

Reasons for the Results

REVENUES

In the General Fund, the significant difference between the scenarios and among the prototypes in is income tax revenue. The scenarios illustrate the importance of the location of employment, average annual income per household or job and subsequent income taxes.

The second most important revenue source for the residential and nonresidential prototypes is real property taxes. This is a major revenue source for two of the City's funds (General Fund and Police Fund) which highlight the importance of average assessed value and subsequent real property taxes.

The table below illustrates the correlation between the assessed values, incomes per household/job, and fiscal results:

Figure 8: Correlation between Assessed Values, Incomes, and Fiscal Results

RESIDENTIAL (per unit)

Land Use	Assessed Value	Household Income	Scenario 1 General Fund Results	Scenario 2 General Fund Results
6 units/acre	\$61,950	\$70,800	(\$156)	\$198
.2 units/acre	\$114,450	\$130,800	(\$375)	\$279
2 units/acre	\$79,800	\$91,200	(\$591)	(\$135)
10 units/acre	\$15,750	\$19,000	(\$622)	(\$527)
2.5 units/acre	\$71,050	\$81,200	(\$646)	(\$240)
1 unit/acre	\$45,150	\$51,600	(\$808)	(\$550)

NONRESIDENTIAL (data are per 1,000 sf)

Land Use	Assessed Value	Ave. Income per Job	Scenario 1 General Fund Results
Office	\$35,700	\$34,000	\$924
Light Industrial	\$11,900	\$39,000	\$616
Warehouse	\$15,050	\$21,000	\$155
Commercial: less than 10,000 sf	\$40,950	\$22,000	\$110
Commercial: less than 10,001 - 50,000 sf	\$50,750	\$22,000	\$70
Commercial: more than 50,001 sf	\$31,500	\$22,000	(\$26)

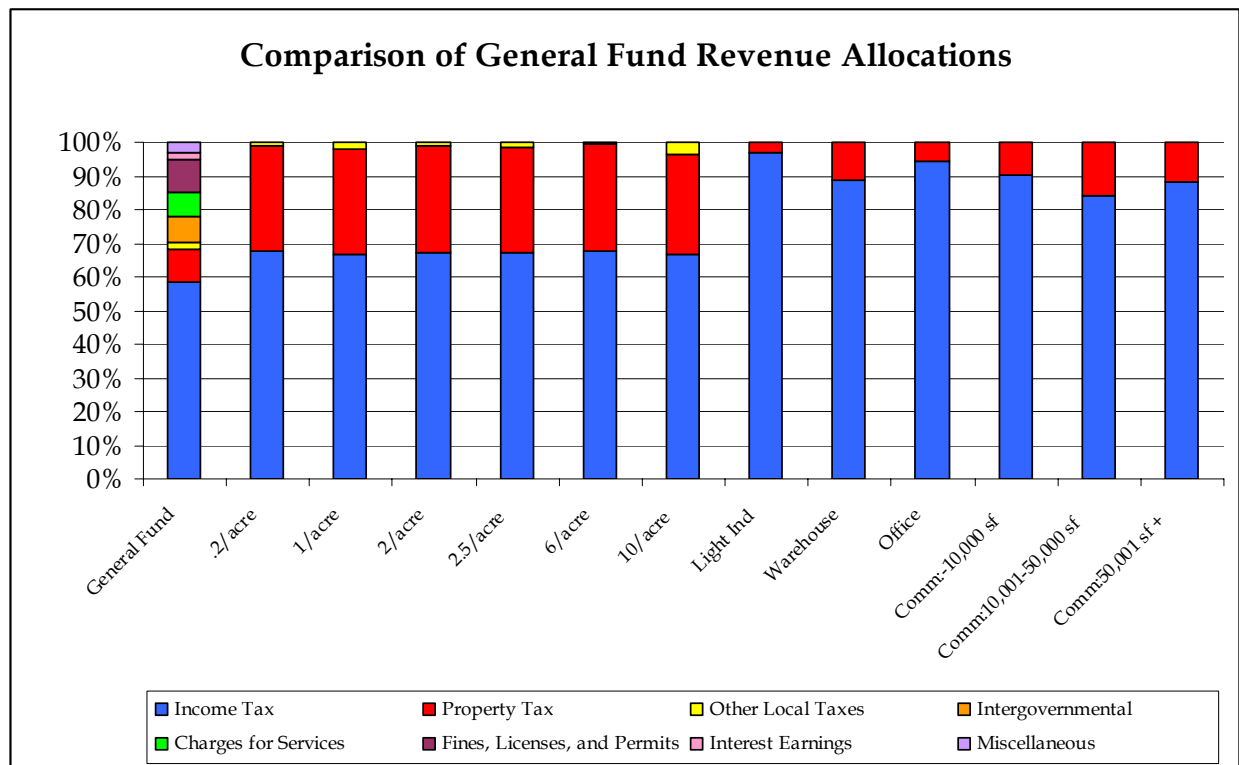
The City offsets the costs and services of several of its departments and funds with revenues from Charges for Services, Licenses, and Permits. These revenues are applied against the expenditures of the department or fund which provides the services.

Conclusions & Recommendations

Based on the results, the following conclusions can be made:

The results illustrate the City's reliance on income and real property taxes to fund its operations. These taxes comprise approximately 68% of the FY2005 General Fund revenue and 37% of the Police Fund revenue. However, the cost of land use analysis shows an even greater reliance on these taxes. This is illustrated in Figure 9 below. The total General Fund is shown at the left of the graph

Figure 9: Comparison of General Fund Revenue Allocation By Land Use



The City offsets the costs and services of several of its departments and funds with revenues from Charges for Services, Licenses, and Permits. The City should review these rates on an annual basis and revise these amounts to ensure that they reflect the City's cost to provide the reciprocal services. The City could also adopt a policy which states that these revenues should fund a certain percentage of the department's or fund's annual budget.

Several of the City's revenues cannot be attributed as growth-related revenues and are not factors in this analysis. The most notable of these fixed revenues are:

- Motel Tax - these revenues are generated by this land use which was not included in this analysis;