

# Revenue Analysis and Summary

Carroll County receives revenues from over 120 sources including taxes, permit fees, State aid, user fees and investment income. Approximately 70% of the revenue comes from real property and income taxes. In past years the real property tax and the income tax were about 80% of the total. The decline in FY 06 is primarily due to appropriating a portion of real property tax revenue directly to the Community Investment Plan (CIP) and an increase in the prior year unappropriated reserve, a result of higher fund balances in FY 04 and FY 05.

| Revenue In Millions         | FY 05 Adopted Budget | Percent of Total | FY 05 Projected Revenue | Percent of Total | FY 06 Proposed Budget | Percent of Total | Cumulative Percent of Total |
|-----------------------------|----------------------|------------------|-------------------------|------------------|-----------------------|------------------|-----------------------------|
| Real Property               | \$115.0              | 43.8%            | \$116.5                 | 41.0%            | \$100.3               | 35.4%            | 35.4%                       |
| Income Tax                  | 89.0                 | 33.9%            | 98.0                    | 34.5%            | 102.0                 | 36.0%            | 71.3%                       |
| Recordation Tax             | 13.0                 | 4.9%             | 21.0                    | 7.4%             | 17.8                  | 6.3%             | 77.6%                       |
| Highway & Motor Vehicle     | 7.6                  | 2.9%             | 9.2                     | 3.2%             | 11.3                  | 4.0%             | 81.6%                       |
| Railroad & Public Utilities | 6.6                  | 2.5%             | 6.8                     | 2.4%             | 6.1                   | 2.2%             | 83.7%                       |
| Ordinary Business           | 5.7                  | 2.2%             | 6.0                     | 2.1%             | 6.0                   | 2.1%             | 85.8%                       |
| Interest                    | 1.9                  | 0.7%             | 2.5                     | 0.9%             | 4.0                   | 1.4%             | 87.2%                       |
| 911 Service Fee             | 0.9                  | 0.3%             | 0.9                     | 0.3%             | 0.9                   | 0.3%             | 87.6%                       |
| Building Permits            | 1.0                  | 0.4%             | 0.9                     | 0.3%             | 1.3                   | 0.5%             | 88.0%                       |
| <b>Total Major Revenues</b> | <b>\$240.7</b>       | <b>91.2%</b>     | <b>\$261.8</b>          | <b>91.8%</b>     | <b>\$249.7</b>        | <b>87.6%</b>     | <b>88.0%</b>                |
| Total Annual Revenues       | 249.8                | 95.1%            | 271.3                   | 95.5%            | 255.1                 | 89.9%            | 89.9%                       |
| Other Revenues              | 12.8                 | 4.9%             | 12.8                    | 4.5%             | 28.6                  | 10.1%            | 100.0%                      |
| <b>Total Revenue</b>        | <b>\$262.7</b>       | <b>100.0%</b>    | <b>\$284.1</b>          | <b>100.0%</b>    | <b>\$283.7</b>        | <b>100.0%</b>    | <b>100.0%</b>               |

Percentages may not add to 100% due to rounding

## Property Tax

The Property Tax group includes thirteen separate taxes, tax credits and charges. The three most significant; Real Property, Railroad and Public Utilities, and Ordinary Business are included in the chart above. Properties are assessed by the Maryland Department of Assessment and Taxation, while the Board of County Commissioners sets the property tax rate. Applying the County tax rate to the State assessment determines the amount of taxes owed.

For assessment purposes, the State divides Carroll County into three assessment groups based on Election Districts, as follows:

|         |  |
|---------|--|
| Group 1 | New Windsor, Franklin, Mt. Airy, Berrett and Freedom           |
| Group 2 | Myers, Manchester, Hampstead and Woolerys                      |
| Group 3 | Taneytown, Middleburg, Uniontown, Westminster and Union Bridge |

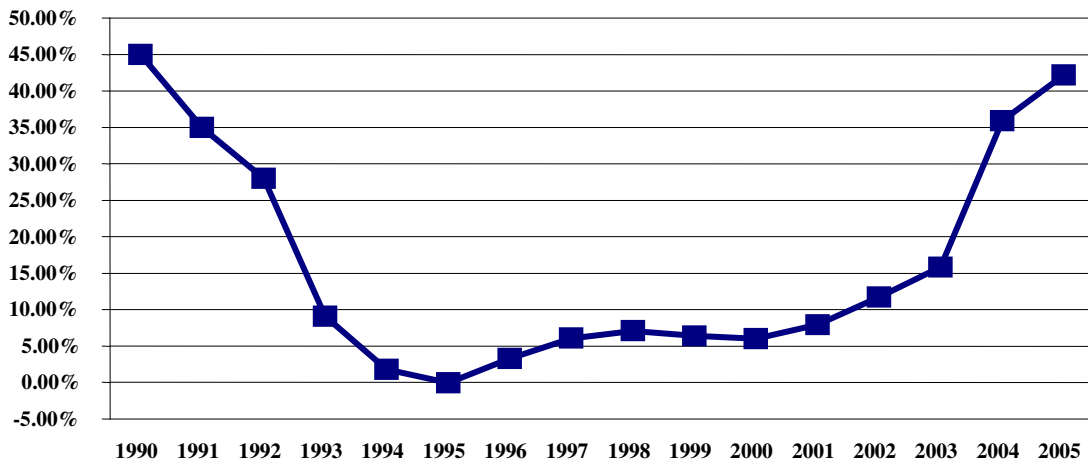
Real property is assessed at 100% of market value with a tax rate of \$1.048 per one hundred dollars of full value. Each year the State reassesses one area, resulting in a complete reassessment of the County every three years. The Homestead Tax Credit limits payments to no more than 7% each year. Only properties that are the owner's primary residence are eligible for this credit. Decreased assessments, regardless of the property type, are fully applied in the first year. The total of the assessed values of local property is the County's assessable base, which can change through reassessment and the loss or gain of buildings and personal property.

Real property tax is a general fund revenue, except for 3% which is dedicated to road improvements and land preserved through the Agricultural Preservation Program. Additional revenue needed for on-going capital improvements, such as paving and roof repairs is budgeted to the operating budget and then transferred to the CIP. An additional \$30.9 million was directly appropriated to the CIP in FY 06 to address specific one-time expenditures. The rationale for directly appropriating to the CIP is that the funding for CIP projects should be reflected in the revenues of the CIP, as opposed to the operating budget.

The assessable base includes three major categories of assessment: residential property, commercial/industrial property and agricultural property. Typically, residential property taxes do not cover the costs of services required, while commercial/industrial properties generally pay more in taxes than the cost of the services they require. A strong commercial/industrial base can relieve the tax burden on residents. Conversely, a relatively small commercial/industrial base increases the burden on residential taxpayers, often constraining the level of services that can be offered at a given tax rate. Immediately following this revenue summary is a three-year comparison showing Carroll County in comparison to the assessable bases of other counties and Baltimore City.

In recent years the assessable base and property tax revenue experienced strong and steady growth driven by rising residential property values and a strong construction market. Real property tax revenue is projected to grow approximately 9.0% from FY 05. The graph below shows the average reassessment of the individual groups. As mentioned above, one-third of the County is assessed each year. Each point on the graph is the average reassessment of one of the three areas. The graph also illustrates the cyclical nature of property assessments.

### Average Reassessment History

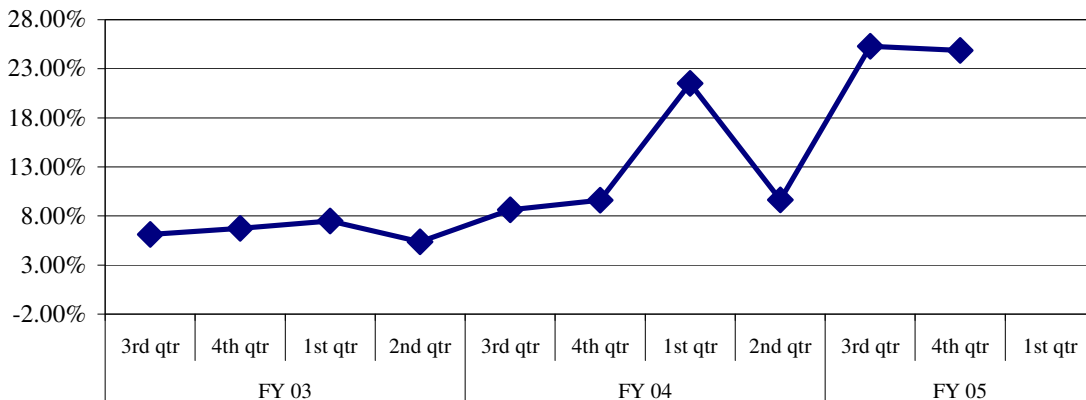


### Income Tax

Local income tax is calculated as a percentage of net taxable State income. The Commissioners set the rate, although there is a State cap of 3.2%. 9.1% of income tax is dedicated to the CIP and debt service for the Board of Education.

Approximately 90% of income tax revenue is received in quarterly distributions of withholdings and estimated payments. In FY 04, the Commissioner’s raised the income tax rate from 2.85% to 3.05%. The graph below shows the growth in distributions for the same period in the prior year. The FY 04 first quarter distribution was the first to be impacted by the rate increase.

### Growth on Quarterly Income Tax Distributions



The FY 06 Budget grows by 6%, which is the historical growth rate when adjusted for rate increases, from the adjusted FY 05 revised forecast. The FY 05 adjusted forecast does not include \$2.2 million the County received in FY 05 due to the State's early release of unallocated prior year revenue. The unallocated income tax revenue is local income tax from prior years that the State could not identify to which jurisdictions it belonged. The unallocated income tax was one-time revenue the County will not receive in FY 06.

### Recordation

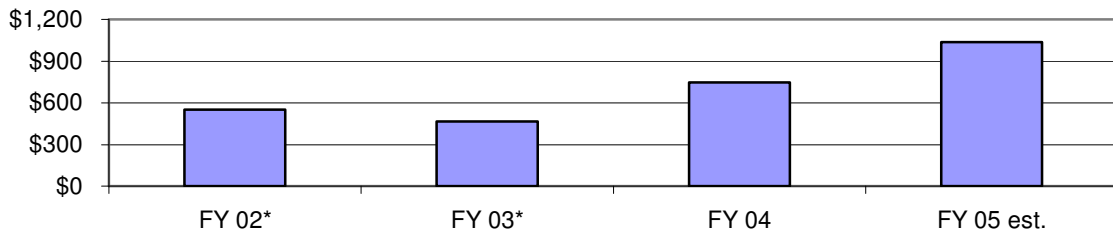
Recordation tax is calculated on the value of recorded mortgages, deeds and other documents conveying title or creating liens on real and personal property. Recordation revenue is directly affected by the economy and housing market.

Recordation growth was strong in recent years due to low interest rates, a strong housing demand and rapidly rising home values. The amount received in FY 04 was \$19 million and FY 05 is estimated at \$21 million. We do not believe the housing and refinancing markets can sustain these levels of activity into FY 06.

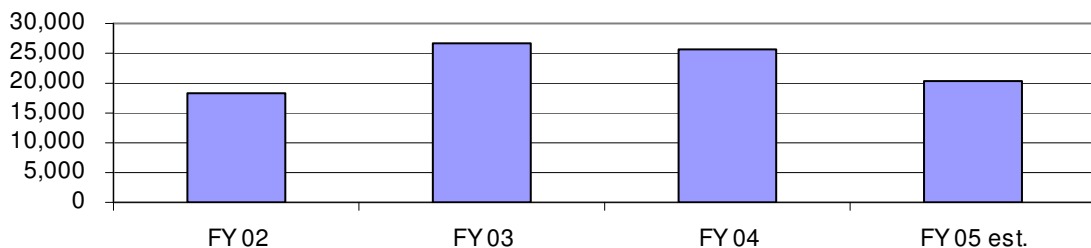
The charts below show that the average transaction amount is increasing, but the total number of transactions is falling. The increase in transaction amounts is primarily due to higher housing costs, while the drop in number of transactions is mostly due to the refinancing boom of the past few years coming to an end. The average transaction amount in FY 06 is expected to grow by 5%, as higher interest rates should slow down the housing market's growth. The number of transactions is expected to continue its decline, as transaction levels return to the pre-refinance boom level of FY 02.

#### Average Revenue per Transaction

\* Adjusted to the Current Rate of \$5.00 per \$500



#### Transactions per Year



### **Ordinary Business**

All corporations are required to file personal property tax returns with the State. The taxable value of personal property is based on its original value less an annual depreciation allowance with a tax rate of \$2.62 per \$100 of market value. Commercial and manufacturing inventory, manufacturing machinery, farm implements and livestock are exempt from local taxation. Ordinary business is influenced by the economy and growth in the commercial/industrial base. This revenue is held to no growth for FY 06.

### **Railroad and Public Utilities**

Revenues from property tax on railroad and public utilities make up approximately 2.0% of total revenues. In Carroll County, approximately 85% of these collections come from three utility companies, BGE, Verizon and AT&T. Due to business difficulties in the telecommunications sector, RR&PU revenue is expected to decline 7.22% in FY 06.

### **Highway User Revenue**

Highway User Revenue, the County's fourth largest revenue, is State shared revenue based on motor fuel taxes, vehicle titling tax, vehicle registration fees and corporate income tax. The State allocates revenue based on road mileage and vehicle registrations. Carroll County receives approximately 2.2% of the total distribution.

The State, due to a revenue shortfall, withheld approximately \$3.1 million in FY 04 and FY 05. The Governor's budget includes full funding for FY 06, but the budget passed by the General Assembly withheld \$650,000. The FY 06 Budget anticipates that \$650,000 will be withheld from the State's Adopted Budget.

### **Interest Income**

Cash flow requirements allow the County to invest revenue receipts until they are needed to pay for expenditures. Maryland State law dictates a conservative approach to protect taxpayers' money. Carroll County invests primarily in short-term investments such as Maryland Local Government Investment Pool, Bankers' Acceptances, Repurchase Agreements, U.S. Government Agency and U.S. Government sponsored instruments. Interest rates bottomed out in FY 04 and have steadily increased since that point. The County expects to earn an average of 3.25% on its investments in FY 06, a 50% increase over the FY 05 estimated rate of 2.0%.

### **911-Service Fee**

The State of Maryland requires all counties to have in operation an enhanced 911 system, making available police, fire fighting and emergency medical services. In order to partially fund this expense, counties may impose a monthly service fee on all telephones, both cellular and landlines. In FY 04 the County changed its fee from 50

cents to 75 cents. Due to delays in State processing, the effect of the fee increase will not be realized until FY 06. A 50% increase in is expected from FY 05.

### **Building Permits**

Building permit fees are collected for construction and modification of residential and commercial/industrial buildings. Permit revenue is directly affected by changes in the construction environment.

### **Annual Revenues**

Revenues collected every year are considered annual revenues. These revenues, ranging from property taxes to parking citations, generate nearly 90% of total revenue. Individual revenues may from year to year experience different rates of growth, or in some cases decline, but over the long term annual revenues grow at a sustainable level. This sustainability allows for the option of adding on-going expenditures, such as hiring more teachers or law enforcement officers, to be financed not only in this budget but in future budgets as well.

### **Other Revenues**

Revenues that are not considered reoccurring are given separate recognition in the Budget. Referred to as other revenues or below the line, these funds vary greatly from year to year and generally are used for one-time expenditures.

The largest component of other revenues is the prior year unappropriated reserve, which is in effect the surplus. The unappropriated reserve budgeted for FY 06 is considerably higher than past years for two reasons. First, in FY 04 actual revenues exceeded spending by approximately \$12 million. Second, \$10 million of the forecasted \$21 million surplus for FY 05 is being appropriated to the FY 06 Budget. The remaining surplus of FY 05 will be appropriated to the FY 07 Budget.

# Assessable Base

## Comparison of Maryland Jurisdictions by Property Type

| Jurisdiction       | FY 03                     |               |              | FY 04                     |               |              | FY 05                     |               |              |
|--------------------|---------------------------|---------------|--------------|---------------------------|---------------|--------------|---------------------------|---------------|--------------|
|                    | Commercial/<br>Industrial | Residential   | Agricultural | Commercial/<br>Industrial | Residential   | Agricultural | Commercial/<br>Industrial | Residential   | Agricultural |
| Baltimore City     | 28.85%                    | 71.15%        | 0.00%        | 28.74%                    | 71.26%        | 0.00%        | 28.54%                    | 71.46%        | 0.00%        |
| Allegany           | 24.95%                    | 71.98%        | 3.07%        | 24.87%                    | 72.06%        | 3.07%        | 24.80%                    | 72.31%        | 2.89%        |
| Washington         | 25.95%                    | 68.94%        | 5.11%        | 25.39%                    | 69.54%        | 5.07%        | 24.65%                    | 70.38%        | 4.97%        |
| Wicomico           | 25.29%                    | 69.33%        | 5.38%        | 24.05%                    | 70.67%        | 5.28%        | 23.27%                    | 71.58%        | 5.15%        |
| Dorchester         | 19.63%                    | 66.85%        | 13.52%       | 23.15%                    | 64.14%        | 12.71%       | 22.45%                    | 65.29%        | 12.27%       |
| Baltimore Co.      | 20.49%                    | 78.03%        | 1.48%        | 20.11%                    | 78.40%        | 1.49%        | 19.41%                    | 79.11%        | 1.48%        |
| Howard             | 20.55%                    | 78.27%        | 1.18%        | 20.03%                    | 78.81%        | 1.16%        | 19.08%                    | 79.81%        | 1.11%        |
| Prince George's    | 19.61%                    | 80.32%        | 0.07%        | 19.23%                    | 80.70%        | 0.07%        | 18.55%                    | 81.39%        | 0.06%        |
| Worcester          | 20.83%                    | 76.37%        | 2.80%        | 18.65%                    | 78.94%        | 2.41%        | 17.74%                    | 80.09%        | 2.17%        |
| Montgomery         | 19.08%                    | 80.51%        | 0.41%        | 18.58%                    | 81.03%        | 0.39%        | 17.62%                    | 81.99%        | 0.39%        |
| Frederick          | 18.66%                    | 76.17%        | 5.17%        | 18.30%                    | 76.59%        | 5.12%        | 17.28%                    | 77.68%        | 5.04%        |
| Anne Arundel       | 17.50%                    | 81.71%        | 0.79%        | 17.12%                    | 82.10%        | 0.78%        | 16.66%                    | 82.59%        | 0.75%        |
| Cecil              | 16.78%                    | 76.80%        | 6.42%        | 16.87%                    | 76.90%        | 6.23%        | 16.65%                    | 77.25%        | 6.10%        |
| Charles            | 16.66%                    | 80.32%        | 3.02%        | 16.23%                    | 80.87%        | 2.90%        | 16.04%                    | 81.13%        | 2.83%        |
| Harford            | 15.34%                    | 81.09%        | 3.57%        | 15.11%                    | 81.41%        | 3.48%        | 14.93%                    | 81.62%        | 3.45%        |
| Caroline           | 14.50%                    | 68.97%        | 16.53%       | 14.36%                    | 69.31%        | 16.33%       | 14.24%                    | 69.84%        | 15.92%       |
| Kent               | 14.69%                    | 70.30%        | 15.01%       | 14.32%                    | 70.92%        | 14.75%       | 13.81%                    | 71.84%        | 14.35%       |
| Somerset           | 14.40%                    | 71.46%        | 14.14%       | 14.01%                    | 72.00%        | 13.99%       | 13.74%                    | 72.61%        | 13.65%       |
| St. Mary's         | 13.76%                    | 80.55%        | 5.69%        | 13.35%                    | 81.12%        | 5.53%        | 12.60%                    | 82.07%        | 5.33%        |
| <b>Carroll</b>     | <b>12.50%</b>             | <b>81.99%</b> | <b>5.51%</b> | <b>12.52%</b>             | <b>82.08%</b> | <b>5.41%</b> | <b>11.96%</b>             | <b>82.73%</b> | <b>5.30%</b> |
| Talbot             | 12.53%                    | 75.83%        | 11.64%       | 11.79%                    | 76.70%        | 11.51%       | 11.12%                    | 77.46%        | 11.41%       |
| Garrett            | 11.82%                    | 81.74%        | 6.44%        | 11.27%                    | 82.70%        | 6.03%        | 10.88%                    | 83.51%        | 5.61%        |
| Queen Anne's       | 10.97%                    | 78.94%        | 10.09%       | 10.10%                    | 80.01%        | 9.89%        | 9.28%                     | 80.95%        | 9.77%        |
| Calvert            | 8.05%                     | 89.00%        | 2.95%        | 8.50%                     | 88.63%        | 2.87%        | 7.82%                     | 89.38%        | 2.80%        |
| <b>State Total</b> | <b>19.09%</b>             | <b>78.91%</b> | <b>2.00%</b> | <b>18.65%</b>             | <b>79.39%</b> | <b>1.96%</b> | <b>17.91%</b>             | <b>80.18%</b> | <b>1.91%</b> |

Numbers may not add to 100% due to rounding

Source: State Department of Assessments and Taxation, AIMS 2 Report

# Operating Revenues

| Revenue                                | FY 06                |                      |                      |                        |                |
|--|----------------------|----------------------|----------------------|------------------------|----------------|
|  | FY 04<br>Actual      | FY 05<br>Budget      | Proposed<br>Budget   | Increase<br>(Decrease) | %<br>Change    |
| Real Property Tax                      | \$105,110,492        | \$114,995,000        | \$100,300,650        | (\$14,694,350)         | -12.78%        |
| Taxes-Discoun                          | (522,332)            | (546,780)            | (563,600)            | (16,820)               | -3.08%         |
| Homeowner Tax Credit                   | (353,254)            | (500)                | (500)                | 0                      | 0.00%          |
| Penalty and Interest                   | 593,485              | 630,000              | 655,000              | 25,000                 | 3.97%          |
| Homestead Tax Credit                   | (39,569)             | (1,258,350)          | (5,420,000)          | (4,161,650)            | -330.72%       |
| Home Tax Credit                        | (15,653)             | (50,000)             | (25,000)             | 25,000                 | 50.00%         |
| Personal Property Tax-Current Year     | 373,298              | 370,000              | 370,000              | 0                      | 0.00%          |
| Railroad & Public Utility-Current Year | 6,668,655            | 6,575,000            | 6,100,000            | (475,000)              | -7.22%         |
| Ordinary Business Tax-Current Year     | 5,985,071            | 5,725,000            | 6,000,000            | 275,000                | 4.80%          |
| Real Property Tax-Prior Year           | 0                    | 0                    | 0                    | 0                      | 0.00%          |
| Collections Office-Over/Under          | (86)                 | 100                  | 100                  | 0                      | 0.00%          |
| Prior Years Taxes Deferred             | 274,454              | 250,000              | 250,000              | 0                      | 0.00%          |
| Semi-Annual Service Charges            | 86,526               | 195,000              | 100,000              | (95,000)               | -48.72%        |
| <b>Total Local Property Taxes</b>      | <b>\$118,161,087</b> | <b>\$126,884,470</b> | <b>\$107,766,650</b> | <b>(\$19,117,820)</b>  | <b>-15.07%</b> |
| <b>Income Tax</b>                      | <b>\$82,191,515</b>  | <b>\$88,968,300</b>  | <b>\$102,000,000</b> | <b>\$13,031,700</b>    | <b>14.65%</b>  |
| 911 Service Fee                        | \$887,552            | \$868,800            | \$1,350,000          | \$481,200              | 55.39%         |
| Recordation                            | 19,238,898           | 13,000,000           | 17,750,000           | 4,750,000              | 36.54%         |
| <b>Other Local Taxes</b>               | <b>\$20,126,450</b>  | <b>\$13,868,800</b>  | <b>\$19,100,000</b>  | <b>\$5,231,200</b>     | <b>37.72%</b>  |
| Admissions                             | \$428,625            | \$474,000            | \$430,000            | (\$44,000)             | -9.28%         |
| Police Aid-Regular Grant               | 500,741              | 519,530              | 525,000              | 5,470                  | 1.05%          |
| Highway User Revenue                   | 7,389,338            | 7,603,200            | 11,350,000           | 3,746,800              | 49.28%         |
| <b>Total State Shared Taxes</b>        | <b>\$8,318,704</b>   | <b>\$8,596,730</b>   | <b>\$12,305,000</b>  | <b>\$3,708,270</b>     | <b>43.14%</b>  |
| Beer, Wine, Liquor                     | \$181,275            | \$186,000            | \$190,000            | \$4,000                | 2.15%          |
| Amusements                             | 7,931                | 10,000               | 10,000               | 0                      | 0.00%          |
| Traders                                | 153,336              | 139,000              | 145,000              | 6,000                  | 4.32%          |
| Mobile Home Licenses                   | 72,157               | 71,000               | 72,000               | 1,000                  | 1.41%          |
| Animal Licenses                        | 75,150               | 77,000               | 77,000               | 0                      | 0.00%          |
| Building Permits                       | 1,120,160            | 950,000              | 950,000              | 0                      | 0.00%          |
| Plumbing Licenses                      | 17,775               | 42,500               | 20,000               | (22,500)               | -52.94%        |
| Marriage Licenses                      | 32,750               | 32,000               | 33,000               | 1,000                  | 3.13%          |
| Electrical Licenses                    | 17,485               | 55,100               | 19,000               | (36,100)               | -65.52%        |
| Utility Construction Permits           | 15,200               | 32,000               | 27,000               | (5,000)                | -15.63%        |
| Electrical Permits                     | 287,396              | 291,000              | 290,000              | (1,000)                | -0.34%         |
| Grading Permits                        | 57,075               | 60,000               | 55,000               | (5,000)                | -8.33%         |
| Franchise Fee-Cable TV                 | 784,160              | 776,700              | 850,000              | 73,300                 | 9.44%          |
| Use & Occupancy Certificates           | 77,220               | 78,000               | 78,000               | 0                      | 0.00%          |
| Zoning Certificates/Ordinances         | 1,700                | 2,200                | 3,000                | 800                    | 36.36%         |
| Plumbing Permits                       | 271,339              | 289,800              | 283,000              | (6,800)                | -2.35%         |
| Reinspection Fees                      | 3,800                | 4,700                | 5,000                | 300                    | 6.38%          |
| <b>Total Licenses and Permits</b>      | <b>\$3,175,909</b>   | <b>\$3,097,000</b>   | <b>\$3,107,000</b>   | <b>\$10,000</b>        | <b>0.32%</b>   |
| Pass Through Disaster Relief           | \$177,516            | \$0                  | \$0                  | \$0                    | 0.00%          |

# Operating Revenues

| Revenue                              | FY 04              | FY 05              | FY 06              | Increase<br>(Decrease) | %<br>Change   |
|--------------------------------------|--------------------|--------------------|--------------------|------------------------|---------------|
|                                      | Actual             | Budget             | Proposed<br>Budget |                        |               |
| Police Protection-Supplemental Grant | \$291,486          | \$304,970          | \$305,000          | \$30                   | 0.01%         |
| Civil Defense                        | 53,426             | 53,000             | 55,000             | 2,000                  | 3.77%         |
| Johnson Grass-State Dollars          | 3,395              | 3,500              | 4,000              | 500                    | 14.29%        |
| State Aid-Fire Companies             | 260,157            | 262,000            | 270,500            | 8,500                  | 3.24%         |
| Parks & Recreation Facilities        | 1,075              | 500                | 4,500              | 4,000                  | 800.00%       |
| Grand Petit in Circuit Court         | 25,265             | 45,800             | 27,000             | (18,800)               | -41.05%       |
| Circuit Court Master Reimbursement   | 191,828            | 231,000            | 200,000            | (31,000)               | -13.42%       |
| <b>Total Intergovernmental</b>       | <b>\$826,632</b>   | <b>\$900,770</b>   | <b>\$866,000</b>   | <b>(\$34,770)</b>      | <b>-3.86%</b> |
| Lien Certification                   | \$174,946          | \$189,100          | \$175,000          | (\$14,100)             | -7.46%        |
| District Court Bailiff               | 0                  | 0                  | 0                  | 0                      | 0.00%         |
| Data Processing Services             | 16,610             | 28,700             | 10,000             | (18,700)               | -65.16%       |
| Hearing Fees-Zoning                  | 21,977             | 16,000             | 28,000             | 5,977                  | 37.36%        |
| Copy Fees                            | 18,443             | 24,200             | 20,000             | (4,200)                | -17.36%       |
| Telephone                            | 59,268             | 52,000             | 60,000             | 8,000                  | 15.38%        |
| Health Dept.-BG&E                    | 45,528             | 47,000             | 45,500             | (1,500)                | -3.19%        |
| Hearing Fees-Zoning Admin.           | 27,311             | 16,500             | 14,000             | 10,811                 | 65.52%        |
| <b>Total General Government</b>      | <b>\$364,083</b>   | <b>\$373,500</b>   | <b>\$352,500</b>   | <b>(\$21,000)</b>      | <b>-5.62%</b> |
| Sheriff Salary Recovery              | \$2,248            | \$5,000            | \$4,000            | (\$1,000)              | -20.00%       |
| Sheriff Fees                         | 79,087             | 65,500             | 73,000             | 7,500                  | 11.45%        |
| Sheriff Training Reimbursement       | 0                  | 2,000              | 0                  | 2,000                  | 100.00%       |
| Detention Center                     | 376,387            | 233,000            | 420,000            | 187,000                | 80.26%        |
| Parking Violations                   | 5,390              | 0                  | 6,000              | 6,000                  | 100.00%       |
| Resident Trooper Reimbursement       | 71,184             | 72,000             | 76,000             | 4,000                  | 5.56%         |
| Inspection Fees-Towns                | 39,160             | 35,000             | 35,000             | 0                      | 0.00%         |
| Inspection Fees-Roads                | 100,677            | 150,000            | 120,000            | (30,000)               | -20.00%       |
| Inspection Fees-Development Review   | 66,275             | 40,000             | 20,000             | (20,000)               | -50.00%       |
| Detention Center-Commissary          | 29,241             | 35,000             | 30,000             | (5,000)                | -14.29%       |
| Detention Center-Work Release        | 147,296            | 158,000            | 140,000            | (18,000)               | -11.39%       |
| Home Detention                       | 25                 | 0                  | 43,000             | 43,000                 | 100.00%       |
| INS Inmates                          | 444,373            | 200,000            | 125,000            | (75,000)               | -37.50%       |
| INS Transportation                   | 4,441              | 0                  | 5,000              | 5,000                  | 100.00%       |
| INS Medical                          | 2,210              | 4,000              | 2,500              | (1,500)                | -37.50%       |
| INS Salary Reimbursement             | 1,857              | 0                  | 2,000              | 2,000                  | 100.00%       |
| Social Security Incentive            | 2,000              | 0                  | 1,500              | 1,500                  | 100.00%       |
| Juvenile Transport                   | 70,606             | 85,000             | 75,000             | (10,000)               | -11.76%       |
| Alien Prisoner-SCAAP-JBL             | 5,025              | 7,000              | 0                  | (7,000)                | -100.00%      |
| <b>Total Public Safety</b>           | <b>\$1,447,482</b> | <b>\$1,091,500</b> | <b>\$1,178,000</b> | <b>\$86,500</b>        | <b>7.92%</b>  |
| Courthouse Annex                     | \$0                | \$0                | \$0                | \$0                    | 0.00%         |
| Vehicle Maintenance                  | 632,719            | 705,000            | 915,000            | 210,000                | 29.79%        |
| Road Maintenance                     | 103,379            | 88,000             | 92,000             | 4,000                  | 4.55%         |
| Development Review Fees              | 228,021            | 310,000            | 325,000            | 15,000                 | 4.84%         |
| Stormwater\Environmental Review Fees | 95,732             | 68,100             | 145,000            | 76,900                 | 112.92%       |
| Engineering Review Fee               | 42,337             | 60,000             | 35,000             | (25,000)               | -41.67%       |
| Forest Conservation Review Fees      | 24,702             | 48,000             | 50,000             | 2,000                  | 4.17%         |
| Tower Fees                           | 7,116              | 5,000              | 5,000              | 0                      | 0.00%         |
| <b>Total Public Works</b>            | <b>\$1,134,006</b> | <b>\$1,284,100</b> | <b>\$1,567,000</b> | <b>\$282,900</b>       | <b>22.03%</b> |

# Operating Revenues

| Revenue                                       | FY 04              | FY 05              | FY 06              | Increase<br>(Decrease) | %<br>Change   |
|---|--------------------|--------------------|--------------------|------------------------|---------------|
|   | Actual             | Budget             | Proposed<br>Budget |                        |               |
| Weed Control                                  | \$1,505            | \$7,000            | \$7,000            | \$0                    | 0.00%         |
| General Public Programs                       | \$22,716           | \$30,000           | \$25,000           | (\$5,000)              | -16.67%       |
| School\Youth Program                          | 11,813             | 11,000             | 12,000             | 1,000                  | 9.09%         |
| Hashawha School-Meals                         | 144,027            | 135,000            | 140,000            | 5,000                  | 3.70%         |
| Concessions                                   | 5,022              | 6,500              | 5,000              | (1,500)                | -23.08%       |
| Farm Museum-Admissions                        | 358,005            | 373,000            | 360,000            | (13,000)               | -3.49%        |
| Farm Museum-Concession                        | 66,285             | 57,000             | 60,000             | 3,000                  | 5.26%         |
| Piney Run-Admissions                          | 112,492            | 118,000            | 112,000            | (6,000)                | -5.08%        |
| Hashawa Fees                                  | 190,079            | 228,000            | 200,000            | (28,000)               | -12.28%       |
| Hashawa Milk Subsidy                          | 6,180              | 6,200              | 6,200              | 0                      | 0.00%         |
| Pavilion Rentals                              | 22,523             | 23,000             | 26,000             | 3,000                  | 13.04%        |
| Piney Run-Concessions                         | 12,126             | 14,600             | 13,000             | (1,600)                | -10.96%       |
| Piney Run-Boat Rentals                        | 45,649             | 47,500             | 47,500             | 0                      | 0.00%         |
| Piney Run Programs                            | 13,590             | 10,000             | 10,000             | 0                      | 0.00%         |
| Interpretation & Conservation-Programs        | 8,831              | 15,000             | 9,000              | (6,000)                | -40.00%       |
| Interpretation & Conservation-Facility Rental | 0                  | 400                | 0                  | (400)                  | -100.00%      |
| Interpretation & Conservation-Nature Camp     | 55,732             | 45,000             | 46,000             | 1,000                  | 2.22%         |
| Interpretation & Conservation-Concessions     | 3,059              | 4,500              | 5,500              | 1,000                  | 22.22%        |
| Sports Complex Concessions                    | 33,274             | 35,000             | 35,000             | 0                      | 0.00%         |
| Sports Complex-Rent/Light                     | 44,091             | 54,000             | 56,000             | 2,000                  | 3.70%         |
| Sports Complex-Advertisement                  | 445                | 0                  | 450                | 450                    | 100.00%       |
| <b>Total Recreation</b>                       | <b>\$1,155,939</b> | <b>\$1,213,700</b> | <b>\$1,168,650</b> | <b>(\$45,050)</b>      | <b>-3.71%</b> |
| Circuit Court Fines                           | \$54,255           | \$37,000           | \$55,000           | \$18,000               | 48.65%        |
| Liquor License Fines                          | 3,050              | 5,500              | 5,000              | (500)                  | -9.09%        |
| Animal Violation Fines                        | 23,150             | 20,000             | 21,000             | 1,000                  | 5.00%         |
| Civil Zoning Violation                        | 12,056             | 1,200              | 5,000              | 3,800                  | 316.67%       |
| Humane Society Impound Fee                    | 9,269              | 10,000             | 10,000             | 0                      | 0.00%         |
| Building Code\Inspection Violation            | 408                | 900                | 0                  | (900)                  | -100.00%      |
| Miscellaneous Fines                           | 0                  | 0                  | 0                  | 0                      | 0.00%         |
| <b>Total Fines and Forfeits</b>               | <b>\$102,188</b>   | <b>\$74,600</b>    | <b>\$96,000</b>    | <b>\$21,400</b>        | <b>28.69%</b> |
| Interest                                      | \$77,082           | \$77,750           | \$67,000           | (\$10,750)             | -13.83%       |
| Interest-Fire Company                         | 402,255            | 383,920            | 365,000            | (18,920)               | -4.93%        |
| Investment Interest                           | 1,277,769          | 1,900,000          | 4,000,000          | 2,100,000              | 110.53%       |
| Rents And Royalties                           | 217,078            | 204,300            | 224,000            | 19,700                 | 9.64%         |
| IDA Building                                  | 53,729             | 52,000             | 45,000             | (7,000)                | -13.46%       |
| Rent-Dept. of Social Services                 | 316,332            | 316,300            | 335,500            | 19,200                 | 6.07%         |
| Humane Society Refunds                        | 16,565             | 25,000             | 5,000              | (20,000)               | -80.00%       |
| Health Dept. Refunds                          | 341,528            | 100,000            | 100,000            | 0                      | 0.00%         |
| Social Services Refunds                       | 62,681             | 55,000             | 60,000             | 5,000                  | 9.09%         |
| Advertising                                   | 12,500             | 12,000             | 10,000             | (2,000)                | -16.67%       |
| Phone-Pager                                   | 642                | 1,000              | 500                | (500)                  | -50.00%       |
| Jury Duty                                     | 225                | 370                | 250                | (120)                  | -32.43%       |
| Postage                                       | 26,820             | 32,000             | 32,000             | 0                      | 0.00%         |
| Survey Control Manuals                        | 20                 | 100                | 0                  | (100)                  | -100.00%      |
| Equipment Sales                               | 8,780              | 50,000             | 50,000             | 0                      | 0.00%         |

# Operating Revenues

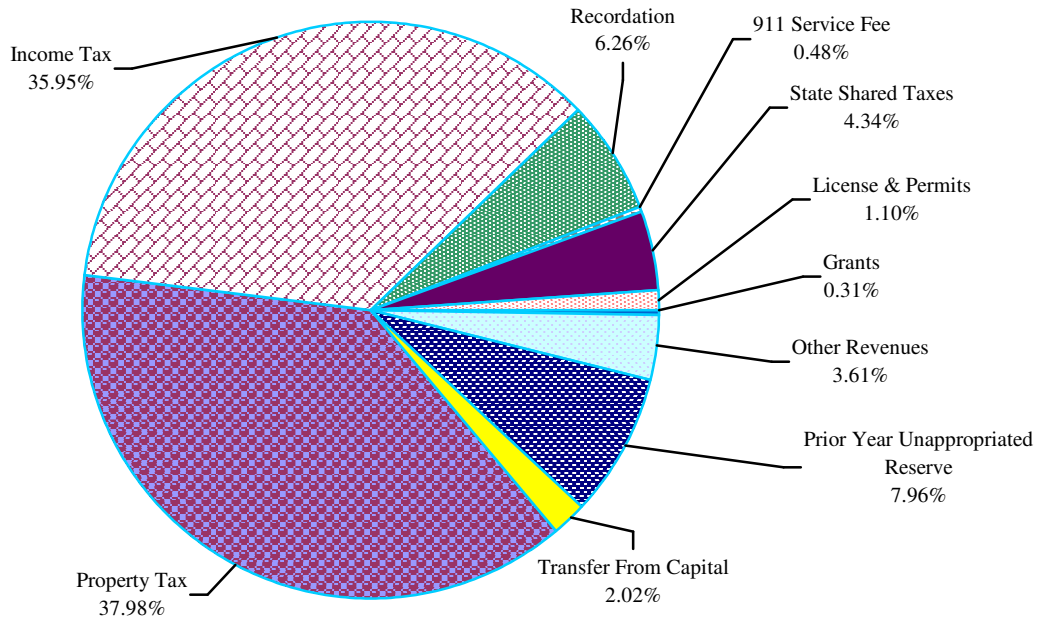
| Revenue  | FY 04<br>Actual      | FY 05<br>Budget      | FY 06<br>Proposed<br>Budget | Increase<br>(Decrease) | %<br>Change   |
|--|----------------------|----------------------|-----------------------------|------------------------|---------------|
| Woodland Management  | 203                  | 1,000                | 500                         | (500)                  | -50.00%       |
| Land Sales   | 33,310               | 0                    | 0                           | 0                      | 0.00%         |
| Miscellaneous  | 174,864              | 60,000               | 100,000                     | 40,000                 | 66.67%        |
| Activities-Farm Museum General                                     | 39,667               | 35,000               | 40,000                      | 5,000                  | 14.29%        |
| <b>Total Other</b>   | <b>\$3,062,050</b>   | <b>\$3,305,740</b>   | <b>\$5,434,750</b>          | <b>\$2,129,010</b>     | <b>64.40%</b> |
| Insurance Recovery   | \$0                  | \$0                  | \$0                         | \$0                    | 0.00%         |
| Health Department  | 2,335                | 2,000                | 2,000                       | 0                      | 0.00%         |
| County Attorney Fees   | 165,245              | 170,000              | 181,000                     | 11,000                 | 6.47%         |
| <b>Total Cost Recovery</b>   | <b>\$167,580</b>     | <b>\$172,000</b>     | <b>\$183,000</b>            | <b>\$11,000</b>        | <b>6.40%</b>  |
| <b>Total Annual Revenue</b>  | <b>\$240,412,646</b> | <b>\$249,838,210</b> | <b>\$255,131,550</b>        | <b>\$5,293,340</b>     | <b>2.12%</b>  |
| Board of Education Surplus   | \$529,338            | \$529,340            | \$250,000                   | (279,340)              | -52.77%       |
| Prior Year Unappropriated Reserve                                  | 9,556,782            | 5,338,140            | 22,597,900                  | 17,259,760             | 323.33%       |
| Transfer from Special Revenue Fund<br>Impact Fees for Debt Service | 2,550,000            | 2,550,000            | 0                           | (2,550,000)            | -100.00%      |
| Transfer from Capital Fund<br>Local Income Tax for Debt Service    | 4,449,530            | 4,398,330            | 5,743,100                   | 1,344,770              | 30.57%        |
| Transfer from Fund Balance for LOSAP                               | 7,000,000            | 0                    | 0                           | 0                      | 0.00%         |
| <b>Total Operating Revenue</b>                                     | <b>\$264,498,296</b> | <b>\$262,654,020</b> | <b>\$283,722,550</b>        | <b>\$21,068,530</b>    | <b>8.02%</b>  |

|                                      |  |
|--------------------------------------|--|
| Prior Year Unappropriated Reserve    | Revenue in excess of budget and unspent appropriated dollars. These funds are carried over to the next budget following the completion of an independent audit.  |
| Transfer from Special Revenue Fund   | Dedicated Impact fee revenue for Public School construction that is transferred into the General Fund to pay debt service on school construction.  |
| Transfer from Capital Fund           | Dedicated local income tax revenue for Public School construction that is transferred into the General Fund to pay debt service on school construction.  |
| Board of Education Surplus           | In FY 05, the Board of Education had funds remaining from in their budget that were returned to the County to be appropriated in FY 06.  |
| Prior Year Unappropriated Reserve    | Revenue in excess of budget and unspent appropriated dollars. These funds are carried over to the next budget following the completion of an independent audit.  |
| Transfer From Fund Balance for LOSAP | The County provides funding and administers the Length of Service Award Program (LOSAP) for the Emergency Services Association. In FY 04, the County transferred \$7,000,000, held for future payments to the LOSAP program, from the fund balance to the LOSAP Pension Trust Fund. This change allows the funds to be invested and the return on these investments will fund current expenses, with the goal of the program supporting itself. This transfer increased FY 04 revenues and expenditures and the budget was amended with no net increase in available funding for the budget. |

# Operating Budget Revenues

**Fiscal Year 2006 Proposed**

**\$283,722,550**



**Fiscal Year 2005 Budget**

**\$262,654,020**

