

George Mason High School & West Falls Church Economic Development Project

FY2019 Budget Town Hall

April 8, 2018

Wyatt Shields, City Manager

Dr. Peter Noonan, Superintendent



City of Falls Church
Department of
Public Works (DPW) and
Virginia Geographic Information Network

City Boundary
Campus Features

George Mason High School and Mary Ellen Henderson Middle School Campus

Created July 25, 2013

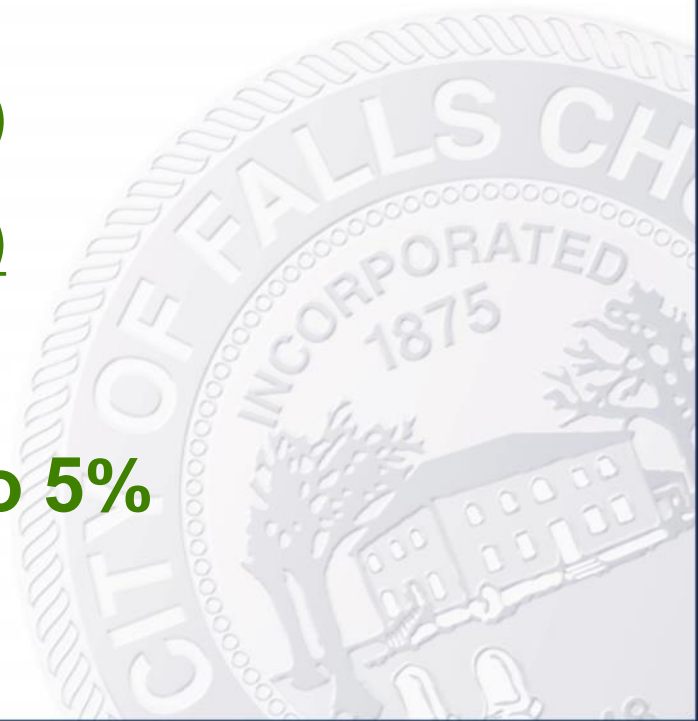


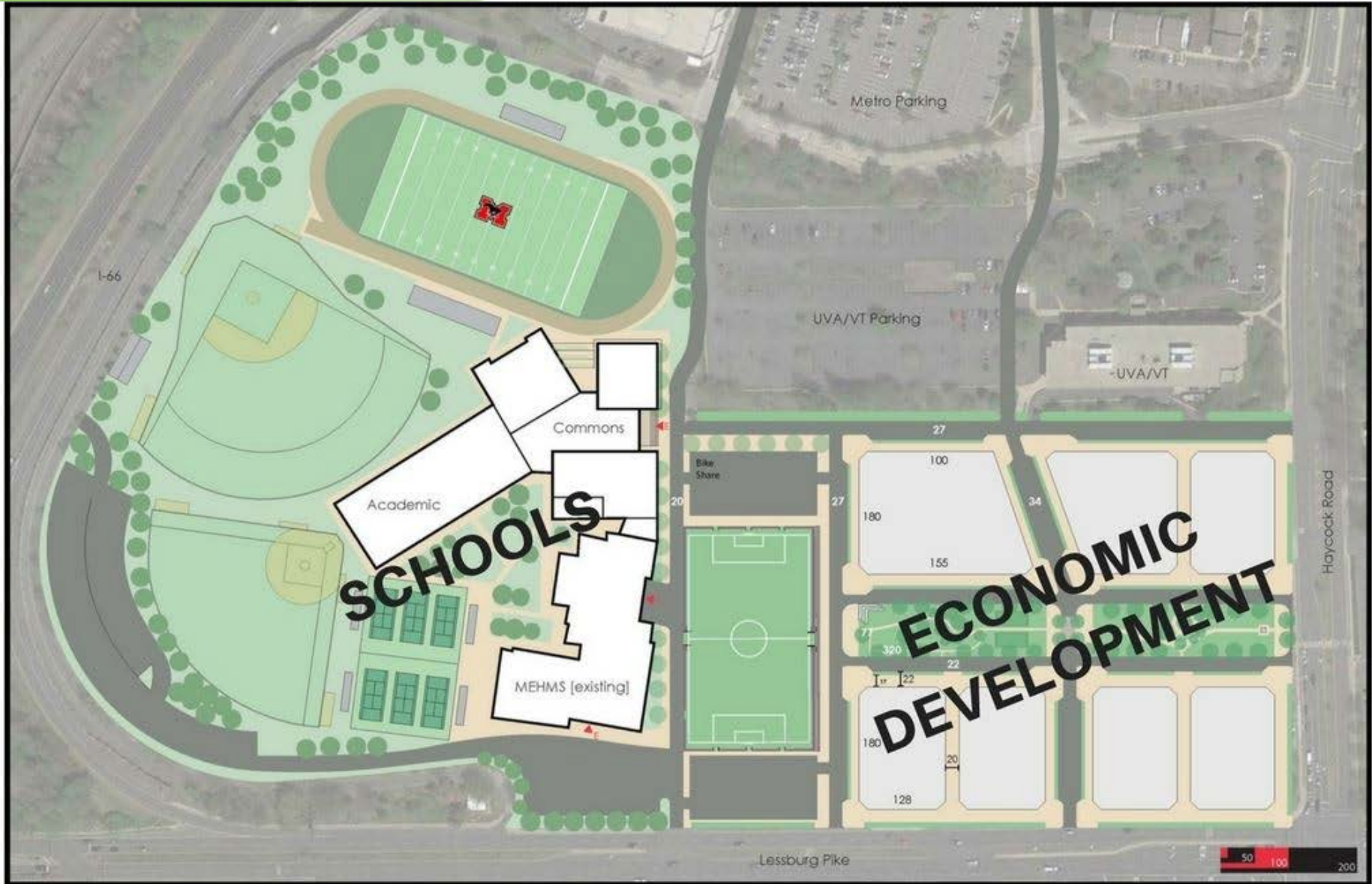
GMHS Debt Service Assumptions

- **GMHS debt phased over 3 years:**
 - FY 2018: \$ 6.5 M (5%)
 - FY 2019: \$63.5 M (53%)
 - FY 2020: \$50 M (42%)

Total: \$120 M

- **Interest rates from 3.5% to 5%**
- **30-year bonds**





April 8, 2018

Month & Year	High School Project	Economic Development
December 2017	Issue Request for Conceptual Proposals	
January 2018		Adopt Comprehensive Plan Amendment
February 2018	Issue Request for Detailed Proposals	
March 1, 2018		Issue Request for Proposals
April 9, 2018		Issue debt for GMHS Design
June 2018	Select School Design and Construction Team	Issue Request for Detailed Proposals
October 2018		Select Top-Ranked Development Partner
May 2019	Finalize School Plans and Cost (GMP)	Finalize Land Lease/Sale Agreement & Conceptual Development Plan
June 2019		Issue debt for GMHS Construction
July 2019	Construction Begins	Site Plan, Building Permits
Summer 2021	School Opens	
Fall 2021		Economic Development Construction Begins

Campus Coordinating Committee

- Purpose: to ensure that design, scheduling, and financial decisions for both the school and future economic development are made in a coordinated fashion
- 8 Members:
 - 4 appointed by City Council
 - 4 appointed by School Board

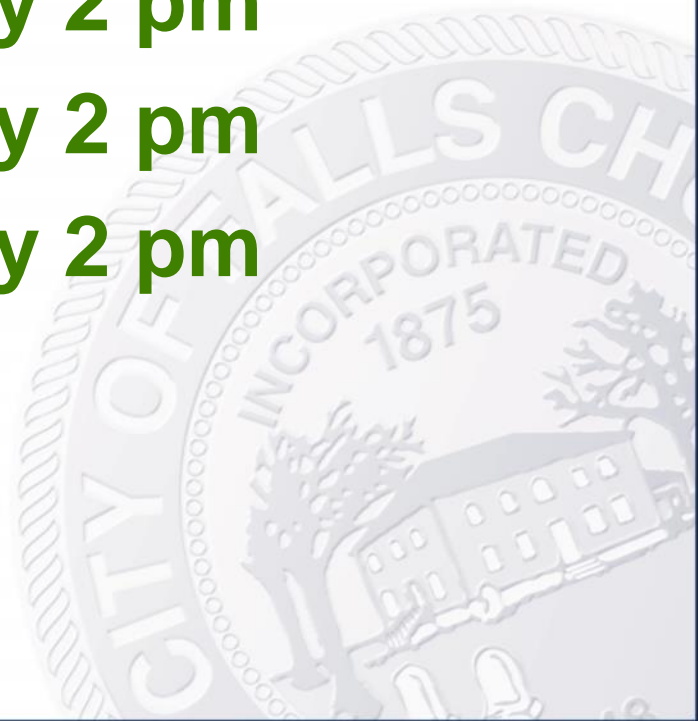


Sunday Series

Campus Project Town Halls

Community Center

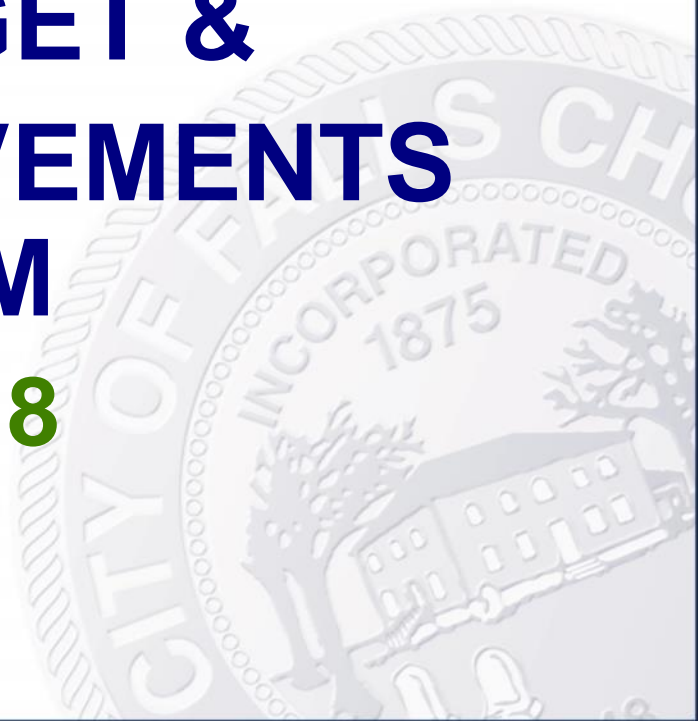
- **May 20** **Sunday 2 pm**
- **August 5** **Sunday 2 pm**
- **September 23** **Sunday 2 pm**



City of Falls Church

FY2019 BUDGET & CAPITAL IMPROVEMENTS PROGRAM

April 8, 2018



Summary (Updated April 2)

- **Operating Budget**
 - 1.7% growth in General Gov't Expenses
 - 2.8% growth in School Transfer
 - Negative 3 cents on RE Tax Rate
- **Capital Investments & Annual Debt Service**
 - Paying for the increases projected in July and during GMHS Bond Referendum
 - 5 cents on RE Tax Rate

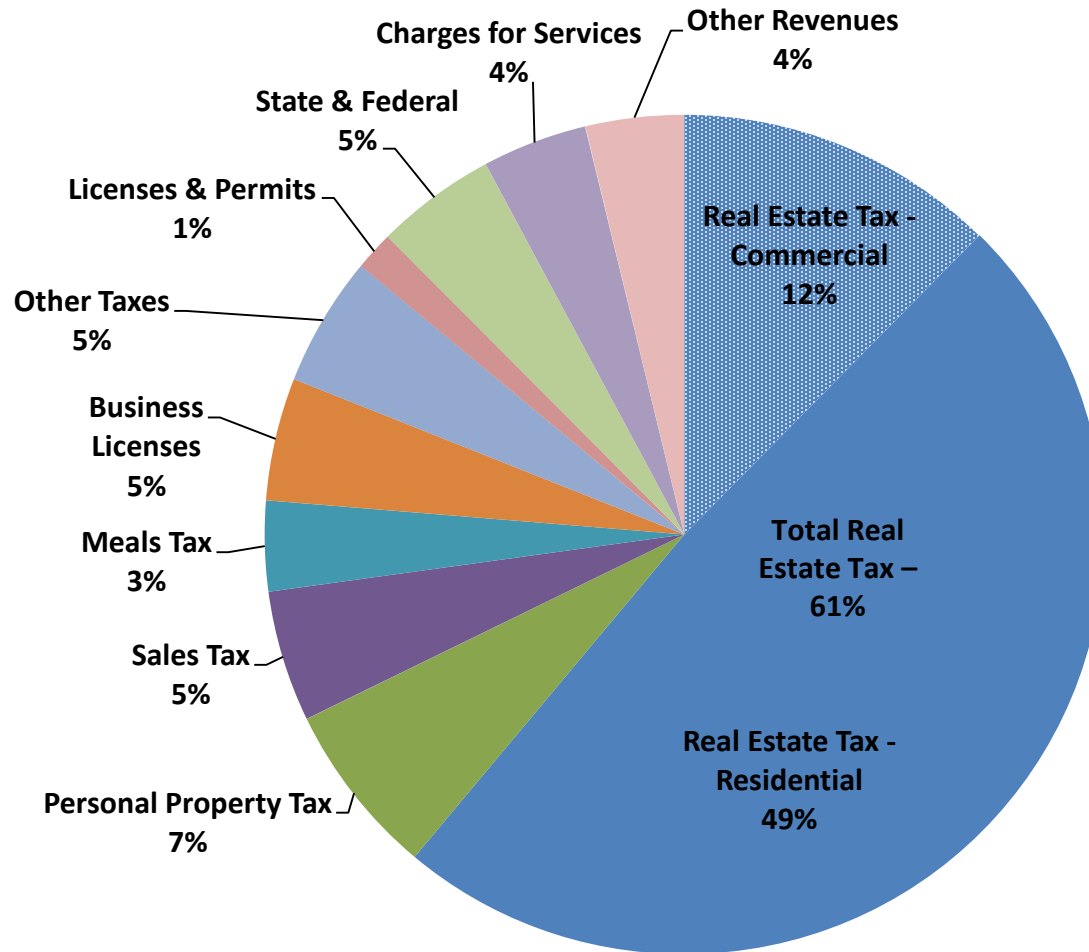
(Additional 1cent will be needed FY20)
- **WMATA Capital**
 - \$1.1 M City cost increase in FY2019
 - Proposed budget funds “worst case”
 - Up to 2.5 cents on the RE tax rate
- **Net RE Tax Rate Change: 4.5 cent increase**

FY2019 Budget Overview

	FY2018	FY2019	\$Change	%Change
General Gov't	\$37,207,314	\$37,838,254	\$ 630,940	1.7%
School Transfer	41,148,000	42,319,046	1,171,046	2.8%
WMATA	954,819	2,305,000	1,350,181	141%
Debt Service	6,445,512	9,212,000	2,766,488	43%
CIP Financing	600,000	1,240,000	640,000	106%
Pension ROI	-	(640,000)	(640,000)	-
Interfund Transfers	1,010,567	1,290,000	279,433	27%
Total Expenditures	\$87,366,212	\$93,564,300	\$6,198,088	7.1%

Operating Revenues

General Fund - \$93.9M



RE Tax Rates in Region

2018 (Proposed To Date)

<u>Real Estate Tax Rates</u>	<u>TY2018</u>	<u>Extras</u>	<u>Comparable Tax Rate</u>
Manassas Park City	\$ 1.550		1.550
Manassas City	1.440		1.440
Purcellville Town	1.415		1.415
Herndon Town	1.415		1.415
Vienna Town	1.375		1.375
Falls Church City	1.375		1.375
Leesburg Town	1.284		1.284
Fairfax County	1.155	0.088	1.243
Prince William Co	1.207		1.207
Alexandria City	1.130	0.063	1.193
Loudoun Co	1.100	0.050	1.150
Fairfax City	1.083	0.010	1.093
Arlington Co	1.006	0.058	1.064
AVERAGE	1.273		1.293

FY 2018 Debt Issuance

(\$23.3 Million)

- **GMHS** \$ 6.5 M
- **City Hall** \$11.3 M
- **FireArms Facility** \$ 1.2 M
- **Fire Station** \$ 0.8M
- **Library** \$ 1.1 M
- **Larry Graves Turf** \$ 1.1 M
- **Mt. Daniel** \$ 0.7 M
- **Equipment & Vehicles** \$ 0.6M

Net Revenue Requirement

General Fund

	FY2019 Revenue Impact	RE Cents	Median Homeowner Impact
Debt Service*	\$ 2,016,488	5.0	\$338
Operating Budget	(1,302,068)	(3.0)	(203)
WMATA**	1,165,330	2.5	169
Net Revenue Requirement	\$ 2,279,750	4.5	\$304

Total Real Estate Tax Proposed: \$1.375

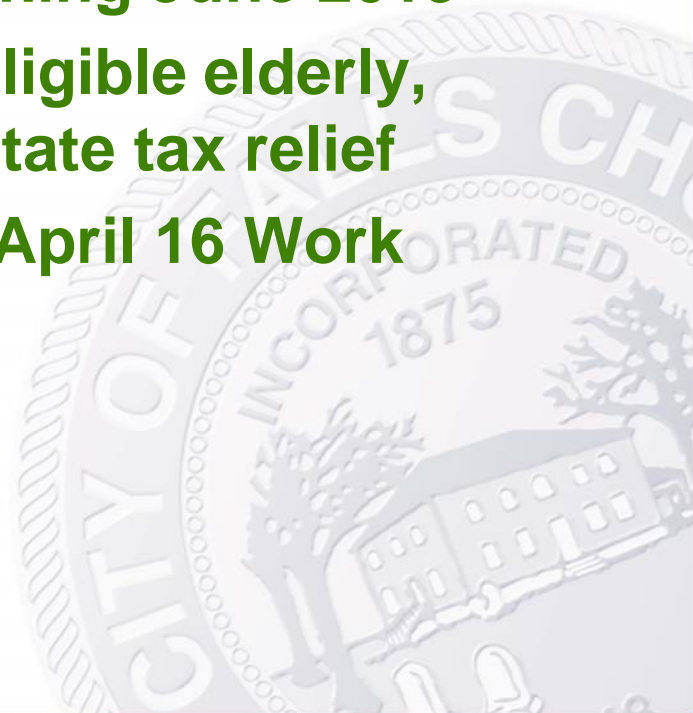
Median Home AV Growth: \$262 + 4.5 cents: \$304 = Total: \$566

*Debt service impact excludes cost of bond issuance funded with bond proceeds

**WMATA impact excludes use of NVTA 30% Funds

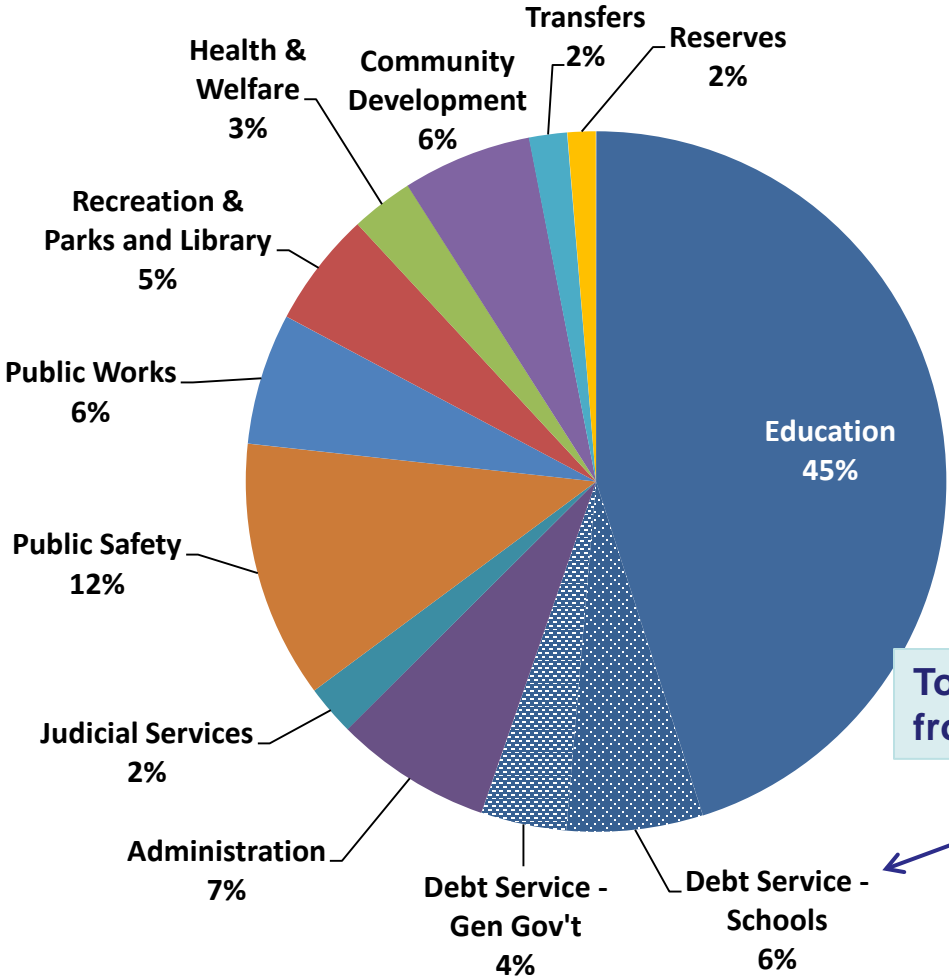
Property Tax Relief

- **Lower income eligibility thresholds**
 - ✓ \$90k additional benefit beginning June 2019
 - ✓ \$327k budget allocation for eligible elderly, disabled, and Veteran real estate tax relief
 - ✓ Ordinance to be reviewed at April 16 Work Session



Expenditures

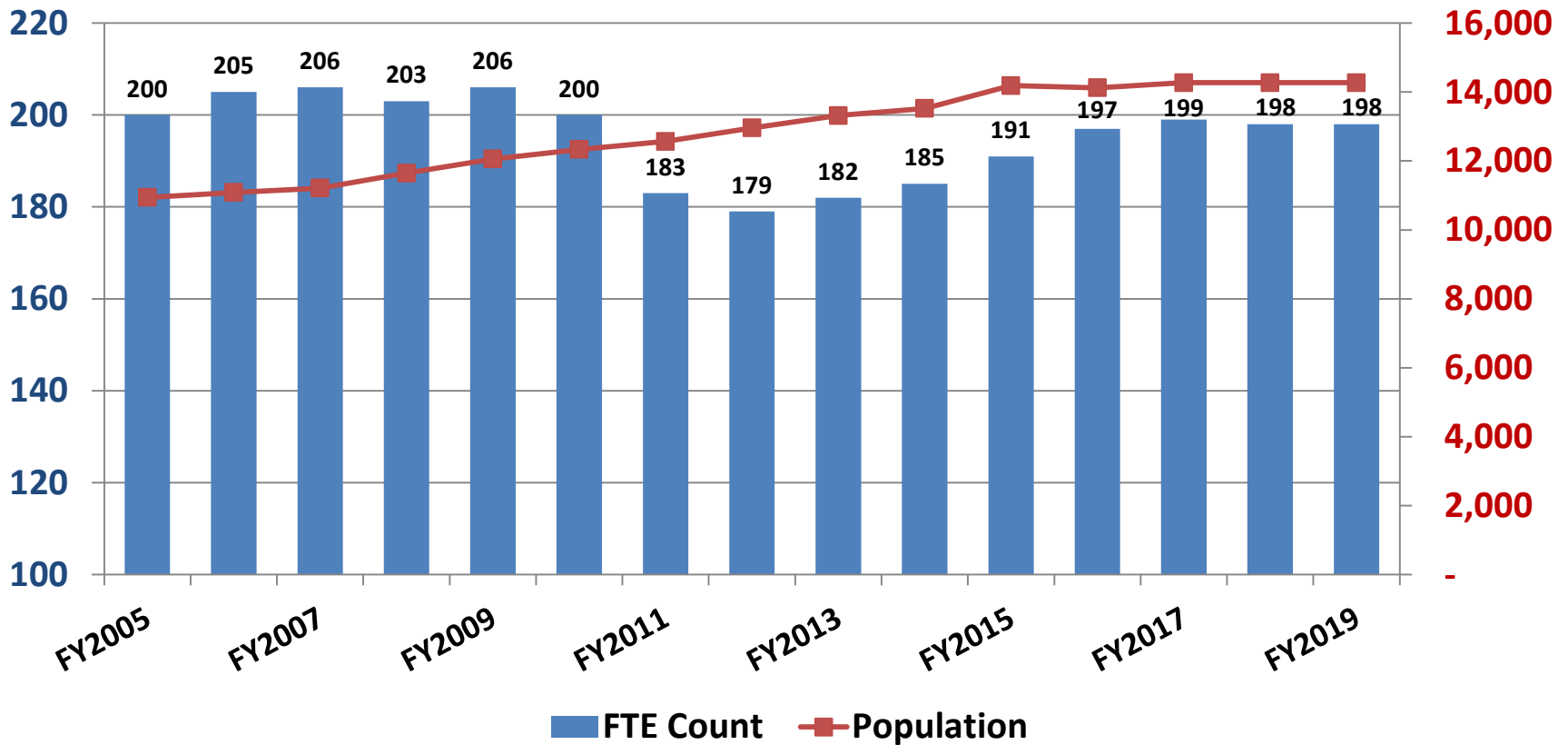
General Fund - \$93.9M



Total Debt Service increases from 7% to 10% of the budget

Positions Over Time

(General Fund Full Time Equivalence)

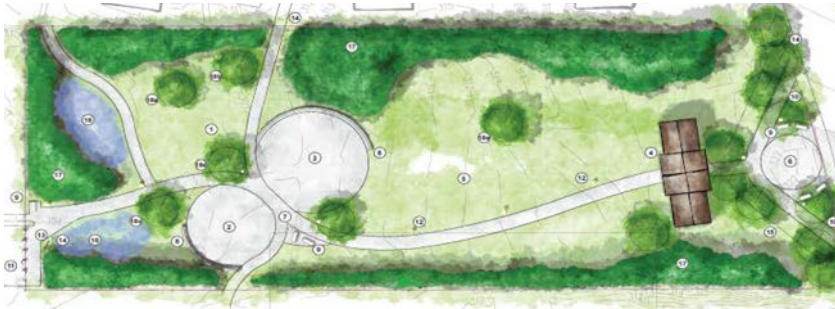


Over 15 year period: + 30% population growth; - 4% decrease

CIP Projects

Projects underway:

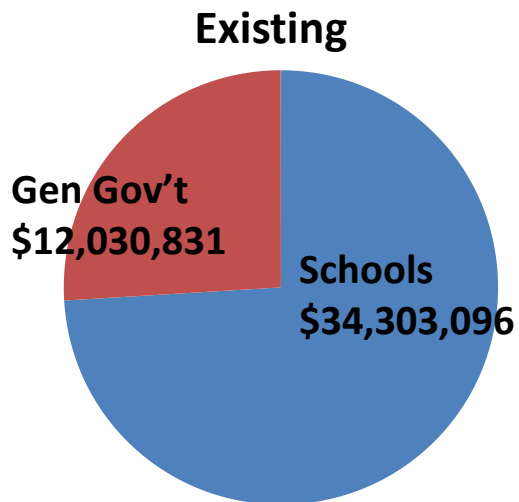
- **Mt. Daniel Elementary School**
- **Big Chimneys Park**
- **City Hall Public Space & Safety Improvements**



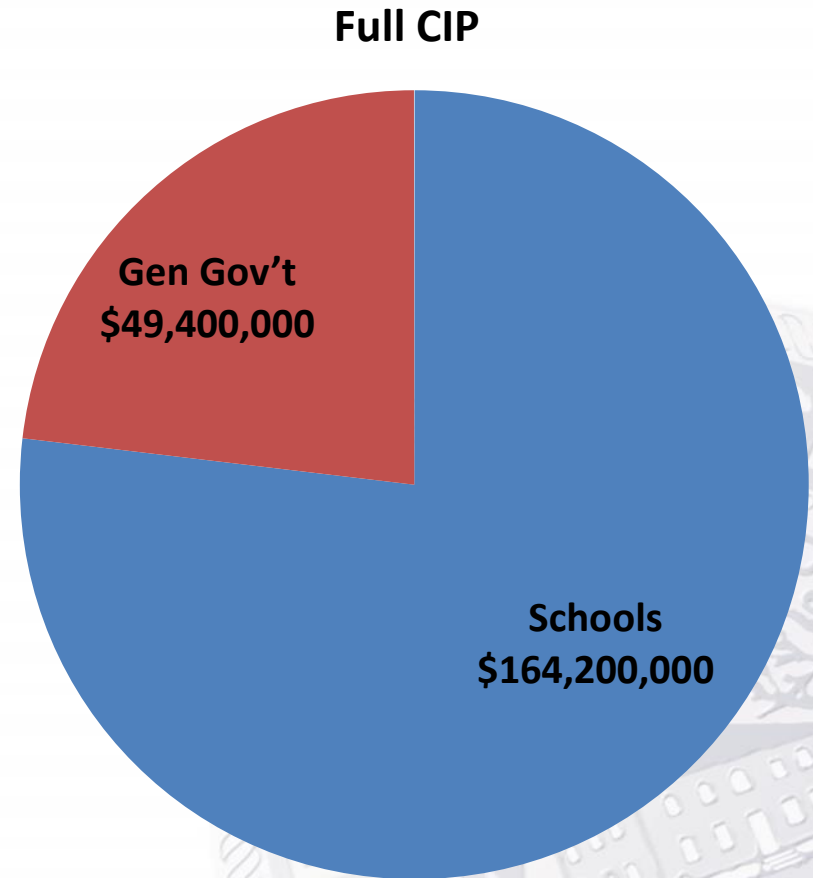
FY2019 Funded Projects

- **Library:** **\$7.3M**
- **Fire Station HVAC & Boiler:** **\$223K**
- **City Facilities Reinvestment:** **\$350K**
- **Local Transportation Projects:** **\$3.8M**
 - Intersections (West & Lincoln & West & Great Falls)
 - Downtown POA (Park Ave and Streetscape Rehab)
 - West Broad Street POA (pedestrian safety, Under ground utilities)
 - Neighborhood Traffic Calming (\$200k)
 - Oak Street Bridge replacement
- **WMATA Subsidy:** **\$2.3M**

General Fund Debt

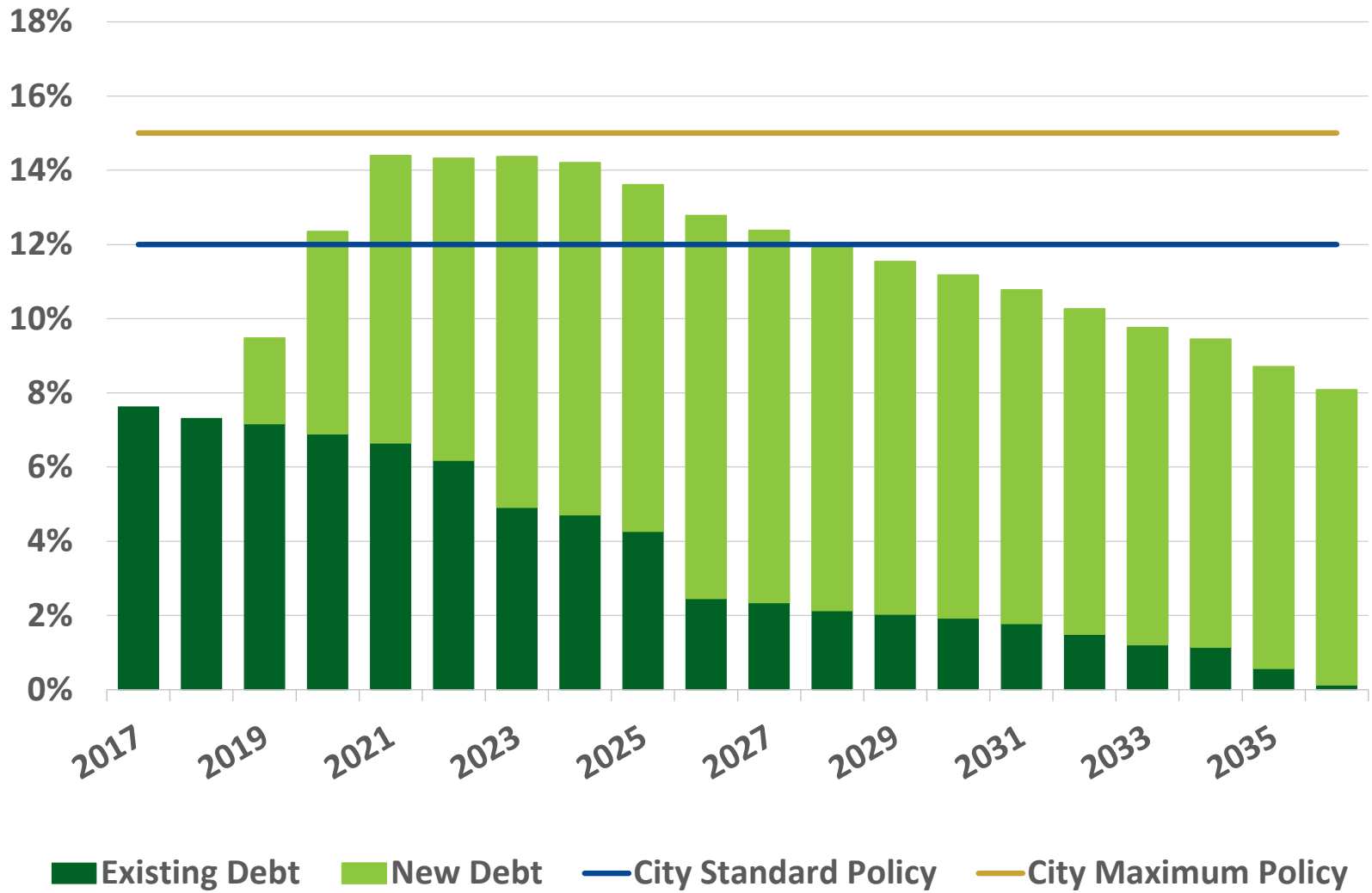


Total Debt = \$46,333,927



Total Debt = \$213,600,000

Debt Service to Expenditures



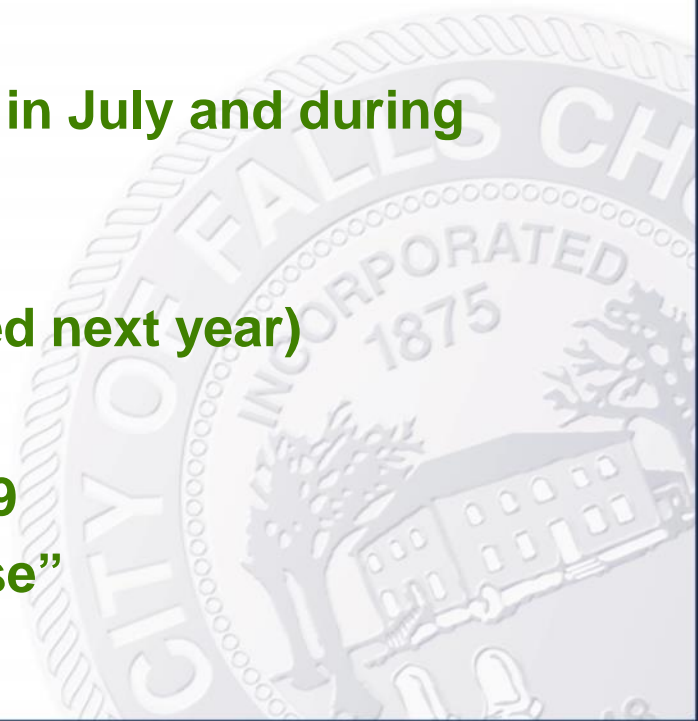
Capital Capacity Strengths

- **AAA / AAA / Aa+ ratings are indication of strength:**
 - ✓ **Fund balance at policy target**
 - ✓ **Strong Capital Reserves**
 - ✓ **Fully funded pensions**
 - ✓ **Significant economic development in the City**
 - ✓ **Record of strong financial management by City Council & Staff**



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Schedule

- **April 8, 2:00 pm: “Sunday Series” Town Hall**
 - **April 9, 7:30 pm: Public Hearing**
 - **April 16, 7:30 pm: Council Work Session**
 - **April 23, 7:30 pm: Final Adoption**
2nd Reading Budget and Tax Rate Ord.
- July 1, 2018: Budget goes into effect**

Public Information & Comment

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

