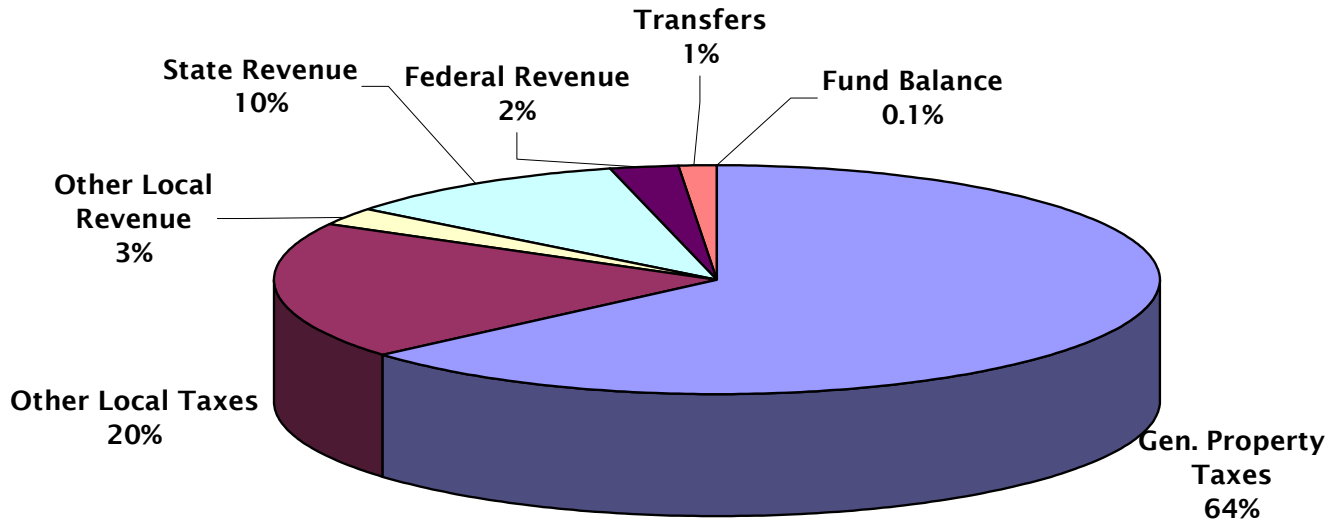


# GENERAL FUND REVENUES

## FY 07/08 RECOMMENDED GENERAL FUND REVENUES \$225,878,094



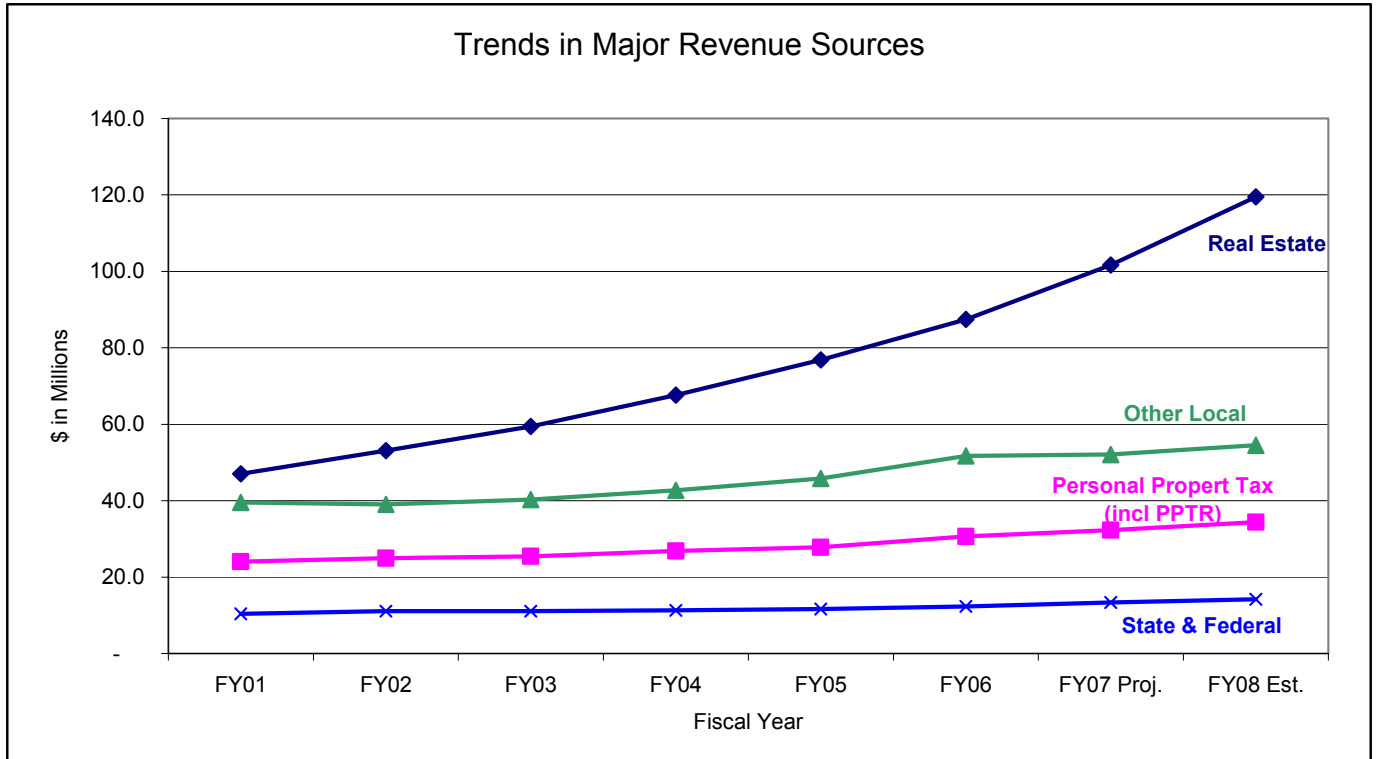
	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY07 / FY06 ADP-BUD	FY07 / FY06 ADP/BUD
General Property Taxes	\$107,248,615	\$122,288,803	\$123,193,455	\$143,390,900	\$143,390,900	\$21,102,097	17.3%
Other Local Taxes	41,953,432	41,447,600	42,397,850	44,163,100	44,163,100	2,715,500	6.6%
Permits And Fees	1,467,621	1,466,500	1,330,500	1,462,450	1,462,450	(4,050)	-0.3%
Fines And Forfeitures	303,707	312,700	382,975	388,850	388,850	76,150	24.4%
Use Of Money And Property	1,146,766	1,011,350	1,441,244	1,548,685	1,548,685	537,335	53.1%
Charges For Services	2,022,193	1,841,186	2,020,645	2,152,367	2,152,367	311,181	16.9%
Miscellaneous	4,800	7,650	7,905	8,400	8,400	750	9.8%
Payments In Lieu Of Taxes	75,288	81,800	63,882	74,278	74,278	(7,522)	-9.2%
Donations	4,425	4,000	6,300	5,800	5,800	1,800	45.0%
Recovered Costs	293,974	181,703	235,409	202,876	202,876	21,173	11.7%
<b>LOCAL REVENUES</b>	<b>\$154,520,820</b>	<b>\$168,643,292</b>	<b>\$171,080,165</b>	<b>\$193,397,706</b>	<b>\$193,397,706</b>	<b>\$24,754,414</b>	<b>14.7%</b>
Payments In Lieu Of Taxes-State	\$93,588	\$115,000	\$100,000	\$105,000	\$105,000	(\$10,000)	-8.7%
Non-Categorical Aid-State	16,098,144	15,816,700	15,636,213	15,611,579	15,611,579	(205,121)	-1.3%
Shared Expenses-State	1,924,818	1,989,024	2,091,925	2,182,400	2,182,400	193,376	9.7%
Categorical Aid-State	5,356,765	5,564,541	5,540,196	5,732,080	5,732,080	167,539	3.0%
Payments In Lieu Of Taxes-Federal	21,016	21,500	21,373	21,700	21,700	200	0.9%
Categorical Aid-Federal	4,157,647	5,010,467	4,944,467	5,493,478	5,493,478	483,011	9.6%
<b>STATE &amp; FEDERAL REVENUES</b>	<b>\$27,651,978</b>	<b>\$28,517,232</b>	<b>\$28,334,174</b>	<b>\$29,146,237</b>	<b>\$29,146,237</b>	<b>\$629,005</b>	<b>2.2%</b>
<b>TOTAL REVENUES</b>	<b>\$182,172,797</b>	<b>\$197,160,524</b>	<b>\$199,414,339</b>	<b>\$222,543,943</b>	<b>\$222,543,943</b>	<b>\$25,383,419</b>	<b>12.9%</b>
Transfers	2,126,851	2,874,293	2,913,838	3,036,930	3,036,930	162,637	5.7%
<b>REVENUES and TRANSFERS</b>	<b>\$184,299,649</b>	<b>\$200,034,817</b>	<b>\$202,328,177</b>	<b>\$225,580,873</b>	<b>\$225,580,873</b>	<b>\$25,546,056</b>	<b>12.8%</b>
Fund Balance Appropriations:	0	537,991	2,019,691	297,221	297,221	(240,770)	-44.8%
<b>TOTAL REVS, TRANSFERS, FUND BAL:</b>	<b>\$184,299,649</b>	<b>\$200,572,808</b>	<b>\$204,347,868</b>	<b>\$225,878,094</b>	<b>\$225,878,094</b>	<b>\$25,305,286</b>	<b>12.6%</b>



# REVENUE OVERVIEW

## Reliance on Real Estate Taxes

General property taxes continue to make up the largest portion of General Fund revenues. Of these revenues, real estate taxes are the largest category. The County's increasing reliance on real estate taxes to fund budget needs can be seen in the graph below. While other major sources of revenue have remained relatively flat, real estate tax receipts have grown steadily, more than doubling since FY 00/01. In that same time period, all other sources of revenue increased by only 39.3%.



# LOCAL REVENUES

The largest source of local revenue for Albemarle County consists of general property taxes and other local taxes.

## General Property Taxes

General property taxes are *ad valorem* taxes based on the assessed value of real and personal property owned by businesses, individuals, and public service corporations. Both real and personal property are assessed at 100% valuation with tax rates being applied per \$100 of assessed value. General property taxes consist of real estate, public service, personal property, mobile home, and machinery and tools taxes.

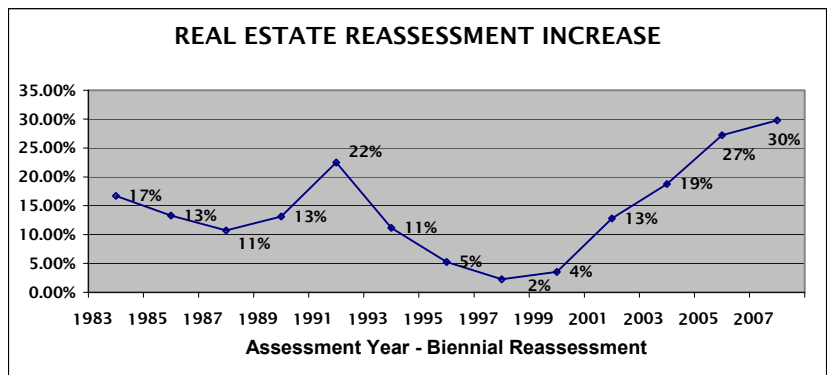
	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
<b>CURRENT:</b>							
Real Estate	\$87,444,117	\$100,959,303	\$101,657,700	\$119,450,000	\$119,450,000	\$18,490,697	18.3%
Public Service	2,022,085	1,964,600	1,557,000	1,710,500	1,710,500	(254,100)	-12.9%
Local Personal Property	15,348,943	16,607,000	17,350,000	19,465,000	19,465,000	2,858,000	17.2%
Machinery & Tools	679,790	714,500	666,900	694,400	694,400	(20,100)	-2.8%
Mobile Homes	75,367	79,200	82,200	82,900	82,900	3,700	4.7%
<b>Subtotal Current</b>	<b>\$105,570,302</b>	<b>\$120,324,603</b>	<b>\$121,313,800</b>	<b>\$141,402,800</b>	<b>\$141,402,800</b>	<b>\$21,078,197</b>	<b>17.5%</b>
<b>PER PENNY: CURRENT:</b>							
Real Estate, avg tax rate	0.74	0.74	0.74	0.74	0.74	0.00	0.0%
Real Estate, per penny	1,210,021	1,391,934	1,395,904	1,638,424	1,638,424	246,491	17.7%
Personal Property, inc PPTR, avg tax rate	4.28	4.28	4.28	4.28	4.28	0.00	0.0%
Personal Property, inc PPTR, per penny	73,210	75,518	77,050	82,056	82,056	6,539	8.7%
<b>NON-CURRENT:</b>							
Delinquent	\$689,794	\$984,200	\$897,800	\$967,100	\$967,100	(\$17,100)	-1.7%
Penalty	711,543	675,000	635,000	655,000	655,000	(20,000)	-3.0%
Interest & Fees	276,976	305,000	346,855	366,000	366,000	61,000	20.0%
<b>Subtotal Non-Current</b>	<b>\$1,678,313</b>	<b>\$1,964,200</b>	<b>\$1,879,655</b>	<b>\$1,988,100</b>	<b>\$1,988,100</b>	<b>\$23,900</b>	<b>1.2%</b>
<b>TOTAL</b>	<b>\$107,248,615</b>	<b>\$122,288,803</b>	<b>\$123,193,455</b>	<b>\$143,390,900</b>	<b>\$143,390,900</b>	<b>\$21,102,097</b>	<b>17.3%</b>

These taxes are projected to total \$143.4 million in FY 07/08, a 17.3% increase of \$21.1 million from the FY 06/07 Adopted Budget, and comprise 63.5% of General Fund revenues. If the Personal Property Tax Relief (PPTR) payments from the State were collected and classified as local personal property taxes in FY 07/08, general property taxes would be recorded at \$158.4 million. Personal Property Taxes may be categorized as follows:

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Local Personal Property Tax	\$15,348,943	\$16,607,000	\$17,350,000	\$19,465,000	\$19,465,000	\$2,858,000	17.2%
State PPTR	15,305,320	15,000,000	14,960,670	14,960,670	14,960,670	(39,330)	-0.3%
<b>Total Current Personal Property Tax</b>	<b>\$30,654,263</b>	<b>\$31,607,000</b>	<b>\$32,310,670</b>	<b>\$34,425,670</b>	<b>\$34,425,670</b>	<b>\$2,818,670</b>	<b>8.9%</b>

**Real Estate Property Tax** is the largest source of revenue for the County and is expected to generate about \$119.5 million, 52.8% of General Fund revenues. This is an 18.3%, \$18.5 million, increase over FY 06/07. Each penny on the real estate tax rates yields \$1.6 million in estimated collectable real estate tax revenues. The expected revenue reflects a deduction for an estimated land use deferral of \$20.6 million. The expected revenue includes \$4.9 million from estimated taxable new construction, divisions of property, and land use rollbacks. Real estate property taxes are paid in two installments due June 5 and December 5.

The reassessment increase for 2007 is 29.8% for the biennium, equating to a 14.9% annual increase. This percentage includes the increase in the value of property deferred in the Land Use Program. When this amount is subtracted from the figures, the percentage increase in taxable value due



to reassessment is 25.3%. Historically, reassessment increase percentages have been cyclical in nature. The above chart shows reassessment increases from 1983 to present.

**Public Service tax** is levied on the real estate and tangible personal property owned by railroads, utilities, pipelines, and other businesses required to register with the State Corporation Commission. Public Service Corporation assessments are prepared by the Virginia Department of Taxation (TAX) and the State Corporation Commission and are based on the statewide total of capitalized equipment, percentage located in Albemarle, and the public service ratio calculated by TAX that varies directly with the statewide sales ratio. The Public Service Tax has stayed relatively flat since FY 00/01 and is projected to decrease slightly from FY 06/07. Each penny on the tax rate yields \$23,115 in tax revenues for FY 07/08.

**Personal Property tax** is levied on vehicles owned by individuals and businesses, as well as other tangible property owned by businesses. Personal property is subject to the Personal Property Tax Relief (PPTR) Act. Combined personal property tax and PPTR payments are projected to increase \$3.0 million. The current tax rate is \$4.28 per \$100 of assessed value. Each penny on the personal property tax rate, including PPTR payments, yields \$73,848 in collectible tax revenues. Personal property taxes are generally paid in two installments due on June 5 and December 5.

The 2004 and 2005 Virginia General Assembly amended the Personal Property Tax Relief (PPTR) program. Beginning with tax year 2006, PPTR has changed from essentially a state-determined vehicle-based entitlement program to a fixed annual block grant to localities. The state’s total obligation is now capped and allocated to localities proportionately based on 2004 tax year PPTR payments. The County of Albemarle is expected to receive \$14.9 million each fiscal year, absent further legislative change.

The Albemarle County Board of Supervisors adopted an Ordinance on January 4, 2006 pursuant to Item 503.E of the 2005 Virginia Appropriations Act to implement the new PPTR program. The Ordinance continues the elimination of personal property tax for qualifying vehicles assessed at \$1,000 or less. The remaining state funds will be allocated on a percentage basis among qualifying personal use vehicles with assessed values of more than \$1,000 and applied to the first \$20,000 of assessed value. The specific percentage of PPTR relief will be calculated annually, based on estimated vehicle assessments, to fully use all available state PPTR relief.

**Mobile Home taxes** are levied on manufactured homes not classified as real estate that are owned by individuals and businesses. Mobile homes are assessed as tangible personal property, yet taxed at the real estate tax rate. Mobile home taxes are projected to total \$82,900, a 4.7% increase over the FY 06/07 budget. Each penny on the tax rate yields \$1,120 in collectable tax revenue for FY 07/08.

**Machinery and Tools tax** is levied on equipment used by manufacturers in the manufacturing process. This tax revenue source declined in each year from FY 00/01 to FY 04/05 due to plant closing and relocations over the last several years. FY 05/06 revenues increased slightly over the previous year. Machinery and Tools tax revenues are projected to decrease \$20,100 from the FY 06/07 budget. Each penny on the tax rate yields \$1,622 in collectable tax revenue for FY 07/08.

**Revenue Estimating**

The total estimated fair market value of taxable real property on January 1, 2007 was \$17.9 billion before land use deferral and \$12.2 million net land use deferral. The following table displays total real property assessed values, net of land use deferral, for the 2006 calendar year and prior nine years broken out by type of property:

Calendar	Residential	Multifamily	Commercial & Industrial	Agricultural *	Public Utilities	Total
1997	3,542,481,099	231,532,200	709,333,860	610,984,701	220,012,096	5,314,343,956
1998	3,715,345,832	233,799,500	758,677,860	624,024,103	226,553,878	5,558,401,173
1999	3,983,953,333	244,125,972	839,340,833	653,507,500	233,038,055	5,953,965,693
2000	4,130,357,430	238,967,200	897,137,900	645,307,450	245,487,567	6,157,257,547
2001	4,769,968,200	275,942,500	1,050,891,900	678,897,600	256,060,813	7,031,761,013
2002	4,979,602,800	277,068,800	1,093,298,100	732,885,500	231,603,670	7,314,458,870
2003	6,136,460,300	327,245,300	1,302,364,800	828,912,700	250,683,214	8,845,666,314
2004	6,404,387,200	357,488,600	1,343,841,100	900,512,000	218,500,000	9,224,728,900
2005	8,207,531,600	456,871,900	1,668,660,200	1,126,919,700	253,418,070	11,713,401,470
2006	8,602,518,900	427,317,800	1,707,760,400	1,232,522,100	256,385,922	12,226,505,122

\* Net Land Use Deferral

The chart below shows the process by which the new real estate tax assessment base for FY 07/08 is calculated. The January 1, 2008 reassessment fair market taxable values are increased by one-half of the estimated January 1, 2007 reassessment, estimated new construction, and rollback revenues generated by land being withdrawn from the Land Use Program. The estimated fair market value is reduced by the estimated land use deferral. Taxable new construction is estimated to be \$668.3 million compared to \$541.7 million estimated for last year. The land use deferral is estimated to be \$2,777.3 million, which reduces available tax revenues by \$20.6 million.

**REAL PROPERTY TAXABLE BASE: 2007/2008**

January 1, 2007 Fair Market Value of Taxable Real Estate	\$17,909,996,000
Plus One-Half of Estimated January 1, 2008 Reassessment	\$441,766,000
Plus Estimated Taxable New Construction	\$668,328,000
Plus Estimated Taxable Land Use Rollback	\$59,964,000
<b>Estimated 2007/2008 Fair Market Value of Taxable Real Property</b>	<b>\$19,080,054,000</b>
Less Estimated Land Use Deferrals	\$2,777,268,000
<b>Estimated 2007/2008 Real Property Taxable Base</b>	<b>\$16,302,786,000</b>

**REAL TAXABLE PROPERTY**

	Taxable Base	Collection Rate	Recommended Tax Rate	Net Revenue Per Penny	Anticipated Revenue
Real Property	\$16,302,786,000	99%	\$0.74	\$1,614,189	\$119,450,000
Public Service	\$231,149,000	100%	\$0.74	\$23,115	\$1,710,500
Mobile Homes	<u>\$12,880,000</u>	87%	\$0.74	<u>\$1,120</u>	<u>\$82,900</u>
Total	<u>\$16,546,814,999</u>			<u>\$1,638,423</u>	<u>\$121,243,400</u>

**PERSONAL PROPERTY**

	Taxable Base	Collection Rate	Recommended Tax Rate	Net Revenue Per Penny	Anticipated Revenue
Personal Property, inc PPTR	\$845,000,000	95%	\$4.28	\$80,434	\$34,425,670
Machinery & Tools	<u>\$16,224,000</u>	100%	\$4.28	<u>\$1,622</u>	<u>\$694,400</u>
Total	<u>\$861,224,001</u>			<u>\$82,057</u>	<u>\$35,120,070</u>

The Net Revenue Per Penny is based on Fiscal Year, not Calendar Year, tax rates and assessments.

**Other Local Taxes:**

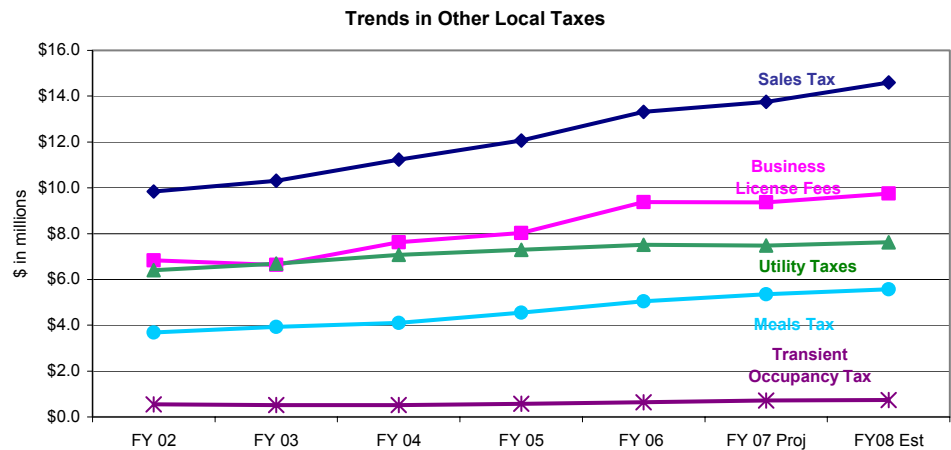
Other local taxes include sales taxes, utility taxes, business taxes, motor vehicle licenses, recordation taxes, and prepared food and beverage taxes. These taxes are projected to generate about \$44.2 million in revenues for FY 07/08, an increase of \$2.7 million (6.6%) over the FY 06/07 budget. Combined, they represent 19.6% of the General Fund revenues. In FY 00/01, other local taxes made up 25.1% of all General Fund revenues. The graph below shows that the major revenue sources in this category have remained relatively flat.

Other local taxes are excise taxes levied on the following categories:

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Penalty & Interest	\$84,427	\$82,500	\$106,000	\$107,000	\$107,000	\$24,500	29.7%
Sales Tax	13,310,878	13,800,000	13,750,000	14,600,000	14,600,000	800,000	5.8%
Consumer Utility Tax	7,200,465	7,369,300	7,165,500	7,294,800	7,294,800	(74,500)	-1.0%
Utility Consumption Tax	307,141	345,300	308,150	327,300	327,300	(18,000)	-5.2%
Business License	9,372,437	9,122,500	9,366,000	9,744,500	9,744,500	622,000	6.8%
Short Term Rental	91,441	96,000	94,700	97,500	97,500	1,500	1.6%
Decals	2,110,732	2,100,000	2,300,000	2,375,000	2,375,000	275,000	13.1%
Bank Franchise	422,953	250,000	400,000	415,000	415,000	165,000	66.0%
Clerk Fees	3,339,210	2,522,000	2,692,500	2,717,000	2,717,000	195,000	7.7%
Transient Occupancy	634,908	610,000	715,000	735,000	735,000	125,000	20.5%
Food & Beverage Tax	5,049,882	5,150,000	5,350,000	5,575,000	5,575,000	425,000	8.3%
Audit Revenues	28,958	0	150,000	175,000	175,000	175,000	
<b>TOTAL</b>	<b>\$41,953,432</b>	<b>\$41,447,600</b>	<b>\$42,397,850</b>	<b>\$44,163,100</b>	<b>\$44,163,100</b>	<b>\$2,715,500</b>	<b>6.6%</b>

**Sales and Use taxes** are revenues received by the County from 1 cent of the 5.0 cent state sales tax generated within the County. Local sales tax revenues are estimated to increase due to favorable economic conditions. Sales taxes have increased consistently in Albemarle County since FY 00/01. Sales tax revenues are projected to total \$14.6 million, a 5.8% increase over the FY 06/07 budget.

**Consumer Utility taxes** are taxes collected by utility companies and remitted to the County from residential, industrial, and commercial users of telephone, gas, and electric services. The tax rate on residential telephone service is 20.0% of the first \$20. The commercial rate is 10.0% of the first \$3,000 and 2.0% on the excess. The basis for taxation of gas and electrical service has changed due to deregulation and is now based on usage. These taxes are projected to total \$7.3 million, a 1.0% decrease from the FY 06/07 budget. The revenue decrease is due to a projected slowing of receipts for cellular service combined with a continued decrease in receipts for land lines.



**Business, Professional and Occupational License (BPOL) fees** are revenues collected from businesses, professions, and occupations for the privilege of operating within the County. The fee to be paid by each business is calculated by multiplying the applicable rate by the business's gross receipts from the previous calendar year. BPOL fees are projected to total \$9.7 million, a 6.8% increase over the FY 06/07 budget. The increase is primarily due to strength in the home improvement and repair sector of local business activity.

**Motor Vehicle Licenses** (County Decals) are registration fees collected from vehicle owners for the privilege of operating vehicles on County highways. License fees are based on weight and range from \$28.50 to \$30.00 for motor vehicles and \$9.00 to \$20.00 for trailers. Motorcycle registrations cost \$20.00. Motor vehicle registrations are projected to total \$2.4 million, a slight increase over the FY 06/07 budget.

**Bank Franchise Tax** is collected from banks doing business in the County. The tax is based on equity capital allocated by branch deposits. Real estate tax is paid directly to localities based on local assessment practices.

**Clerk Fees.** The recordation tax is levied on transactions including the recording of deeds, deeds of trust, mortgages, leases, contracts and agreements admitted to record by the Clerk of the Circuit Court and remitted to the County. Overall, the fees collected by the Clerk are estimated to be \$2.7 million, a 7.7% increase over the FY 06/07 budget.

**Transient Occupancy Taxes** are assessed on the use of rooms in hotels, motels, boarding houses and travel campgrounds by visitors. The authority to levy these taxes varies greatly among jurisdictions. Counties, through general law, have been limited to a maximum tax rate of 2.0%. However, the 1996 General Assembly granted Albemarle County (along with several other counties) special enabling legislation to levy a transient occupancy rate up to a maximum of 5.0%; however, the additional revenues generated from the incremental 3.0% may only be used for tourism or travel-related projects that increase tourism. The FY 07/08 projection reflects only the 2.0% transient tax revenues that can be used for general purposes. The 3.0% transient tax required to be used for tourism is directly deposited into the Tourism Fund. The projected General Fund portion of these revenues is estimated at \$735,000, a \$125,000 (20.5%) increase over the FY 06/07 budget.

**Food and Beverage Taxes** are taxes assessed at 4 percent on the sales price of prepared food and beverages sold in the County. The Albemarle County food and beverage tax was passed by a county-wide referendum during the November 1997 election and became effective on January 1, 1998. Revenues from meals taxes are projected to be \$5.6 million, an increase of \$0.4 million (8.3%) over the FY 06/07 budget. Food and beverage tax revenues continue to grow as the population increases, new restaurants open, and consumers increase their preference for convenience meals over home prepared meals. The projection for FY 07/08 is based on steady historical growth.

**Permits and Fees**

Permits and fees are revenues collected from permits and privilege fees required by the County. The revenue from permits is intended to offset the cost of processing applications for land use and zoning adjustments and code inspections provided by the County after the permit is obtained. The majority of permits are development-related. The total revenue from permits, fees and licenses is projected to be \$1.5 million, a slight decrease from the FY 06/07 budget. These taxes represent 0.6% of the General Fund revenues.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Inspection related fees	\$801,678	\$930,000	\$738,000	\$813,500	\$813,500	(\$116,500)	-12.5%
Other development fees	591,741	478,100	516,500	571,000	571,000	92,900	19.4%
Animal License	10,485	14,200	10,500	11,000	11,000	(3,200)	-22.5%
Land Use	15,460	10,500	6,000	8,000	8,000	(2,500)	-23.8%
Solicitors	260	100	300	300	300	200	200.0%
Fire/Rescue	40,814	26,000	52,700	51,650	51,650	25,650	98.7%
Courts	7,182	7,600	6,500	7,000	7,000	(600)	-7.9%
<b>TOTAL</b>	<b>\$1,467,621</b>	<b>\$1,466,500</b>	<b>\$1,330,500</b>	<b>\$1,462,450</b>	<b>\$1,462,450</b>	<b>(\$4,050)</b>	<b>-0.3%</b>

**Fines and Forfeitures**

Fines and Forfeitures are revenues collected by the County for court and parking fines as a result of violations of County ordinances and regulations. Fines are projected to total \$388,850 in FY 07/08, an increase of \$76,150 (24.4%) over the FY 06/07 budget, and represent 0.2% of the General Fund revenues.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Fines And Forfeitures	\$303,707	\$312,700	\$382,975	\$388,850	\$388,850	\$76,150	24.4%
<b>TOTAL</b>	<b>\$303,707</b>	<b>\$312,700</b>	<b>\$382,975</b>	<b>\$388,850</b>	<b>\$388,850</b>	<b>\$76,150</b>	<b>24.4%</b>

**Revenue from the Use of Money and Property**

Revenue from the use of money and property is earned by the County from the investment of funds, the sale of surplus property, and the rental of County facilities. Overall revenues are expected to increase by \$0.5 million over the FY 06/07 budget. This category represents 0.7% of the General Fund revenues.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Interest	\$570,442	\$375,000	\$850,000	\$850,000	\$850,000	\$475,000	126.7%
Sale of Surplus	15,387	16,000	15,500	17,000	17,000	1,000	6.3%
Rent	560,938	620,350	575,744	681,685	681,685	61,335	9.9%
<b>TOTAL</b>	<b>\$1,146,766</b>	<b>\$1,011,350</b>	<b>\$1,441,244</b>	<b>\$1,548,685</b>	<b>\$1,548,685</b>	<b>\$537,335</b>	<b>53.1%</b>

### Charges for Services

Charges for Services are revenues generated by the services performed by County personnel. The estimated FY 07/08 revenue is \$2.2 million, a 16.9% increase over the FY 06/07 budget, and represents 1.0% of the General Fund revenues.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Fees of Clerk	\$842,211	\$775,000	\$780,000	\$850,000	\$850,000	\$75,000	9.7%
Police & Sheriff	559,864	434,500	605,608	587,405	587,405	152,905	35.2%
Administration Fees	222,210	230,486	242,337	254,312	254,312	23,826	10.3%
Parks & Recreation	281,327	284,800	280,100	341,700	341,700	56,900	20.0%
Service & Sales	52,312	48,300	47,700	51,350	51,350	3,050	6.3%
Court Fees	64,268	68,100	64,900	67,600	67,600	(500)	-0.7%
<b>TOTAL</b>	<b>\$2,022,193</b>	<b>\$1,841,186</b>	<b>\$2,020,645</b>	<b>\$2,152,367</b>	<b>\$2,152,367</b>	<b>\$311,181</b>	<b>16.9%</b>

**Excess Fees of the Clerk** are revenues collected by the local Clerk of the Circuit Court and returned to the State. The State keeps two-thirds of the revenues and returns one-third to the locality after deducting the amount needed to operate the Clerk of the Circuit Court’s Office. Excess fees are expected to total \$850,000, a \$75,000 (9.7%) increase over the FY 06/07 budget.

**Police Department and Sheriff’s Department Service Fees** are revenues collected by the County when uniformed law enforcement officers are hired for security purposes at private events or other functions. Service fees are balanced by reimbursable overtime expenses in the Police Department and Sheriff’s budgets. Fee income is expected to total \$587,405, a 35.2% increase over the FY 06/07 budget.

**Administration Fees** are earned for operational and construction related services rendered to the Jail, Juvenile Facility, and Emergency Communications Center. Fee income is expected to total \$254,312, a 10.3% increase over the FY 06/07 budget.

**Parks & Recreation Fees** are earned from operation of the County parks and community centers as well as various recreation programs. Fee income is expected to total \$341,700, a 20.0% increase over the FY 06/07 budget. This increase is due in part to the expected fees generated by the recreation program expansion beginning in FY 07/08.

**Charges for Sales and Services** include revenues from the sale of publications, maps, and information reports generated by County personnel. Revenues are projected to total \$51,350, a 6.3% increase over the FY 06/07 budget.

**Court Fees** are miscellaneous fees collected on court convictions; include court security fees and fingerprinting.

### Miscellaneous

Miscellaneous revenue is revenue collected by the County that is not classified in any other category. Miscellaneous revenues are expected to total \$8,400, a 9.8% increase over the FY 06/07 budget.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Miscellaneous	\$4,800	\$7,650	\$7,905	\$8,400	\$8,400	\$750	9.8%
<b>TOTAL</b>	<b>\$4,800</b>	<b>\$7,650</b>	<b>\$7,905</b>	<b>\$8,400</b>	<b>\$8,400</b>	<b>\$750</b>	<b>9.8%</b>

**Payments in Lieu of Taxes – Local**

Payments in lieu of taxes are received from tax exempt organizations in lieu of property taxes. The expected revenues are estimated at \$74,728, a 9.2% decrease from the FY 06/07 budget.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Payments in lieu of taxes	\$75,288	\$81,800	\$63,882	\$74,278	\$74,278	(\$7,522)	-9.2%
<b>TOTAL</b>	<b>\$75,288</b>	<b>\$81,800</b>	<b>\$63,882</b>	<b>\$74,278</b>	<b>\$74,278</b>	<b>(\$7,522)</b>	<b>-9.2%</b>

**Donations**

The County is projecting to receive \$5,800 in donations for FY 07/08.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Donations	\$4,425	\$4,000	\$6,300	\$5,800	\$5,800	\$1,800	45.0%
<b>TOTAL</b>	<b>\$4,425</b>	<b>\$4,000</b>	<b>\$6,300</b>	<b>\$5,800</b>	<b>\$5,800</b>	<b>\$1,800</b>	<b>45.0%</b>

**Recovered Costs**

Recovered costs are reimbursements from other governmental entities or insurance companies for costs incurred by the County on their behalf. Recovered costs are projected to total \$202,876 for FY 07/08, an 11.7% increase over the FY 06/07 budget, and represents less than one percent of the General Fund revenues.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Recovered costs	\$293,974	\$181,703	\$235,409	\$202,876	\$202,876	\$21,173	11.7%
<b>TOTAL</b>	<b>\$293,974</b>	<b>\$181,703</b>	<b>\$235,409</b>	<b>\$202,876</b>	<b>\$202,876</b>	<b>\$21,173</b>	<b>11.7%</b>

# STATE REVENUES

## Payments in Lieu of Taxes - State

Payments in lieu of taxes are payments received from the State for service charges incurred by the University of Virginia in lieu of property taxes. The contribution for FY 07/08 is estimated to be \$105,000, an 8.7% decrease from the FY 06/07 budget.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Payments In Lieu Of Taxes-St	\$93,588	\$115,000	\$100,000	\$105,000	\$105,000	(\$10,000)	-8.7%
<b>TOTAL</b>	<b>\$93,588</b>	<b>\$115,000</b>	<b>\$100,000</b>	<b>\$105,000</b>	<b>\$105,000</b>	<b>(\$10,000)</b>	<b>-8.7%</b>

## Non-Categorical Aid - State

State non-categorical aid revenues are those revenues raised by the State and shared with the County. The use of such revenues is at the discretion of the County. Ratios, rate and distribution formulas are subject to change each year by the General Assembly.

ABC revenue represents two-thirds of the profits of the Alcoholic Beverage Commission and is distributed quarterly to counties based upon the 2000 official census population figures. Wine taxes also are distributed based on the 2000 census; 44.0% of these revenues go to the localities. In FY07, alcohol related revenues were frozen by the state at the FY06 level due to state revenue concerns.

Also included in this category is a 4.0% tax on leased vehicles. Overall, non-categorical revenues are projected to total \$15.6 million, a 1.3% decrease from the FY 06/07 budget, representing 6.9% of the General Fund Revenues.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Alcohol related	\$100,448	\$225,000	\$100,448	\$100,448	\$100,448	(\$124,552)	-55.4%
Leased Vehicles	501,156	529,600	521,095	523,361	523,361	(6,239)	-1.2%
PPTR	15,466,368	15,000,000	14,987,570	14,960,670	14,960,670	(39,330)	-0.3%
SPCA Sterilization Fund	2,080	2,100	2,100	2,100	2,100	0	0.0%
Mobile Home titling	28,092	60,000	25,000	25,000	25,000	(35,000)	-58.3%
<b>TOTAL</b>	<b>\$16,098,144</b>	<b>\$15,816,700</b>	<b>\$15,636,213</b>	<b>\$15,611,579</b>	<b>\$15,611,579</b>	<b>(\$205,121)</b>	<b>-1.3%</b>

## Shared Expenses - State

State shared expenses include revenues collected by the County for the State's share of activities that are considered to be a shared state/local responsibility. This revenue represents funding for the Constitutional Officers and is determined by the Compensation Board on an annual basis. These funds are projected to increase \$193,376 over the FY 06/07 budget. This category represents 1.0% of the General Fund revenues.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Commonwealth Attorney	\$437,073	\$446,724	\$479,884	\$510,100	\$510,100	\$63,376	14.2%
Clerk of Circuit Court	340,935	370,600	358,430	369,200	369,200	(1,400)	-0.4%
Sheriff	638,940	658,000	699,924	738,300	738,300	80,300	12.2%
Medical Examiner	420	1,300	30	0	0	(1,300)	-100.0%
Registrar	57,024	58,000	58,500	61,000	61,000	3,000	5.2%
Director of Finance	450,426	454,400	495,157	503,800	503,800	49,400	10.9%
<b>TOTAL</b>	<b>\$1,924,818</b>	<b>\$1,989,024</b>	<b>\$2,091,925</b>	<b>\$2,182,400</b>	<b>\$2,182,400</b>	<b>\$193,376</b>	<b>9.7%</b>

**Categorical Aid – State**

State categorical aid includes revenues received from and designated by the Commonwealth for a specific use by the County. Categorical aid revenues include: social services revenues; housing improvement funds; HB 599 police funds; Emergency Medical Service (EMS) funds; Fire Service Program (FSP) Funds; recordation fees (distributed for transportation and/or education purposes); and specific purpose grants. Some revenues are received on a reimbursable basis and are principally provided through the Department of Social Services. Categorical aid revenues are projected to total \$5.7 million, a 3.0% increase over the FY 06/07 budget, and represents 2.5% of General Fund revenues.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Social Services	\$1,890,140	\$2,375,541	\$2,204,500	\$2,295,141	\$2,295,141	(\$80,400)	-3.4%
Recordation Tax	536,122	480,000	559,350	525,000	525,000	45,000	9.4%
Law Enforcement	2,228,716	2,350,000	2,377,227	2,405,000	2,405,000	55,000	2.3%
EMS & Fire Service	456,097	149,000	164,000	243,111	243,111	94,111	63.2%
Misc. Grants	12,000	5,000	5,000	5,000	5,000	0	0.0%
Misc. State Revenue	10,207	0	119	0	0	0	N/A
Medicaid Reimbursement	223,483	205,000	230,000	258,828	258,828	53,828	26.3%
<b>TOTAL</b>	<b>\$5,356,765</b>	<b>\$5,564,541</b>	<b>\$5,540,196</b>	<b>\$5,732,080</b>	<b>\$5,732,080</b>	<b>\$167,539</b>	<b>3.0%</b>

**FEDERAL REVENUES**

**Payments in Lieu of Taxes – Federal**

The Federal Government makes payments in lieu of taxes to the County for tax-exempt park lands located within the County. The total payment will be approximately \$21,700 for FY 07/08.

	FY 04/05 ACTUAL	FY 05/06 BUDGET	FY 05/06 PROJECTED	FY 06/07 ESTIMATE	FY 06/07 RECOMM	FY07 / FY06 ADP-BUD	FY07 / FY06 ADP/BUD
Payments In Lieu Of Taxes-Fede	\$21,016	\$21,500	\$21,373	\$21,700	\$21,700	\$200	0.9%
<b>TOTAL</b>	<b>\$21,016</b>	<b>\$21,500</b>	<b>\$21,373</b>	<b>\$21,700</b>	<b>\$21,700</b>	<b>\$200</b>	<b>0.9%</b>

**Categorical Aid - Federal**

Federal categorical aid includes revenues received from and designated by the Federal Government for a specific use by the County. Such revenues usually are received on a reimbursable basis. Major categories reflect federal reimbursements for social services programs, and grants for law enforcement programs. Overall, federal categorical aid is projected to total \$5.5 million, a 9.6% increase of \$0.5 million. This category represents 2.4% of the General Fund revenues.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Social Services	\$3,856,297	\$4,705,467	\$4,614,467	\$5,134,650	\$5,134,650	\$429,183	9.1%
Grants	12,386	0	0	0	0	0	N/A
Law Enforcement (COPS)	67,090	100,000	100,000	100,000	100,000	0	0.0%
Medicaid Reimbursement	221,874	205,000	230,000	258,828	258,828	53,828	26.3%
<b>TOTAL</b>	<b>\$4,157,647</b>	<b>\$5,010,467</b>	<b>\$4,944,467</b>	<b>\$5,493,478</b>	<b>\$5,493,478</b>	<b>\$483,011</b>	<b>9.6%</b>

# TRANSFERS

Transfers are made to offset General Fund eligible expenses to administer or conduct programs, which are funded from dedicated special revenues or grant funds. The School Resource Officer and HUD family service coordinator programs are funded by grant monies transferred to the General Fund. Similarly, expenditures in the General Fund for the benefit of Tourism and E-911 operations are also offset by transfers as is the Housing Office's administrative costs for managing HUD Section 8 Housing Rental assistance funds. This category is projected to total \$3.0 million, a 5.7% increase over the FY 06/07 budget.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Emerg. Comm. Center	\$1,147,000	\$1,681,000	\$1,704,559	\$1,672,295	\$1,672,295	(\$8,705)	-0.5%
SEC 8 Reimb	317,321	295,137	330,014	340,000	340,000	44,863	15.2%
Safe & Drug Free Schools	20,000	20,000	14,610	15,000	15,000	(5,000)	-25.0%
School Resource Officer	179,328	183,400	186,501	193,100	193,100	9,700	5.3%
Family Support	0	184,756	203,922	186,136	186,136	1,380	0.7%
Contribution Fund	3,000	0	13,000	0	0	0	N/A
Tourism	443,492	510,000	461,232	630,399	630,399	120,399	23.6%
Other Funds	16,710	0	0	0	0	0	N/A
<b>TOTAL</b>	<b>\$2,126,851</b>	<b>\$2,874,293</b>	<b>\$2,913,838</b>	<b>\$3,036,930</b>	<b>\$3,036,930</b>	<b>\$162,637</b>	<b>5.7%</b>

# FUND BALANCE

Fund balance reflects the use of County savings for one-time expenditures or emergency needs. The use of \$0.3 million in fund balance revenues in FY 07/08 reflects the use of one-time reserve funds. Fund Balance is used to fund one-time costs associated with recommended strategic initiatives.

	FY 05/06 ACTUAL	FY 06/07 BUDGET	FY 06/07 PROJECTED	FY 07/08 ESTIMATE	FY 07/08 RECOMM	FY08 / FY07 REC-BUD	FY08 / FY07 REC/BUD
Fund Balance	\$0	\$537,991	\$2,019,691	\$297,221	\$297,221	(\$240,770)	-44.8%
<b>TOTAL</b>	<b>\$0</b>	<b>\$537,991</b>	<b>\$2,019,691</b>	<b>\$297,221</b>	<b>\$297,221</b>	<b>(\$240,770)</b>	<b>-44.8%</b>

