



## COMMONWEALTH of VIRGINIA

Virginia Department of Housing  
and Community Development

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### ***Report on fiscal stress of Virginia's counties and cities released***

**Richmond, VA** – The Commission on Local Government has released information on the fiscal stress of Virginia's counties and cities. The report, entitled *Report on the Comparative Revenue Capacity, Revenue Effort, and Fiscal Stress of Virginia's Counties and Cities: 2004/2005* shows that the demands of fiscal management typically burdened cities to a greater extent than counties during the most recent measurement period.

The report, which is based upon the latest available statewide data, contains information which documents the comparative fiscal condition of Virginia's counties and cities during the 2000/2001 through 2004/2005 interval. Each year the stress index is based upon the 16 indicators linked to the most recent observation period (presently 2004/2005) for which relevant statistics can be obtained across all counties and cities.

The Commission on Local Government has undertaken similar analyses of the comparative revenue capacity, revenue effort, and fiscal stress of Virginia's localities since 1989. These various studies have examined the fiscal attributes of Virginia's local governments with respect to their jurisdictional classification (i.e., county or city status) and geographic location. The 19 annual reports have revealed that Virginia's cities, on the whole, confront markedly greater fiscal difficulty than the Commonwealth's counties.

According to 2004/2005 data, the average revenue effort of Virginia's cities was 71.86 percent greater than that of the state's counties. Among the "high stress" localities in the Commonwealth, 19 of these 22 jurisdictions were cities.

Copies of the report, as well as selected tables from the document, are available online at: <http://www.dhcd.virginia.gov/>. From there, select [Commission on Local Government](#); next, select [fiscal stress](#).

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The Commission on Local Government, a division of the Virginia Department of Housing and Community Development, promotes and preserves the viability of Virginia's local governments by fostering positive intergovernmental relations. For more information about the commission, visit: <http://www.dhcd.virginia.gov/CommissiononLocalGovernment/>.

The Virginia Department of Housing and Community Development (DHCD) is committed to creating safe, affordable, and prosperous communities to live, work and do business in Virginia. DHCD partners with Virginia's communities to develop their economic potential, improve the quality and affordability of housing, provide for basic building safety, and increase their capacity to address community development and housing needs. Each year, DHCD invests more than \$100 million into housing and community development projects throughout the state - the majority of which are designed to help low-to-moderate income citizens. By partnering with local governments, nonprofit groups, state and federal agencies, and others, DHCD is working to improve the quality of life for Virginians. Visit the DHCD Web site at: [www.dhcd.virginia.gov](http://www.dhcd.virginia.gov).

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