

# Washington County Finances

## 2007 Revenues, Expenditures, Debt and Ten-Year Trends



Washington  
 County

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## **Scope**

This document is intended to facilitate an understanding of Washington County financial operations by citizens, policy makers, and local government officials. The report summarizes, through data tables and charts, the financial operations of the county for calendar year 2007. In addition, the report examines longer-term trends to help place current financial conditions in context.

An analysis of the revenues and expenditures of Washington County began in 2003 as part of the county's work on long-term finance strategic issues. The information in this document is updated annually to serve as a baseline for the county's forecasting work. An important step in anticipating future revenues and expenditures is to have a good understanding of historical trends. Data in this report covers the time period from 1998 – 2007. The revenues and expenditures reported in this document are unaudited year-end figures taken from the county's financial management system. They may differ slightly from the audited figures contained in the county's Comprehensive Annual Financial Report (CAFR) due to reporting requirements established by the Government Accounting Standards Board (GASB) and criteria set forth by the Government Finance Officers Association (GFOA). The differences do not change the actual amounts of revenue and expenditure transactions; rather they are simply categorized differently when reported in the county's CAFR.

## **Executive Summary**

### **Current Trends**

In aggregate, Washington County revenues grew just 1.4 percent while expenditures grew 8.7 percent from 2006 to 2007. Total fund balance of the county increased substantially, by nearly 71%, due to the sale of bonds during 2007 that remained unspent at year end. As a measure of fiscal health, the general fund group and special revenue fund group unreserved fund balances as a percent of current expenditures (total expenditures less capital and debt) sit at their third highest levels in more than ten years.

Overall, county revenues totaled \$167.8 million, expenditures totaled \$183.0 million, and unreserved fund balances totaled \$92.2 million in 2007. The amount of outstanding long-term debt totaled \$127.6 million at the end of 2007. The county continues to monitor its fund balance levels. The use and restoration of these funds are strategically planned and managed following the guidelines outlined in county policy and as recommended by the State Auditor's Office.

### **Ten-Year Trends**

While the county appears to have ended 2007 in good financial condition, an examination of trends between 1998 and 2007 shows that, when adjusted for inflation, revenue and expenditure levels remain near 2001-2002 levels.

When the ten-year period is broken into two five-year segments, 1998 to 2002 and 2003 to 2007, a divergence in trends emerges. From 1998 to 2002, non-adjusted county revenues grew 28.5 percent compared to 22.4 percent between 2003 and 2007. Among the two major sources of county revenues, taxes and state aid, large differences are apparent. Taxes (net property tax) grew 29.1 percent during the first period and 26.8 percent during the second period while state intergovernmental revenues, including county program aid, grew 17.6 percent during the first five-year period but decreased by over 16 percent during the second period.

Among expenditures, the trends are similar. Total expenditures, which can be broken into current, capital, and debt service expenditures, grew 42.6 percent between 1998 and 2002, but only by 19.8 percent between 2003 and 2007. However, among the subcategories there is a wide divergence in trends. Current expenditures grew 27.1 percent during the first five-year period, but only 15.4 percent during the second period; capital outlays increased by 82.7 percent during the first period and grew nearly 203 percent during the second due to projects funded bond proceeds; and, debt service expenditures grew by 167.4 percent during the first five year period and decreased by over 65 percent during the second period due to restructuring of the county's debt.

Long-term debt declined 27.5 percent from 1998 to 2002, and grew by 135.8 percent between 2003 and 2007. The growth in long-term debt indicates that the county is funding a greater number of capital projects with debt rather than by pay-as-you-go. Specifically, the county sold bonds in 2003, 2005, and again in 2007, which is reflected in the large increase during this period.

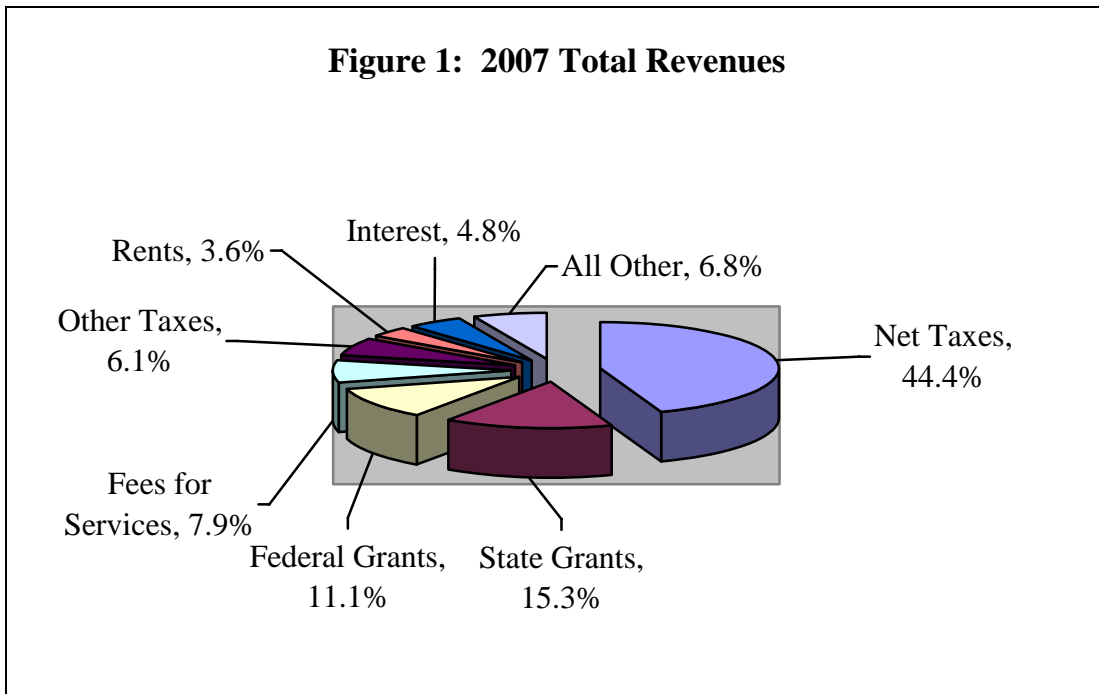
## Total Government Revenues

### Current Trends

Total revenues for the county grew by just 1.4 percent to \$167.8 million between 2006 and 2007. However, when adjusted for inflation, county revenues were near 2001 levels.

The growth in revenue was driven primarily by limited increases in taxes, state grants, and interest earnings. Net property taxes, which account for the largest proportion of county revenues, increased by \$5.1 million or 7.4 percent between 2006 and 2007. State grants, including county program aid which typically represents the second largest category of county revenues, decreased \$4.7 million or 15.6 percent from 2006 to 2007. Interest earnings are one of the most volatile sources of revenues for the county and have fluctuated greatly in recent years. Between 2006 and 2007 interest earnings from investments grew \$2.3 million or 39.3 percent. The \$8 million in revenue derived from interest earnings in 2007 is the largest amount posted in the last ten years; the lowest amount posted was seen in 2003 at just \$1.2 million.

The two largest sources of revenues for the county continue to be property taxes and state grants, which accounted for 44.4 and 15.3 percent of total revenues, respectively. Figure 1 shows the relative shares of total governmental revenues by source. The underlying data for this pie chart is detailed in Table 1 on page 6.

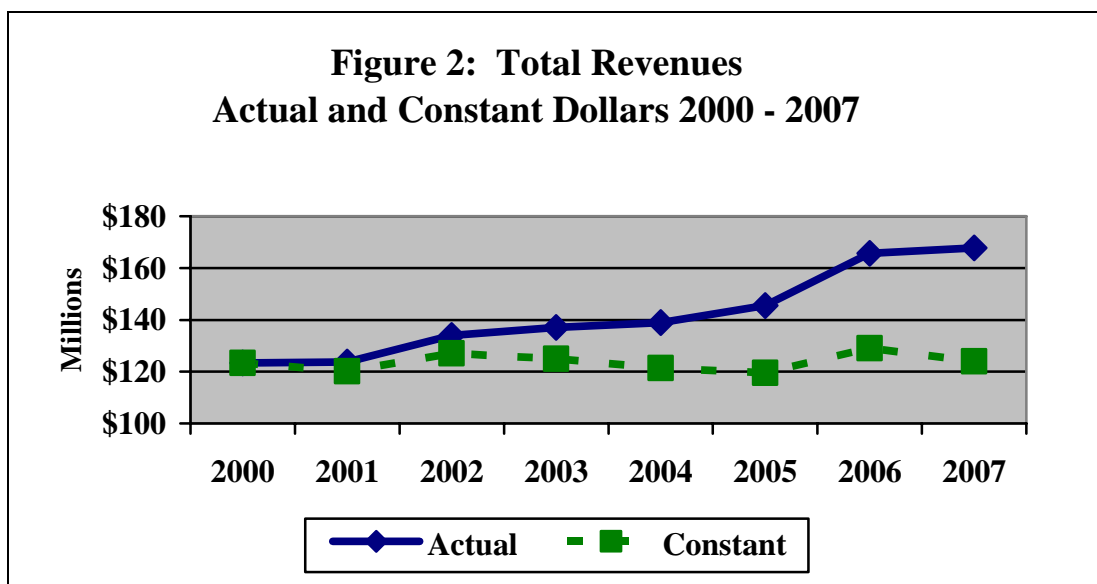


## Ten-Year Trends

Aside from the increases in 2006 and 2007 due to state grant reimbursements for various road projects, even in actual dollars county revenues have been relatively flat since 2002. The county has responded to this through service reductions and funding more projects through the issuance of debt. As Figure 2 shows, when adjusted for inflation, revenues declined in 2003, 2004, and 2005 while rising slightly in 2006 only to fall again in 2007.

An examination of county revenues between 1998 and 2007 shows that those revenue streams that are tied more closely to the beneficiaries of particular services have increased at a much greater pace than general revenues. During the ten-year period, revenues derived from licenses and permits have risen nearly 93 percent. In contrast, revenues derived from net taxes and state grants have risen 74 and only .8 percent, respectively.

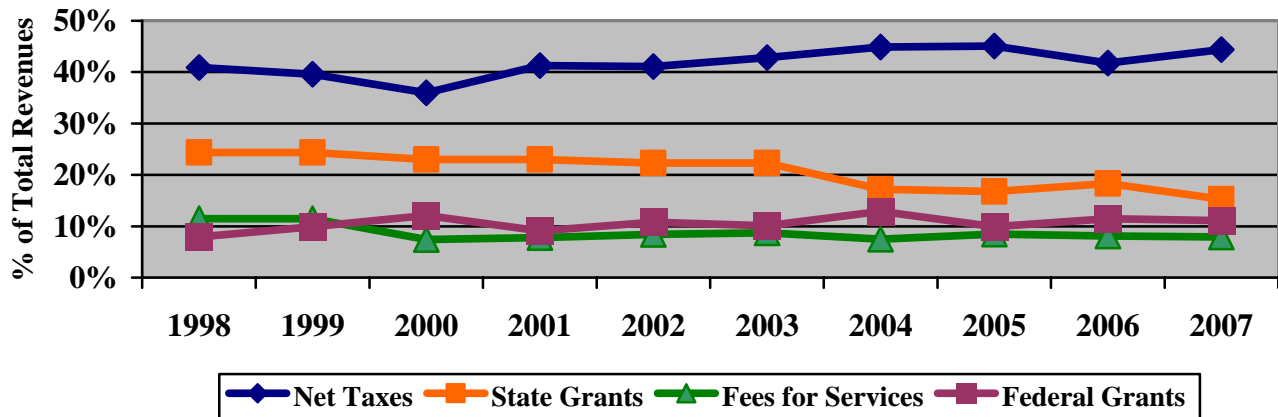
When broken into two five-year segments and adjusted for outliers such as one-time reimbursements for road projects, the 1998 to 2002 period shows more growth than the 2003 to 2007 period – 29 percent to 22 percent respectively. The slow down in revenue growth primarily reflects actions taken by the governor and legislature to deal with the state’s fiscal crises in 2002. As part of a package to address the large state deficit, aid to counties was significantly reduced in 2003 and 2004. In addition, the state imposed levy limits from 2002 to 2004 which restricted the amount of revenue the counties could collect in property taxes. Rather than levying to the maximum allowed, the county chose to address the funding shortfalls caused by the state’s actions by increasing its reliance on other sources of revenues and reducing services. Table 1 on page 6 provides the underlying data for this analysis.



### Primary Sources of Revenues

Since 1998 the primary sources of county revenues are taxes, state grants, fees for services, and federal grants. Over this period there has been some fluctuation in the proportion of total revenues represented by these four categories. Revenues derived from net property taxes now represent nearly 45 percent of all county revenues. Revenues derived from the state currently stand at 15 percent of all revenues, relatively steady over the past ten years. Revenue from fees for services has shown steady growth – rising from a low of \$9.4 million in 2000 to a high of \$13.6 million in 2006. Revenues derived from the federal government now stand at 11 percent of all revenues. While not at its highest point, this category has been trending upward since 1998, primarily due to reimbursements received for federal transit projects. Figure 3 shows how the makeup of primary county revenues changed between 1998 and 2007.

**Figure 3: Primary Sources of Revenues as a Percent of Total Revenues 1998 - 2007**



**Table 1: County Revenue Summary 1998 – 2007**

<b>Revenues</b>	<b>1998</b>	<b>2002</b>	<b>2003</b>	<b>2007</b>	<b>1998-02 5-Year Change</b>	<b>2003-07 5-Year Change</b>	<b>10- Year Change</b>
Net Tax	\$ 42,735,700	\$ 55,171,900	\$ 58,750,000	\$ 74,465,600	29.1%	26.8%	74.2%
Other Taxes (1)	\$ 1,605,400	\$ 6,490,400	\$ 6,303,000	\$ 10,265,500	304.3%	62.9%	539.4%
Licenses and Permits	\$ 1,997,700	\$ 2,653,700	\$ 2,945,300	\$ 3,851,400	32.8%	30.8%	92.8%
State Grants (2)	\$ 25,477,700	\$ 29,966,900	\$ 30,644,600	\$ 25,681,100	17.6%	-16.2%	.8%
Federal Grants (2)	\$ 8,302,600	\$ 14,492,400	\$ 13,882,900	\$ 18,629,800	74.6%	34.2%	124.4%
Local Grants (2)	\$ 1,489,000	\$ 2,448,200	\$ 2,099,300	\$ 3,663,700	64.4%	74.5%	146.1%
Fees for Services	\$ 12,110,400	\$ 11,328,900	\$ 12,015,100	\$ 13,310,100	-6.5%	10.8%	9.9%
Fines/Forfeitures (3)	\$ 1,099,300	\$ 1,440,300	\$ 1,358,800	\$ 536,300	31.0%	-60.5%	-51.2%
Interest Earnings	\$ 3,572,000	\$ 2,120,500	\$ 1,169,700	\$ 7,995,700	-40.6%	583.6%	123.8%
Rents (4)	\$ 4,956,700	\$ 5,287,700	\$ 5,854,300	\$ 6,009,300	6.6%	2.6%	21.2%
Miscellaneous (5)	\$ 967,000	\$ 2,642,200	\$ 2,087,200	\$ 3,426,800	173.2%	64.2%	254.4%
<b>Total Revenues</b>	<b>\$104,313,500</b>	<b>\$134,043,100</b>	<b>\$137,110,200</b>	<b>\$167,835,300</b>	<b>28.5%</b>	<b>22.4%</b>	<b>60.9%</b>

*Notes:*

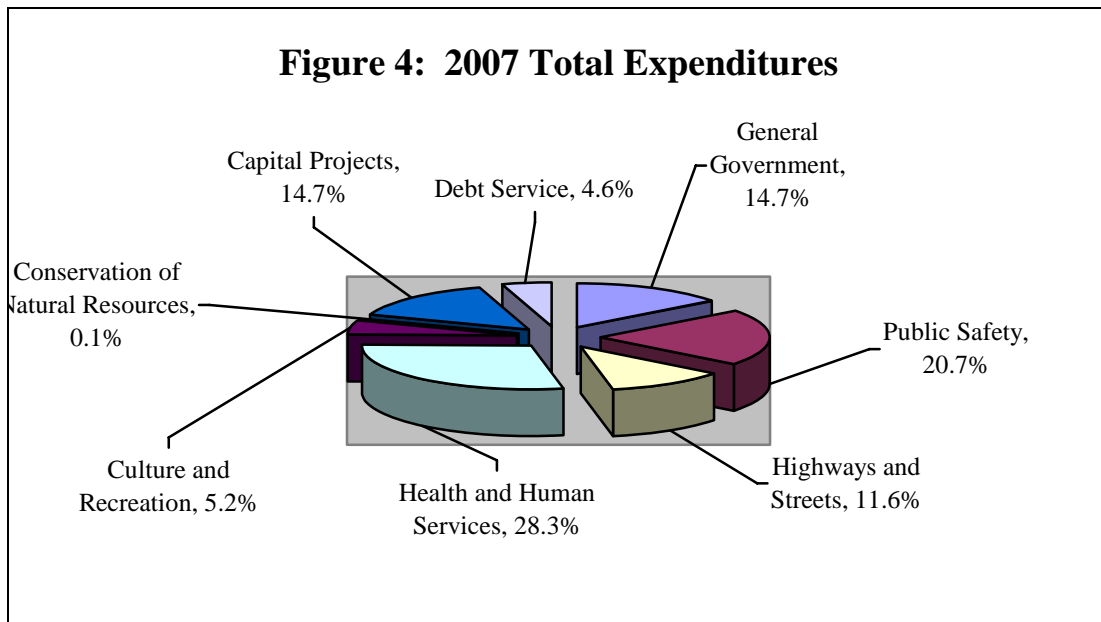
- (1) *Other Taxes include delinquent taxes, mortgage and deed taxes, wheelage tax, and the solid waste management fee/tax which was re- categorized from Fees for Services to Other Taxes in 2000.*
- (2) *State, Federal, and Local grants make up “Intergovernmental Revenue” including County Program Aid, all of which fluctuates greatly based on various reimbursable programs and projects in any given year.*
- (3) *The State of Minnesota took over the Courts area during 2003 which included associated revenues from court fines and forfeitures.*
- (4) *Rents are primarily interdepartmental charges for office space at county-owned facilities.*
- (5) *Miscellaneous revenues include restitution and recovery collections, donations, dividends, and any other revenue not accounted for elsewhere.*

## Total Government Expenditures

### Current Trends

Washington County provides a variety of services to its citizens. In 2007 the county expended \$183 million to provide these services. This represents an increase of 8.7 percent over 2006 total expenditures. Of the \$183 million in expenditures, \$131.2 million represented current expenditures (day-to-day operations), \$43.2 million represented capital project expenditures, and \$8.6 million represented debt service payments (interest and principal payments on debt). Of these three types of expenditures, current expenditures increased nearly twice as fast as the capital and debt service expenditures between 2006 and 2007, at 10 percent, 5 percent, and 4 percent respectively.

Figure 4 shows the relative shares of total expenditures by function. The underlying data for this pie chart is detailed in Table 2 on page 10.

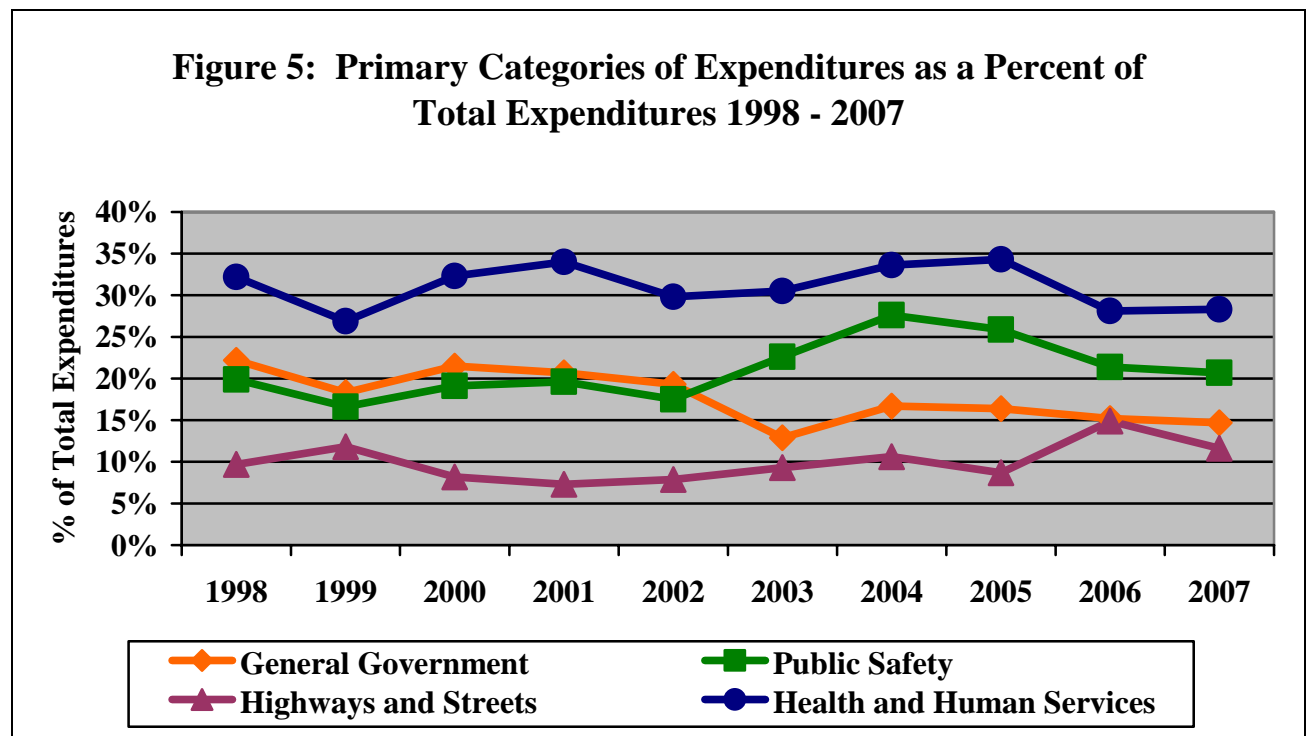


### Ten-Year Trends

Over the past ten years, expenditures related to health and human services have dominated county spending. While this category of expenditure has remained the largest for the county, as a percent of total expenditures it fluctuates from year to year. This trend reflects changes in human services programs both in how they are funded and stricter eligibility requirements.

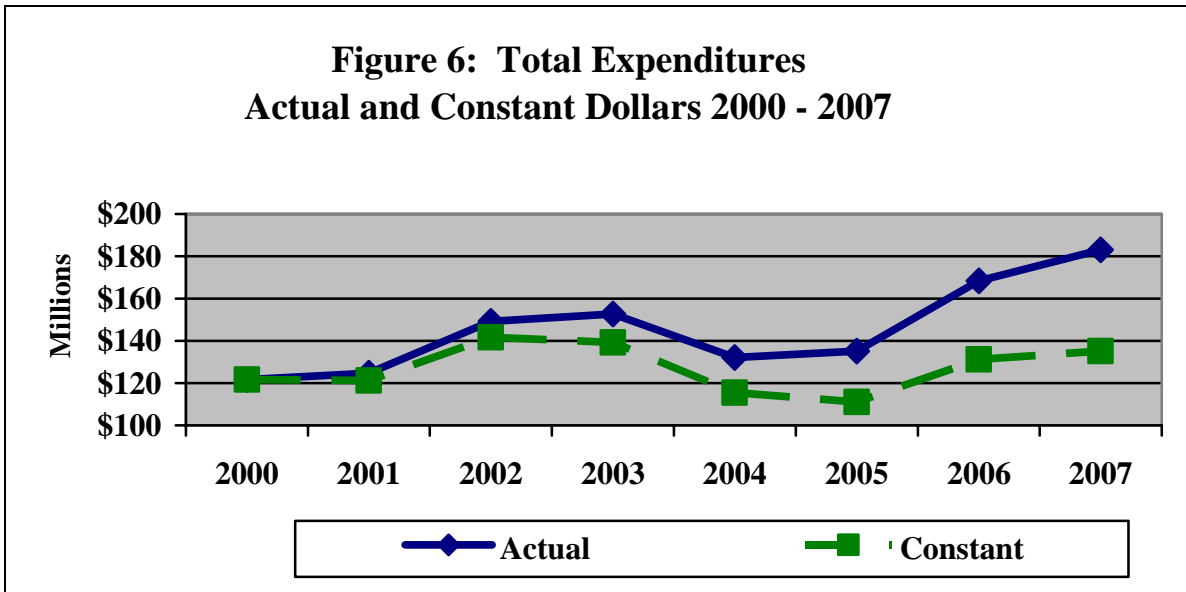
While the county picks up the administrative costs of human service programs, almost all the benefits are now paid by the federal and state governments. Stricter eligibility requirements have also meant fewer recipients of services.

In addition to the factors listed above, another reason that the human services share of total expenditures fluctuates is that spending on other county functions has also fluctuated over the years. While human service expenditures grew 53.7 percent between 1998 and 2007, other county functions also grew quickly. During the ten-year period, general government spending grew the slowest by only 15.8 percent, public safety spending grew by 81.9 percent, and highways and streets grew by 108.5 percent. As a result, these four categories may interchange in ranking. Often the change in ranking is determined by the level of capital expenditures during a given period. Items such as jails, license centers, and large road projects can push one category above another for a period of time but then drop back down when the project is complete. Figure 5 examines this trend.



The spending trends during the period of 1998 to 2007 reflect those of the revenues. From the period of 1998 to 2003 current expenditures had fairly steady growth. As the state’s fiscal crises hit in 2002 and state aid cuts and levy limits were put in place, the county was forced to reduce staff and services, resulting in expenditures remaining relatively flat for the next few years. When adjusted for inflation, the county is now spending about what it did in 2002. Figure 6 shows the trend in expenditures since 2000 in both actual and constant dollars. The increases since 2005 are primarily related to large capital projects funded with bonds and state and federal aids.

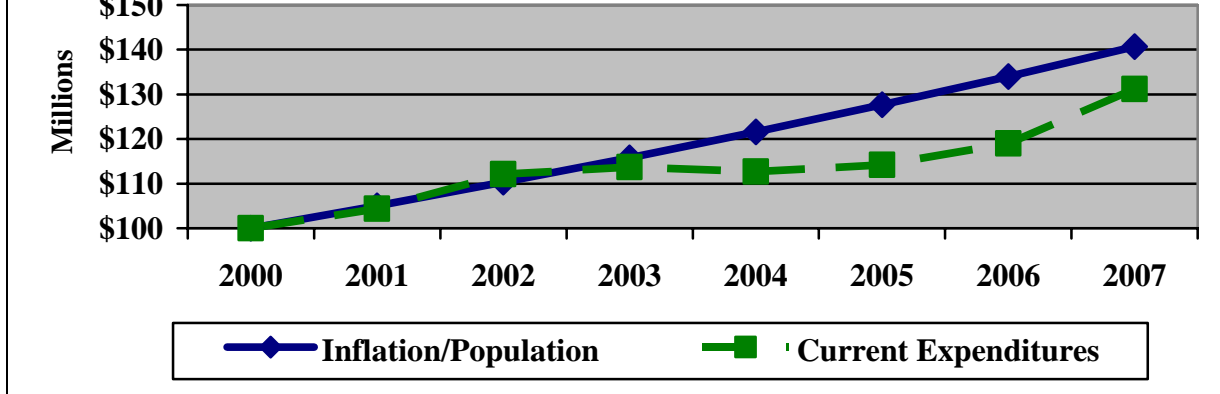
**Figure 6: Total Expenditures  
Actual and Constant Dollars 2000 - 2007**



If the ten-year period is divided into two segments, 1998 to 2002 and 2003 to 2007, one sees a wide divergence in trends (see Table 2 on page 10). During the first period, county expenditures grew by nearly 43 percent compared to just 20 percent during the second period. When expenditures are broken out among current expenditures, capital outlays, and debt service, the trends are not the same. Current expenditures grew by 27.1 percent during the first period but by just 15.4 percent during the second period. Capital outlays increase by nearly 83 percent during the first period and then jumped by 202.5 percent during the second period. Debt service payments increased by 167.4 percent during the first period and then substantially decreased by just over 65 percent as the county restructured some of its outstanding debt during the second period. Figure 9 on page 14 reflects the changes in long-term debt over the ten-year period.

Washington County is a growing county with population and parcel growth averaging approximately 2% per year. Coupled with an annual inflation factor of nearly 3%, the county's expenditures have not kept pace with its growth. While this continued growth is positive for the county's tax base, it also puts pressure on the amount of services the county needs to provide to its citizens. Figure 6a below shows how the county's level of expenditures would look if they were to keep pace with this growth compared to the actual current expenditures for the same time period.

**Figure 6a: County Growth vs. Current Expenditures  
2000 - 2007**



**Table 2: County Expenditure Summary 1998 – 2007**

Function	1998	2002	2003	2007	1998-02 5-Year Change	2003-07 5-Year Change	10- Year Change
General Government	\$ 25,119,600	\$ 31,036,900	\$ 19,594,800	\$ 26,719,100	23.6%	36.4%	6.4%
Public Safety	\$ 20,826,100	\$ 26,174,000	\$ 34,521,100	\$ 37,884,900	25.7%	9.7%	81.9%
Highways/Streets (1)	\$ 9,128,900	\$ 11,191,500	\$ 14,223,700	\$ 21,166,900	22.6%	48.8%	131.9%
Health/Human Svcs	\$ 33,739,500	\$ 44,471,200	\$ 46,613,100	\$ 51,867,900	31.8%	11.3%	53.7%
Culture/Recreation	\$ 4,808,500	\$ 5,841,700	\$ 9,101,800	\$ 9,575,700	21.5%	5.2%	99.1%
Consrv of Nat'l Res	\$ 421,100	\$ 371,000	\$ 306,500	\$ 199,000	-11.9%	-35.1%	-52.7%
Capital Projects (2)	\$ 2,303,600	\$ 7,866,900	\$ 3,618,900	\$ 26,969,700	241.5%	645.2%	1070.8%
Debt Service (3)	\$ 8,371,700	\$ 22,390,000	\$ 24,810,500	\$ 8,654,800	167.4%	-65.1%	3.4%
<b>Total Expenditures</b>	<b>\$104,719,000</b>	<b>\$149,343,200</b>	<b>\$152,790,400</b>	<b>\$183,038,000</b>	<b>42.6%</b>	<b>19.8%</b>	<b>74.8%</b>
Total Current Exp	\$ 88,225,300	\$112,114,500	\$113,699,000	\$131,185,800	27.1%	15.4%	48.7%
Total Capital Outlay (4)	\$ 8,122,000	\$ 14,838,700	\$ 14,280,900	\$ 43,197,400	82.7%	202.5%	431.9%
Total Debt Service (3)	\$ 8,371,700	\$ 22,390,000	\$ 24,810,500	\$ 8,654,800	167.4%	-65.1%	3.4%
<b>Total Expenditures</b>	<b>\$104,719,000</b>	<b>\$149,343,200</b>	<b>\$152,790,400</b>	<b>\$183,038,000</b>	<b>42.6%</b>	<b>19.8%</b>	<b>74.8%</b>

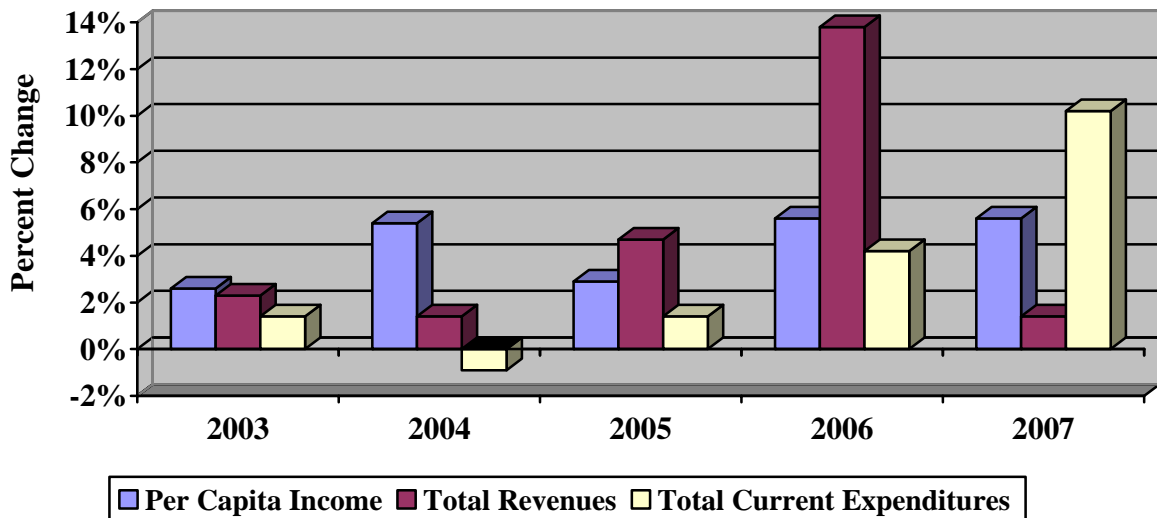
- (1) Highways and Streets function includes the capital outlay necessary for road projects.
- (2) The county sold bonds in 2000, 2003, 2005, and 2007 to fund various capital projects.
- (3) Even with additional bond issuances, the county has been able to take advantage of various economic factors, reducing the amount of debt-service payments made annually.
- (4) Includes all capital expenditures, \$5,000 or more, from all functions.

## Growth in Government

During the five-year period of 2003 to 2007, total governmental revenues and total current expenditures fluctuated greatly. To place this fluctuation in perspective, Figure 7 below includes a bar showing the growth in per capita personal income for the residents of Washington County. Per capita income is an indicator of the ability of citizens to pay for increased governmental spending. Generally, when expenditures grow faster than per capita personal income, citizens must spend a greater proportion of their income on governmental services. If non-tax sources of revenue keep pace or grow faster than expenditures, however, the increased spending may not result in a greater tax burden for citizens.

Figure 7 compares the change in total current expenditures and total governmental revenues to the change in per capita personal income. There is a marked difference for the years 2003 and 2004 compared to other years. The growth in revenues declined mostly due to reductions in state and federal aid. Many of the county's programs are based on aid, therefore spending was adjusted to reflect the decrease in revenue. The revenue growth in 2006 was tied to state aids received for major road projects, dipping again in 2007 as projects were completed. The largest contributor to the spike in expenditures during 2007 is related to increased wages and benefits as a result of a countywide salary market study and its implementation.

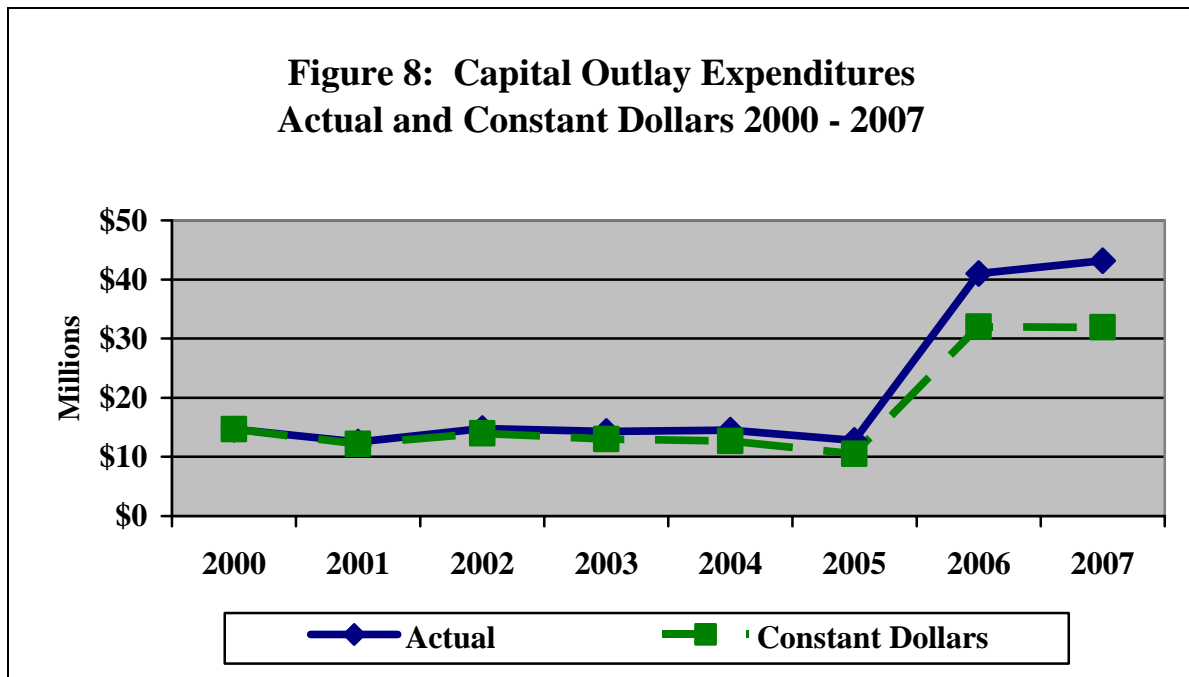
**Figure 7: Percent Change - Total Revenues, Total Current Expenditures, and Per Capita Income 2003 - 2007**



## Capital Outlay Expenditures

Washington County expended \$43.2 million on capital outlays in 2007, representing an increase of 5.3 percent over the level expended in 2006. Capital expenditures are more likely than current expenditures to vary significantly from year to year because capital projects tend to be large in size but infrequent in nature. Some of the factors that influence the level of capital investment include the need for infrastructure improvements, public safety concerns, demands for public meeting places and facilities, and the need to replace aging infrastructure.

As discussed previously, the trends in capital expenditures mirrored those of current expenditures except with a little more volatility. While both capital outlays and total current expenditures remained steady between 2000 and 2005, capital expenditures increased significantly in 2006, leveling off in 2007. The county is able to increase spending on capital projects more quickly than current expenditures because it can borrow for these types of projects. Figure 8 shows the trend in capital outlays from 2000 to 2007 in both actual and current dollars. Table 2 on page 10 summarizes the trends for all expenditures over the ten year period.



## **Outstanding Long-Term Indebtedness**

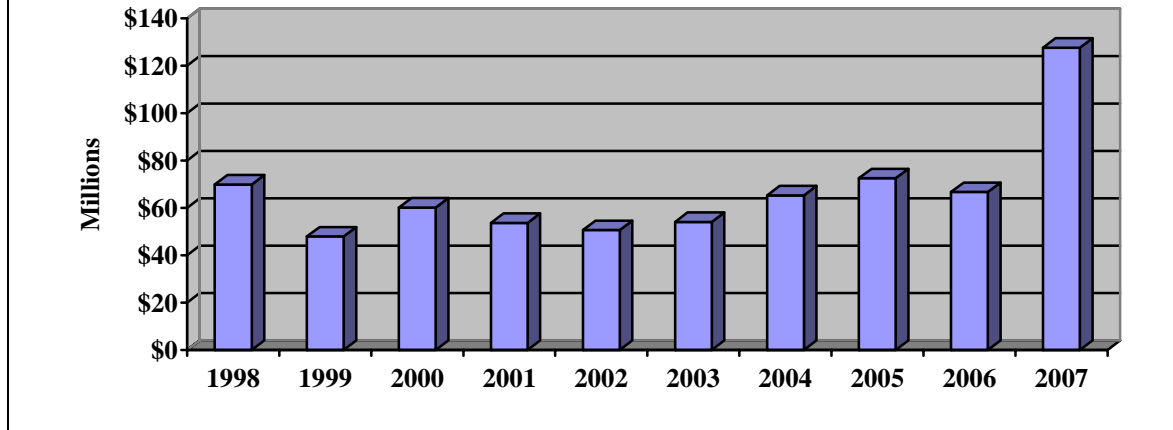
### **Current Trends**

Long-term debt includes all general obligation bonds, special assessment bonds, and capital leases. Washington County reported a total of \$127.6 million in outstanding long-term debt at the end of 2007. This represents an increase in long-term debt of 91 percent over 2006, due to a bond issue of \$79.4 million during 2007. The county incurs long-term debt to finance a wide range of capital projects such as road and bridge construction, government buildings, parks and parkland, and other infrastructure improvements. The county may only borrow to finance capital projects and purchases because the law restricts it from borrowing for current expenditures. However, the amount of outstanding debt affects a county's total expenditures because it must make principal and interest payments to service the debt. The county has a debt policy that limits the debt service levy increase to a maximum of 5% annually, and whenever possible, strategically plans to issue new debt to coincide with the retirement or restructuring of existing debt. These efforts minimize the impact on taxpayers by eliminating unnecessary spikes in the level of debt service levy required to support the county's long-term indebtedness.

### **Ten-Year Trends**

Between 1998 and 2002, the level of outstanding debt decreased by 27.5 percent. However, during the next five-year period, the overall level of county indebtedness dramatically increased by nearly 136 percent. The changes in outstanding debt have been primarily due to a combination of restructuring/retiring older debt issues while taking advantage of the market when issuing new debt. During the five year period of 2003 through 2007 the county held three bond sales. The county's most recent bond issuance took place in 2007. Proceeds of that issuance were used to primarily fund the construction of a new court's facility and the expansion of the existing government center campus. An additional bond issue is currently planned for 2009. Figure 9 shows the county's level of long-term indebtedness over the full ten-year period.

**Figure 9: Outstanding Long-Term Debt**



### **Unreserved Fund Balances of the General Fund and Special Revenue Funds**

The county maintains reserves for several reasons. The primary reason for these reserves is that property tax and state aid payments are not received until May/June. The county reports its fund balance at the close of the fiscal year, which ends December 31. This creates an impression that the county has excessive amounts of revenue held in reserve. In reality, county fund balances should be relatively large at the end of the year because of local government cash flow. Sizeable year-end fund balances are necessary in order to meet expenditures occurring during the first five months of the following year. In addition, the county relies on reserves to provide a cushion for unforeseen revenue shortfalls or emergencies. The unreserved fund balance of Washington County's general and special revenue funds totaled \$60.2 million in 2007. This represents a decrease of 3.5 percent over the level in 2006. Often times a reduction in unreserved fund balance is a result of outstanding contracts at year end. Future payments on open contracts are required to be shown as a reservation of fund balance, which in effect, lowers the unreserved fund balance and increases the reserved fund balance.

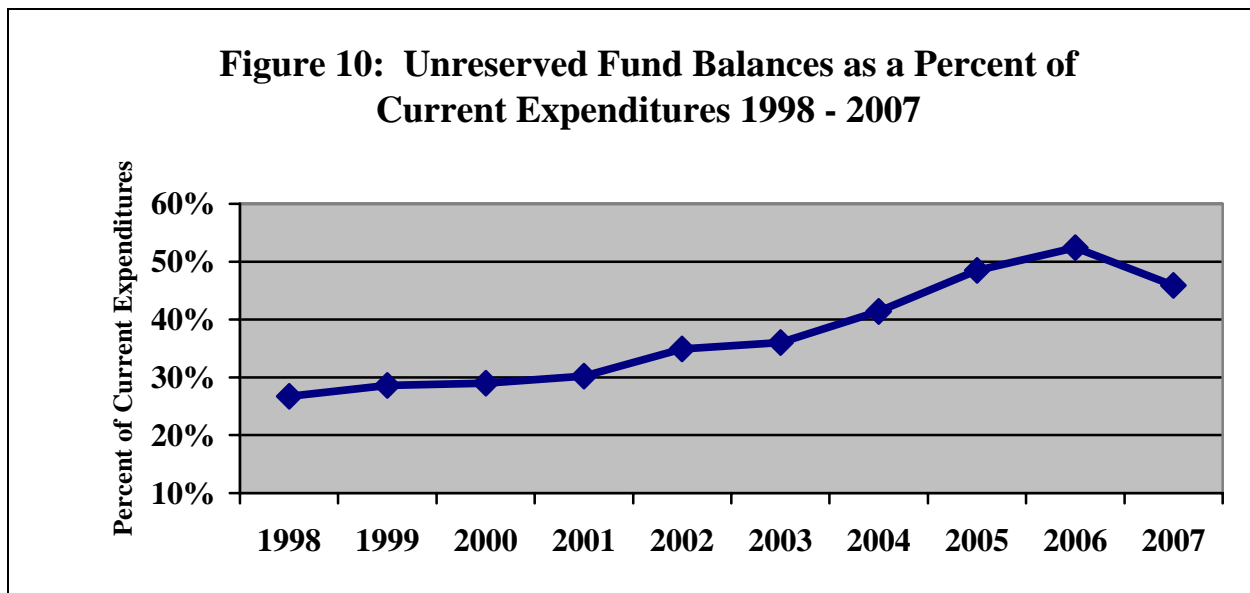
Although this section discusses only one type of fund balance, the county actually reports three different classifications of fund balances. The *unreserved, undesignated fund balance* includes all funds remaining at the close of the fiscal year for which no legally binding commitment has been made, nor has the County Board passed a resolution designating those funds for a specific purpose. The *unreserved, designated fund balance* includes all funds remaining at the close of the fiscal year for which no legally binding commitment has been made; however, these funds have been designated by the County Board for a specific future use. The *reserved fund balance* includes all funds remaining at the close of the fiscal year for which there is a legally binding external commitment of those funds, such as a signed contract for services or equipment.

Comparing the county's unreserved fund balances to its current expenditures helps put the fund balance in perspective and provides insight on the relative health of the county. The county's unreserved fund balances as a percent of current expenditures was 45.9 percent in 2007. This is the third highest level during the last ten year period.

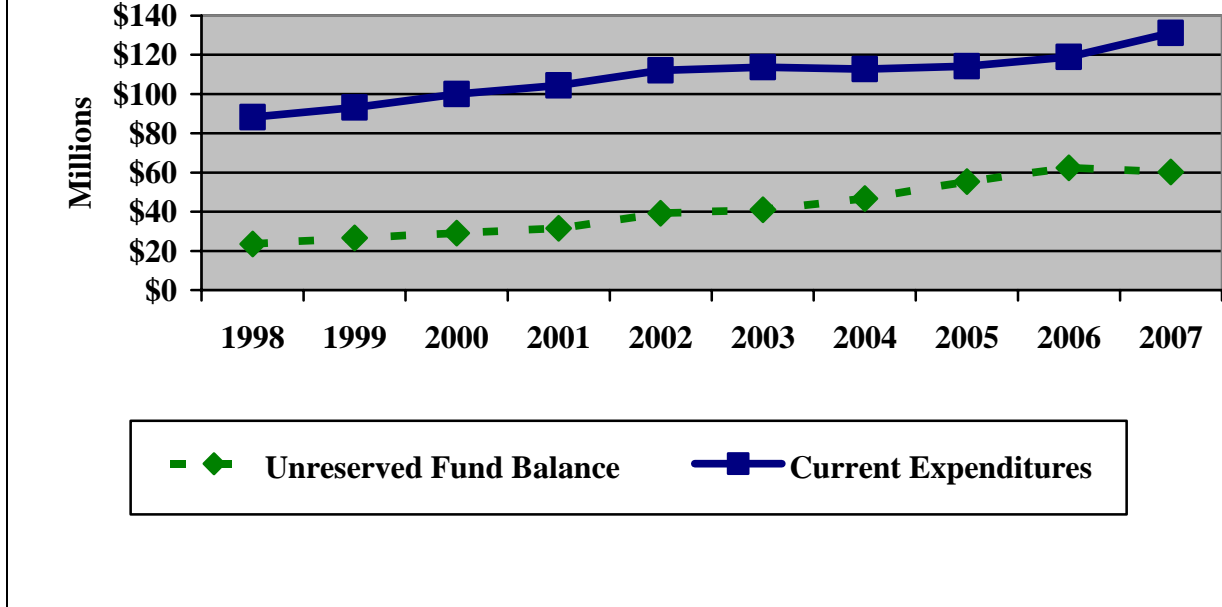
The Office of the State Auditor recommends that counties maintain an unreserved fund balance in their general and special revenue funds of between 35 and 50 percent of total current expenditures. From a financial condition standpoint, a very low fund balance is of greater concern than a high fund balance. Washington County has policies in place regarding fund balances so that county officials and citizens can evaluate how fund balance levels conform to the county's stated policies.

### Ten-Year Trend

Unreserved fund balances remained relatively flat between 1998 and 2002. However, during the second period the unreserved fund balances showed steady growth which was an intentional strategy by the county to bring its unreserved fund balance within the acceptable ranges recommended by the State Auditor's office, and is well within the ranges outlined in the county's own fund balance policies. Aside from a small decline in 2007 of 3.5 percent, in no other year was there an actual decline. Unreserved fund balances as a percent of total current expenditures have shown the same trend, indicating that unreserved fund balances have grown at the same pace as current expenditures. Figures 10 and 11 illustrate how these trends have interacted.



**Figure 11: Unreserved Fund Balance and Current Expenditures 1998 - 2007**



### Factors Influencing County Finances

As illustrated throughout this document, the finances of Washington County are affected by many different factors. Some of the variations result from decisions made by county officials, and some are due to factors outside the control of the elected officials such as state mandates, county size, economic status of residents, and the proximity of similar services provided elsewhere. The amount of revenue available may be influenced by changes in property values, the use of fee-based services, intergovernmental grants for projects, and other interrelated factors. Expenditures may be affected by the demographic, geographic, historical or political landscape of the county. One-time events such as floods, fires, and tornadoes that create demand for cleanup and reconstruction may also cause expenditures to increase significantly for a year or more. Some factors have an ongoing effect on county finances, while others might be one-time events. Table 3 below shows the five-year changes in Washington County’s finances compared to statewide changes (due to availability of statewide data, information is presented for the years 2001-2005). During the five-year period, the county has increased its revenue sources at a faster pace than statewide. Factors influencing this may include interest earnings on the 2003 bond proceeds and intergovernmental revenues related to highways and street projects. While county revenues grew faster, the same is not true of expenditures. In all three categories, the five-year change has been less than those posted statewide. The largest increases statewide are in the capital and debt service categories, indicating that, statewide, counties are funding more of their capital projects with debt.

**Table 3: 2001 – 2005 FIVE YEAR CHANGES**

<b>REVENUES</b>	<b>COUNTY</b>	<b>STATEWIDE</b>
Taxes	28.8%	17.2%
Licenses and Permits	38.6%	38.4%
Federal Grants	30.1%	10.4%
State Grants and Aids	-14.0%	7.1%
Local Grants	105.2%	5.3%
Fees for Services	27.3%	20.5%
Fines and Forfeitures	-23.4%	-51.3%
Interest Earnings	21.0%	-40.9%
All Other	15.7%	24.4%
<b>Total Revenues</b>	<b>18.0%</b>	<b>10.3%</b>
<b>EXPENDITURES</b>		
Current Expenditures	9.4%	10.2%
Capital Outlay	2.3%	13.5%
Debt Service	5.0%	28.2%
<b>Total Expenditures</b>	<b>8.4%</b>	<b>11.4%</b>
<b>UNRESERVED FUND BALANCE</b> (as a percent of total current expenditures)	2005 Actual <b>48.5%</b>	2005 Average <b>47.5%</b>