



### Other Restricted Fees

Included in this category are revenues associated with the Court Technology Enhancement fee and the Judicial Collection Enhancement Fund, Heritage Square, the Tennis Center at Washington Park, Vehicle Impound fees, Affordable Housing Program revenues, and monopole rentals from several city parks. Also included is revenue from restricted fees for recreation and other programs, and donations specified for various city programs.

The 2009-10 estimate of \$26,373,000 is \$811,000 above the 2008-09 estimate of \$25,562,000. The increase is primarily due to projected increases in Fire Technical Support revenues and facility rental income.

### Public Housing Grants

The 2009-10 Public Housing grants revenue included in the annual operating budget is \$73,035,000, which is a 17.7 percent decrease from 2008-09. This category includes the HOME program that is aimed at increasing the availability of affordable rental housing and expanding home ownership opportunities for first-time homebuyers. Other items in this category include housing subsidies, interest income and housing assistance payments.

### Human Services Grants

The 2009-10 revenue estimate of \$38,651,000 is \$19,000 more than the 2008-09 estimate of \$38,632,000. This category includes funds from the Department of Health and Human Services, Workforce Investment Act, Aging Program Grants, Head Start funds and American Recovery and Reinvestment Act (ARRA) 2009 funds.

### Community Development Block Grant

Each year since 1974, the city has received Community Development Block Grant funds from the U.S. Department of Housing and Urban Development. These funds are used to support a variety of projects and programs that must meet the following national objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums and blight; or meet other urgent community development needs. The CDBG entitlement available in 2009-10 is \$37,361,000.

### Criminal Justice Grants

The 2009-10 grant revenue for criminal justice programs is estimated to be \$12,858,000. This includes Police, Court and Law department grants. Grants include funding for the Police Department training academy, drug trafficking prevention, other crime-related prevention programs and American Recovery and Reinvestment Act (ARRA) 2009 funds.

### Public Transit Grants

The 2009-10 Federal Transit Administration Grant estimate is \$11,582,000 reflecting an increase of \$755,000 above the 2008-09 estimate of \$10,827,000.

### Other Grants

The 2009-10 budget also includes \$196,674,000 for federal, state and other grants that provide funding for the neighborhood stabilization program, various parks and recreation and library activities, workforce development and American Recovery and Reinvestment Act (ARRA) 2009 funds.

### ENTERPRISE FUNDS

This category includes revenues from the city's six Enterprise funds including Aviation, Water, Wastewater, Solid Waste, Convention Center and Golf. These Enterprise funds fully recover their costs through user fees associated with the provision of their services. This category also includes the Convention Center that, in addition to the user fees associated with the operation of the Convention Center, is supported by earmarked sales taxes. Following are descriptions of each Enterprise Fund category and explanations of the revenue estimates.

### Aviation

Aviation revenue estimates include landing fees, concession revenues and interest income at Sky Harbor International, Deer Valley and Goodyear airports. Total Aviation revenue for 2009-10 is anticipated to be \$324,076,000, which is \$12,789,000 or 4.1 percent greater than the 2008-09 estimate of \$311,287,000. The proposed 2009-10 estimate anticipates conservative growth in airline fees, landing fees, concessions and parking revenues.

The table on the next page shows shows Aviation revenue by major category and annual percent change since 2005-06.

**SUMMARY OF AVIATION REVENUES**  
**(In Thousands of Dollars)**

	2005-06	2006-07	2007-08	2008-09 (Est.)	2009-10 (Est.)
Airline Operation	\$ 89,005	\$ 92,056	\$ 95,741	\$ 95,142	\$ 97,376
Concessions and Rentals	153,814	176,579	182,420	170,649	179,064
Rental Car Facility	32,919	34,520	36,146	30,316	33,316
Interest	6,850	10,426	10,967	7,795	7,750
Other/Federal Grants	3,041	5,676	6,550	3,287	2,407
Goodyear	1,725	415	1,506	1,438	1,463
Deer Valley	2,773	3,198	2,741	2,660	2,700
<b>Total Aviation Revenue</b>	<b>\$290,127</b>	<b>\$322,870</b>	<b>\$336,071</b>	<b>\$311,287</b>	<b>\$324,076</b>
Change From Prior Year	26.7%	11.3%	4.1%	(7.4%)	4.1%

**SUMMARY OF WATER SYSTEM REVENUES**  
**(In Thousands of Dollars)**

	2005-06	2006-07	2007-08	2008-09 (Est.)	2009-10 (Est.)
Water Sales	\$200,390	\$211,380	\$235,342	\$245,694	\$267,467
Environmental Consumption Charge	26,662	31,337	35,977	40,913	46,288
Raw Water Charge	16,563	16,080	15,957	15,900	18,990
Interest	16,602	15,963	13,976	5,818	5,685
Development Fees	9,901	8,712	4,772	2,500	2,500
Combined Service Fees	2,215	2,163	2,249	5,175	5,175
Val Vista	6,942	7,194	7,861	8,619	9,536
All Other	18,436	19,105	15,771	4,890	8,525
<b>Total Water Revenue</b>	<b>\$297,711</b>	<b>\$311,934</b>	<b>\$331,905</b>	<b>\$329,509</b>	<b>\$364,166</b>
Change From Prior Year	17.8%	4.8%	6.4%	(0.7%)	10.5%



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**Water System**

Water system revenues include water sales, development fees, various water service fees, resource acquisition fees, fees paid by other jurisdictions for the operation of the Val Vista Water Treatment Plant and other miscellaneous fees. Total water system revenue for 2009-10 is projected to be \$364,166,000, which is \$34,657,000 or 10.5 percent more than the \$329,509,000 estimate for 2008-09. The 2009-10 estimate reflects a full year's impact from the March 2009 rate increase for water sales. It also reflects zero account growth coupled with a slightly higher overall consumption per account.

The table on the previous page shows water system revenues by major category since 2005-06.

**Wastewater System**

Wastewater system revenues include monthly sewer service charge revenues, which are based on water consumption rates, development fees, the sale of wastewater treatment services to other jurisdictions, the sale of effluent and other miscellaneous fees. The wastewater system is expected to generate revenue of \$221,237,000 in 2009-10, which is \$8,054,000 or 3.8 percent greater than the 2008-09 estimate of \$213,183,000. The 2009-10 estimate is based on a full year's realization of the March 2009 rate increase on sewer services. The table below shows Wastewater revenue by major category and annual percent change since 2005-06.

**Solid Waste**

This category includes revenues from the monthly residential collection and landfill tipping fees. The 2009-10 estimate of \$140,009,000 is an increase of \$3,963,000 or 2.9 percent greater than the 2008-09 estimate of \$136,046,000. The increase includes a March 2009 rate increase and zero percent household unit growth.

**SUMMARY OF WASTEWATER SYSTEM REVENUES  
(In Thousands of Dollars)**

	2005-06	2006-07	2007-08	2008-09 (Est.)	2009-10 (Est.)
Sewer Service Charge	\$110,902	\$122,103	\$135,378	\$146,850	\$152,440
Environmental Charges	24,939	31,429	33,752	32,730	34,627
Development Fees	9,335	8,187	4,117	1,500	1,800
Interest	9,471	13,373	14,370	5,083	4,296
Multi-City	17,261	19,242	18,562	21,426	22,495
Other	5,261	8,734	6,097	5,594	5,579
<b>Total Wastewater Revenue</b>	<b>\$177,169</b>	<b>\$203,068</b>	<b>\$212,276</b>	<b>\$213,183</b>	<b>\$221,237</b>
Change From Prior Year	11.4%	14.6%	4.5%	0.4%	3.8%

### Convention Center

The majority of Convention Center revenues are from earmarked sales taxes including a 0.5 percent tax on advertising, a 0.5 percent portion of the 2.0 percent tax on restaurant and bar sales, construction, publishing, printing, and transportation and towing, plus a 2 percent portion of the 5.0 percent hotel/motel tax on rooms rented for 30 days or less.

Earmarked sales taxes are expected to produce \$50,701,000 in 2009-10, an increase of 4.6 percent above 2008-09. Convention Center operating revenues are expected to be \$11,232,000, parking revenue is expected to be \$3,630,000, and interest revenue is expected to be \$1,500,000, for total revenue estimates of \$67,063,000. This is \$2,139,000 or 3.3 percent more than the 2008-09 total estimated revenue of \$64,924,000. The increase is due to the estimated growth in earmarked sales tax categories and a slight improvement in operating revenues. Tax estimates are consistent with General Fund sales tax estimates for the categories included in Convention Center.

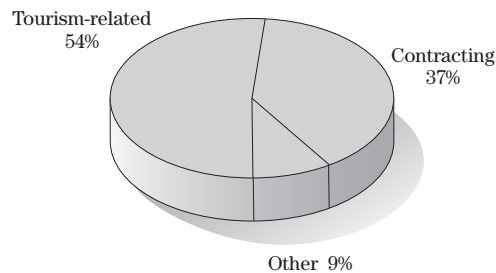
The following table shows the Convention Center excise tax collections since 2005-06.

Overall growth rates differ from General Fund sales taxes due to the smaller number of categories, differing proportions of the total and their more volatile nature. As shown in the following pie chart, contracting and tourism represent 91 percent of the sales tax revenue to this fund. Both industries are considered volatile; and both have experienced dramatic changes in the last several years. In the General Fund, however, contracting and tourism represent only 14 percent of the sales tax revenue. Because of this, any changes to these more volatile industries have a greater impact in this fund's sales tax revenue than in the General Fund's sales tax revenue.

### CONVENTION CENTER SALES TAXES (In Thousands of Dollars)

Fiscal Year	Amount Collected	Increase/(Decrease)	
		Amount	Percent
2005-06	\$56,889	\$8,886	18.5%
2006-07	61,647	4,758	8.4
2007-08	58,126	(3,521)	(5.7)
2008-09 (Est.)	48,493	(9,633)	(16.6)
2009-10 (Est.)	50,701	2,208	4.6

### 2009-10 CONVENTION CENTER Earmarked Sales Taxes



The growth rate anticipated for 2008-09 reflects the current slowdown in the economy, while the growth rate for 2009-10 reflects some improvement.

### Golf Courses

Revenue sources in the Golf Course category include greens fees, golf cart rentals and pro shop sales at city-run golf courses which include Aguila, Cave Creek, Encanto, Maryvale and Palo Verde. The city receives rental income from Papago Golf Course, which is operated by a concessionaire. The 2009-10 estimate of \$6,122,000 is \$92,000 or 1.5 percent above the 2008-09 estimate. This is due to an increase in facility rental income from the Papago Golf Course.