

Revenue Estimates

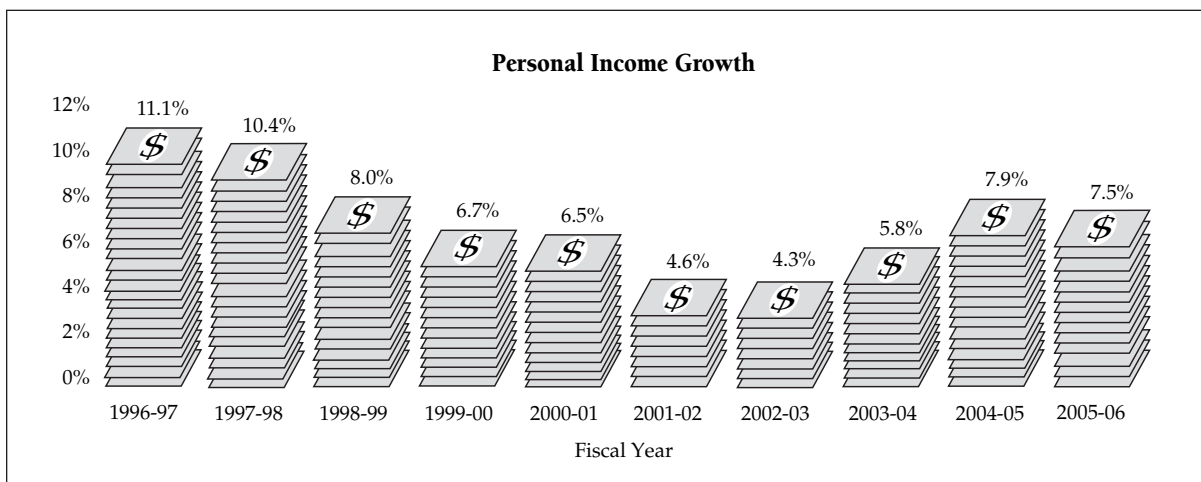
Revenue estimates for 2005-06 are based on assumptions about the local economy and population changes, on underlying cost estimates for cost-recovery rates and fees, and on the continuation of current state revenue collection and sharing practices. Adjustments to fees, such as those for water and sewer service, are established in separate planning processes and are incorporated in these estimates. In addition, other revenue estimates are developed using the most current information from outside entities that establish such fees. Examples of revenues derived from fees set by outside entities

include portions of court fines and fees and ambulance fees. Finally, the revenue estimates reflect an approved adjustment to property tax revenues. The primary property tax levy, which is a General fund revenue, has been increased by approximately \$5 million to the maximum allowable and is offset by a like reduction in the secondary property tax levy. The current \$1.82 property tax rate will remain the same.

The state and local economy began to recover in late 2002-03 and that recovery continued in 2003-04. It is assumed that recovery growth rates will continue

through early 2004-05, and then stabilize for the balance of the year. Personal income is a major driver for estimating state and local sales taxes and state-shared income taxes. Consistent with projections by local economists, the chart below shows that personal income is expected to grow by 7.5 percent in 2005-06, down from the 7.9 percent estimated for 2004-05.

In non-General Fund revenues, the 2005-06 estimates for Water, Wastewater and Solid Waste systems reflect full year impacts of 2004-05 fee increases.





GENERAL REVENUES BY MAJOR SOURCE
(In Thousands of Dollars)

Revenue Source	2003-04 Actuals	% of Total	2004-05 Estimate	% of Total	2005-06 Estimate	% of Total	Increase/(Decrease) from 2004-05 Est.	
							Amount	Percent
Local Taxes								
Sales Tax	\$332,906	42.1%	\$357,959	42.4%	\$386,880	42.0%	\$28,921	8.1%
Privilege License Fees	2,234	0.3	2,350	0.3	2,350	0.3	–	0.0
Subtotal	\$335,140	42.4%	\$360,309	42.6%	\$389,230	42.2%	\$28,921	8.0%
State-Shared Revenues								
Sales Tax	111,594	14.1	122,554	14.5	134,822	14.6	12,268	10.0
State Income Tax	119,118	15.1	121,470	14.4	138,455	15.0	16,985	14.0
Vehicle License Tax	53,522	6.8	57,100	6.8	60,765	6.6	3,665	6.4
Subtotal	\$284,234	36.0%	\$301,124	35.6%	\$334,042	36.2%	\$32,918	10.9%
Primary Property Tax	76,392	9.7	83,304	9.9	91,311	9.9	8,007	9.6
User Fees/Other Revenues								
License & Permits	2,650	0.3	2,496	0.3	2,496	0.3	–	0.0
Cable Communications	8,257	1.0	8,529	1.0	8,785	1.0	256	3.0
Fines & Forfeitures	17,873	2.3	18,883	2.2	20,070	2.2	1,187	6.3
Court Default Fee	839	0.1	928	0.1	1,079	0.1	151	16.3
Engineering & Architectural Services	2,798	0.4	1,752	0.2	2,529	0.3	777	44.4
Fire	21,072	2.7	26,692	3.2	30,153	3.3	3,461	13.0
Hazardous Materials Inspection Fees	1,038	0.1	1,300	0.2	1,325	0.1	25	1.9
Library Fees	995	0.1	1,024	0.1	1,673	0.2	649	63.4
Parks & Recreation	4,038	0.5	3,358	0.4	3,467	0.4	109	3.2
Planning	3,013	0.4	1,444	0.2	1,471	0.2	27	1.9
Police	11,084	1.4	11,477	1.4	11,536	1.3	59	0.5
Street Transportation	2,267	0.3	2,618	0.3	1,636	0.2	(982)	(37.5)
Other Service Charges	16,058	2.0	17,165	2.0	19,886	2.2	2,721	15.9
All Others	2,468	0.3	2,486	0.3	1,473	0.2	(1,013)	(40.8)
Subtotal	\$94,450	12.0%	\$100,152	11.9%	\$107,579	11.7%	\$7,427	7.4%
TOTAL GENERAL FUND	\$790,216	100.0%	\$844,889	100.0%	\$922,162	100.0%	\$77,273	9.1%

