



## NEWS RELEASE

### **HERNDON TOWN COUNCIL ADOPTS FY 2018 BUDGET *All Town Tax Rates Unchanged from Prior Year***

Herndon, VA (April 26, 2017) – Following two public hearings and after receiving input from citizens online and in person, the Herndon Town Council last evening adopted a FY 2018 Budget of \$51,181,877, a 7.8 percent decrease from the adopted FY 2017 Budget. The town's FY 2018 begins July 1, 2017 and extends to June 30, 2018.

“Our aim in considering the budget each year is to hold tax rates steady while continuing the forward momentum our town is experiencing, as well as the programs and services our citizens value,” said Mayor Lisa C. Merkel. “The FY 2018 Budget that we adopted last evening succeeds on all counts.”

Highlights of the adopted FY 2018 Budget include:

- Maintenance of the town real estate tax, meals tax and all other tax rates at their current levels;
- Continued allocation of resources to strategic capital projects, including downtown redevelopment and Metro planning;
- Resources to support development of a first-class arts facility that will act as an economic driver for the downtown;
- Implementation of a town-wide sustainability plan;
- Technology initiatives to include future radio upgrades for Herndon's police and public works personnel and expanded wi-fi at the Herndon Municipal Center; and
- Increased personnel costs to include a one percent adjustment to the town's pay scales and an average pay-for-performance increase of three percent.

The Capital Improvement Program (CIP) calls for funding of longer-term projects such as Phase 5 of the Herndon Community Center, a Nature Center at Runnymede Park, vehicular and pedestrian access to Metro and Van Buren Street improvements.

FY 2018 Budget “Facts-at-a-Glance” follow. The complete budget will be available online at [www.herndon-va.gov](http://www.herndon-va.gov) by July 1.

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### **FY 2018 ADOPTED BUDGET AT-A-GLANCE**

#### **Total Budget Expenditures**

\$51,181,877 for all funds (General Fund, Water and Sewer Fund, Golf Course Fund, Chestnut Grove Cemetery Fund, Downtown Parking Enterprise Fund and the Capital Projects Funds). The total reflects a decrease of 7.8 percent under the adopted FY 2017 budget of \$55,486,261.

**General Fund Recurring Budget Expenditures**

\$34,599,127, an increase of 2.8 percent over the FY 2017 recurring expenditures of \$33,652,961. Includes personnel, operations and maintenance, debt service and minor capital (excludes transfers).

**General Fund Expenditures**

\$35,618,127 which reflects an increase of \$508,166 or 1.4 percent more than the FY 2017 adopted budget.

**Personnel**

Personnel costs for all funds total \$26,882,555, an increase of \$461,455 when compared to FY 2017.

**Capital Improvement Program**

\$6,683,000 (all funds).

**Real Estate Tax**

Remains at \$0.2650 per \$100 of assessed value.

**One Penny on the Real Estate Tax Rate**

Equivalent to approximately \$432,196 in tax revenues (includes assessed value of public service corporations and real property assessments).

**Average Residential Property Value**

Projected at \$373,721.

**Average Residential Real Estate Tax Bill**

\$990.36 based on \$0.2650 per \$100 assessed value.

**Personal Property Tax Rate**

Remains at \$0.00 per \$100 assessed value.

**Meals Tax**

Remains at 2.5 percent.

**Cigarette Tax**

Remains at 75 cents per pack.

**Business Professional and Occupational License Tax**

All classifications and thresholds remain at the current amounts.

**Motor Vehicle License Fee**

Remains at \$25 for private passenger and other vehicles weighing less than 4,000 lbs; and \$32 for vehicles weighing in excess of 4,000 lbs.

**Consumer Utility Tax**

Tax based on the purchase of utility services within the corporate limits of the town. The amount of the tax for residential consumers contains a monthly cap of \$3 per utility.

**Sewer Service Rate**

Base rate remains at \$5.05 per 1,000 gallons of water consumption.

**Sewer Availability Fee**

Remains at \$7,490 for new, single-family homes.

**Sewer Lateral Repair and Replacement Program**

Remains at \$2 per year (\$0.50 per quarter).

**Water Service Rate**

Base rate remains at \$2.90 per 1,000 gallons of water consumption. Peak rate remains at \$4.95.

**Water Availability Fee**

Remains at \$4,863 for new, single-family homes.

**Recycling Fee**

Remains at \$16 per year (\$4 per quarter).