

## Revenue Estimates

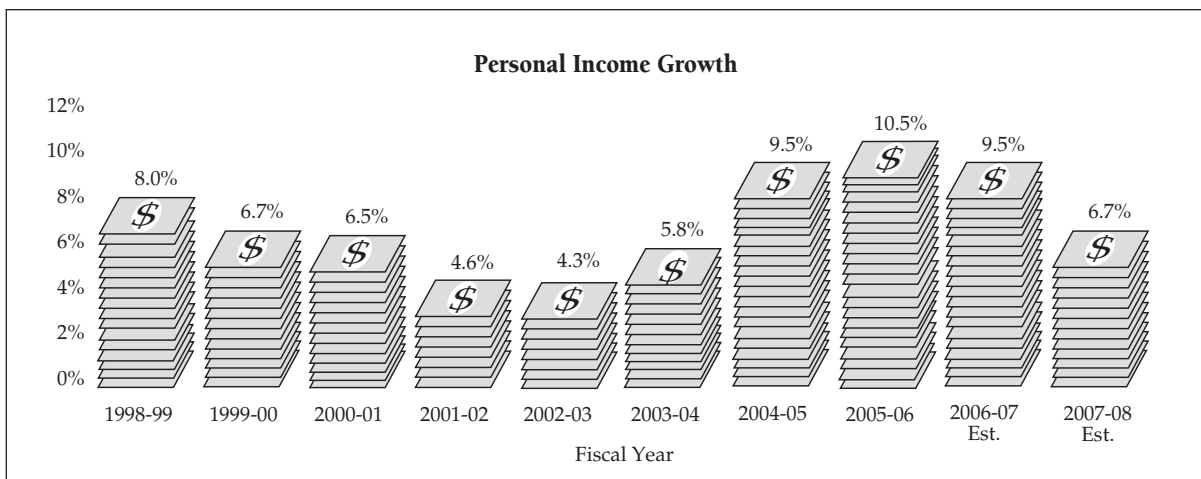
**R**evenue estimates for 2007-08 are based on assumptions about the local economy and population changes, on underlying cost estimates for cost-recovery rates and fees, and on the continuation of current state revenue collection and sharing practices. Adjustments to fees, such as those for water, sewer and solid waste services, 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, consistent with recommendations of the 2006 Bond Committee, the primary property tax levy remains at the maximum allowable amount. The current combined primary and secondary property tax rate remains the same at \$1.82.

The state and local economy achieved strong growth in 2004-05 and 2005-06, bolstered by strong growth in construction, retail sales, and business and personal income taxes. Growth has slowed in 2006-07 as the local housing market has

cooled. It is assumed that growth rates will moderate for the balance of the year and throughout next 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 6.7 percent in 2007-08, down from the 9.5 percent estimated for 2006-07.

In non-General Fund revenues, the 2007-08 estimates for Water, Wastewater and Solid Waste systems reflect full year impacts of 2006-07 fee increases.



**GENERAL REVENUES BY MAJOR SOURCE**

(In Thousands of Dollars)

Revenue Source	2005-06 Actuals	% of Total	2006-07 Estimate	% of Total	2007-08 Budget	% of Total	Increase/(Decrease) from 2006-07 Est.	
							Amount	Percent
<b>Local Taxes</b>								
Sales Tax	\$406,153	43.0%	\$437,808	42.8%	\$468,056	41.9%	30,248	6.90%
Privilege License Fees	2,332	0.2%	2,355	0.2%	2,355	0.2%	—	0.00%
Subtotal	\$408,485	43.2%	\$440,163	43.1%	\$470,411	42.1%	\$30,248	6.90%
<b>State-Shared Revenues</b>								
Sales Tax	141,194	14.9%	144,348	14.1%	154,234	13.8%	9,886	6.80%
State Income Tax	138,313	14.6%	167,579	16.4%	207,826	18.6%	40,247	24.00%
Vehicle License Tax	63,108	6.7%	60,584	5.9%	63,007	5.6%	2,423	4.00%
Subtotal	\$342,615	36.2%	\$372,511	36.5%	\$425,067	38.0%	\$52,556	14.10%
<b>Primary Property Tax</b>	89,721	9.5%	95,660	9.4%	102,317	9.2%	6,657	7.00%
<b>User Fees/Other Revenues</b>								
Licenses & Permits	2,486	0.3%	2,580	0.3%	2,603	0.2%	23	0.90%
Cable Communications	8,662	0.9%	9,850	1.0%	10,018	0.9%	168	1.70%
Fines & Forfeitures	20,726	2.2%	22,515	2.2%	25,573	2.3%	3,058	13.60%
Court Default Fee	850	0.1%	810	0.1%	864	0.1%	54	6.70%
Engineering & Architectural Services	2,694	0.3%	2,600	0.3%	1,400	0.1%	-1,200	-46.20%
Fire	28,664	3.0%	32,390	3.2%	37,407	3.3%	5,017	15.50%
Hazardous Materials Inspection Fees	1,419	0.2%	1,325	0.1%	1,325	0.1%	—	0.00%
Library Fees	1,481	0.2%	1,629	0.2%	1,726	0.2%	97	6.00%
Parks & Recreation	4,564	0.5%	5,040	0.5%	5,036	0.5%	-4	-0.10%
Planning	1,952	0.2%	1,683	0.2%	1,683	0.2%	-	0.00%
Police	12,415	1.3%	13,773	1.3%	14,004	1.3%	231	1.70%
Street Transportation	2,429	0.3%	2,470	0.2%	2,472	0.2%	2	0.10%
Other Service Charges	14,340	1.5%	15,551	1.5%	14,680	1.3%	-871	-5.60%
All Others	2,115	0.2%	1,427	0.1%	1,368	0.1%	-59	-4.10%
Subtotal	\$104,797	11.1%	\$113,643	11.1%	\$120,159	10.7%	\$6,516	5.70%
<b>TOTAL GENERAL FUND</b>	<b>\$945,618</b>	<b>100.0%</b>	<b>\$1,021,977</b>	<b>100.0%</b>	<b>\$1,117,954</b>	<b>100.0%</b>	<b>\$95,977</b>	<b>9.40%</b>