



## **MONTHLY REVENUE ESTIMATES**

**July 2008**

**Prepared by:  
Office of Budget  
Howard County, Maryland  
3430 Court House Drive  
Ellicott City, Maryland 21043  
410-313-2077**

| Revenue                                 | Revenue Estimates--Summary<br>July 2008 |               |               |               | %<br>Act to Bud |
|---|---|---------------|---------------|---------------|-----------------|
|   | Unaudited<br>FY08 Total                 | FY09 Budget   | FY09 Plan     | FY09 Actual   |                 |
| Property Taxes                          | \$367,502,266                           | \$392,965,607 | \$357,988,279 | \$366,481,522 | 93.26%          |
| Income Tax                              | \$316,724,548                           | \$331,351,570 | \$0           | \$0           | 0.00%           |
| Recordation Tax                         | \$18,006,348                            | \$18,805,260  | \$1,444,062   | \$1,106,870   | 5.89%           |
| Transfer Tax*                           | \$24,006,139                            | \$22,000,000  | \$1,636,288   | \$1,573,692   | 7.15%           |
| Dev. Review Fees                        | \$1,576,328                             | \$1,500,000   | \$113,269     | \$174,804     | 11.65%          |
| Planning & Zoning Fees                  | \$1,045,451                             | \$1,000,000   | \$85,214      | \$71,953      | 7.20%           |
| Building Permits                        | \$3,174,769                             | \$3,515,000   | \$285,182     | \$273,588     | 7.78%           |
| Highway Users Tax                       | \$14,734,786                            | \$15,775,764  | \$0           | \$0           | 0.00%           |
| Hotel/Motel Tax                         | \$3,511,884                             | \$3,803,625   | \$366,948     | \$315,235     | 8.29%           |
| Admission & Amusement                   | \$2,039,900                             | \$2,000,000   | \$0           | \$0           | 0.00%           |
| Interest Income                         | \$10,344,935                            | \$2,528,600   | \$43,618      | \$81,975      | 3.24%           |
| All Others <sup>1</sup>                 | \$84,962,559                            | \$81,254,661  | \$5,327,133   | \$455,096     | 0.56%           |
| Total General Fund Revenue <sup>2</sup> | \$823,623,774                           | \$854,500,087 | \$365,653,704 | \$368,961,043 | 43.18%          |

1 All Others includes prorata shares and other funds that are moved at the EOY. This number will meet the budgeted total by year end.

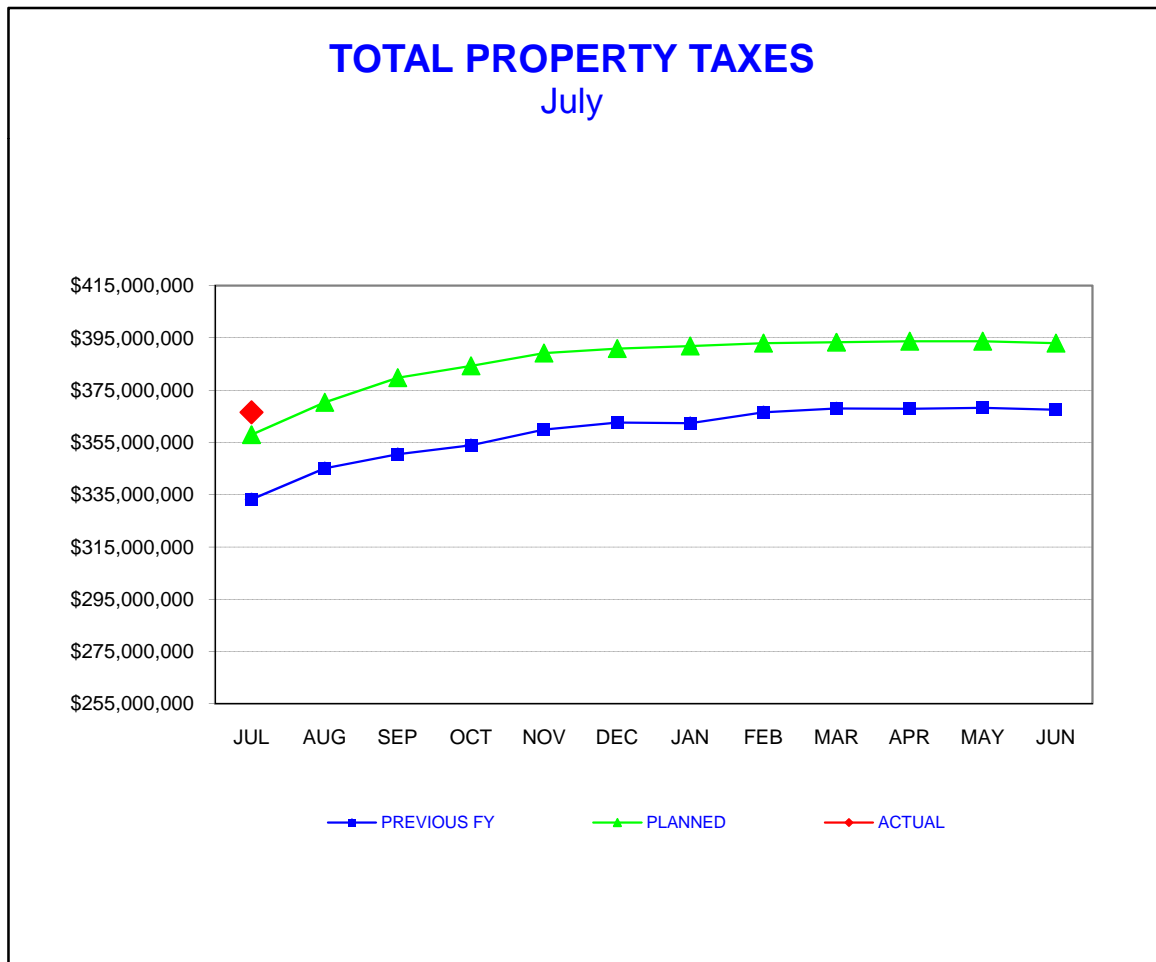
\*Transfer Tax is not a general fund revenue and is not included in the General Fund total. It is in this report because it is a revenue tracked by the Budget Office..

# TOTAL PROPERTY TAXES

This revenue represents the largest revenue source for the County.

|                  |             |                     |             |
|------------------|-------------|---------------------|-------------|
| FY08 Totals*     | 367,502,266 | FY09 Plan-to-Date   | 357,988,279 |
| FY09 Budget      | 392,965,607 | FY09 Actual-To-Date | 366,481,522 |
| % Change         | 6.93%       | % Change            | 2.37%       |
| *Not yet audited |             |                     |             |

Property taxes billed thru July 2008 have exceed the planned level to date .  
Despite the slow housing market reassessments have contributed to the success of this revenue.

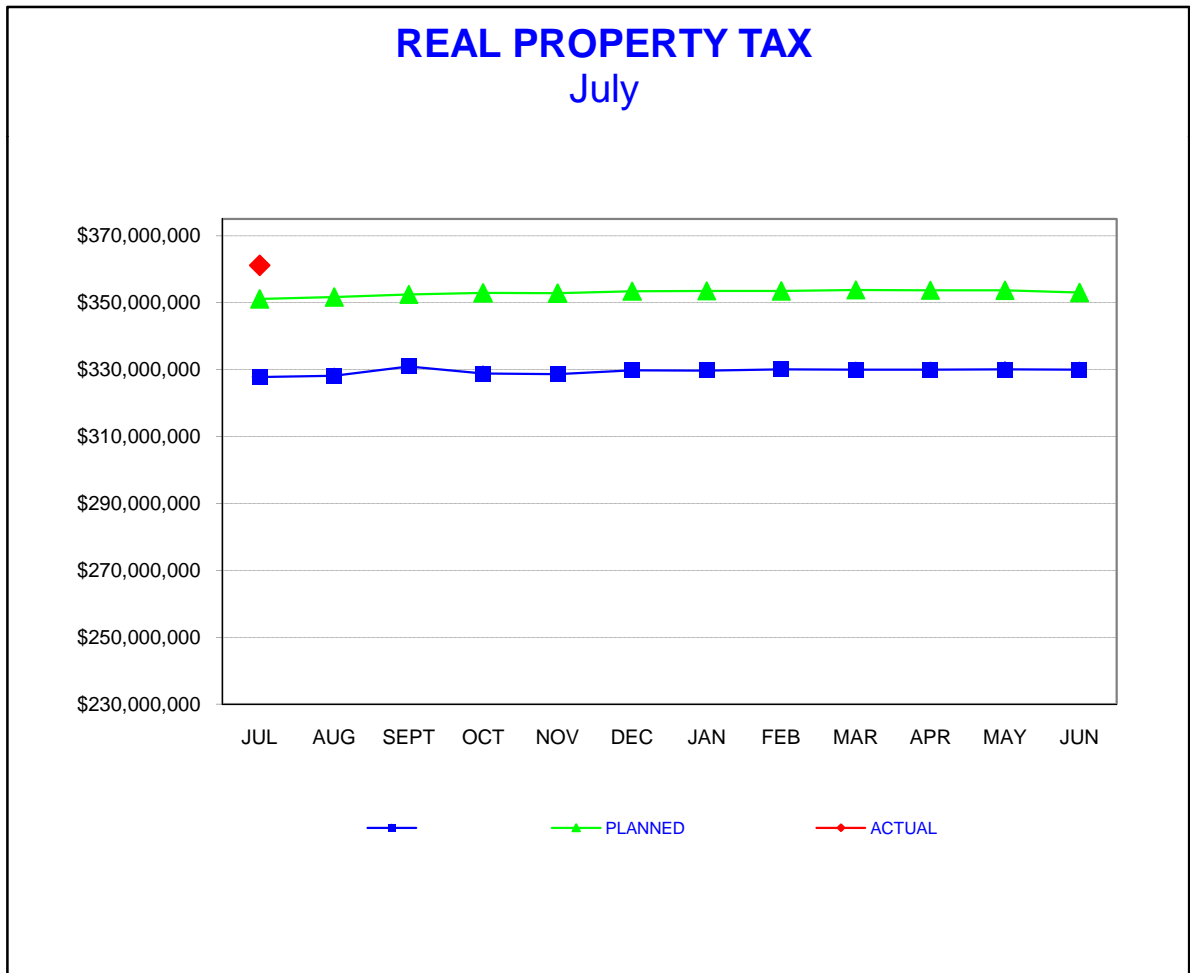


# REAL PROPERTY TAX

This group of revenues represents property taxes received for the full year, 3/4 year, 1/2 year and 1/4 year. This data is reflected in the Real Property Tax Report as a part of the total property tax revenue.

|                  |             |                     |             |
|------------------|-------------|---------------------|-------------|
| FY08* Totals     | 329,953,500 | FY09 Plan-to-Date   | 351,095,985 |
| FY09 Budget      | 352,994,607 | FY09 Actual-To-Date | 361,201,215 |
| % Change         | 6.98%       | % Change            | 2.88%       |
| *Not yet audited |             |                     |             |

Revenues from this source remain strong and are above the planed level. Strong reassessments from prior years continue to drive this revenue. Even in a slow real estate market reassessments have slowed but prices overall remain strong.



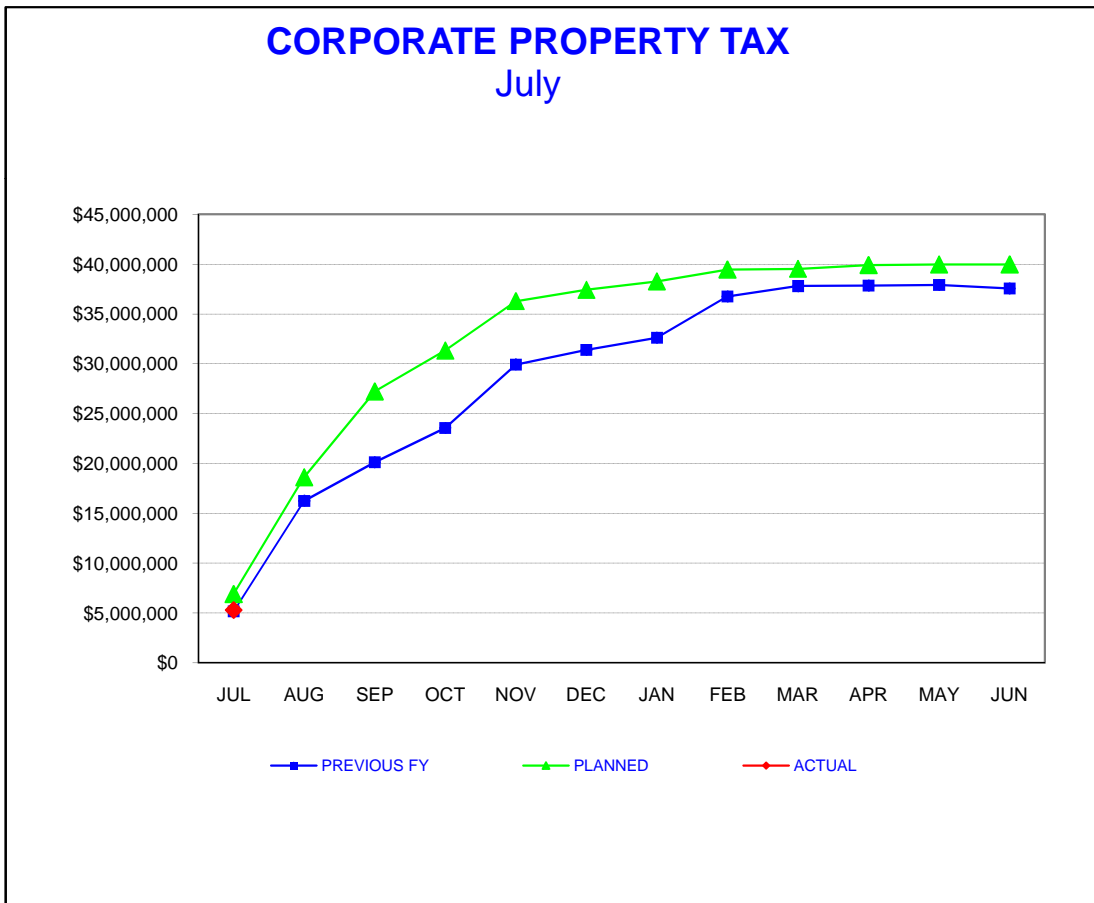
# CORPORATE PROPERTY TAX

This group of revenues represents property taxes received from corporate sources only. This data is reflected in the Real Property Tax report as a part of the total property tax revenue.

|              |            |                     |           |
|--------------|------------|---------------------|-----------|
| FY08 Totals* | 37,548,765 | FY09 Plan-to-Date   | 6,892,293 |
| FY09 Budget  | 39,186,015 | FY09 Actual-To-Date | 5,280,307 |
| % Change     | 4.36%      | % Change            | -23.39%   |

\*Not yet audited

Reported billings thru July 2008 are below the planned level at this time. This revenue is dependent upon certification of properties by SDAT. Revenues will continue to change as certifications and billings are processed.



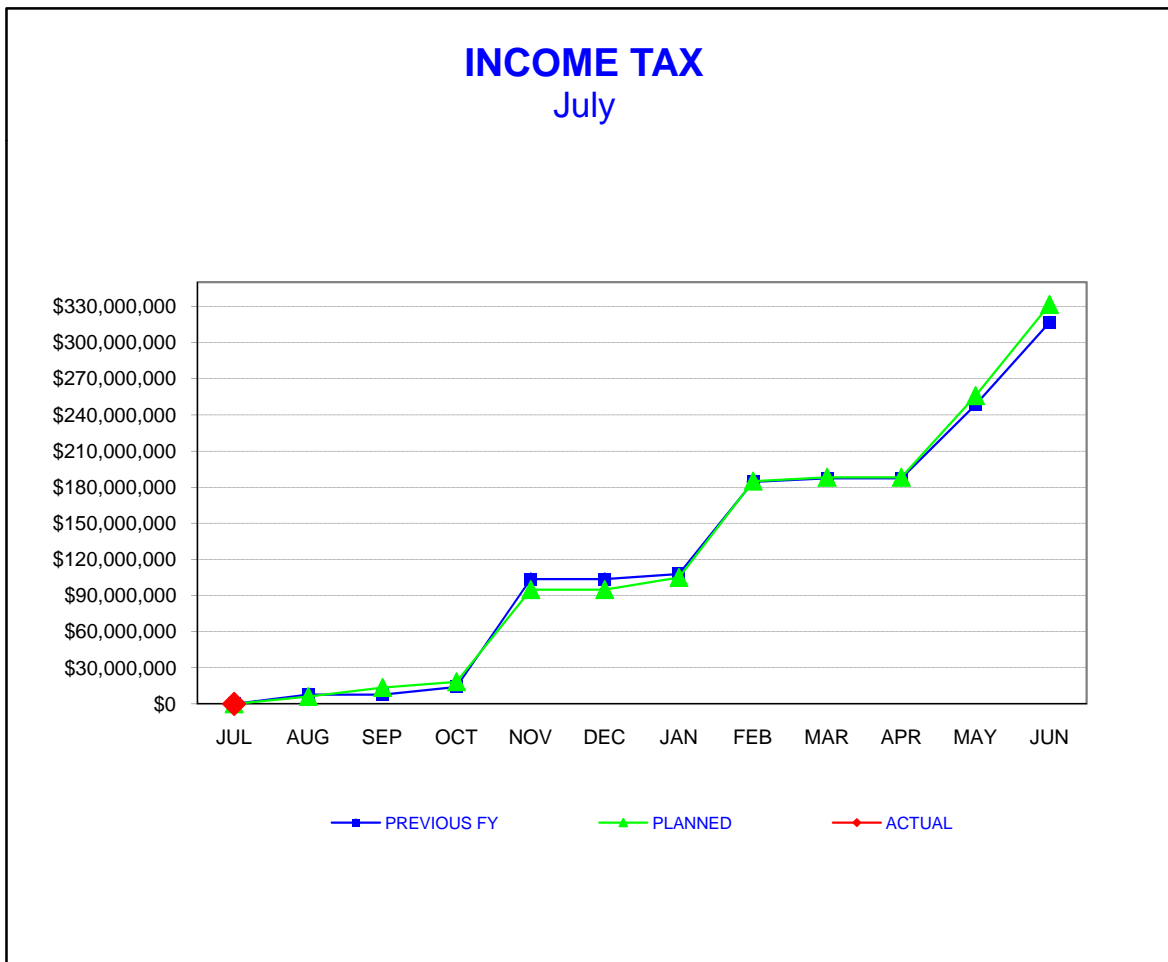
# INCOME TAX

Local Income Tax Surcharge is the second largest revenue in the County.

|              |             |                     |       |
|--------------|-------------|---------------------|-------|
| FY08 Totals* | 316,724,548 | FY09 Plan-to-Date   | 0     |
| FY09 Budget  | 331,351,570 | FY09 Actual-To-Date | 0     |
| % Change     | 4.62%       | % Change            | 0.00% |

\*Not yet audited

The July income tax distribution is accrued to the previous fiscal year (FY08). The first distribution that will appear in this report will be August 2008. This revenue will be watched very carefully. Changes to State distribution formulas due to several factors could have a significant impact on this revenue as the year progresses.



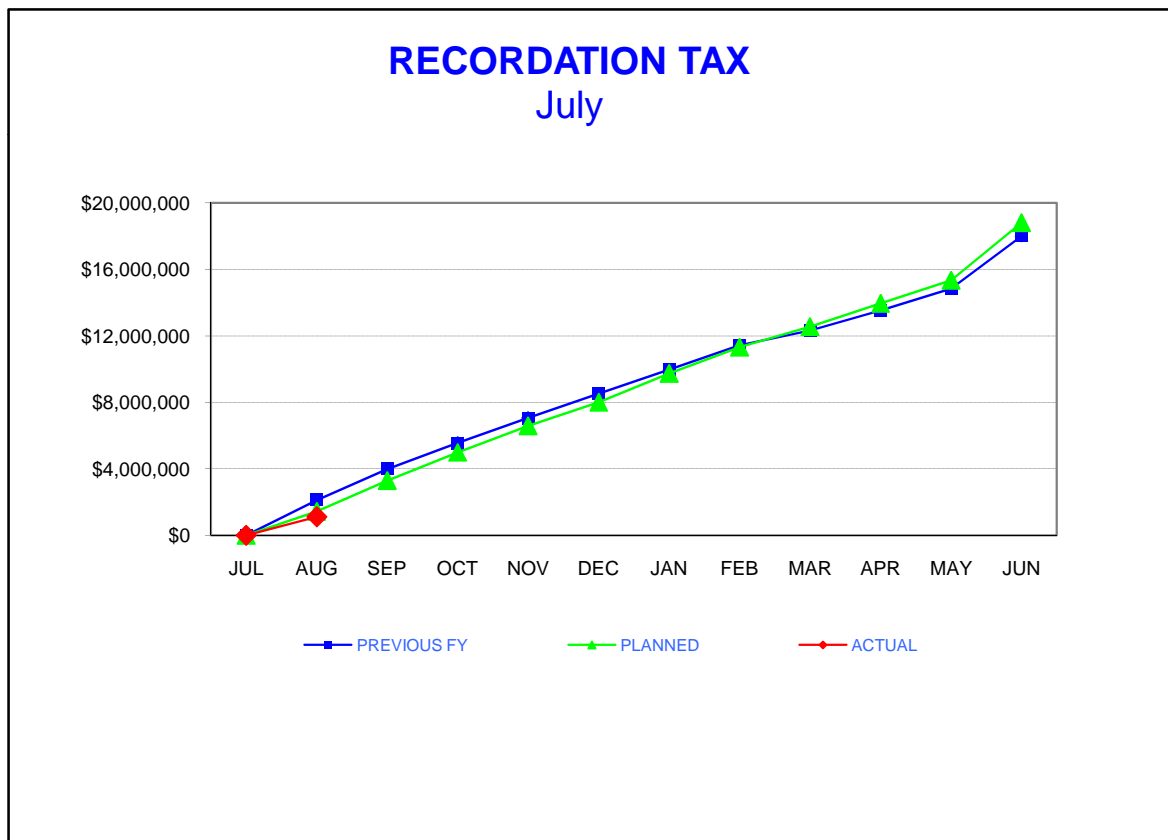
# RECORDATION TAX

Recordation tax is imposed on every instrument conveying title to real or personal property recorded with the Clerk of the Court. The rate is currently \$2.50 per \$500 on the value of each recordation. Revenue is received from the Clerk of the Court on a monthly basis.

|              |            |                     |           |
|--------------|------------|---------------------|-----------|
| FY08 Totals* | 18,006,348 | FY09 Plan-to-Date   | 1,444,062 |
| FY09 Budget  | 18,805,260 | FY09 Actual-To-Date | 1,106,870 |
| % Change     | 4.44%      | % Change            | -23.35%   |

\*Not yet audited

Recordation tax receipts continue to reflect the downturn in the local real estate and housing markets. Compared to August FY08 the current year is down by 48%. This is only the first month, but this revenue is not off to a good start. Home prices have declined, but the larger issue is the lower volume of homes being sold.



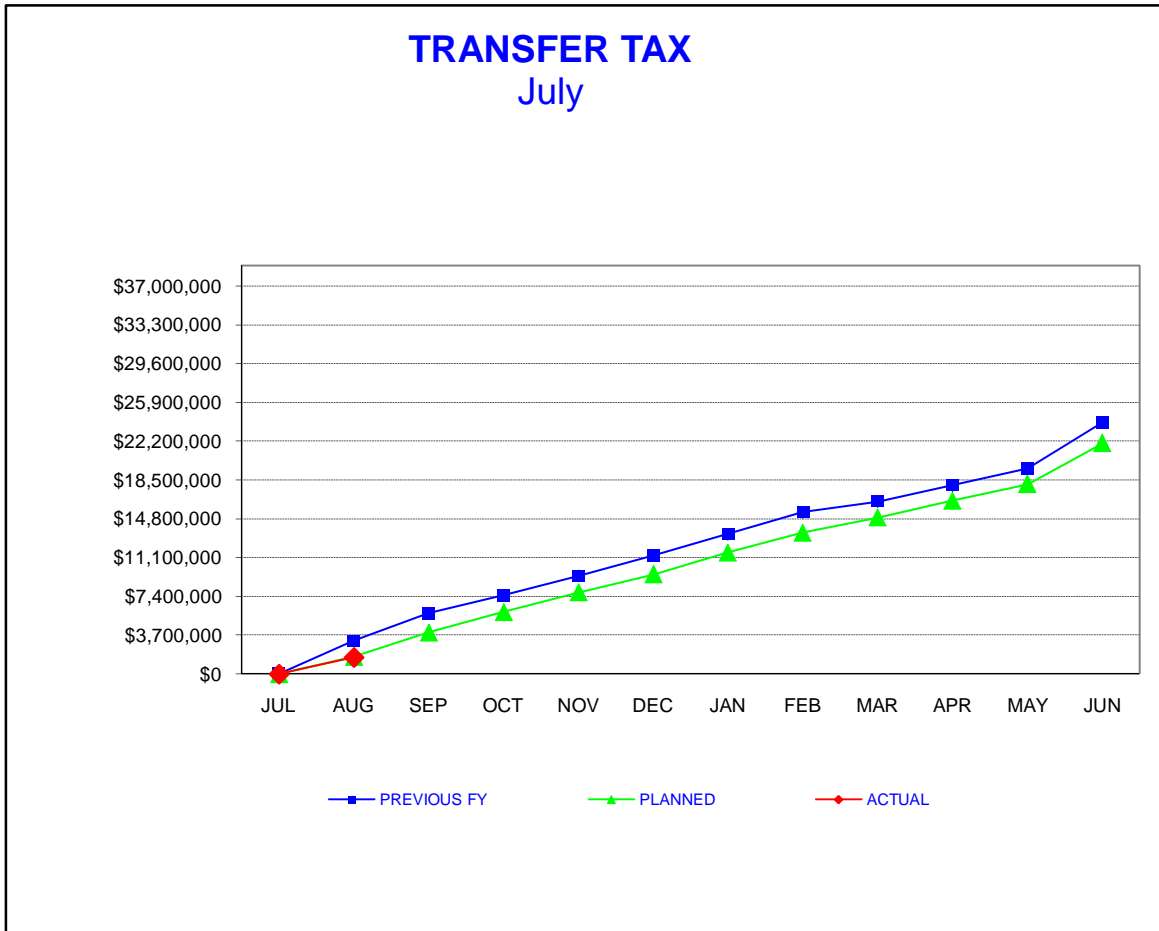
# TRANSFER TAX

Transfer tax is levied on the sale of property or assets within a local jurisdiction. This revenue is divided as follows: Education 25%, Ag Preservation 25%, Recreation and Parks 25%, Community Renewal 12.5%, and Fire 12.5%.

|              |            |                     |           |
|--------------|------------|---------------------|-----------|
| FY08 Totals* | 24,006,139 | FY09 Plan-to-Date   | 1,636,288 |
| FY09 Budget  | 22,000,000 | FY09 Actual-To-Date | 1,573,692 |
| % Change     | -8.36%     | % Change            | -3.83%    |

\*Not yet audited

Like recordation fees this revenue has been impacted by the downturn in the local real estate/housing market. Compared to FY08 thru August the current collections are down 50%. The budgeted level was reduced in anticipation of continued stress within the real estate/housing market.

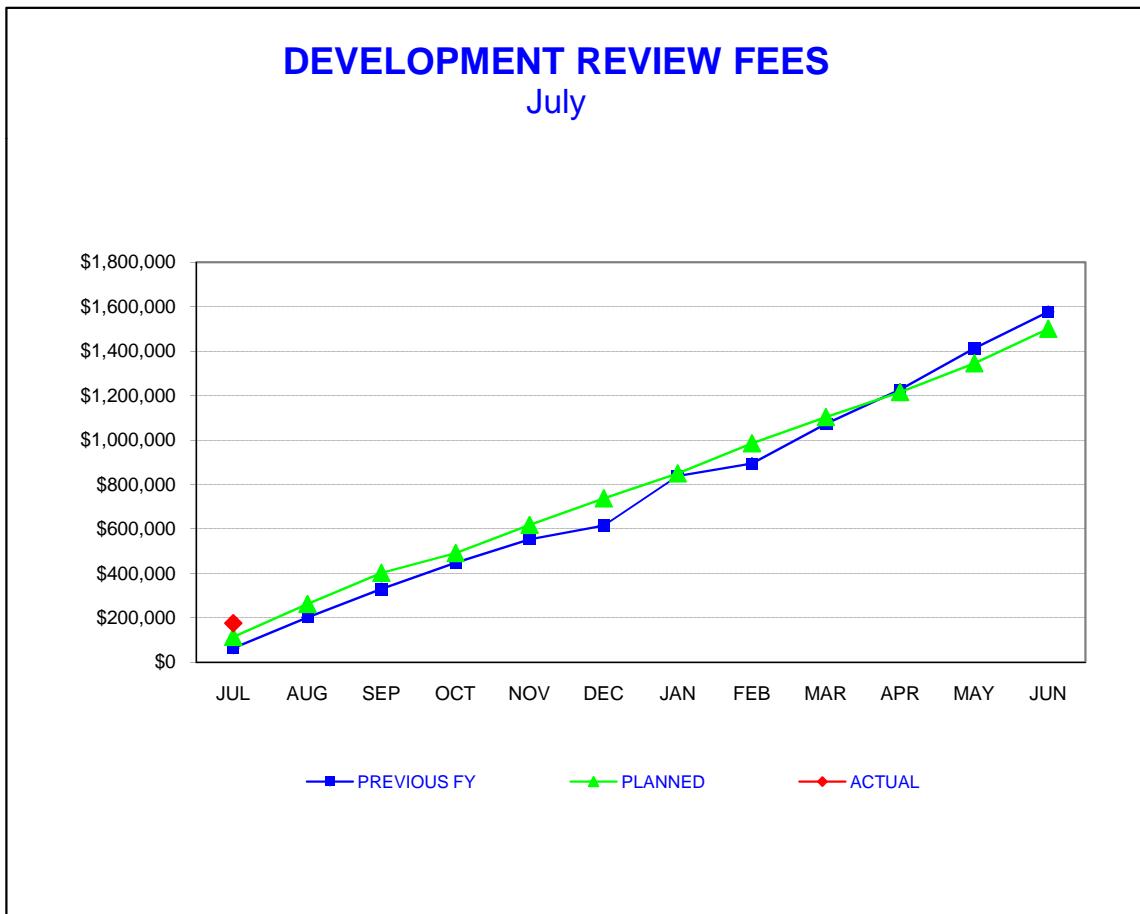


# DEVELOPMENT REVIEW FEES

Development review fees are collected for Public Works' & Planning & Zoning review and approval of subdivision and site plans. Seasonal peaks are common.

|                  |           |                     |         |
|------------------|-----------|---------------------|---------|
| FY08 Totals*     | 1,576,328 | FY09 Plan-to-Date   | 113,269 |
| FY09 Budget      | 1,500,000 | FY09 Actual-To-Date | 174,804 |
| % Change         | -4.84%    | % Change            | 54.33%  |
| *Not yet audited |           |                     |         |

Revenues for July 2008 were well above the planned level to date. Like other revenues related to the housing market the budgeted level in FY09 was reduced from the FY08 level. In a typical year there are dramatic swings in this revenue from month to month.



# PLANNING & ZONING FEES

This revenue includes fees from charges for plan review processing and petitions submitted to the Zoning, Appeals & Planning Boards. Interagency development review fees to cover labor costs have also been included.

|              |           |                     |         |
|--------------|-----------|---------------------|---------|
| FY08 Totals* | 1,045,451 | FY09 Plan-to-Date   | 85,214  |
| FY09 Budget  | 1,000,000 | FY09 Actual-To-Date | 71,953  |
| % Change     | -4.35%    | % Change            | -15.56% |

This revenue typically starts slowly and builds as the year progresses. This year is expected to show the same patterns. The budgeted level was reduced from the FY08 budgeted level to account for the downturn in the construction industry.

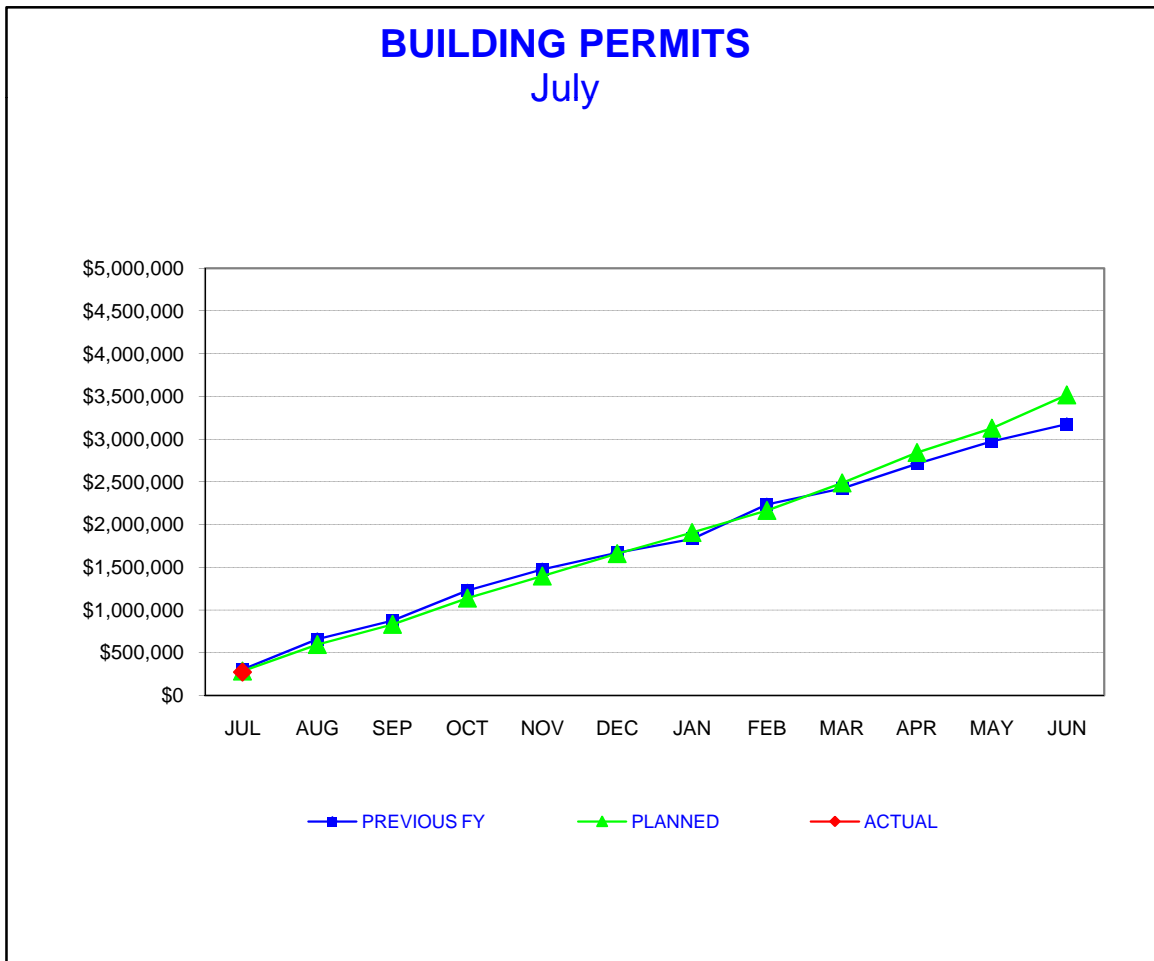


# BUILDING PERMITS

Revenue includes grading, fire protection, and building permits for residential and commercial new construction and renovations.

|                  |           |                     |         |
|------------------|-----------|---------------------|---------|
| FY08 Totals*     | 3,174,769 | FY09 Plan-to-Date   | 285,182 |
| FY09 Budget      | 3,515,000 | FY09 Actual-To-Date | 273,588 |
| % Change         | 10.72%    | % Change            | -4.07%  |
| *Not yet audited |           |                     |         |

Reported receipts thru July 2008 were 4% less than planned. This revenue continues to reflect the downturn in the housing market. Budgeted revenues for FY09 were reduced from FY08 budgeted levels in anticipation of little relief in the housing market in the early part of the fiscal year. It is not unusual for this revenue to start out slow and improve as the year progresses. It will be watched carefully.



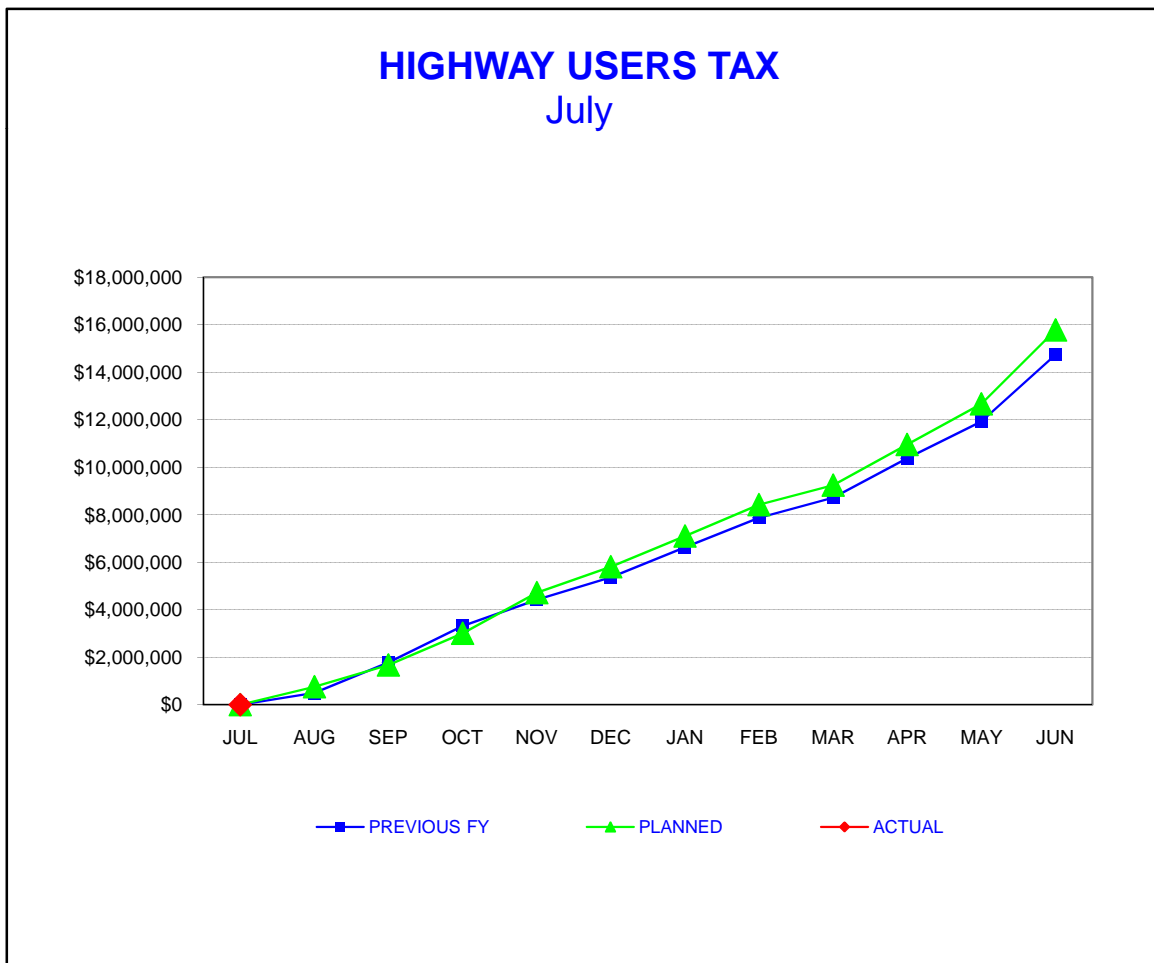
# HIGHWAY USERS TAX

This revenue is based on a formula distribution of revenues received from a gasoline tax of 23.5 cents per gallon. The State provides 30% for distribution between all localities.

|              |            |                     |       |
|--------------|------------|---------------------|-------|
| FY08 Totals* | 14,734,786 | FY09 Plan-to-Date   | 0     |
| FY09 Budget  | 15,775,764 | FY09 Actual-To-Date | 0     |
| % Change     | 7.06%      | % Change            | 0.00% |

\*Not yet audited

This revenue is based on monthly distributions from the State that are often erratic in their release. The FY08 total still has one partial distribution outstanding. The first distribution for the year will not occur until August. The budgeted level for FY09 was reduced from the FY08 levels based upon information provided by the State.

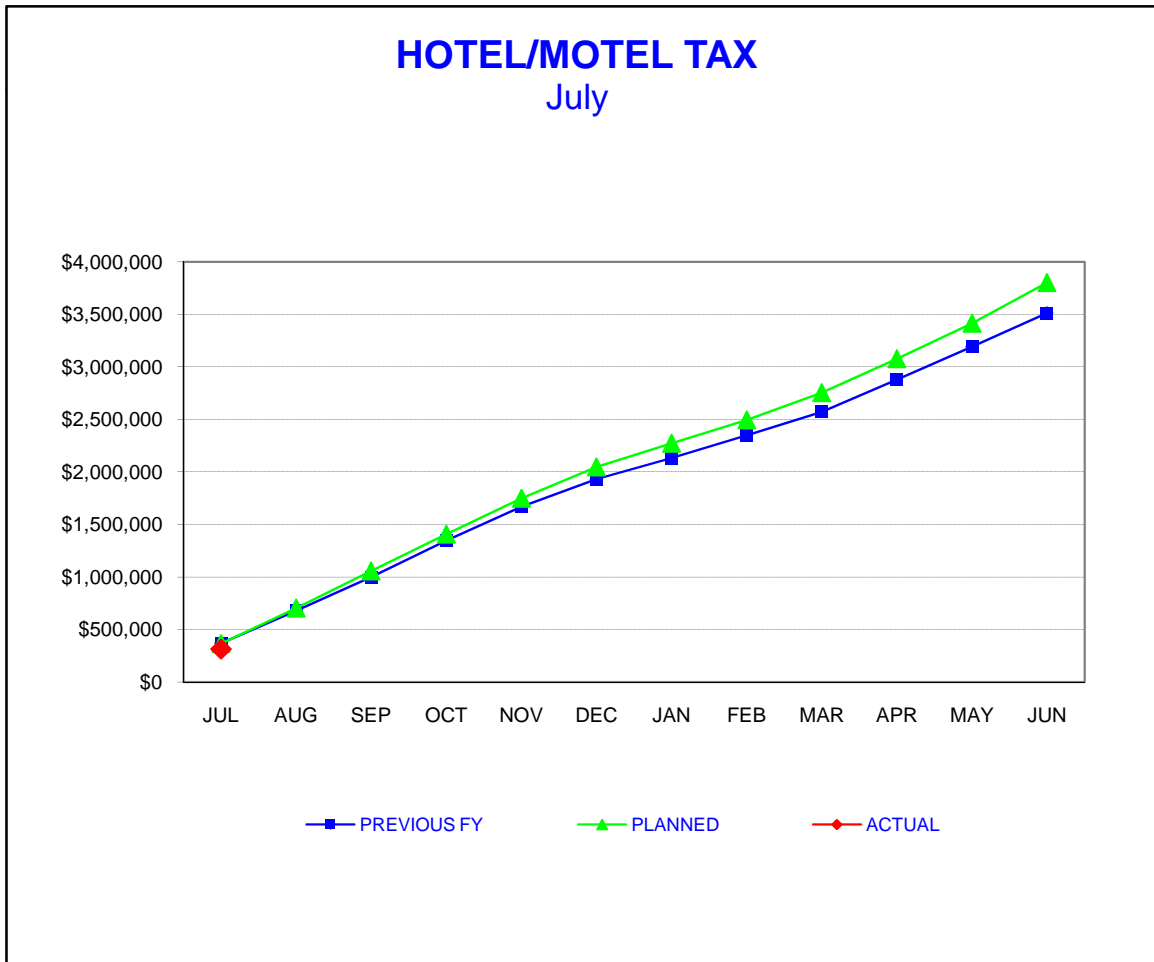


# HOTEL/MOTEL TAX

This revenue is based on the tax collected by Hotel/Motel operators that is remitted to the County on a monthly basis. The current tax rate is 5% of the room rental rate. This tax only applies to short term rentals.

|                  |           |                     |         |
|------------------|-----------|---------------------|---------|
| FY08 Totals*     | 3,511,884 | FY09 Plan-to-Date   | 366,948 |
| FY09 Budget      | 3,803,625 | FY09 Actual-To-Date | 315,235 |
| % Change         | 8.31%     | % Change            | -14.09% |
| *Not yet audited |           |                     |         |

Revenues thru July 2008 are below the planned level to date. Higher gasoline prices and slowing consumer spending in the months since the budget was developed have had an impact on this revenue. This revenue will be watched closely as the year progresses for signs of improvements or deterioration in consumer spending patterns.



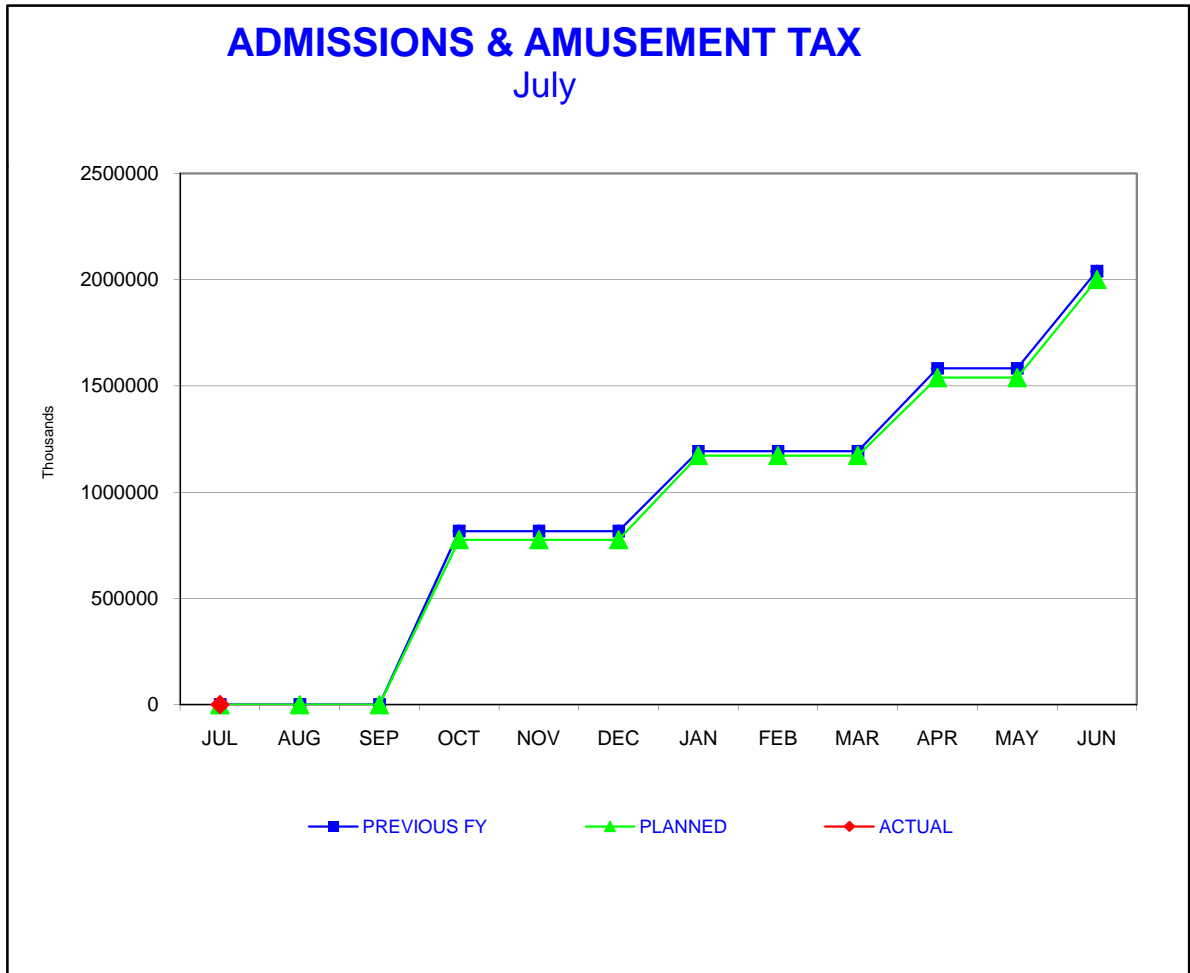
# ADMISSIONS & AMUSEMENT TAX

This revenue is based on the tax collected by the State which is returned to local jurisdictions on a quarterly basis. Revenue for the first quarter is primarily from Merriweather Post concert receipts.

|              |           |                     |       |
|--------------|-----------|---------------------|-------|
| FY08 Totals* | 2,039,900 | FY09 Plan-to-Date   | 0     |
| FY09 Budget  | 2,000,000 | FY09 Actual-To-Date | 0     |
| % Change     | -1.96%    | % Change            | 0.00% |

\*Not yet audited

This revenue is reported on a quarterly basis. The first quarter distribution will not be available until October 2008. This revenue performed well in FY08. It will be interesting to see if the slowing economic climate impacts this revenue in FY09.



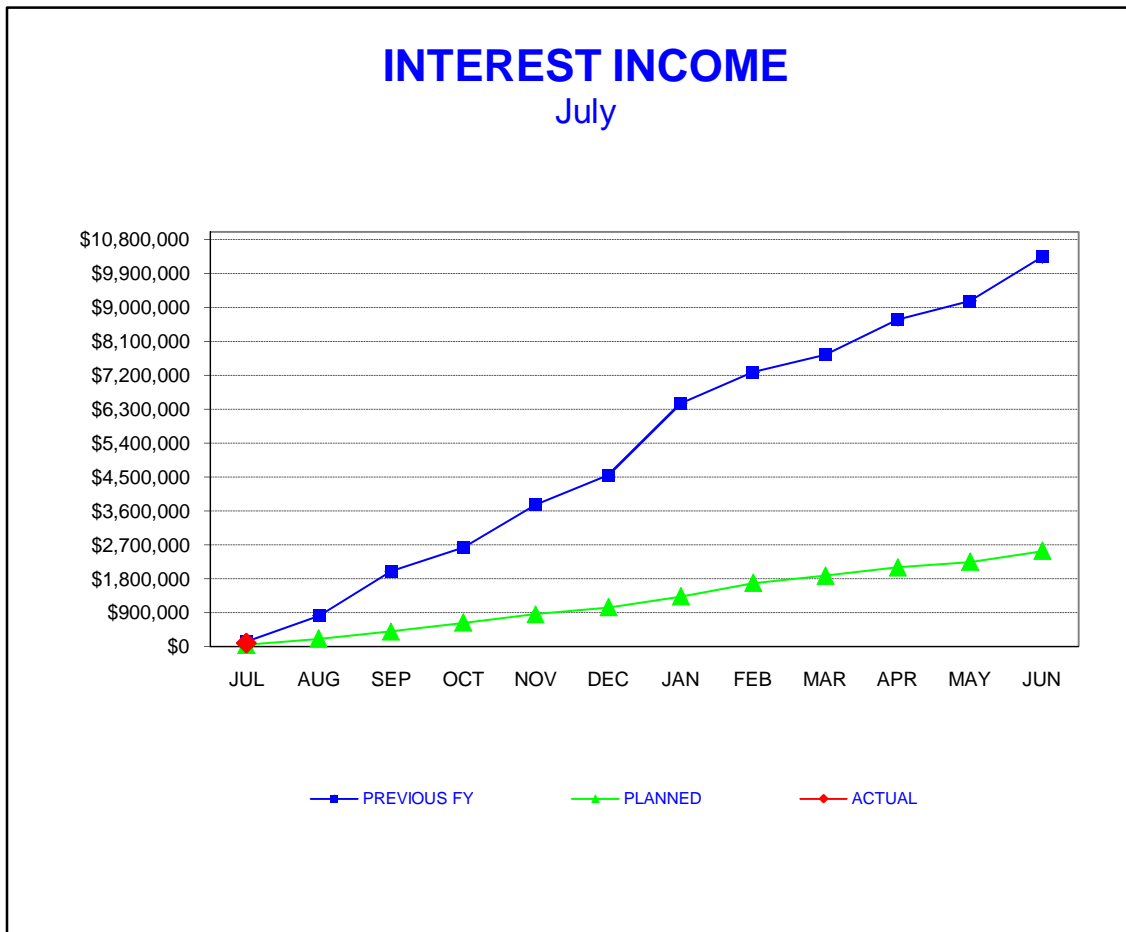
# INTEREST INCOME

This revenue represents the return of investing cash from taxes or bond proceeds. January, February & March usually have the highest receipts, with the lowest coming in June and August.

|              |            |                     |        |
|--------------|------------|---------------------|--------|
| FY08 Totals* | 10,344,935 | FY09 Plan-to-Date   | 43,618 |
| FY09 Budget  | 2,528,600  | FY09 Actual-To-Date | 81,975 |
| %Change      | -75.56%    | %Change             | 87.94% |

\*Not yet audited

Interest income expected for FY09 has been lowered from the FY08 levels to more accurately reflect anticipated interest rates on county investments. The budgeted level is a conservative estimate that sees little change in the rates during the year.



# REVENUE TOTAL

Includes all general fund revenue that is received by the County.

|                  |             |                     |             |
|------------------|-------------|---------------------|-------------|
| FY08 Totals*     | 823,623,774 | FY09 Plan-to-Date   | 365,653,704 |
| FY09 Budget      | 854,500,087 | FY09 Actual-To-Date | 368,961,043 |
| % Change         | 3.75%       | % Change            | 0.90%       |
| *Not yet audited |             |                     |             |

General Fund revenues reported through July 2008 are on target with the planned level. The largest contributor this early in the year is property taxes. Real property has been slightly stronger than anticipated. Income tax, the second largest revenue, will not begin to show in these reports until August when distributions begin.

