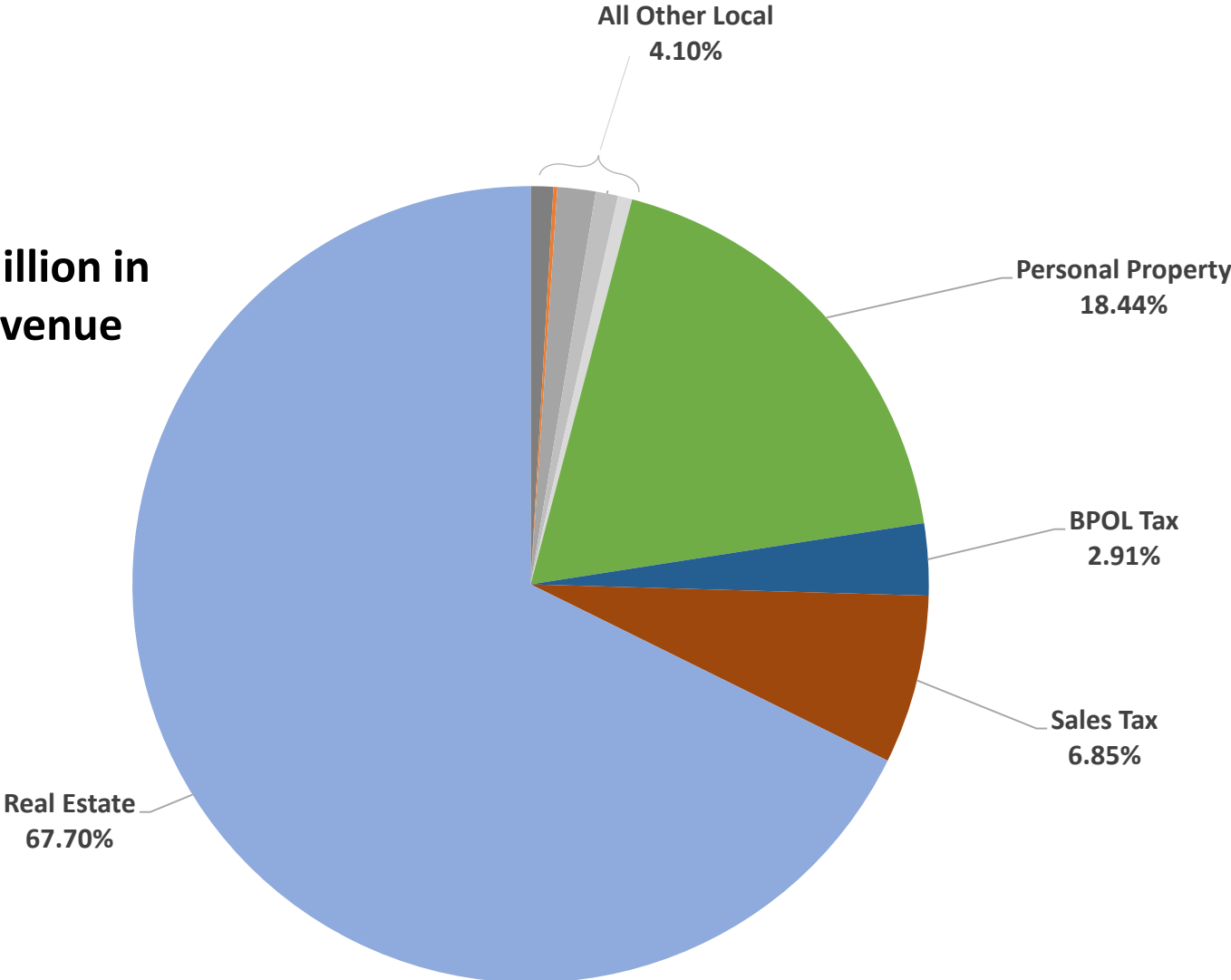


■ The drivers for these revenues sources are different resulting in "*Diversification*"

- ▶ Policy 3.01 of Board adopted Principles of Sound Financial Management states:
 - "The County will strive to maintain a diversified and stable revenue system to shelter it from short-term fluctuations in any one revenue source."

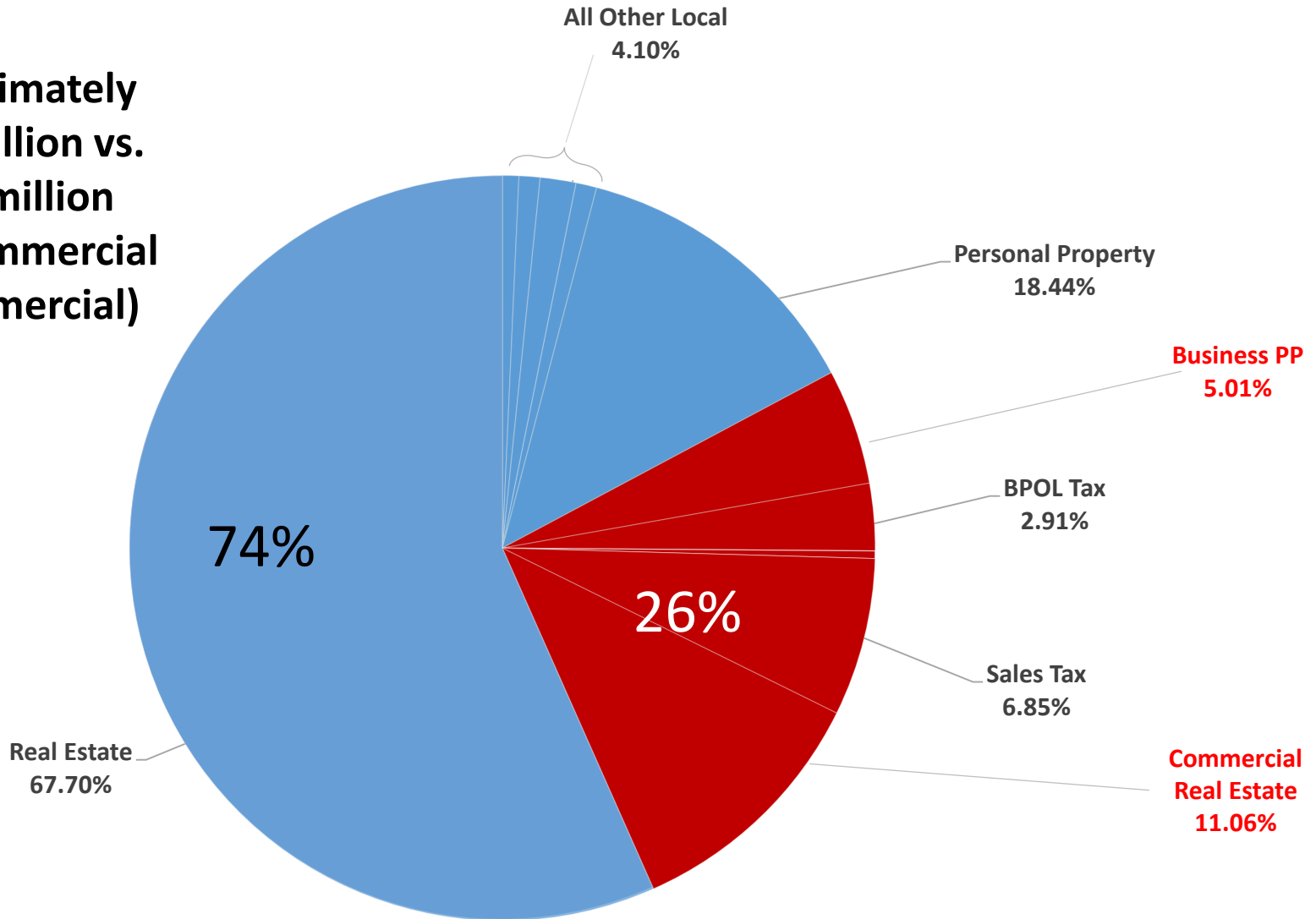
Distribution of General Revenue Categories

\$938 million in total revenue



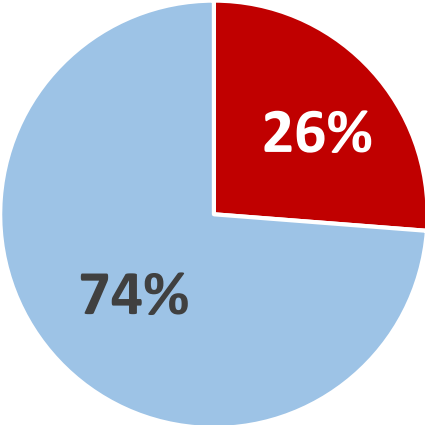
Distribution of General Revenue Categories

Approximately
\$693 million vs.
\$245 million
(non-commercial
vs commercial)



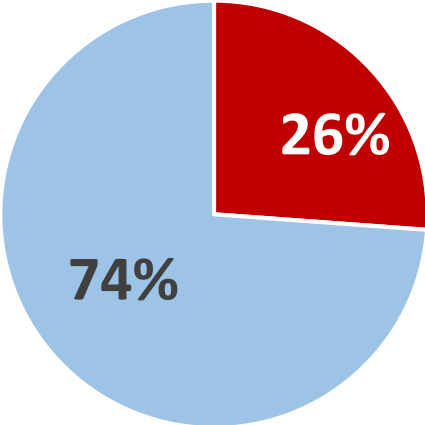
Commercial / Non-Commercial Revenue Split

FY 2013 REVENUE SPLIT



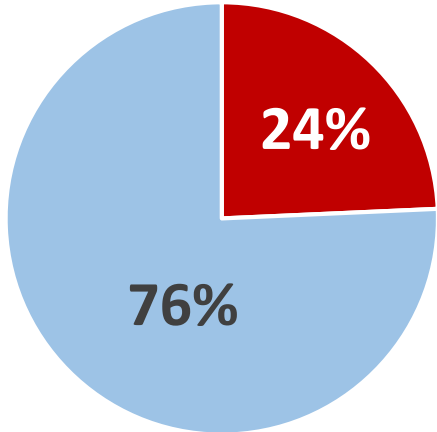
■ FY 2013 Commercial ■ FY 2013 NonCommercial

FY 2018 REVENUE SPLIT



■ FY 2018 Commercial ■ FY 2018 NonCommercial

FY 2022 REVENUE SPLIT (Projected)



■ FY 2022 Commercial ■ FY 2022 NonCommercial

Other Revenue Opportunities

■ Manage the tax mix to achieve greater diversification and meet strategic goals

- ▶ Reassess current tax rates relative to neighboring jurisdictions
 - Identifies market “mispricing” of tax rates that can evolve over many years
 - Presents opportunities to creatively increase some tax rates to offset instances where rates were/are in need of reduction
 - Can serve to diversify revenue sources
- ▶ Add new taxes
 - Increases County revenue and/or;
 - Provides an opportunity to creatively reduce other taxes with little fiscal impact

Questions?

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