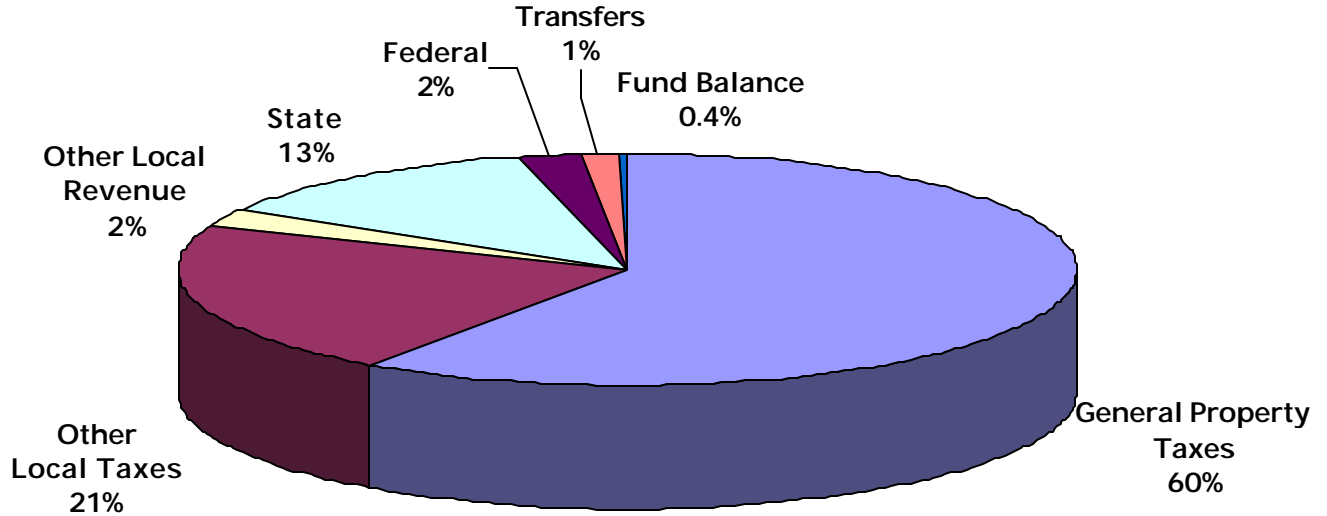


# GENERAL FUND REVENUES

FY 05/06 Recommended  
General Fund Revenues  
**\$178,055,169**



	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
General Property Taxes	\$84,779,601	\$93,072,806	\$93,072,806	\$106,514,400	\$106,514,400	\$13,441,594	14.4%
Other Local Taxes	34,752,319	34,742,450	34,742,450	37,734,900	37,734,900	2,992,450	8.6%
Permits And Fees	1,317,554	1,343,827	1,343,827	1,369,200	1,369,200	25,373	1.9%
Fines And Forfeitures	295,096	345,950	345,950	344,400	344,400	(1,550)	-0.4%
Use Of Money And Property	360,730	794,035	794,035	797,188	797,188	3,153	0.4%
Charges For Services	1,549,340	1,627,464	1,627,464	1,604,200	1,604,200	(23,264)	-1.4%
Miscellaneous	14,587	17,900	17,900	19,300	19,300	1,400	7.8%
Payments In Lieu Of Taxes	70,781	73,378	73,378	79,300	79,300	5,922	8.1%
Donations	2,280	200	200	200	200	0	0.0%
Recovered Costs	221,582	202,053	256,656	192,148	192,148	(9,905)	-4.9%
<b>LOCAL REVENUES</b>	<b>\$123,363,871</b>	<b>\$132,220,063</b>	<b>\$132,274,666</b>	<b>\$148,655,236</b>	<b>\$148,655,236</b>	<b>\$16,435,173</b>	<b>12.4%</b>
Payments In Lieu Of Taxes-State	\$109,298	\$113,000	\$113,000	\$110,000	\$110,000	(\$3,000)	-2.7%
Non-Categorical Aid-State	14,767,836	15,019,270	15,019,360	15,389,800	15,389,800	370,530	2.5%
Shared Expenses-State	1,752,303	1,857,066	1,857,066	1,863,500	1,863,500	6,434	0.3%
Categorical Aid-State	4,360,218	4,873,911	4,393,278	4,933,010	4,933,010	59,099	1.2%
Payments In Lieu Of Taxes-Federal	20,179	20,500	20,500	20,700	20,700	200	1.0%
Categorical Aid-Federal	4,005,846	4,055,254	4,055,254	4,348,089	4,348,089	292,835	7.2%
<b>STATE &amp; FEDERAL REVENUES</b>	<b>\$25,015,680</b>	<b>\$25,939,001</b>	<b>\$25,458,458</b>	<b>\$26,665,099</b>	<b>\$26,665,099</b>	<b>\$726,098</b>	<b>2.8%</b>
<b>TOTAL REVENUES</b>	<b>\$148,379,550</b>	<b>\$158,159,064</b>	<b>\$157,733,124</b>	<b>\$175,320,335</b>	<b>\$175,320,335</b>	<b>\$17,161,271</b>	<b>10.9%</b>
Transfers	2,120,620	2,169,229	2,169,229	2,053,629	2,053,629	(115,600)	-5.3%
<b>REVENUES and TRANSFERS</b>	<b>\$150,500,170</b>	<b>\$160,328,293</b>	<b>\$159,902,353</b>	<b>\$177,373,964</b>	<b>\$177,373,964</b>	<b>\$17,045,671</b>	<b>10.6%</b>
Fund Balance Appropriations:	0	2,119,367	3,728,113	681,205	681,205	(1,438,162)	-67.9%
<b>TOTAL REVS, TRANSFERS, FUND BAL:</b>	<b>\$150,500,170</b>	<b>\$162,447,660</b>	<b>\$163,630,465</b>	<b>\$178,055,169</b>	<b>\$178,055,169</b>	<b>\$15,607,509</b>	<b>9.6%</b>

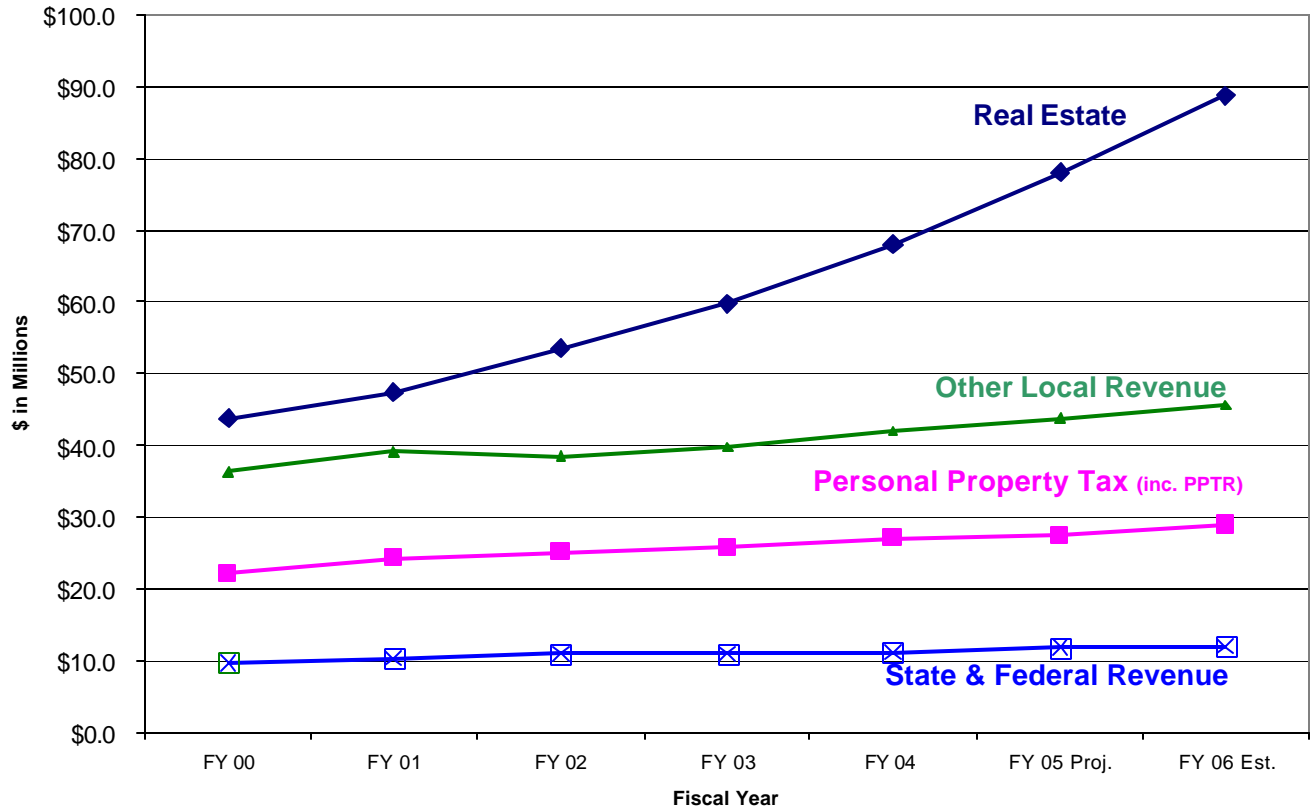


# REVENUE OVERVIEW

## 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 99/00. In that same time period, all other sources of revenue increased by only 26.7%.

Trends in Major Revenue Sources



# 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 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
<b>CURRENT:</b>							
Real Estate	\$67,613,619	\$75,145,350	\$75,145,350	\$88,313,000	\$88,313,000	\$13,167,650	17.5%
Public Service	1,977,464	2,065,000	2,065,000	1,660,600	1,660,600	(404,400)	0.0%
Local Personal Property	13,041,267	13,485,516	13,485,516	14,111,000	14,111,000	625,484	4.6%
Machinery & Tools	678,461	705,690	705,690	702,600	702,600	(3,090)	-0.4%
Mobile Homes	76,849	74,000	74,000	80,400	80,400	6,400	8.6%
<b>Subtotal Current</b>	<b>\$83,387,660</b>	<b>\$91,475,556</b>	<b>\$91,475,556</b>	<b>\$104,867,600</b>	<b>\$104,867,600</b>	<b>\$13,392,044</b>	<b>14.6%</b>
<b>PER PENNY: CURRENT:</b>							
Real Estate, avg tax rate	0.76	0.76	0.76	0.76	0.76	0.00	0.0%
Real Estate, per penny	916,683	1,016,899	1,016,899	1,184,921	1,184,921	168,022	16.5%
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	64,354	66,335	66,335	68,464	68,464	2,129	3.2%
<b>NON-CURRENT:</b>							
Delinquent	\$536,885	\$712,250	\$712,250	\$681,800	\$681,800	(30,450)	-4.3%
Penalty	608,810	625,000	625,000	670,000	670,000	45,000	7.2%
Interest & Fees	246,247	260,000	260,000	295,000	295,000	35,000	13.5%
<b>Subtotal Non-Current</b>	<b>\$1,391,941</b>	<b>\$1,597,250</b>	<b>\$1,597,250</b>	<b>\$1,646,800</b>	<b>\$1,646,800</b>	<b>\$49,550</b>	<b>3.1%</b>
<b>TOTAL</b>	<b>\$84,779,601</b>	<b>\$93,072,806</b>	<b>\$93,072,806</b>	<b>\$106,514,400</b>	<b>\$106,514,400</b>	<b>\$13,441,594</b>	<b>14.4%</b>

These taxes are projected to total \$106.6 million in FY 05/06, a 14.4% increase of \$13.4 million from the FY 04/05 Adopted Budget, and comprise 59.8% 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 05/06, general property taxes would be recorded at \$121.1 million instead of \$106.6 million. Property Taxes may be categorized as follows:

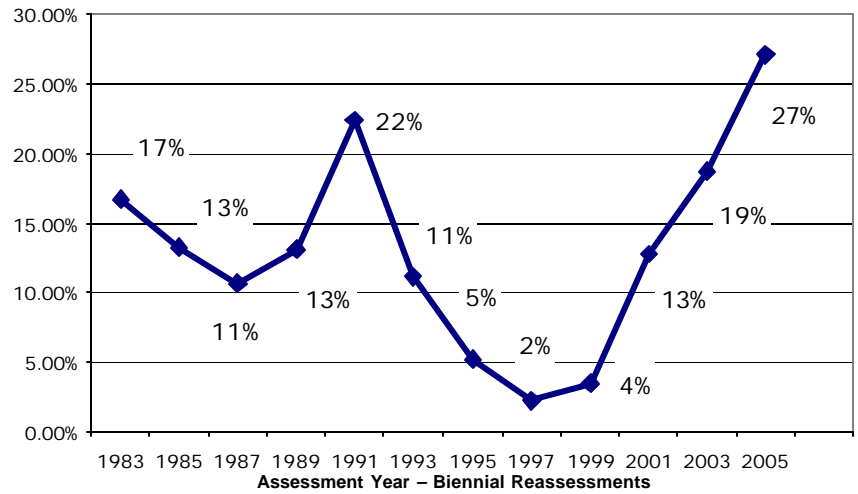
	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Local Personal Property Tax	\$13,041,267	\$13,485,516	\$13,485,516	\$14,111,000	\$14,111,000	\$625,484	4.6%
State PPTR	13,823,853	14,200,000	14,200,000	14,489,000	14,489,000	289,000	2.0%
<b>Total Current Personal Property Tax</b>	<b>\$26,865,120</b>	<b>\$27,685,516</b>	<b>\$27,685,516</b>	<b>\$28,600,000</b>	<b>\$28,600,000</b>	<b>\$914,484</b>	<b>3.3%</b>

**Real Estate Property tax** is the largest source of revenue for the County and is expected to generate about \$88.3 million, 49.9% of General Fund revenues. This is a 17.5%, \$13.2 million, increase over FY 04/05. Each penny on the real estate tax rates yields \$1.2 million in estimated collectable real estate tax revenues. The expected revenue reflects a deduction for an estimated land use deferral of \$13.8 million. The expected revenue includes \$8.1 million, one-half of the January 1, 2005 reassessment increase. It also includes \$5.1 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 2005 is 27.2% for the biennium, equating to a 13.6% annual increase. Historically, reassessment increase percentages have been cyclical in nature. The chart to the right shows reassessment increases for 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 tax is projected to decrease slightly from FY 04/05. Each penny on the tax rate yields \$21,850 in tax revenues for FY 05/06.

REAL ESTATE REASSESSMENT INCREASE



**Personal Property tax** is levied on vehicles owned by individuals and businesses, as well as other tangible property owned by businesses. Personal property tax is subject to the Personal Property Tax Relief (PPTR) Act. PPTR is gradually shifting payment responsibility for non-business vehicles assessed at \$20,000 or less from individual owners to the state. The state's reimbursement rate is scheduled to remain at the current 70% for FY 05/06. Combined personal property tax and PPTR payments are projected to increase \$0.9 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 \$66,822 in collectible tax revenues. Personal property taxes are generally paid in two installments due on June 5 and December 5. Legislative changes in 2004 as well as anticipated 2005 changes will impact the reimbursement rate and total state funding.

**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 \$80,400, a 8.6% increase over the FY 04/05 budget. Each penny on the tax rate yields \$1,058 in collectable tax revenue for FY 05/06.

**Machinery and Tools tax** is levied on equipment used by manufacturers in the manufacturing process. Machinery and Tools tax revenues are projected to decrease \$3,090 from the FY 04/05 budget. Each penny on the tax rate yields \$1,642 in collectable tax revenue for FY 05/06.

**Revenue Estimating**

The total estimated fair market value of taxable real property on January 1, 2005 was \$13.1 billion before land use deferral. The following table displays total real property assessed values, net of land use deferral, for the 2004 calendar year and prior nine years broken out by type of property:

Albemarle County Real Property Assessed Values: 1995 - 2004

Calendar Year	Residential	Multifamily	Commercial & Industrial	Agricultural *	Public Utilities	Total
1995	3,276,052,000	224,259,000	672,142,000	581,699,000	212,316,000	4,966,468,000
1996	3,338,621,500	226,942,300	682,269,210	575,513,530	222,883,000	5,046,229,540
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

\* Net Land Use Deferral

The chart below shows the process by which the new real estate tax assessment base for FY 05/06 is calculated. The January 1, 2005 reassessment fair market taxable values are increased by 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 \$444.3 million compared to \$355.0 million estimated for last year. The land use deferral is estimated to be \$1,817.6 million, which reduces available tax revenues by \$13.8 million.

REAL PROPERTY TAXABLE BASE: 2005/2006

January 1, 2005 Reassessment	\$13,068,876,800
Plus Estimated Taxable New Construction	\$444,253,883
Plus Estimated Land Use Rollback	\$31,895,877
<b>Estimated 2005/2006 Fair Market Value of Taxable Real Property</b>	<b>\$13,545,026,560</b>
Less Estimated Land Use Deferrals	\$1,817,578,400
<b>Estimated 2005/2006 Real Property Taxable Base</b>	<b>\$11,727,448,160</b>

REAL TAXABLE PROPERTY

	Taxable Base	Collection Rate	Adopted Tax Rate	Net Revenue Per Penny	Anticipated Revenue
Real Property	\$11,727,448,160	99%	\$0.76	\$1,162,013	\$88,313,000
Public Service	\$218,500,000	100%	\$0.76	\$21,850	\$1,660,600
Mobile Homes	<u>\$12,322,237</u>	86%	\$0.76	<u>\$1,058</u>	<u>\$80,400</u>
Total	\$11,958,270,396			\$1,184,921	\$90,054,000

PERSONAL PROPERTY

	Taxable Base	Collection Rate	Adopted Tax Rate	Net Revenue Per Penny	Anticipated Revenue
Personal Property, inc PPTR	\$705,271,519	95%	\$4.28	\$66,822	\$28,600,000
Machinery & Tools	\$16,415,888	100%	\$4.28	\$1,642	\$702,600
Total	<u>\$721,687,407</u>			<u>\$68,464</u>	<u>\$29,302,600</u>

**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 \$37.7 million in revenues for FY 05/06, an increase of \$3.0 million (8.6%) over the FY 04/05 budget. Combined, they represent 21.2% 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.

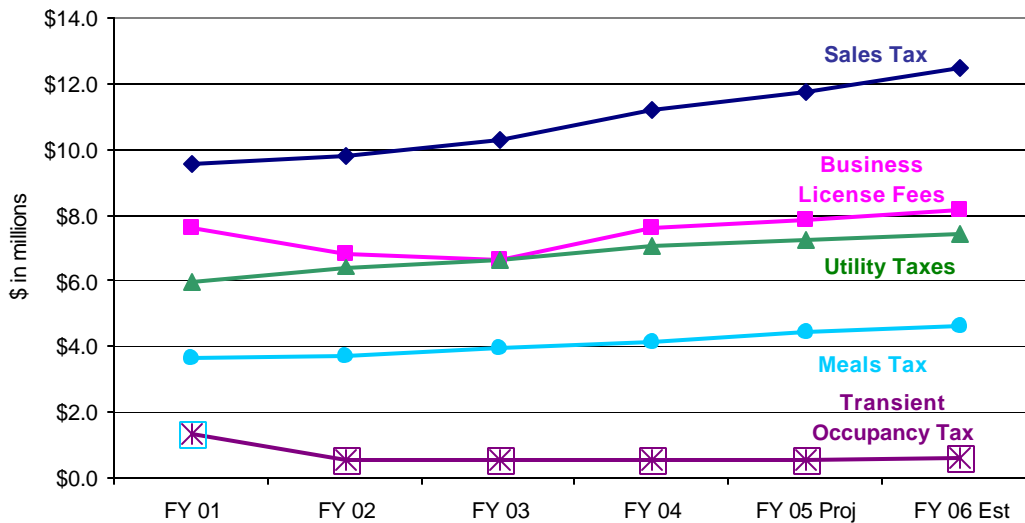
Other local taxes are excise taxes levied on the following categories of local transactions:

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Penalty & Interest	\$90,489	\$89,000	\$89,000	\$84,000	\$84,000	(\$5,000)	-5.6%
Sales Tax	11,234,088	11,500,000	11,500,000	12,500,000	12,500,000	1,000,000	8.7%
Consumer Utility Tax	6,769,416	6,744,750	6,744,750	7,171,100	7,171,100	426,350	6.3%
Utility Consumption Tax	306,970	292,200	292,200	305,800	305,800	13,600	4.7%
Business License	7,626,862	7,396,000	7,396,000	8,208,000	8,208,000	812,000	11.0%
Short Term Rental	90,559	97,500	97,500	91,000	91,000	(6,500)	-6.7%
Decals	2,058,847	2,185,000	2,185,000	2,175,000	2,175,000	(10,000)	-0.5%
Bank Franchise	249,460	281,000	281,000	240,000	240,000	(41,000)	-14.6%
Clerk Fees	1,710,613	1,457,000	1,457,000	1,775,000	1,775,000	318,000	21.8%
Transient Occupancy	516,184	550,000	550,000	585,000	585,000	35,000	6.4%
Meals Tax	4,098,832	4,150,000	4,150,000	4,600,000	4,600,000	450,000	10.8%
<b>TOTAL</b>	<b>\$34,752,319</b>	<b>\$34,742,450</b>	<b>\$34,742,450</b>	<b>\$37,734,900</b>	<b>\$37,734,900</b>	<b>\$2,992,450</b>	<b>8.6%</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. Sales tax revenues are projected to total \$12.5 million, an 8.7% increase over the FY 04/05 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 \$7.2 million, a 6.3% increase over the FY 04/05 budget.

**Trends in Other Local Taxes**



**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 \$8.2 million, an 11.0% increase over the FY 04/05 budget.

**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 \$2.2 million, a slight decrease from the FY 04/05 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 \$1.8 million, a 21.8% increase over the FY 04/05 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 05/06 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 now directly deposited into the Tourism Fund. The projected General Fund portion of these revenues is estimated at \$585,000, a \$35,000 (6.4%) increase over the FY 04/05 budget.

**Meal Taxes** are taxes assessed at 4 percent on the sales price of prepared food and beverages sold in the County. The Albemarle County meals 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 \$4.6 million, an increase of \$0.5 million (10.8%) over the FY 04/05 budget.

**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 \$1.4 million, a 1.9% increase over the FY 04/05 budget. These taxes represent 0.8% of the General Fund revenues.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Inspection related fees	\$782,854	\$850,000	\$850,000	\$876,500	\$876,500	\$26,500	3.1%
Other development fees	480,875	440,547	440,547	440,900	440,900	353	0.1%
Animal License	10,249	10,400	10,400	11,500	11,500	1,100	10.6%
Land Use	12,970	7,000	7,000	9,300	9,300	2,300	32.9%
Solicitors	60	100	100	100	100	0	0.0%
Fire/Rescue	22,200	26,780	26,780	23,400	23,400	(3,380)	-12.6%
Courts	8,346	9,000	9,000	7,500	7,500	(1,500)	-16.7%
<b>TOTAL</b>	<b>\$1,317,554</b>	<b>\$1,343,827</b>	<b>\$1,343,827</b>	<b>\$1,369,200</b>	<b>\$1,369,200</b>	<b>\$25,373</b>	<b>1.9%</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 \$344,400 in FY 05/06, a slight decrease from the FY 04/05 budget, and represent 0.2% of the General Fund revenues.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Fines And Forfeitures	\$295,096	\$345,950	\$345,950	\$344,400	\$344,400	(\$1,550)	-0.4%
<b>TOTAL</b>	<b>\$295,096</b>	<b>\$345,950</b>	<b>\$345,950</b>	<b>\$344,400</b>	<b>\$344,400</b>	<b>(\$1,550)</b>	<b>-0.4%</b>

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

Revenue from the use of money and property are revenues 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 \$3,153 over the FY 04/05 budget. This category represents 0.4% of the General Fund revenues.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Interest	\$136,395	\$210,000	\$210,000	\$220,000	\$220,000	\$10,000	4.8%
Sale of Surplus	16,448	15,800	15,800	24,000	24,000	8,200	51.9%
Rent	207,888	568,235	568,235	553,188	553,188	(15,047)	-2.6%
<b>TOTAL</b>	<b>\$360,730</b>	<b>\$794,035</b>	<b>\$794,035</b>	<b>\$797,188</b>	<b>\$797,188</b>	<b>\$3,153</b>	<b>0.4%</b>

**Charges for Services**

Charges for Services are revenues generated by the services performed by County personnel. The estimated FY 04/05 revenue is \$1.6 million, a 1.4% decrease from the FY 04/05 budget, and represents 0.9% of the General Fund revenues.

Major categories include:

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Fees of Clerk	\$601,576	\$625,000	\$625,000	\$600,000	\$600,000	(\$25,000)	-4.0%
Police & Sheriff	356,759	396,664	396,664	390,700	390,700	(5,964)	-1.5%
Administration Fees	202,154	213,725	213,725	219,000	219,000	5,275	2.5%
Parks & Recreation	244,820	271,300	271,300	249,600	249,600	(21,700)	-8.0%
Service & Sales	91,131	71,375	71,375	82,400	82,400	11,025	15.4%
Court Fees	52,899	49,400	49,400	62,500	62,500	13,100	26.5%
<b>TOTAL</b>	<b>\$1,549,340</b>	<b>\$1,627,464</b>	<b>\$1,627,464</b>	<b>\$1,604,200</b>	<b>\$1,604,200</b>	<b>(\$23,264)</b>	<b>-1.4%</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 \$600,000, a \$25,000 (4.0%) decrease from the FY 04/05 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 \$390,000, a 1.5% decrease from the FY 04/05 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 \$219,000, a 2.5% increase over the FY 04/05 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 \$249,600, an 8.0% decrease from the FY 04/05 budget.

**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 \$82,400, a 15.4% increase over the FY 04/05 budget.

**Miscellaneous**

Miscellaneous revenue is revenue collected by the County that is not classified in any other category. Miscellaneous revenues are expected to total \$19,300, a 7.8% increase over the FY 04/05 budget.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Miscellaneous	\$14,587	\$17,900	\$17,900	\$19,300	\$19,300	\$1,400	7.8%
<b>TOTAL</b>	<b>\$14,587</b>	<b>\$17,900</b>	<b>\$17,900</b>	<b>\$19,300</b>	<b>\$19,300</b>	<b>\$1,400</b>	<b>7.8%</b>

**Payments in Lieu of Taxes - Local**

Payments in lieu of taxes are payments received from tax exempt organizations in lieu of property taxes. The expected revenues are estimated at \$79,300, an 8.1% increase over the FY 04/05 budget.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Payments in lieu of taxes	\$70,781	\$73,378	\$73,378	\$79,300	\$79,300	\$5,922	8.1%
<b>TOTAL</b>	<b>\$70,781</b>	<b>\$73,378</b>	<b>\$73,378</b>	<b>\$79,300</b>	<b>\$79,300</b>	<b>\$5,922</b>	<b>8.1%</b>

**Donations**

The County is projecting to receive \$200 in donations for FY 05/06.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Donations	\$2,280	\$200	\$200	\$200	\$200	\$0	0.0%
<b>TOTAL</b>	<b>\$2,280</b>	<b>\$200</b>	<b>\$200</b>	<b>\$200</b>	<b>\$200</b>	<b>\$0</b>	<b>0.0%</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 \$192,148 for FY 05/06, a 4.9% decrease from the FY 04/05 budget, and represents less than one percent of the General Fund revenues.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Recovered costs	\$221,582	\$202,053	\$256,656	\$192,148	\$192,148	(\$9,905)	-4.9%
<b>TOTAL</b>	<b>\$221,582</b>	<b>\$202,053</b>	<b>\$256,656</b>	<b>\$192,148</b>	<b>\$192,148</b>	<b>(\$9,905)</b>	<b>-4.9%</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 05/06 is estimated to be \$ 110,000, a 2.7% decrease from the FY 04/05 budget.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Payments In Lieu Of Tax	\$109,298	\$113,000	\$113,000	\$110,000	\$110,000	(\$3,000)	-2.7%
<b>TOTAL</b>	<b>\$109,298</b>	<b>\$113,000</b>	<b>\$113,000</b>	<b>\$110,000</b>	<b>\$110,000</b>	<b>(\$3,000)</b>	<b>-2.7%</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. Included in this category is a 4.0% tax on leased vehicles. Overall, non-categorical revenues are projected to total \$15.4 million, a 2.5% increase over the FY 04/05 budget, representing 8.6% of the General Fund Revenues.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Alcohol related	\$221,932	\$141,810	\$141,810	\$147,300	\$147,300	\$5,490	3.9%
In lieu of pers. prop. tax	493,309	498,160	498,160	525,300	525,300	27,140	5.4%
PPTR	13,986,459	14,335,500	14,335,500	14,672,000	14,672,000	336,500	2.3%
SPCA Sterilization Fund	2,064	1,800	1,890	2,100	2,100	300	16.7%
Mobile Home titling	64,072	42,000	42,000	43,100	43,100	1,100	2.6%
<b>TOTAL</b>	<b>\$14,767,836</b>	<b>\$15,019,270</b>	<b>\$15,019,360</b>	<b>\$15,389,800</b>	<b>\$15,389,800</b>	<b>\$370,530</b>	<b>2.5%</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 \$6,424 over the FY 04/05 budget. This category represents 1.0% of the General Fund revenues.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Commonwealth Attorney	\$388,417	\$395,080	\$395,080	\$408,000	\$408,000	\$12,920	3.3%
Clerk of Circuit Court	340,860	339,913	339,913	351,200	351,200	11,287	3.3%
Sheriff	575,892	660,000	660,000	623,000	623,000	(37,000)	-5.6%
Medical Examiner	630	1,100	1,100	1,200	1,200	100	9.1%
Registrar	46,472	48,444	48,444	49,900	49,900	1,456	3.0%
Director of Finance	400,033	412,529	412,529	430,200	430,200	17,671	4.3%
<b>TOTAL</b>	<b>\$1,752,303</b>	<b>\$1,857,066</b>	<b>\$1,857,066</b>	<b>\$1,863,500</b>	<b>\$1,863,500</b>	<b>\$6,434</b>	<b>0.3%</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 \$4.9 million, a 1.2% increase over the FY 04/05 budget, and represents 2.8% of General Fund revenues.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Social Services	\$1,674,280	\$1,874,808	\$1,874,808	\$1,852,000	\$1,833,553	(\$41,255)	-2.2%
Recordation Tax	517,926	500,000	500,000	505,000	505,000	5,000	1.0%
Law Enforcement	1,823,964	2,101,709	2,101,709	2,125,000	2,228,717	127,008	6.0%
EMS & Fire Service	162,691	143,300	143,300	146,700	146,700	3,400	2.4%
Misc. Grants	5,000	5,000	5,000	5,000	5,000	0	0.0%
Misc. State Revenue	0	51,076	51,076	0	0	(51,076)	
Medicaid Reimbursement	176,357	198,018	198,018	183,600	214,040	16,022	8.1%
<b>TOTAL</b>	<b>\$4,360,218</b>	<b>\$4,873,911</b>	<b>\$4,873,911</b>	<b>\$4,817,300</b>	<b>\$4,933,010</b>	<b>\$59,099</b>	<b>1.2%</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 \$20,700 for FY 05/06.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Payments In Lieu Of Taxes-Federal	\$20,179	\$20,500	\$20,500	\$20,700	\$20,700	\$200	1.0%
<b>TOTAL</b>	<b>\$20,179</b>	<b>\$20,500</b>	<b>\$20,500</b>	<b>\$20,700</b>	<b>\$20,700</b>	<b>\$200</b>	<b>1.0%</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 \$4.3 million, a 7.2% increase of \$0.3 million. This category represents 2.4% of the General Fund revenues.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Social Services	\$3,602,550	\$3,714,703	\$3,714,703	\$3,991,049	\$3,991,049	\$276,346	7.4%
Central Services Allocation	173,703	0	0	0	0	0	
Grants	17,847	5,233	5,233	4,400	4,400	(833)	-15.9%
Law Enforcement (COPS)	37,292	137,300	137,300	138,600	138,600	1,300	0.9%
Medicaid Reimbursement	174,453	198,018	198,018	214,040	214,040	16,022	8.1%
<b>TOTAL</b>	<b>\$4,005,846</b>	<b>\$4,055,254</b>	<b>\$4,055,254</b>	<b>\$4,348,089</b>	<b>\$4,348,089</b>	<b>\$292,835</b>	<b>7.2%</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, school technical support, 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 \$2.1 million, a 5.3% decrease from the FY 04/05 budget.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Emerg. Comm. Center	\$1,180,962	\$1,181,040	\$1,181,040	\$1,147,000	\$1,147,000	(\$34,040)	-2.9%
SEC 8 Reimb	324,908	333,500	333,500	312,837	312,837	(20,663)	-6.2%
Safe & Drug Free Schools	20,000	20,000	20,000	20,000	20,000	0	0.0%
School Resource Officer	122,252	125,920	125,920	130,300	130,300	4,380	3.5%
Contribution Fund	2,000	0	0	0	0	0	
Tourism	470,498	508,769	508,769	443,492	443,492	(65,277)	-12.8%
Other Funds						0	
<b>TOTAL</b>	<b>\$2,120,620</b>	<b>\$2,169,229</b>	<b>\$2,169,229</b>	<b>\$2,053,629</b>	<b>\$2,053,629</b>	<b>(\$115,600)</b>	<b>-5.3%</b>

# FUND BALANCES

Fund balance reflects the use of County savings for one-time expenditures or emergency needs. The use of \$0.7 million in fund balance revenues in FY 05/06 reflects the use of one-time reserve funds. Uses of fund balance include:

- \$100,000 for the Affordable Housing Trust Fund;
- \$106,590 in one time costs for new police officers;
- \$40,000 to purchase equipment for additional public maintenance responsibilities;
- \$50,000 in overtime funds for Community Development to address peak demand and keep the Director from performing engineer plan review functions;
- \$9,100 for the United Way Insurance for Children Project;
- \$31,500 for a slope mower for the western area of the County;
- \$54,900 for trail development and maintenance equipment; and
- \$289,115 for the replacement vehicles.

	FY 03/04 ACTUAL	FY 04/05 BUDGET	FY 04/05 REVISED	FY 05/06 PROJECTED	FY 05/06 RECOMM	FY06 - FY05 REC-BUD	FY06 / FY05 REC/BUD
Fund Balance	\$0	\$2,119,367	\$3,728,113	\$681,205	\$681,205	(\$1,438,162)	-67.9%
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,119,367</b>	<b>\$3,728,113</b>	<b>\$681,205</b>	<b>\$681,205</b>	<b>(\$1,438,162)</b>	<b>-67.9%</b>

