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An Analysis of Government Revenues in
California Since the Enactment
of Proposition 13

The Center for Government Analysis
October 2005

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Introduction

This report analyzes state and local government revenues and, to a lesser extent expenditures, in California for Fiscal Years 1977-78, 1987-88, 1997-98 and 2002-03. All dollar figures have been adjusted to 2003 dollars, so that comparisons can be seen in constant dollars. Relevant data for all four fiscal years is presented, except in a few instances as noted where such data were not available. In addition to showing revenues and expenditures in constant 2003 dollars, per capita revenues and expenditures are provided. This is done so that readers can see government revenues and expenditures adjusted for inflation and population growth.

This report analyzes state government revenues and expenditures, county government revenues and expenditures, city government revenues and expenditures, school district revenues and expenditures, and special district revenues and expenditures. The primary emphasis is on the revenue streams flowing to each of these groups of governments, although significant data about expenditures are also provided.

Fiscal Year (FY) 1977-78 is the first year analyzed because that was the last full fiscal year prior to the enactment of Proposition 13. It is widely stated that state and local revenues have been cut as a result of Proposition 13; however, the data clearly indicate otherwise. Adjusted for inflation and population growth, state government revenues, county government revenues, city government revenues, school district revenues, and special district revenues are all higher now than they were before Proposition 13 was enacted by the citizens of California. Of particular note is the fact that school district revenues per student, adjusted for inflation, have increased substantially (30.73 percent) since FY 1977-78.

The composition of the revenue streams flowing to each of these levels of government has, to be sure, changed since FY 1977-78. Taken together, the 480 plus city governments in California, for example, are receiving much more revenue from charges for services and less revenue from general property taxes now than was the case in FY 1977-78. The changing composition and volume of these and other revenue streams are analyzed in greater detail throughout the body of this report.

The intervening Fiscal Years of 1987-88 and 1997-98 were analyzed to provide a decade to decade sequential picture of the composition of state and local government revenue streams in California. FY 2002-03 is, at the time of this writing, the most recent year for which comprehensive statewide fiscal data are available.

This report was commissioned by the Howard Jarvis Taxpayers Educational Foundation.

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Executive Summary

- Revenues for every category of government in California increased when adjusted for inflation and population growth between FY 1977-78 and FY 2002-03.
- Total state government revenues adjusted for inflation and population growth grew well over 25% from FY 1977-78 to FY 2002-03 (see page 13). Personal income tax revenues adjusted for inflation and population growth have increased 57 percent over this period (see page 19).
- County government revenues in California, adjusted for inflation and population growth, grew 8.43 percent from FY 1977-78 to FY 2002-03 (see page 69). During this time, counties became more dependent upon state transfers for revenue, while experiencing a significant drop in property and sales tax revenue (see page 71).
- City government revenues in California, adjusted for inflation and population growth, grew over 20 percent from FY 1977-78 to FY 2002-03 (see page 127). Per capita revenues from current service charges, adjusted for inflation, increased over 41 percent over this period, while revenues from general property taxes decreased over 49 percent. This loss in property tax revenue was more than offset by other non-property taxes and other revenues (see page 131).
- K-12 school districts revenues per student, adjusted for inflation, increased over 30 percent between FY 1977-78 and FY 2002-03 (see pages 188-189). Particularly notable increases in school district revenue came from federal aid, which increased sharply since FY 1997-98. Large increases in state aid to education were also recorded during this period (see pages 190-193).
- Special district revenues in California, adjusted for inflation, grew over 160 percent. Per capita revenues increased over 64 percent (see page 207). Special district enterprise revenue, adjusted for inflation and population growth, grew over 31 percent, while special district non-enterprise revenue grew over 74 percent (see pages 209-211).
- State expenditures for K-12 education, adjusted for inflation and population growth, grew almost 99 percent between FY 1977-78 and FY 2002-03, while health and welfare expenditures grew over 48 percent (see page 49).
- County expenditures for health and sanitation, adjusted for inflation and population growth, increased over 38 percent, while public protection expenditures increased over 61 percent (see page 107).
- City expenditures for police protection, adjusted for inflation and population growth, increased almost 59 percent between FY 1977-78 and 2002-03, while expenditures for sewerage and sanitation increased over 301 percent (see page 173).

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Methodology

This report utilizes data from the California State Controller's Office, the California State Department of Finance and the United States Census Bureau. Calculations to adjust for inflation utilized data provided by the Bureau of Labor Statistics. Average Daily Attendance ("ADA") values were taken from the California Department of Education in all cases except FY 2002-03. Data for this fiscal year were unavailable and estimated using enrollment data for FY 2002 and 2003 and the ADA value for FY 2001-02. The California State Controller's Office included Redevelopment Agencies a part of Special Districts in FY 1977-78. To allow for comparability, total expenditure and revenue figures include data taken from the California State Controller's Office report on Redevelopment Agencies. Data from the City of San Francisco were separately added to city revenue and expenditure figures in Section 5 and 6. Additionally, enterprise revenue and expenditure data, provided separately in the California State Controller's Report of Cities in FY 1977-78, were added to the total revenue and expenditure figures to allow for comparability.

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Section 1: State Revenue

Table 1-1 shows total state revenues from FY 1977-78 to FY 2002-03 in constant 2003 dollars. There has been a 99 percent increase in such revenues, as measured in constant 2003 dollars, during this time period. In per capita constant dollars, the revenues have also increased substantially from FY 1977-78 to FY 2002-03. This per capita increase in total state revenues has exceeded 25 percent.

Chart 1-1a shows the change in total state revenues over this period, and Chart 1-1b shows the change in per capita state revenues, as measured in constant 2003 dollars.

Table 1-1: Total State Revenue

Total Revenue	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$44,501,675,744	\$59,387,098,300	\$80,277,784,310	\$88,519,283,000	98.91%
Per Capita Revenue, Real Dollars	\$1,971.81	\$2,112.29	\$2,453.33	\$2,480.13	25.78%

Chart 1-1a: Total State Revenue, Real Dollars

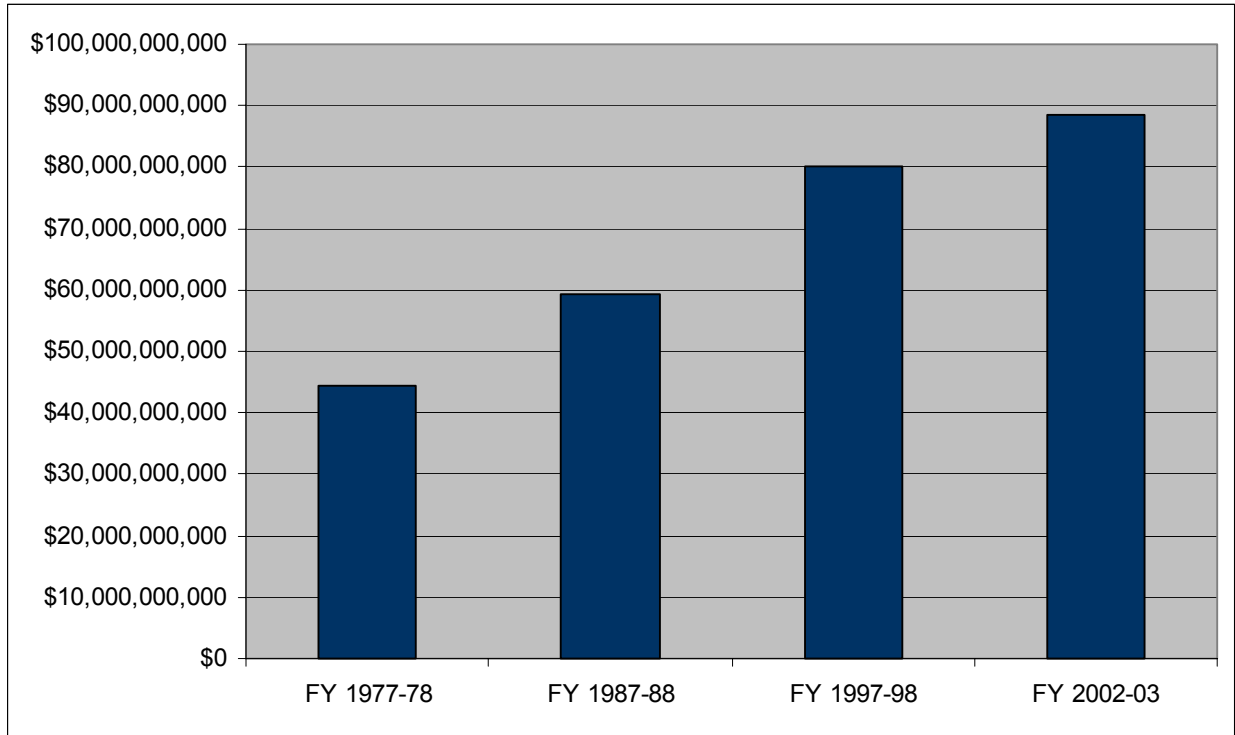


Chart 1-1b: Total State Revenue per Capita, Real Dollars

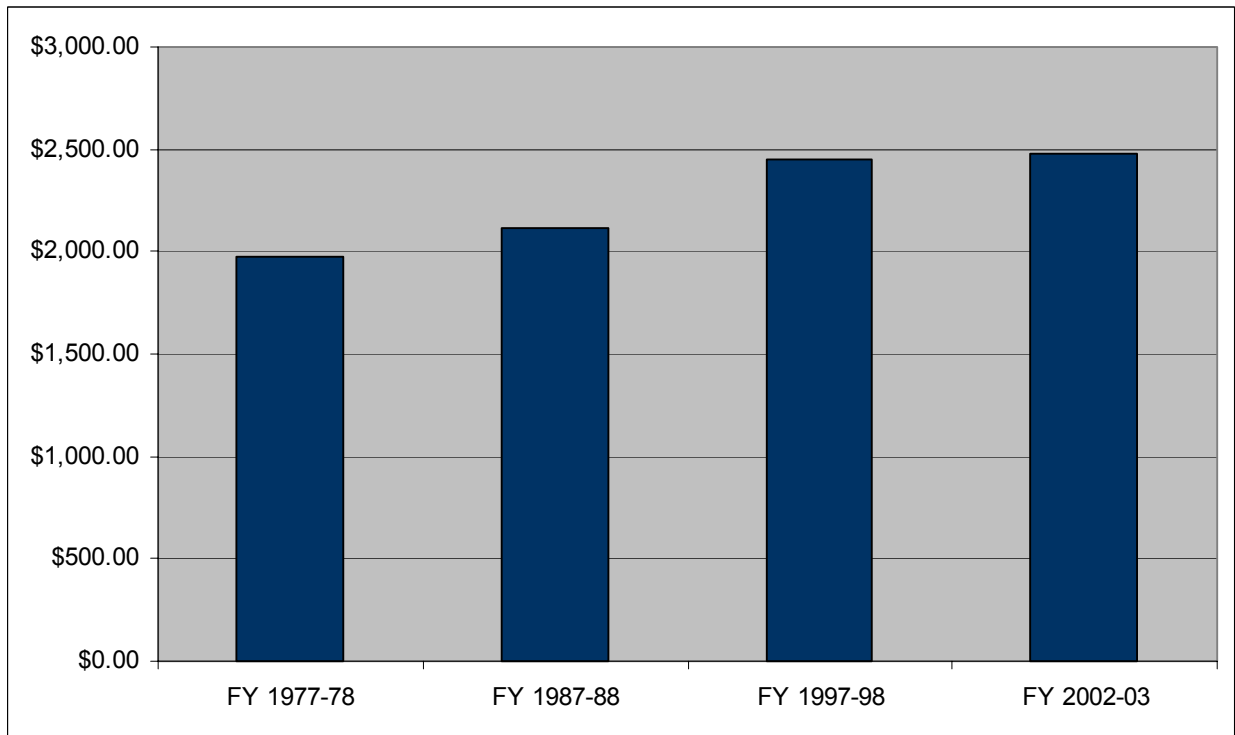


Table 1-2 shows the change in various categories of state revenue in constant 2003 dollars from FY 1977-78 to FY 2002-03. State revenues from personal income tax, sales tax, bank and corporation taxes and gasoline taxes all increased substantially. Motor vehicle license fees increased substantially, as did most of the other smaller categories of tax revenue.

Chart 1-2 shows the data from Table 1-2 in graphic form.

Table 1-2: Total State Revenue by Category, Real Dollars, FY 1977-78 and FY 2002-03

Category	FY 2002-03	FY 1977-78	Percent Change
Personal income tax	\$32,713,830,000	\$13,172,777,114	148.34%
Retail sales and use taxes	\$24,898,686,000	\$14,195,896,036	75.39%
Bank and Corp Taxes	\$6,803,583,000	\$5,875,990,976	15.79%
Gasoline Tax	\$2,728,134,000	\$2,212,662,472	23.30%
Motor vehicle registration	\$1,988,417,000	\$1,101,302,432	80.55%
Motor vehicle license fees (in lieu tax)	\$1,959,105,000	\$1,394,979,506	40.44%
Insurance companies tax	\$1,879,784,000	\$1,093,694,320	71.87%
Cigarette tax	\$1,055,505,000	\$772,262,876	36.68%
Inheritance, Estate and Gift Taxes	\$647,372,000	\$1,030,289,624	-37.17%
Diesel and petroleum	\$474,378,000	\$186,548,310	154.29%
Alcoholic Beverage Taxes	\$290,564,000	\$372,673,320	-22.03%
Horse racing revenue	\$40,509,000	\$314,909,802	-87.14%
Trailer coach fees	\$17,888,000	\$112,403,082	-84.09%

Chart 1-2: Total State Revenue by Category, Real Dollars, FY 1977-78 and FY 2002-03

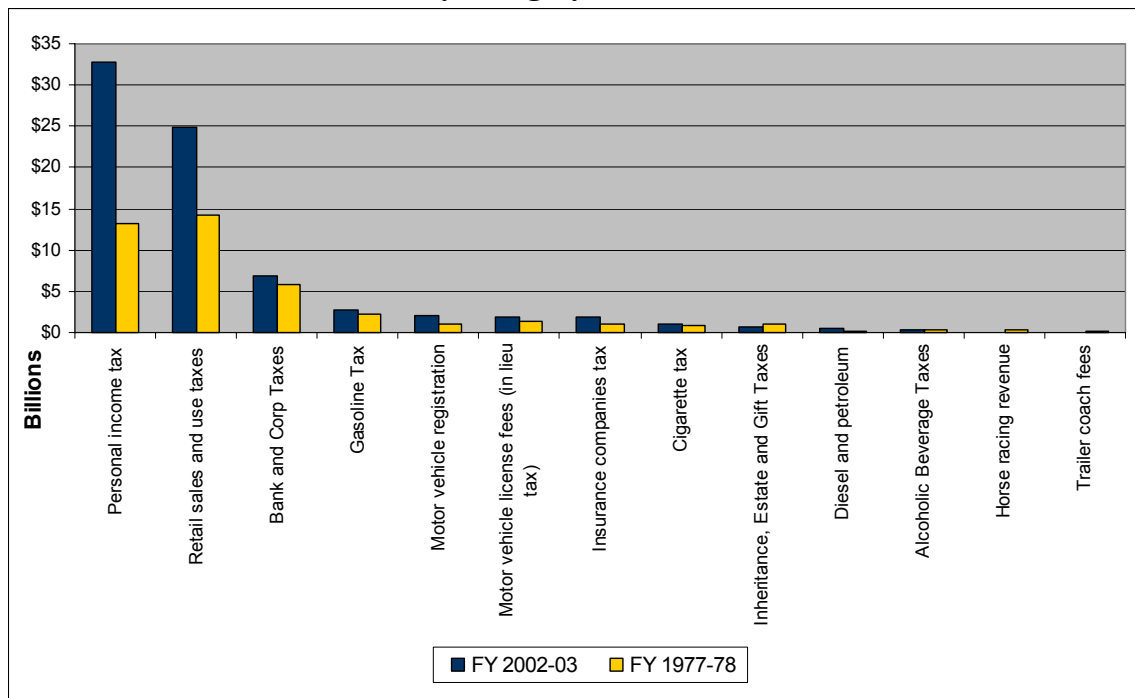


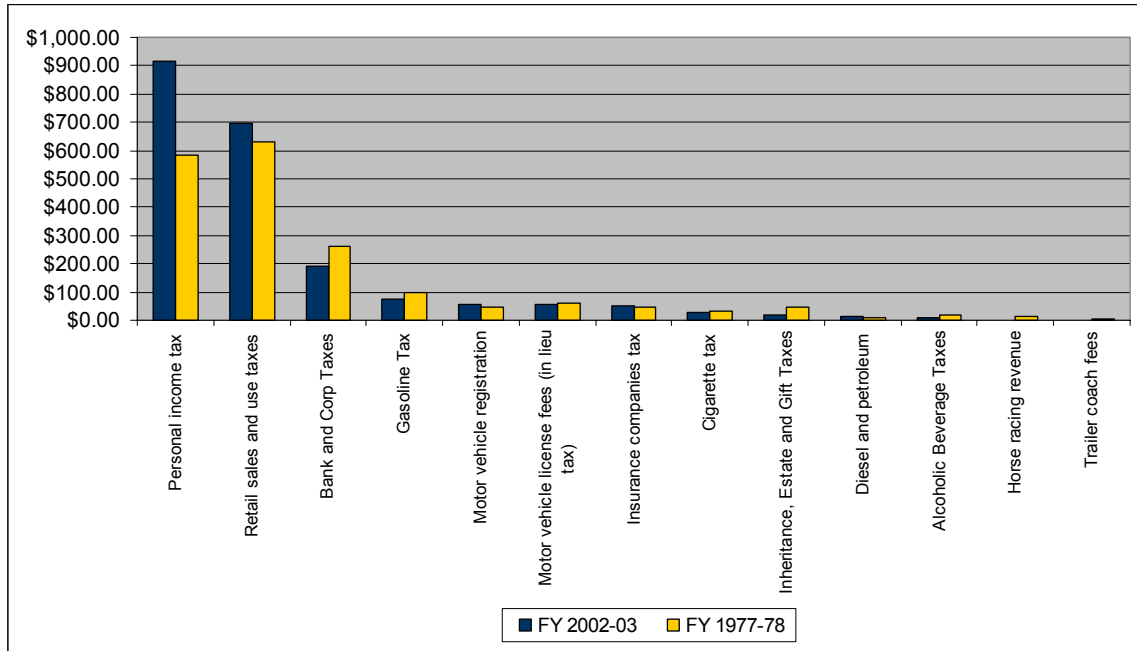
Table 1-3 shows the total state revenue per capita by category, in constant 2003 dollars, for FY 1977-78 and FY 2002-03. In per capita terms, there were increases in personal income tax and in retail sales and use taxes. Bank and corporation taxes declined about 27 percent, while gasoline taxes soared over 824 percent. In most of the smaller categories of tax revenue, there were substantial declines, with the exception of insurance companies tax, which increased almost 9 per cent in constant 2003 per capita dollars between FY 1977-78 and FY 2002-03.

Chart 1-3 shows the data from Table 1-3 in graphic form.

**Table 1-3: Total State Revenue per Capita by Category,
Real Dollars, FY 1977-78 and FY 2002-03**

Category	FY 2002-03	FY 1977-78	Percent Change
Personal Income tax	\$916.57	\$583.67	57.04%
Retail sales and use taxes	\$697.61	\$629.00	10.91%
Bank and Corp Taxes	\$190.62	\$260.36	-26.78%
Gasoline Tax	\$76.44	\$98.04	-22.04%
Motor vehicle registration	\$55.71	\$48.80	14.17%
Motor vehicle license fees (in lieu tax)	\$54.89	\$61.81	-11.19%
Insurance companies tax	\$52.67	\$48.46	8.68%
Cigarette tax	\$29.57	\$34.22	-13.57%
Inheritance, Estate and Gift Taxes	\$18.14	\$45.65	-60.27%
Diesel and petroleum	\$13.29	\$8.27	60.80%
Alcoholic Beverage Taxes	\$8.14	\$16.51	-50.70%
Horse racing revenue	\$1.13	\$13.95	-91.87%
Trailer coach fees	\$0.50	\$4.98	-89.94%

**Chart 1-3: Total State Revenue per Capita by Category,
Real Dollars, FY 1977-78 and FY 2002-03**



The top line in Table 1-4 shows total personal income tax revenues from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These revenues increased 148 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 57 percent over this same period.

Chart 1-4a shows the data in the first line of the table in graphic form.

Chart 1-4b shows the data in the second line of the table in graphic form.

Table 1-4: Total Personal Income Tax Revenue

Personal Income Tax	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$13,172,777,114	\$20,137,788,030	\$31,558,572,200	\$32,713,830,000	148.34%
Per Capita Revenue, Real Dollars	\$583.67	\$716.26	\$964.45	\$916.57	57.04%

Chart 1-4a: Total Personal Income Tax Revenue, Real Dollars

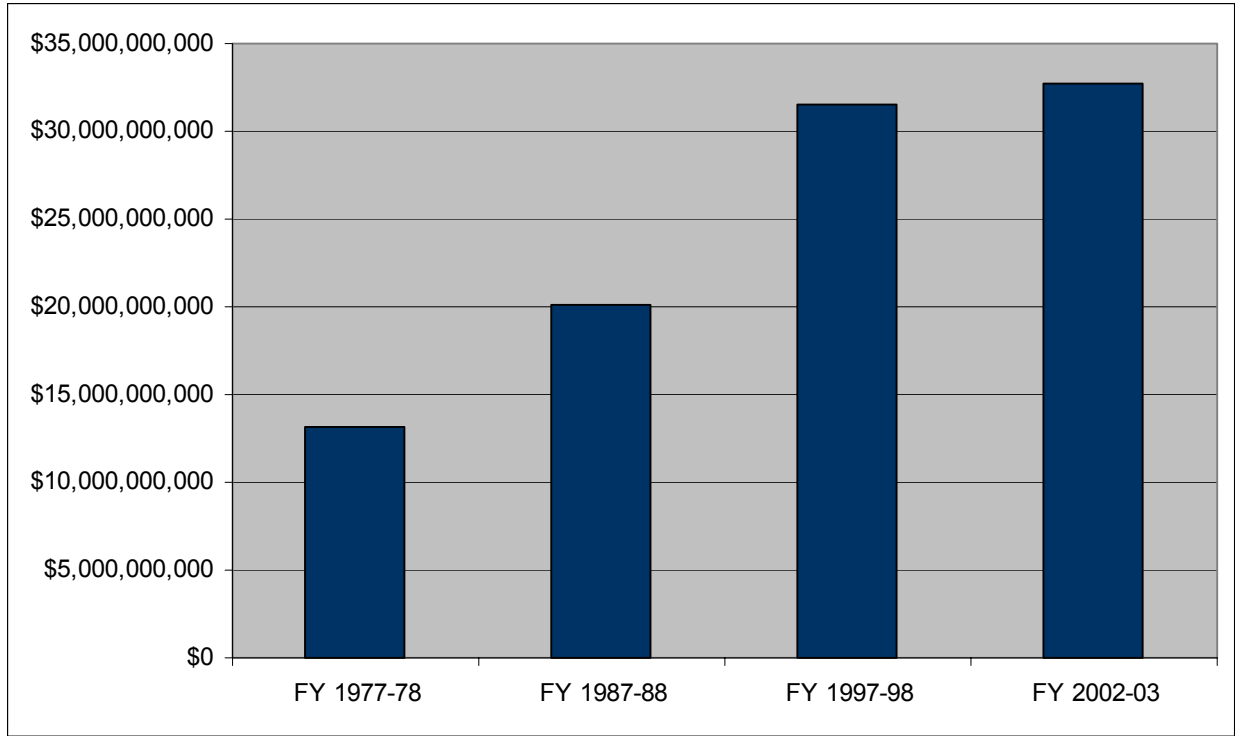
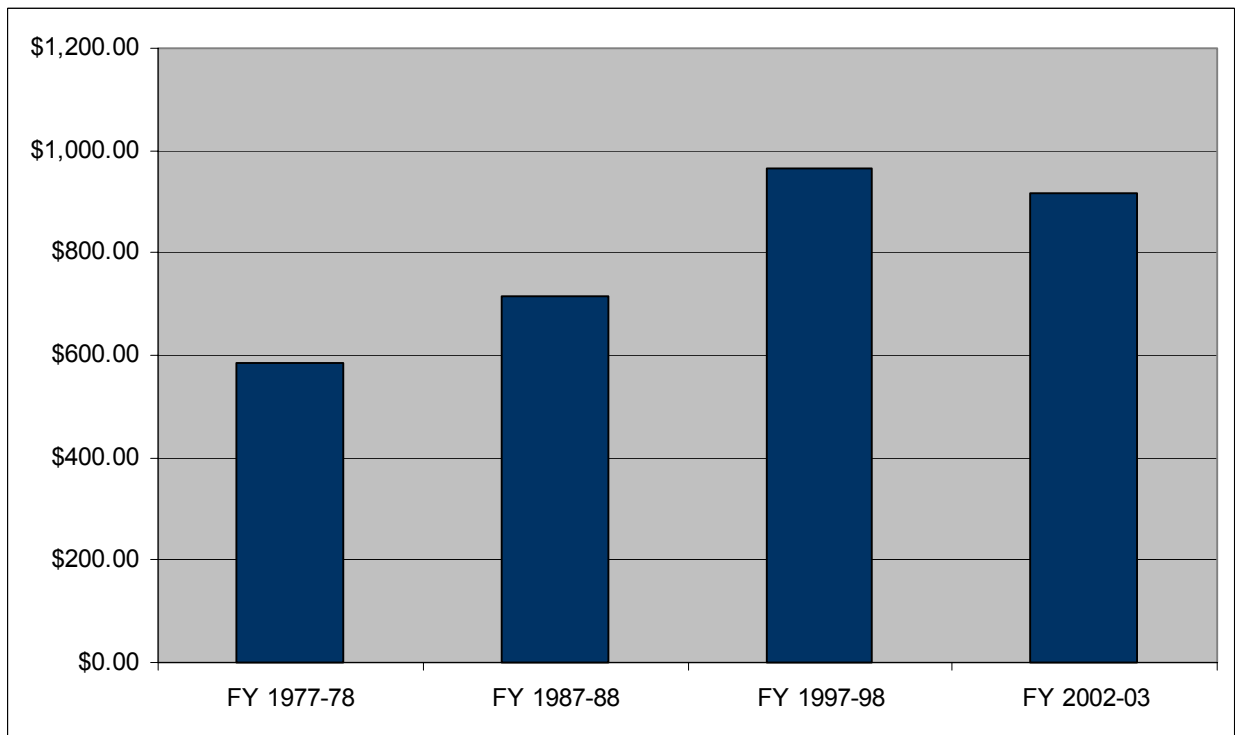


Chart 1-4b: Total Personal Income Tax Revenue per Capita, Real Dollars



The top line in Table 1-5 shows total retail sales and use tax revenues from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These revenues increased 75 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased over 10 percent over this same period.

Chart 1-5a shows the data in the first line of the table in graphic form.

Chart 1-5b shows the data in the second line of the table in graphic form.

Table 1-5: Total Retail Sales and Use Tax Revenue

Retail Sales and Use Tax	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$14,195,896,036	\$18,116,575,705	\$22,089,572,220	\$24,898,686,000	75.39%
Per Capita Revenue, Real Dollars	\$629.00	\$644.37	\$675.07	\$697.61	10.91%

Chart 1-5a: Total Retail Sales and Use Tax Revenue, Real Dollars

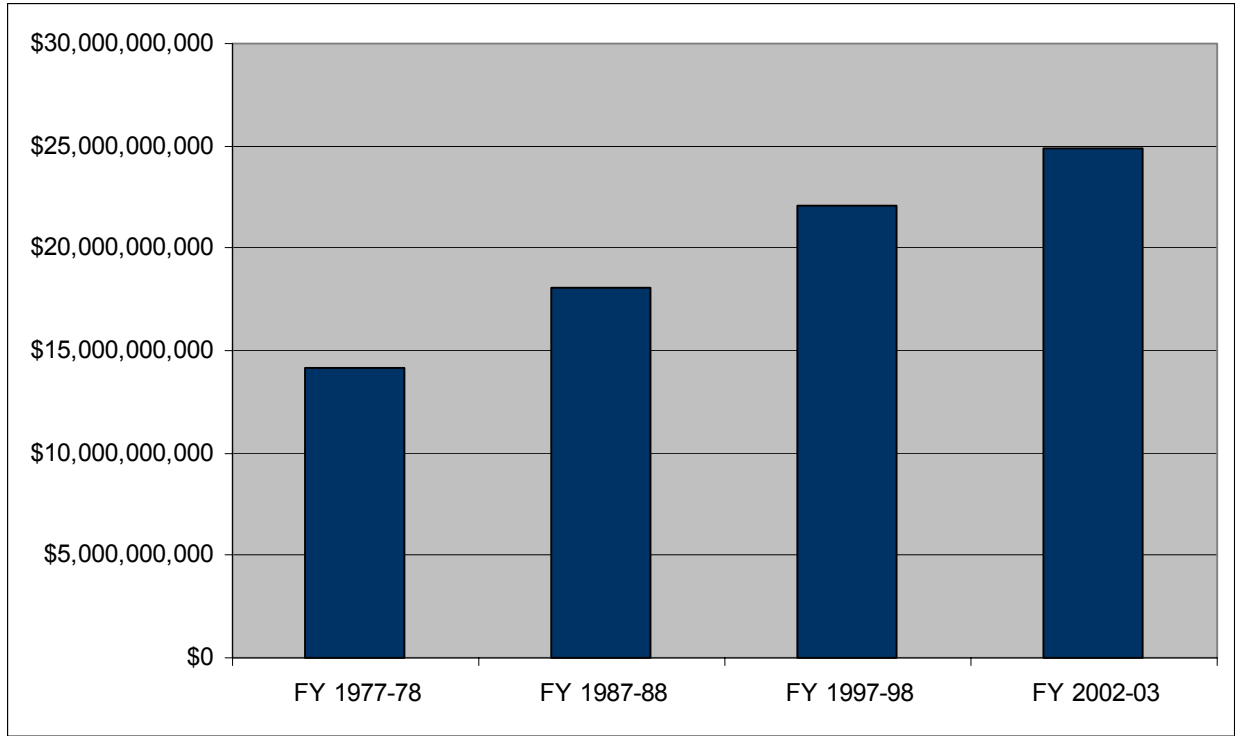
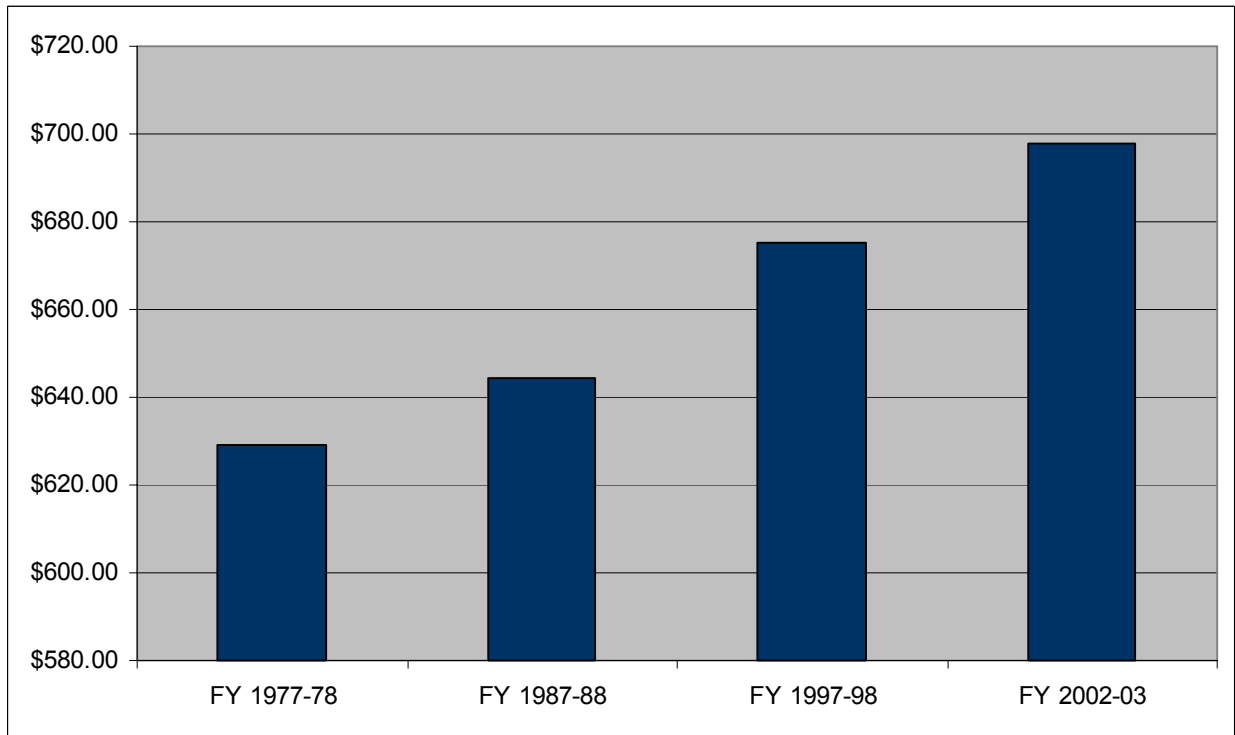


Chart 1-5b: Total Retail Sales and Use Tax Revenue per Capita, Real Dollars



The top line in Table 1-6 shows total state bank and corporation tax revenues from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These revenues increased 15 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which decreased 26 percent over this same period.

Chart 1-6a shows the data in the first line of the table in graphic form.

Chart 1-6b shows the data in the second line of the table in graphic form.

Table 1-6: Total State Bank & Corporation Taxes Revenue

Bank & Corp. Franchise, Income Taxes	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$5,875,990,976	\$7,427,283,340	\$6,595,675,530	\$6,803,583,000	15.79%
Per Capita Revenue, Real Dollars	\$260.36	\$264.18	\$201.57	\$190.62	-26.78%

Chart 1-6a: Total State Bank & Corporation Taxes Revenue, Real Dollars

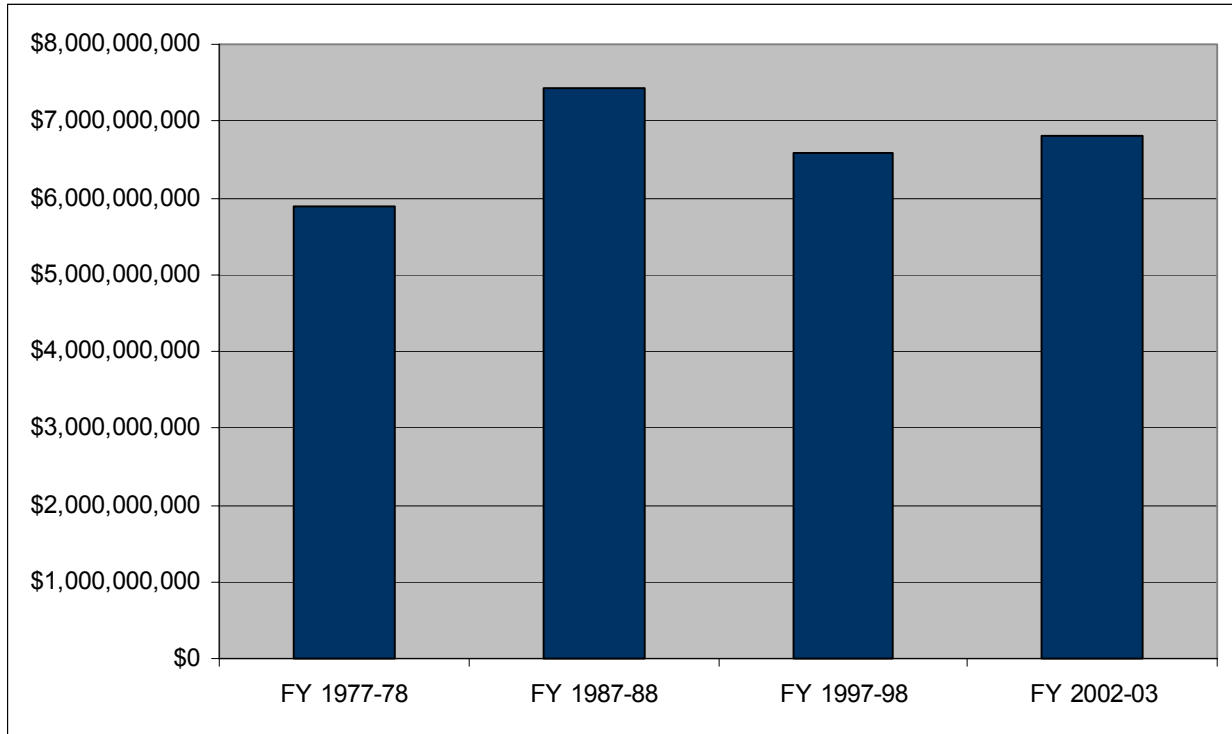
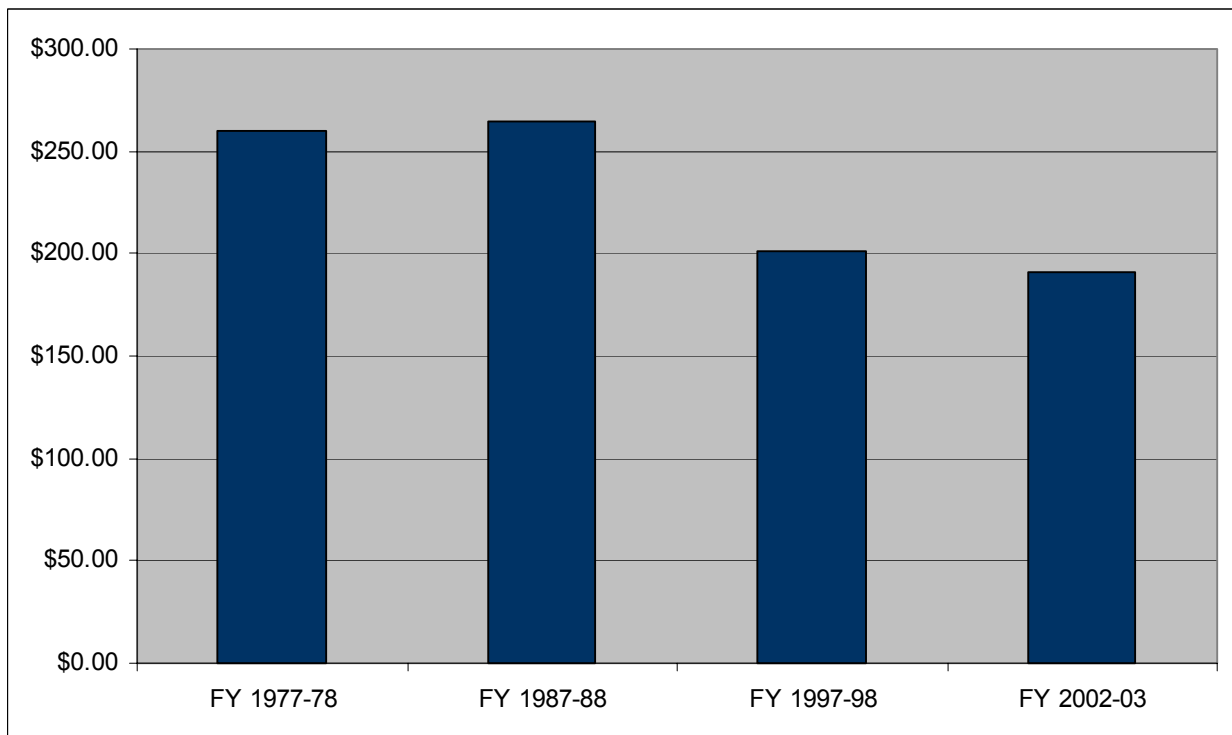


Chart 1-6b: Total State Bank & Corporation Taxes Revenue per Capita, Real Dollars



The top line in Table 1-7 shows total motor vehicle registration fee revenues from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These revenues increased 80 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 14 percent over this same period.

Chart 1-7a shows the data in the first line of the table in graphic form.

Chart 1-7b shows the data in the second line of the table in graphic form.

Table 1-7: Total Motor Vehicle Registration Fees Revenue

Motor Vehicle Registration & Assoc. Fees	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$1,101,302,432	\$1,710,857,650	\$1,971,573,150	\$1,988,417,000	80.55%
Per Capita Revenue, Real Dollars	\$48.80	\$60.85	\$60.25	\$55.71	14.17%

Chart 1-7a: Total Motor Vehicle Registration Fees Revenue, Real Dollars

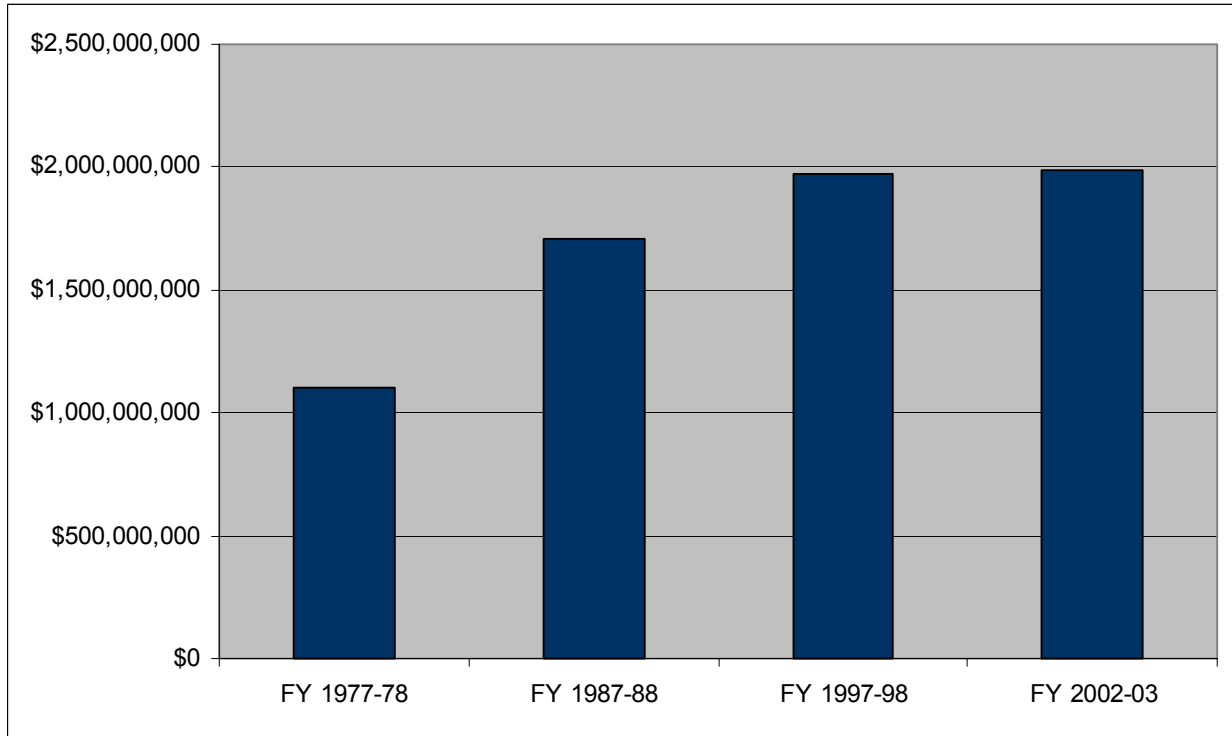
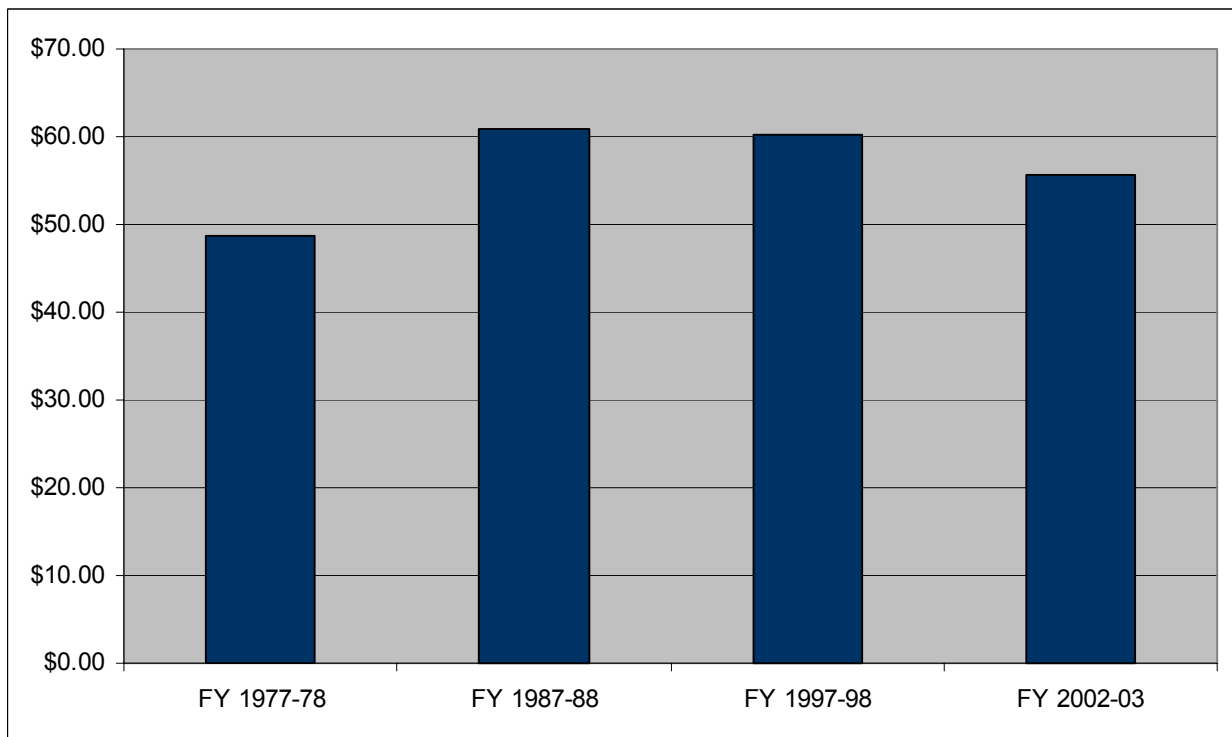


Chart 1-7b: Total Motor Vehicle Registration Fees Revenue per Capita, Real Dollars



The top line in Table 1-8 shows total motor vehicle license fees (In-Lieu tax) revenues from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These revenues increased 40 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which decreased 11 percent over this same period.

Chart 1-8a shows the data in the first line of the table in graphic form.

Chart 1-8b shows the data in the second line of the table in graphic form.

Table 1-8: Total Motor Vehicle License Fees (In-Lieu Tax) Revenue

Motor Vehicle License Fees (In-Lieu)	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$1,394,979,506	\$2,852,529,320	\$4,385,350,330	\$1,959,105,000	40.44%
Per Capita Revenue, Real Dollars	\$61.81	\$101.46	\$134.02	\$54.89	-11.19%

Chart 1-8a: Total Motor Vehicle License Fees (In-Lieu Tax) Revenue, Real Dollars

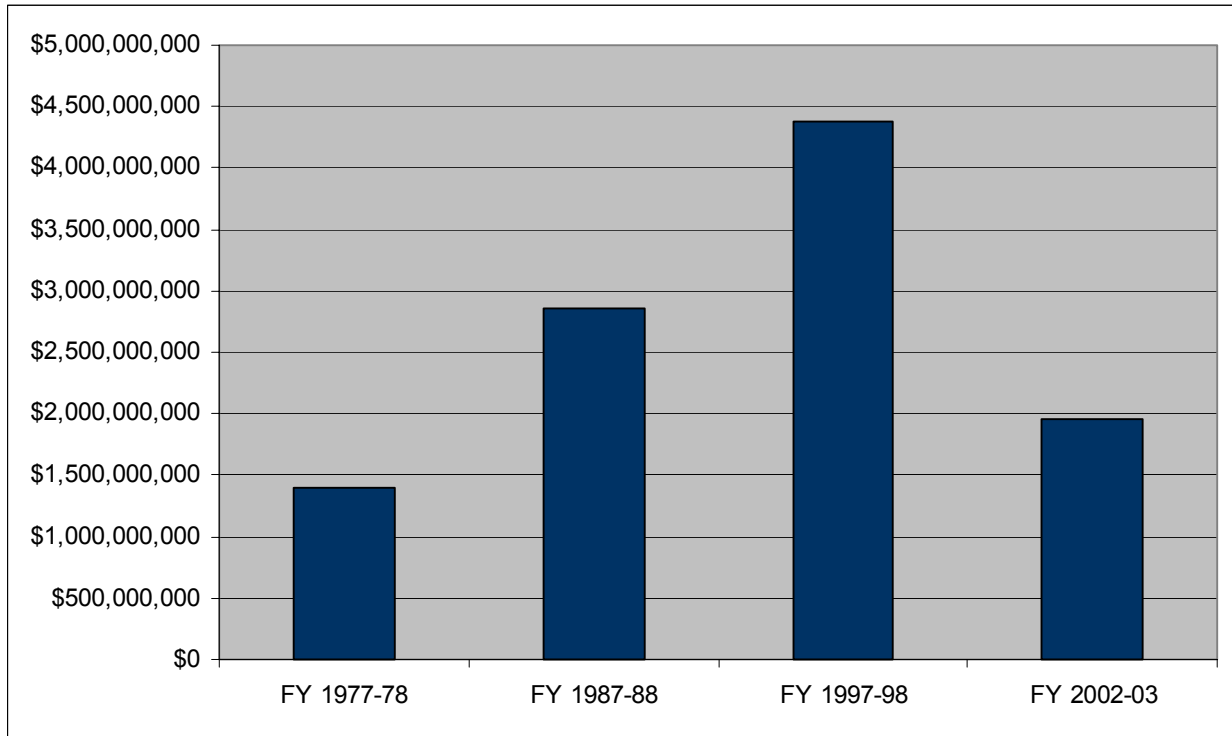
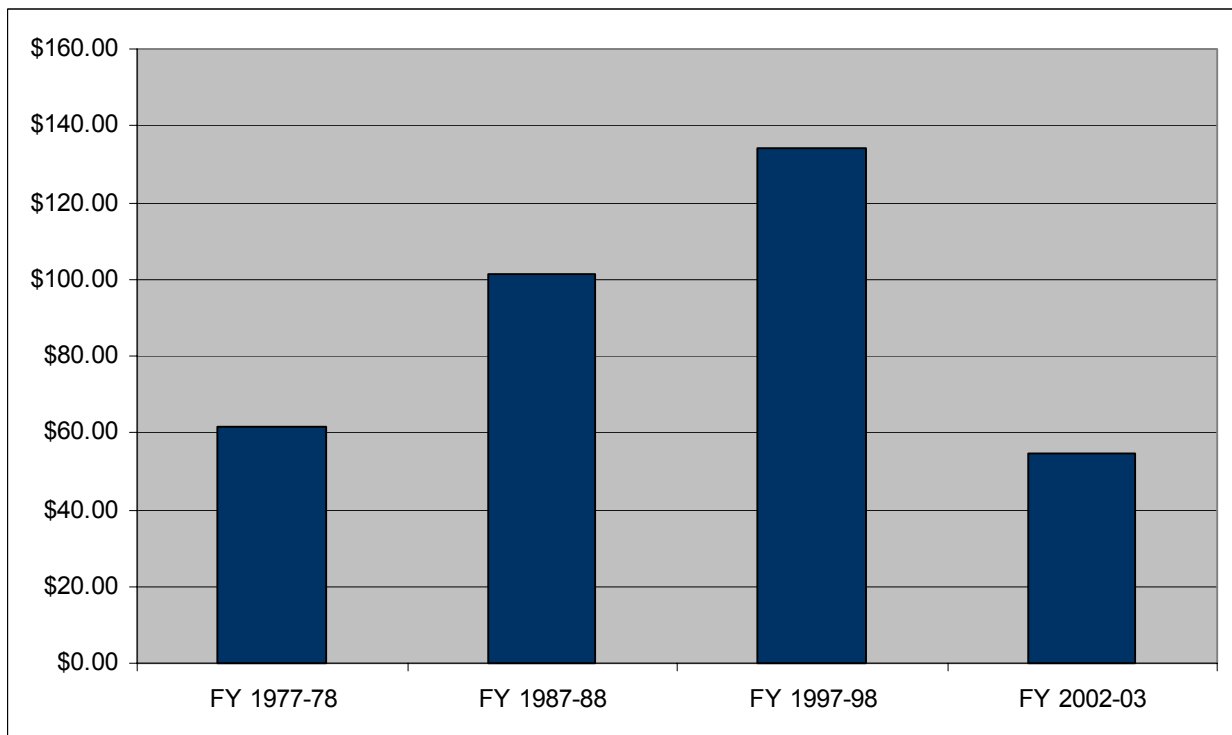


Chart 1-8b: Total Motor Vehicle License Fees (In-Lieu Tax) Revenue per Capita, Real Dollars



The top line in Table 1-9 shows total insurance companies tax revenues from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These revenues increased 71 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 8 percent over this same period.

Chart 1-9a shows the data in the first line of the table in graphic form.

Chart 1-9b shows the data in the second line of the table in graphic form.

Table 1-9: Total Insurance Companies Tax Revenue

Insurance Companies Tax	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$1,093,694,320	\$1,801,189,155	\$1,380,052,050	\$1,879,784,000	71.87%
Per Capita Revenue, Real Dollars	\$48.46	\$64.07	\$42.18	\$52.67	8.68%

Chart 1-9a: Total Insurance Companies Tax Revenue, Real Dollars

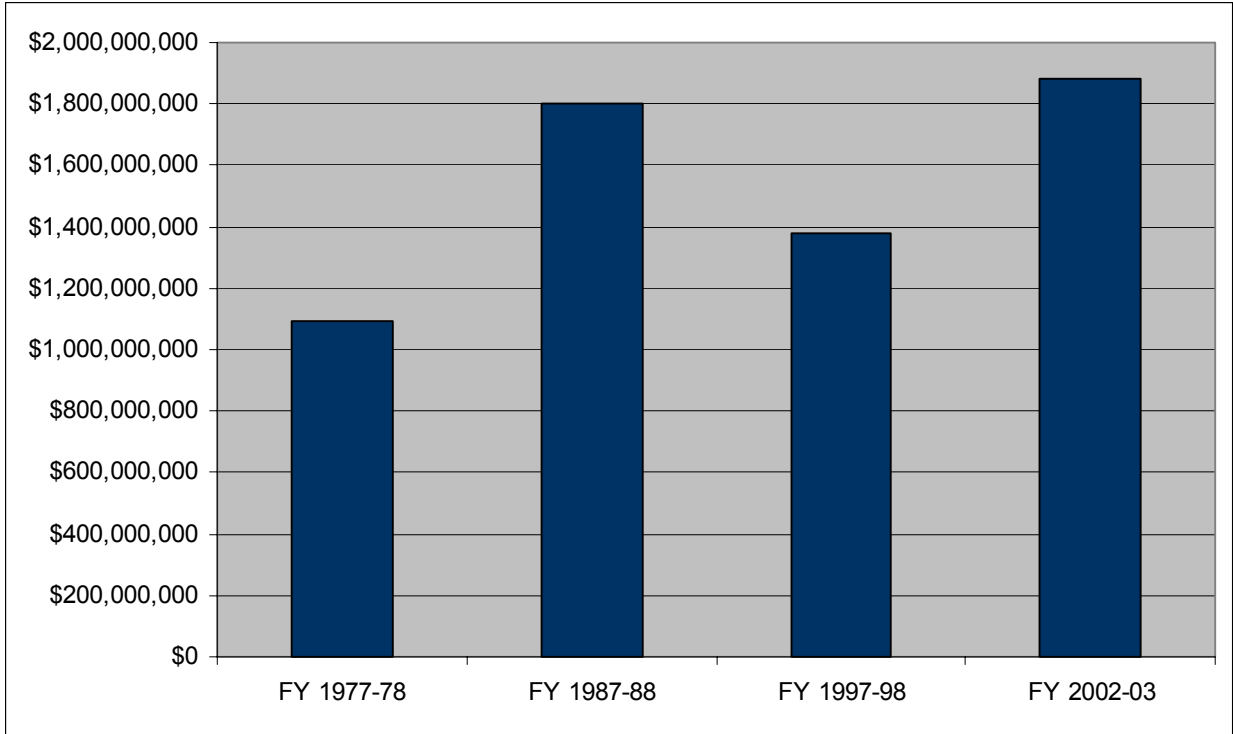
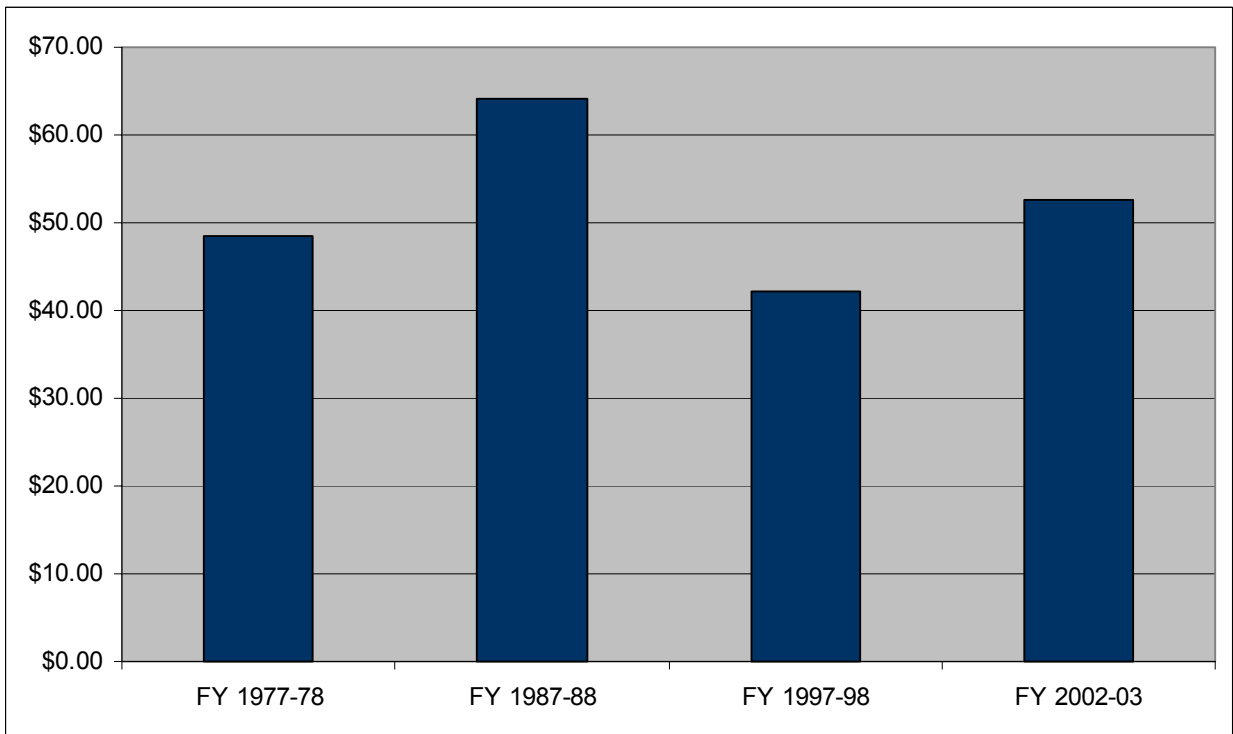


Chart 1-9b: Total Insurance Companies Tax Revenue per Capita, Real Dollars



The top line in Table 1-10 shows total cigarette tax revenues from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These revenues increased 36 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which decreased 13 percent over this same period.

Chart 1-10a shows the data in the first line of the table in graphic form.

Chart 1-10b shows the data in the second line of the table in graphic form.

Table 1-10: Total Cigarette Tax Revenue

Cigarette Tax	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$772,262,876	\$389,639,460	\$728,055,610	\$1,055,505,000	36.68%
Per Capita Revenue, Real Dollars	\$34.22	\$13.86	\$22.25	\$29.57	-13.57%

Chart 1-10a: Total Cigarette Tax Revenue, Real Dollars

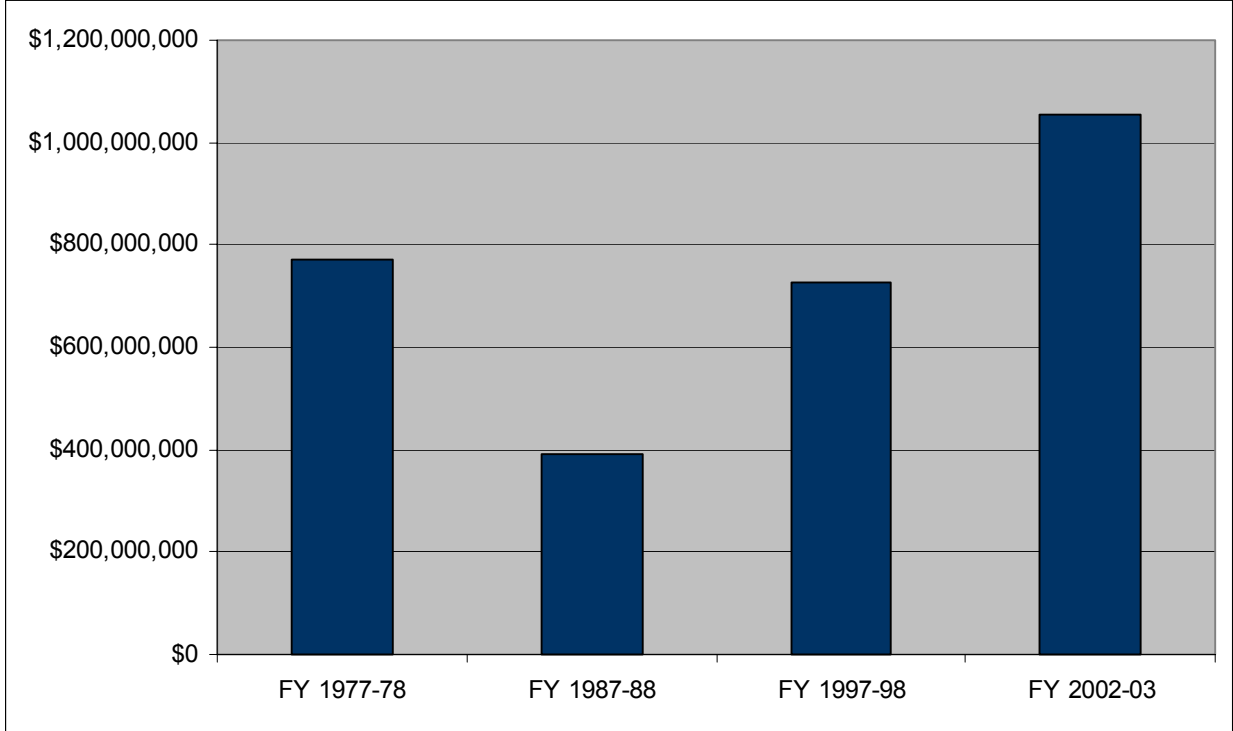
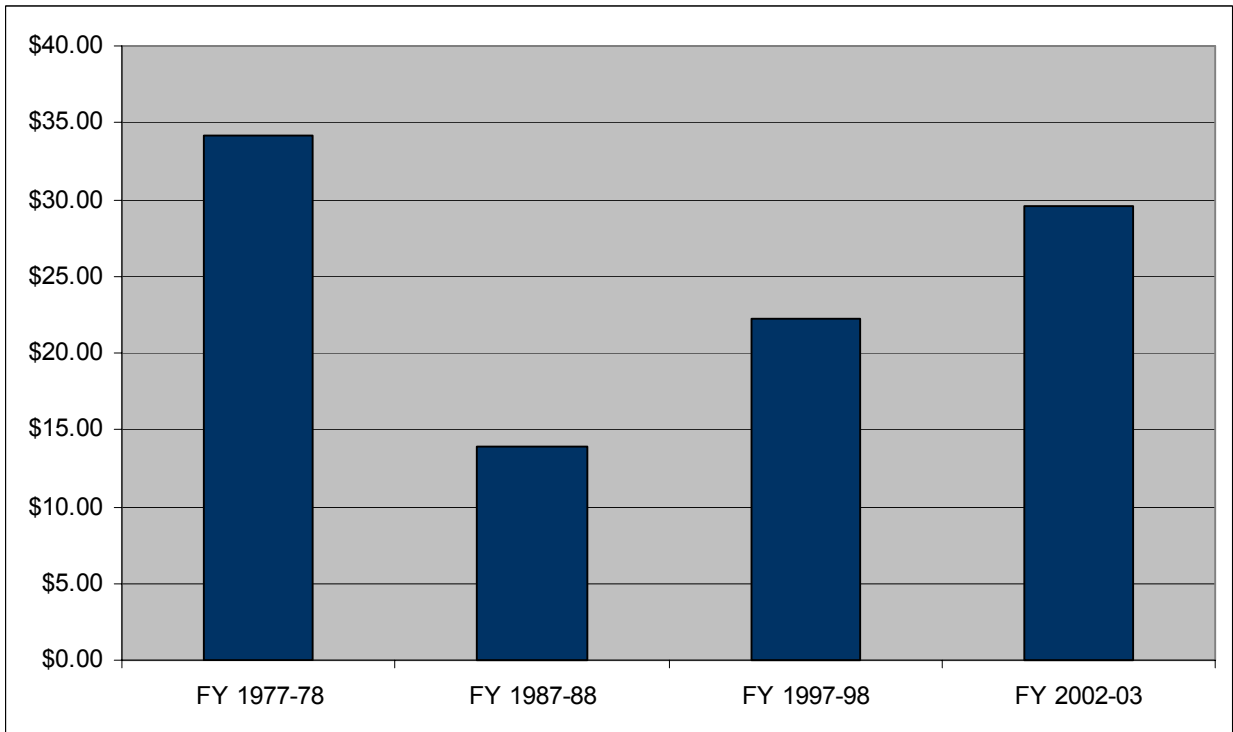


Chart 1-10b: Total Cigarette Tax Revenue per Capita, Real Dollars



The top line in Table 1-11 shows total inheritance, estate and gift taxes revenues from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These revenues decreased 37 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which decreased 60 percent over this same period.

Chart 1-11a shows the data in the first line of the table in graphic form.

Chart 1-11b shows the data in the second line of the table in graphic form.

Table 1-11: Total Inheritance, Estate and Gift Taxes Revenue

Inheritance, Estate and Gift Taxes	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$1,030,289,624	\$472,950,140	\$881,622,610	\$647,372,000	-37.17%
Per Capita Revenue, Real Dollars	\$45.65	\$16.82	\$26.94	\$18.14	-60.27%

Chart 1-11a: Total Inheritance, Estate and Gift Taxes Revenue, Real Dollars

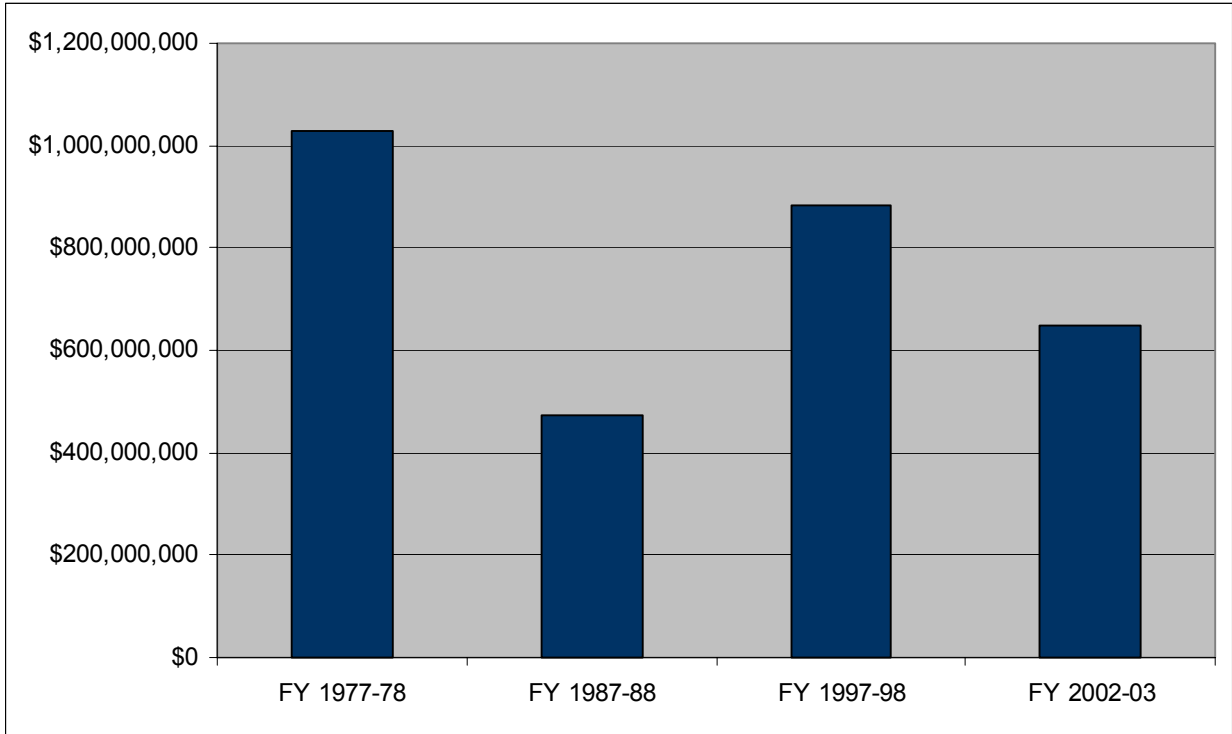
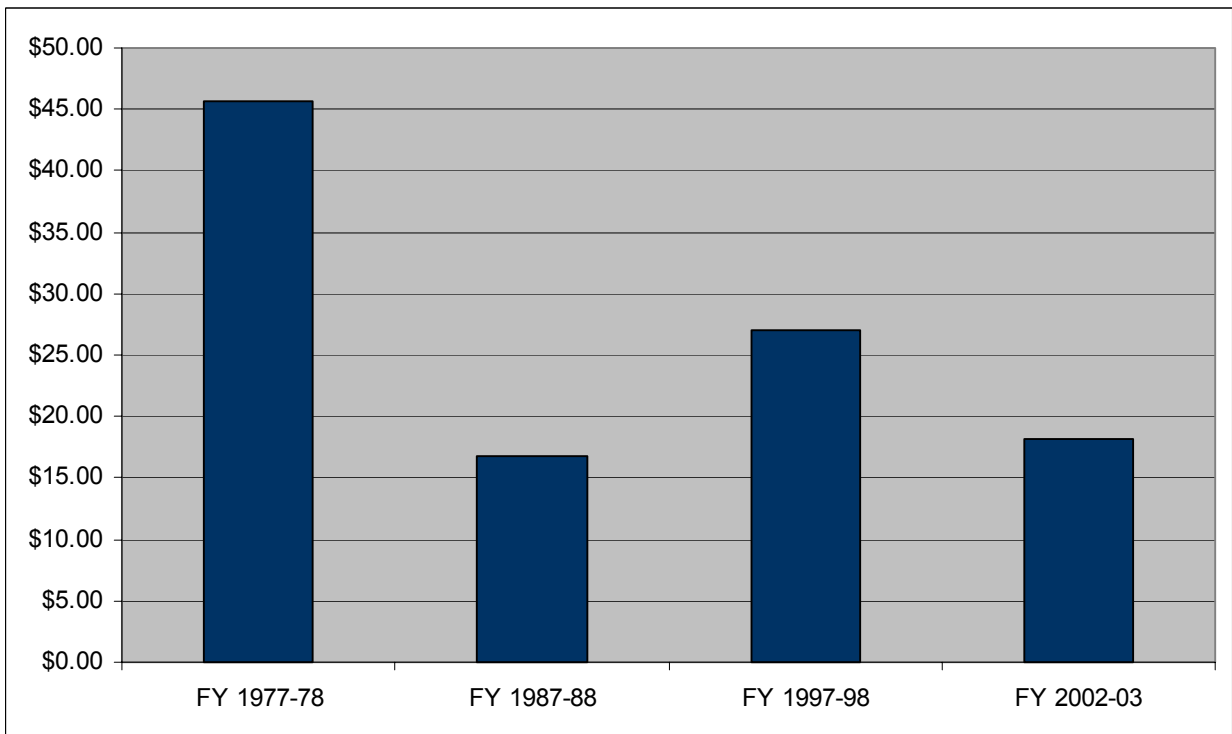


Chart 1-11b: Total Inheritance, Estate and Gift Taxes Revenue per Capita, Real Dollars



The top line in Table 1-12 shows total state alcoholic beverages tax revenues from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These revenues decreased 22 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which decreased 50 percent over this same period.

Chart 1-12a shows the data in the first line of the table in graphic form.

Chart 1-12b shows the data in the second line of the table in graphic form.

Table 1-12: Total State Alcoholic Beverage Taxes Revenue

Alcoholic Beverage Taxes	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$372,673,320	\$200,181,370	\$306,170,110	\$290,564,000	-22.03%
Per Capita Revenue, Real Dollars	\$16.51	\$7.12	\$9.36	\$8.14	-50.70%

Chart 1-12a: Total State Alcoholic Beverage Taxes Revenue, Real Dollars

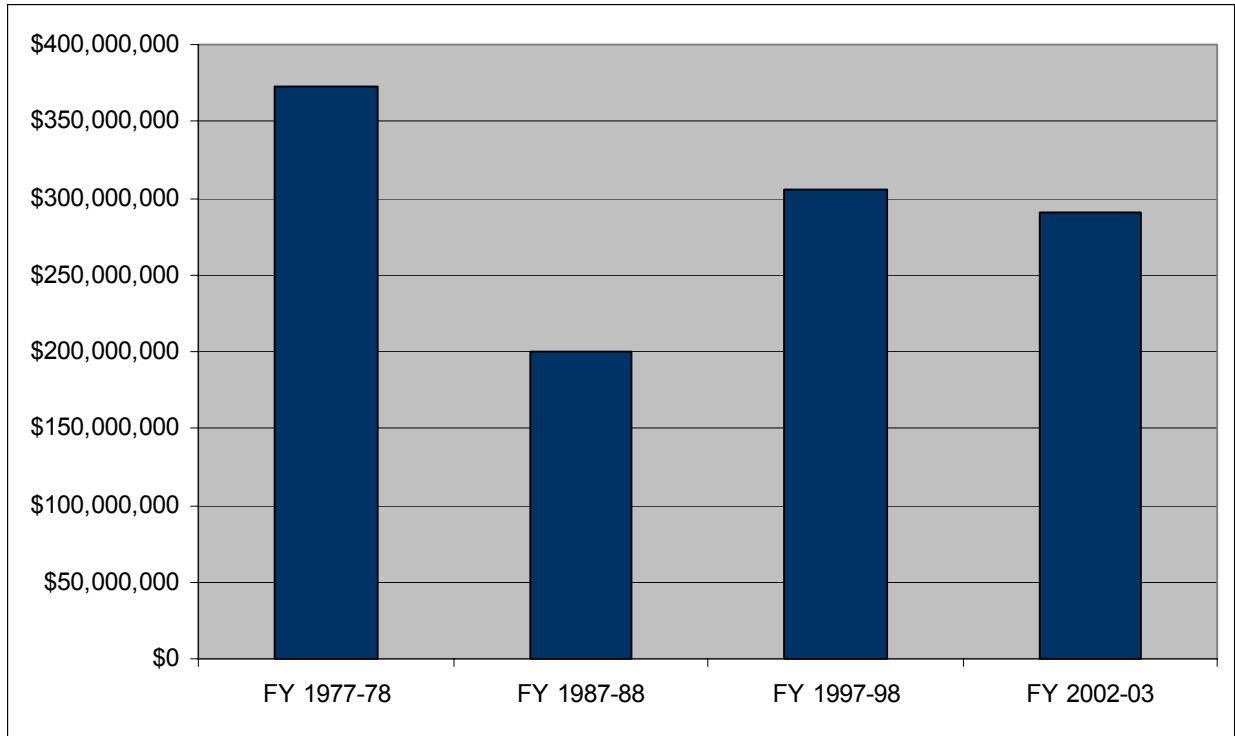
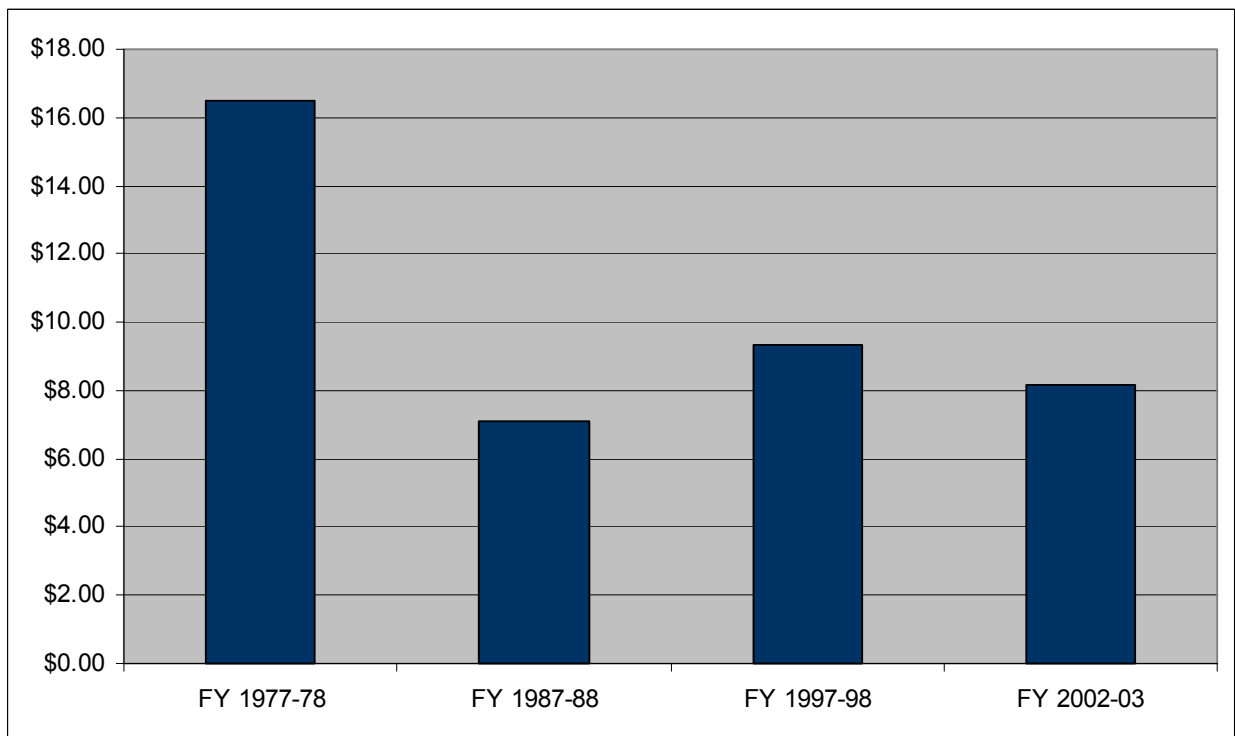


Chart 1-12b: Total State Alcoholic Beverage Taxes Revenue per Capita, Real Dollars



The top line in Table 1-13 shows total horse racing revenues from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These revenues decreased 87 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which decreased 91 percent over this same period.

Chart 1-13a shows the data in the first line of the table in graphic form.

Chart 1-13b shows the data in the second line of the table in graphic form.

Table 1-13: Total Horse Racing Revenue

Horse Racing Revenue	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$314,909,802	\$205,583,440	\$92,580,900	\$40,509,000	-87.14%
Per Capita Revenue, Real Dollars	\$13.95	\$7.31	\$2.83	\$1.13	-91.87%

Chart 1-13a: Total Horse Racing Revenue, Real Dollars

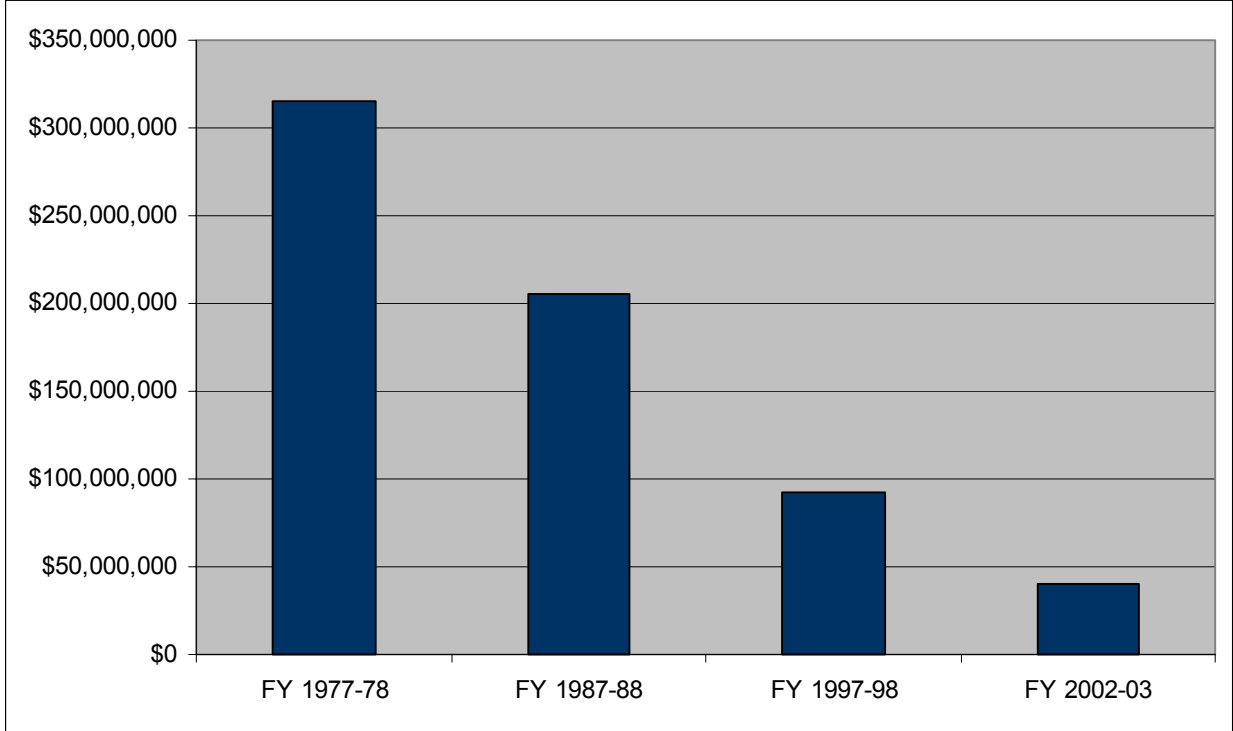
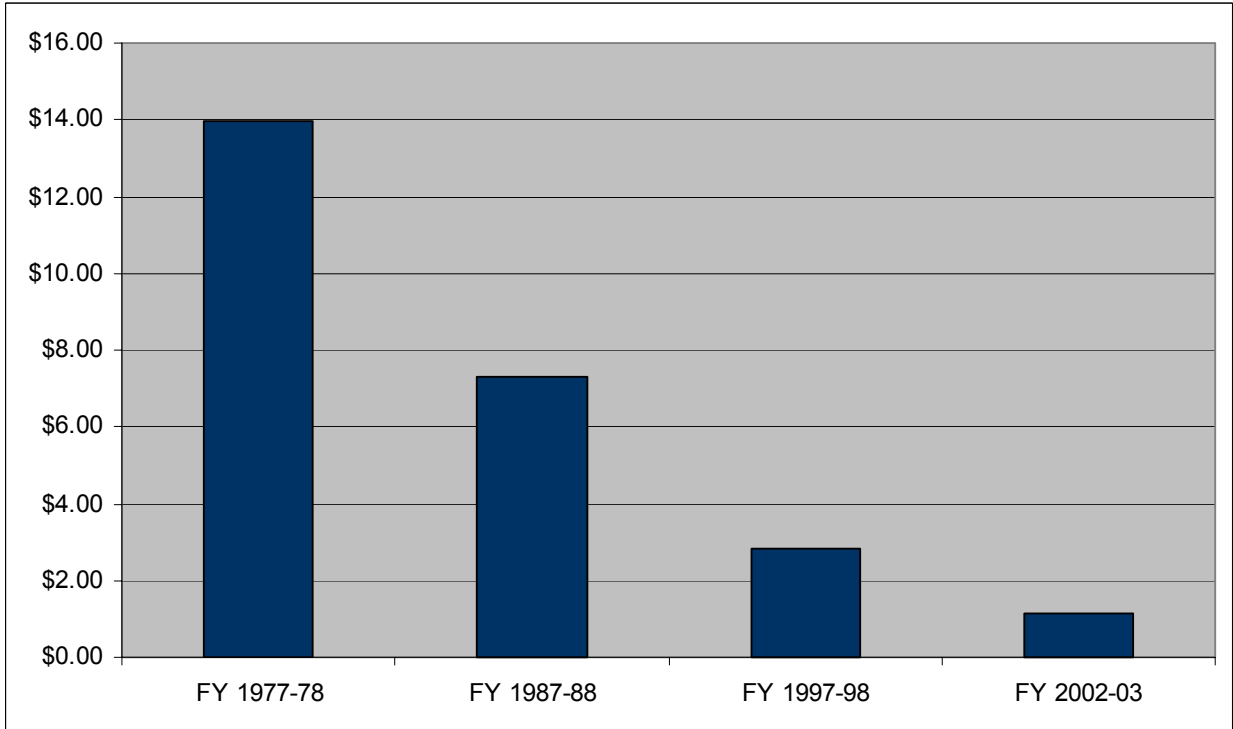


Chart 1-13b: Total Horse Racing Revenue per Capita, Real Dollars



The top line in Table 1-14 shows trailer coach fee revenues from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These revenues decreased 84 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which decreased 89 percent over this same period.

Chart 1-14a shows the data in the first line of the table in graphic form.

Chart 1-14b shows the data in the second line of the table in graphic form.

Table 1-14: Total Trailer Coach Fee Revenue

Trailer Coach Fees	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$112,403,082	\$49,262,400	\$39,525,140	\$17,888,000	-84.09%
Per Capita Revenue, Real Dollars	\$4.98	\$1.75	\$1.21	\$0.50	-89.94%

Chart 1-14a: Total Trailer Coach Fee Revenue, Real Dollars

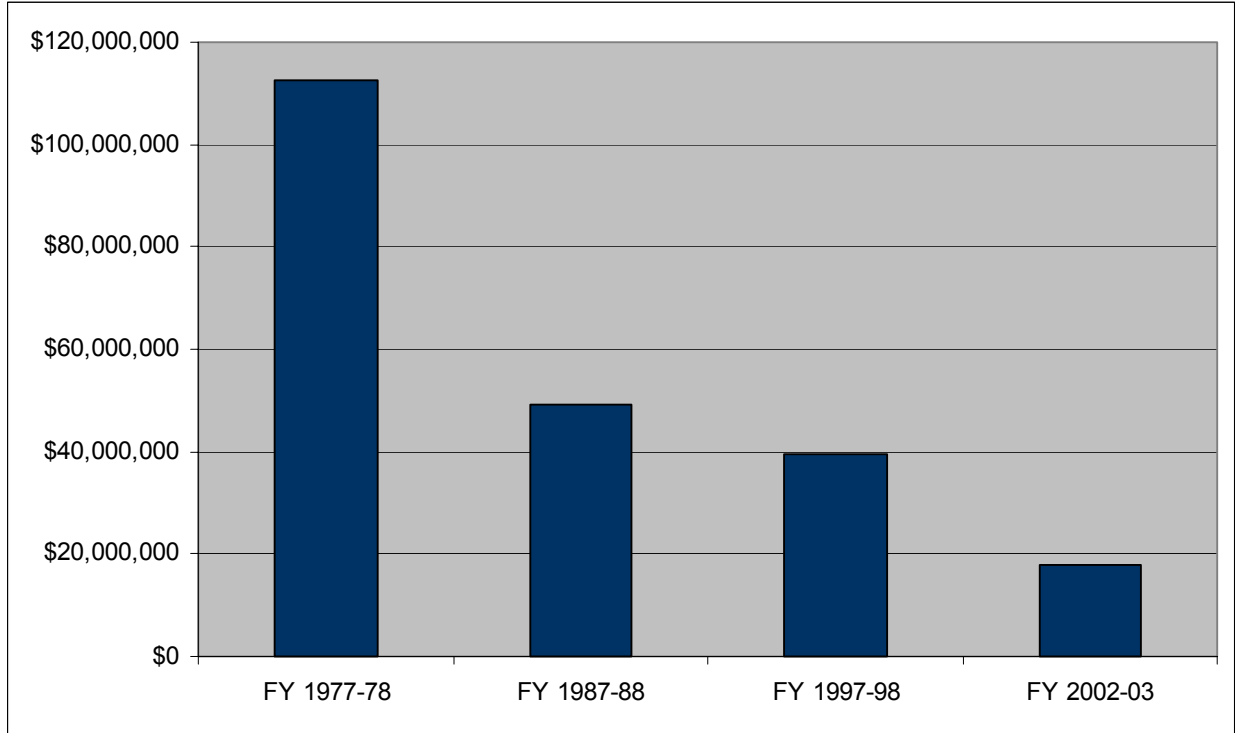
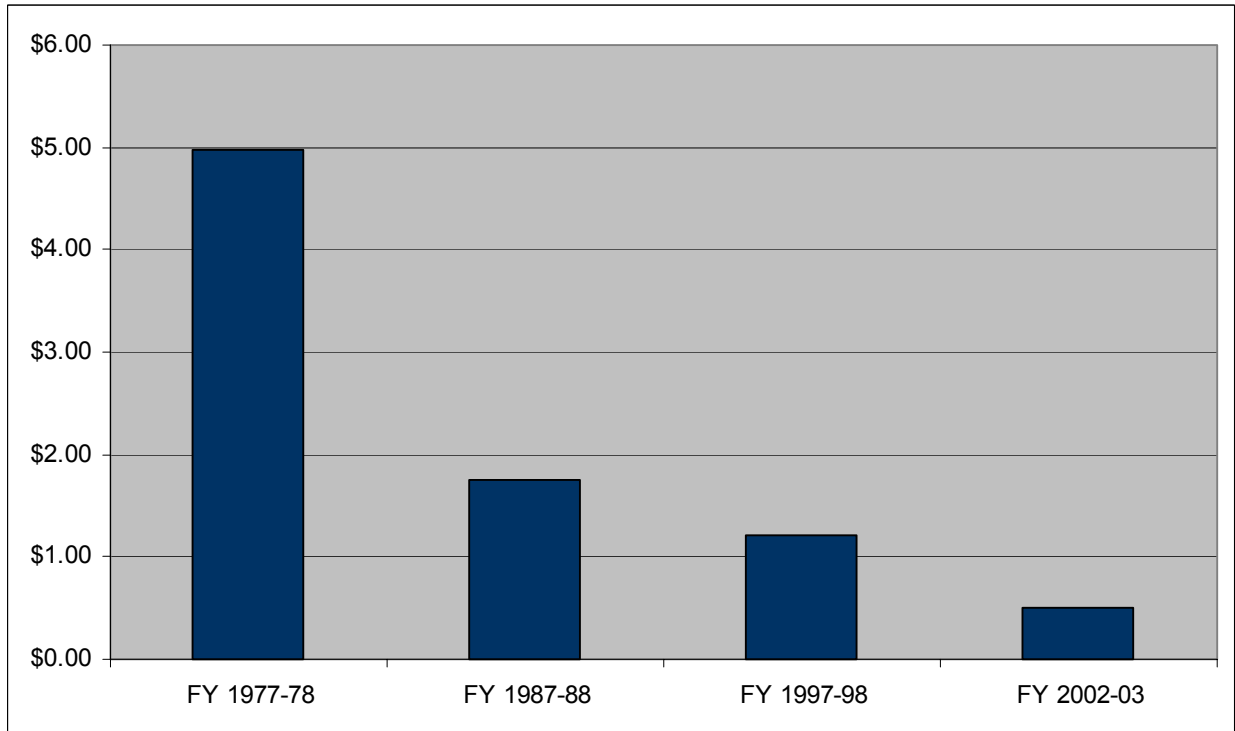


Chart 1-14b: Total Trailer Coach Fee Revenue per Capita, Real Dollars



The top line in Table 1-15 shows state other revenues from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These revenues increased 303 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 154 percent over this same period.

Chart 1-15a shows the data in the first line of the table in graphic form.

Chart 1-15b shows the data in the second line of the table in graphic form.

Table 1-15: Total State Other Revenue

Other Revenues	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$2,665,285,874	\$4,012,248,320	\$5,008,949,870	\$10,742,458,000	303.05%
Per Capita Revenue, Real Dollars	\$118.09	\$142.71	\$153.08	\$300.98	154.86%

Chart 1-15a: Total State Other Revenue, Real Dollars

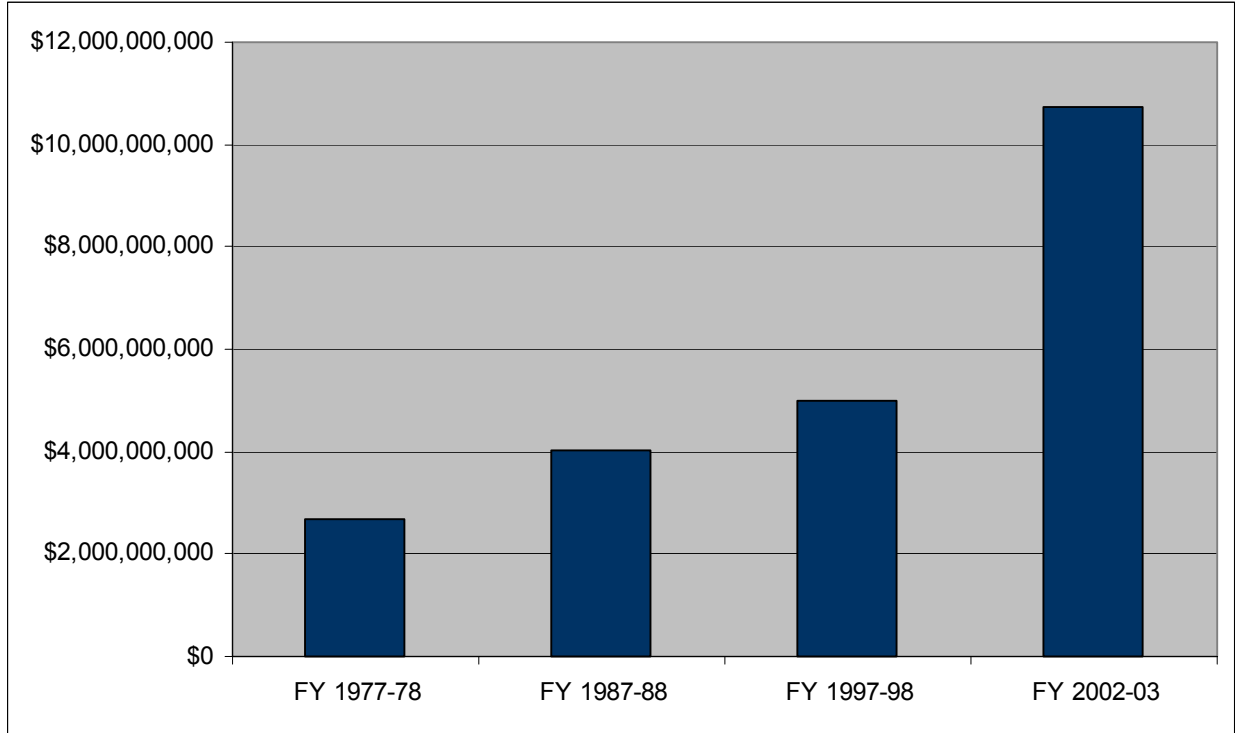
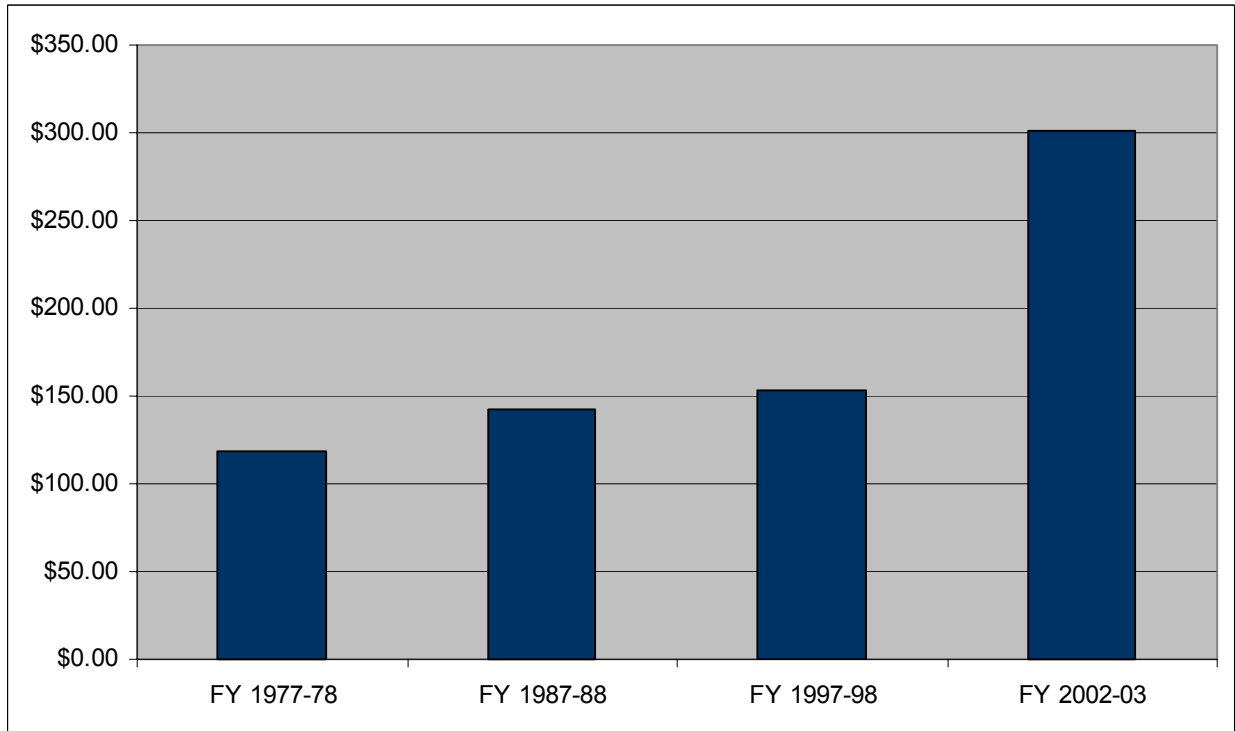


Chart 1-15b: Total State Other Revenue per Capita, Real Dollars



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Section 2: State Expenditures

Table 2-1 shows the total state expenditures, in constant 2003 dollars, for FY 1977-78 and FY 2002-03. These expenditures increased 147 percent over this time period. Also shown in Table 2-1 is the change in per capita expenditures, as measured in constant 2003 dollars, which increased 56 percent over this period.

Chart 2-1a shows the change in total state expenditures, and Chart 2-1b shows the change in state expenditures per capita, both in constant 2003 dollars, during this period.

Table 2-1: Total State Expenditure

Total Expenditure	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$38,976,831,872	\$63,296,377,630	\$76,166,166,310	\$96,275,156,000	147.01%
Per Capita Expenditure, Real Dollars	\$1,727.01	\$2,251.34	\$2,327.67	\$2,697.43	56.19%

Chart 2-1a: Total State Expenditure, Real Dollars

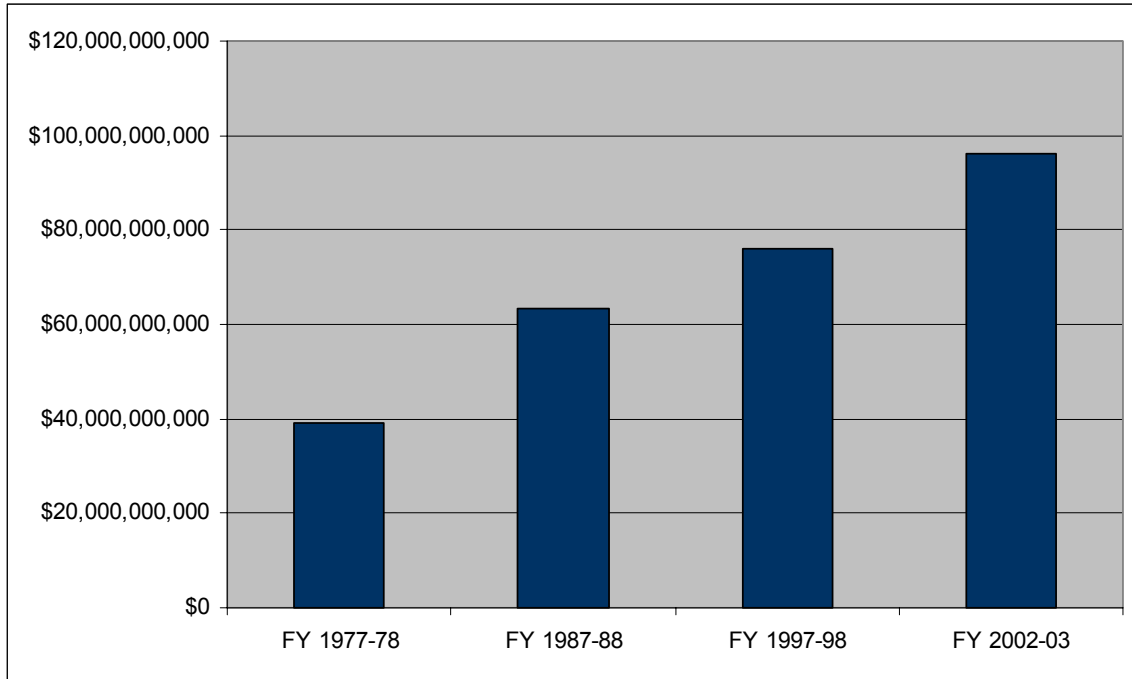


Chart 2-1b: Total State Expenditure per Capita, Real Dollars

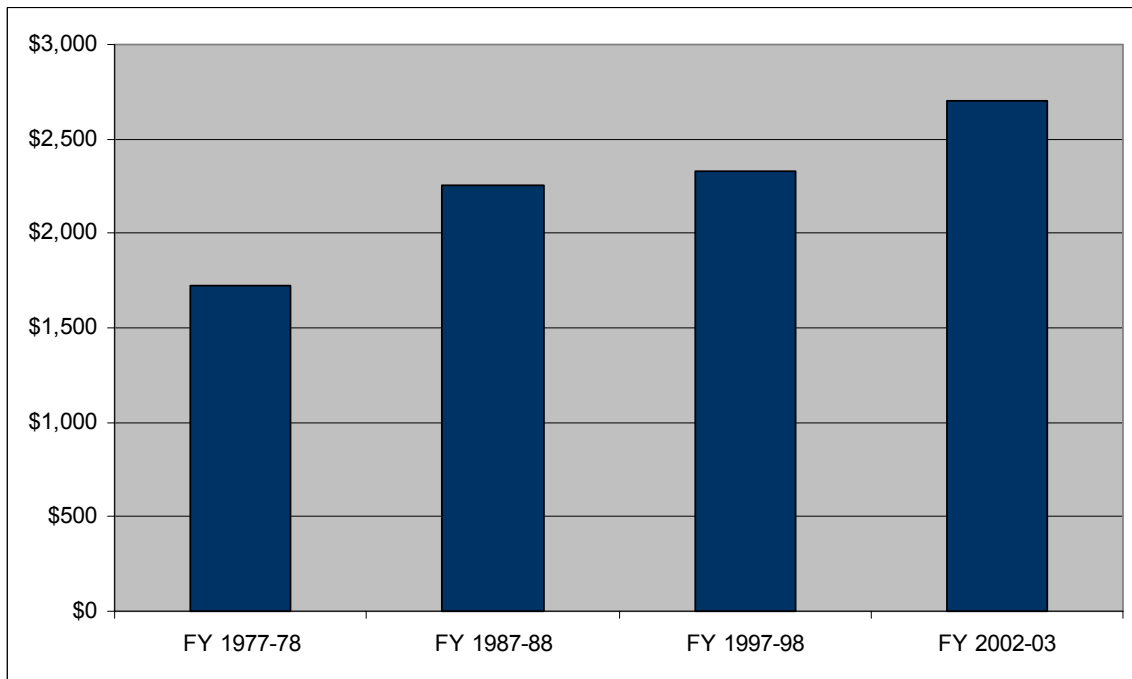


Table 2-2 shows the change in various categories of state expenditure in constant 2003 dollars from FY 1977-78 to FY 2002-03. Note that there were huge changes in almost every category during this time period. In particular, state expenditure on K-12 education went up 220 percent and expenditure on health and welfare went up 134 percent, as measured in constant 2003 dollars. The increase in K-12 education expenditure reflects, in part, the state's growing involvement in such education since FY 1977-78. The huge increase in judicial expenditures (1671 percent) reflects, in part, the state's increased involvement in the financing the court system. In most categories of expenditure, the percentage increases, as measured in constant 2003 dollars, were in the triple digits.

Chart 2-2 shows the data from Table 2-2 in graphic form.

**Table 2-2: Total State Expenditure by Category,
Real Dollars, FY 1977-78 and FY 2002-03**

Category	1977-78	FY 2002-03	Percentage Change
Education - K-12	\$8,620,239,232	\$27,611,356,000	220.31%
Health and Welfare	\$11,673,919,788	\$27,420,865,000	134.89%
Higher Education	\$5,559,692,750	\$9,951,749,000	79.00%
Tax Relief	\$4,022,958,540	\$4,446,940,000	10.54%
Judicial	\$142,505,356	\$2,524,446,000	1671.47%
Debt Service	\$468,437,890	\$2,067,815,000	341.43%
Resources	\$794,105,156	\$1,993,957,000	151.09%
General Administration	\$553,780,814	\$1,830,280,000	230.51%
Legal	\$427,956,300	\$1,283,297,000	199.87%
State and Consumer Services	\$357,220,048	\$955,054,000	167.36%
Legislative	\$126,657,004	\$276,462,000	118.28%
Business	\$103,841,134	\$184,573,000	77.75%

**Chart 2-2: Total State Expenditure by Category,
Real Dollars, FY 1977-78 and FY 2002-03**

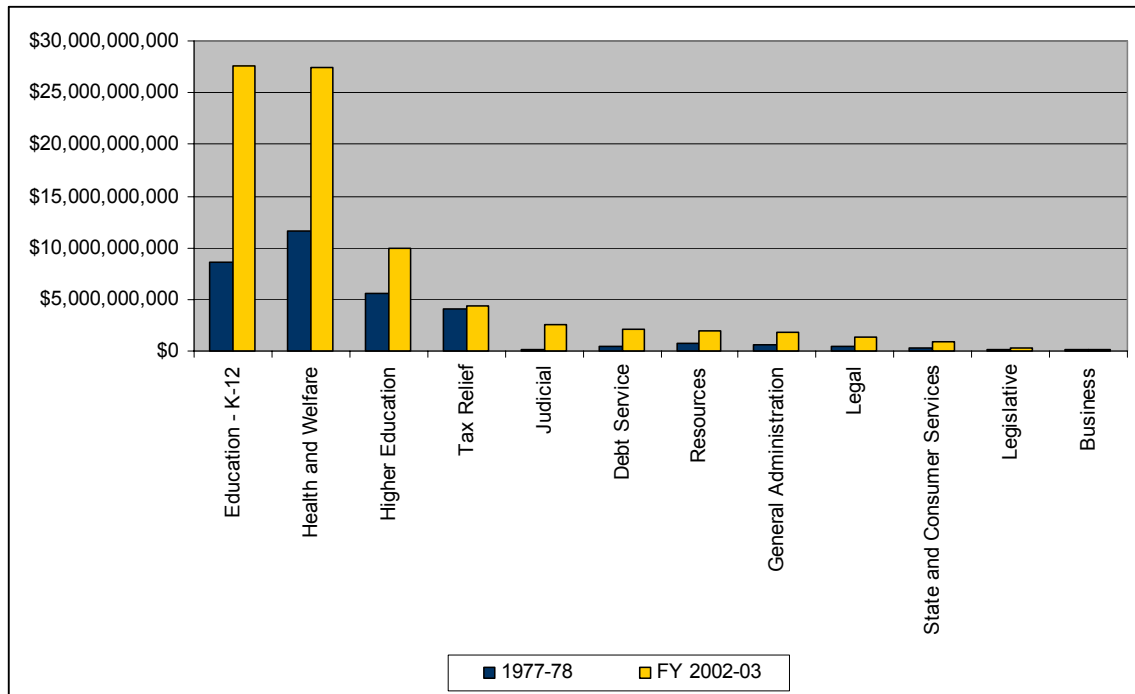


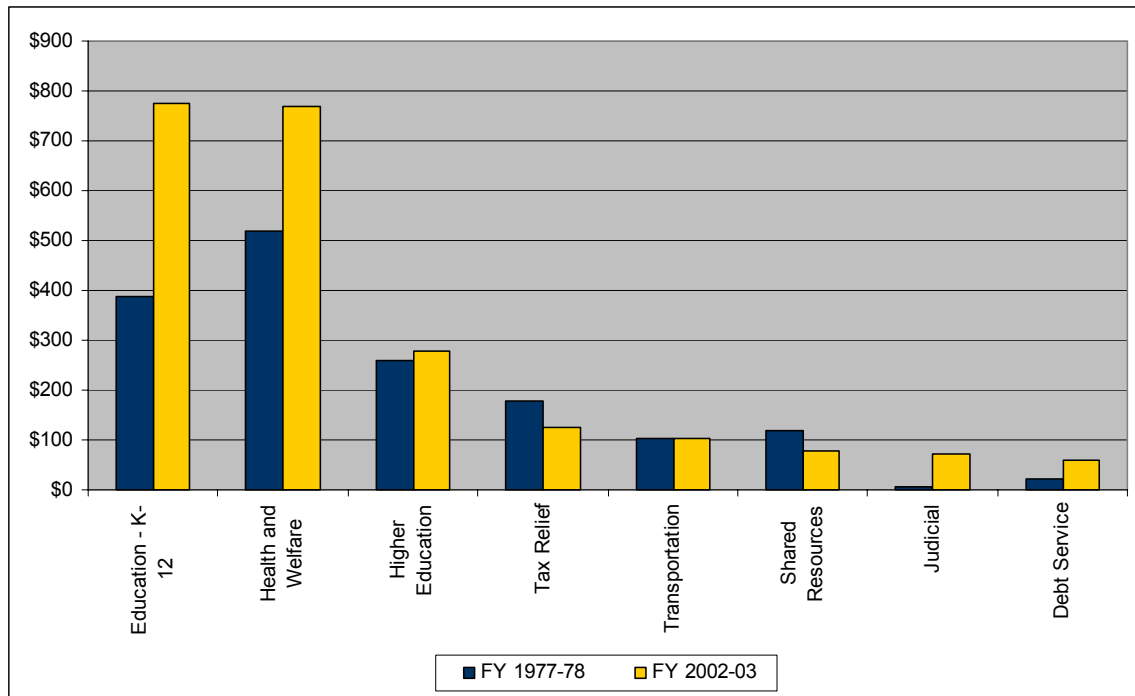
Table 2-3 shows the total state expenditure per capita by category, in constant 2003 dollars, for FY 1977-78 and FY 2002-03. Note that there were substantial increases in education, health and welfare, and judicial expenditure. Also note that there were huge increases in debt service expenditure. In most categories, there were large percentage increases. Notably, tax relief declined by over 30 percent.

Chart 2-3 shows the data from Table 2-3 in graphic form.

**Table 2-3: Total State Expenditure per Capita by Category,
Real Dollars, FY 1977-78 and FY 2002-03**

Category	FY 1977-78	FY 2002-03	Percentage Change
Education - K-12	\$389	\$774	98.98%
Health and Welfare	\$518	\$768	48.35%
Higher Education	\$259	\$279	7.75%
Tax Relief	\$178	\$125	-30.10%
Transportation	\$102	\$104	2.29%
Shared Resources	\$118	\$78	-34.00%
Judicial	\$6	\$71	1019.35%
Debt Service	\$21	\$58	179.13%
Resources	\$48	\$56	17.05%
General Administration	\$33	\$51	57.40%
Legal	\$20	\$36	76.23%
State and Consumer Services	\$20	\$27	32.21%
Legislative	\$12	\$8	-36.95%
Business	\$7	\$5	-25.58%
Credit for overhead services General Fund	-\$4	-\$8	110.76%

**Chart 2-3: Total State Expenditure per Capita by Category,
Real Dollars, FY 1977-78 and FY 2002-03**



The top line in Table 2-4 shows total state K-12 education expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased 214 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 98 percent over this same period.

Chart 2-4a shows the data in the first line of the table in graphic form.

Chart 2-4b shows the data in the second line of the table in graphic form.

Table 2-4: Total State K-12 Education Expenditure

Education - K-12	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$8,774,771,952	\$19,457,676,125	\$24,379,005,330	\$27,611,356,000	214.67%
Per Capita Expenditure, Real Dollars	\$388.80	\$692.07	\$745.03	\$773.61	98.98%

Chart 2-4a: Total State K-12 Education Expenditure, Real Dollars

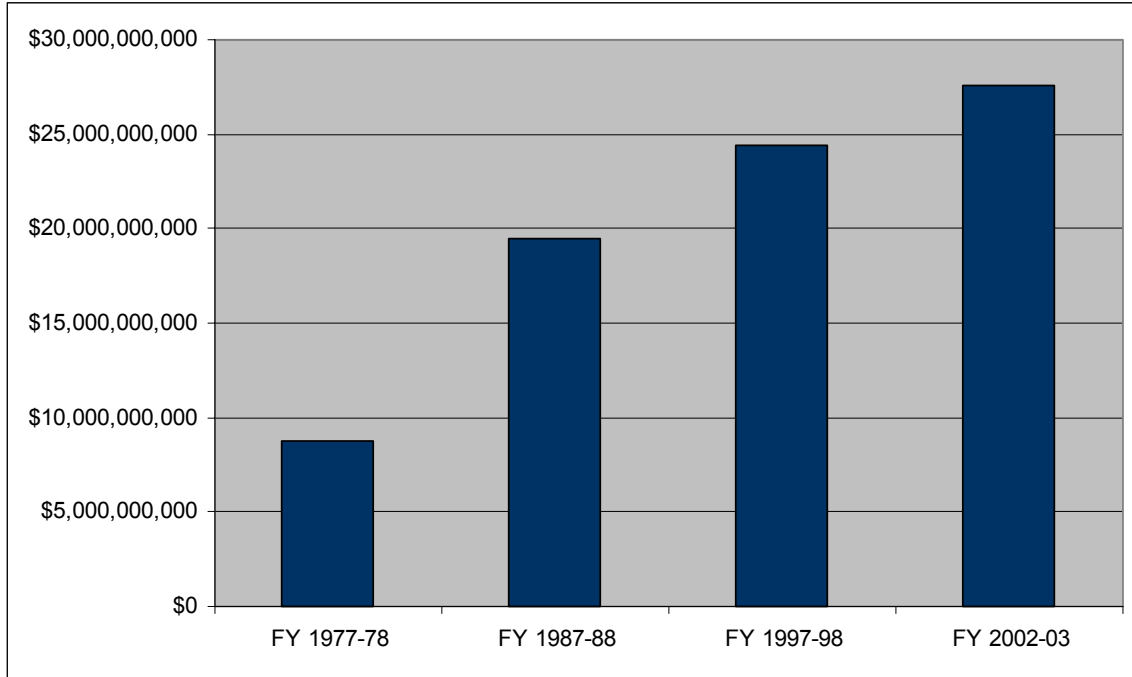
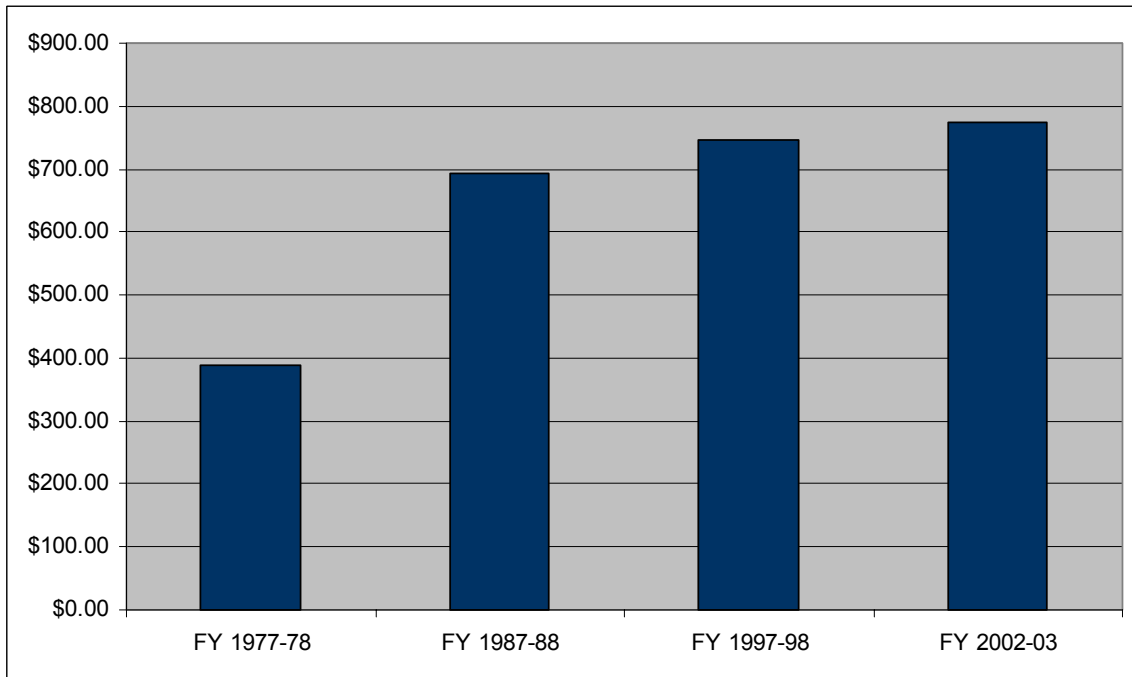


Chart 2-4b: Total State K-12 Education Expenditure per Capita, Real Dollars



The top line in Table 2-5 shows total state health and welfare expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased 134 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 48 percent over this same period.

Chart 2-5a shows the data in the first line of the table in graphic form.

Chart 2-5b shows the data in the second line of the table in graphic form.

Table 2-5: Total State Health and Welfare Expenditure

Health and Welfare	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$11,687,668,572	\$16,366,843,055	\$20,407,360,430	\$27,420,865,000	134.61%
Per Capita Expenditure, Real Dollars	\$517.86	\$582.14	\$623.66	\$768.28	48.35%

Chart 2-5a: Total State Health and Welfare Expenditure, Real Dollars

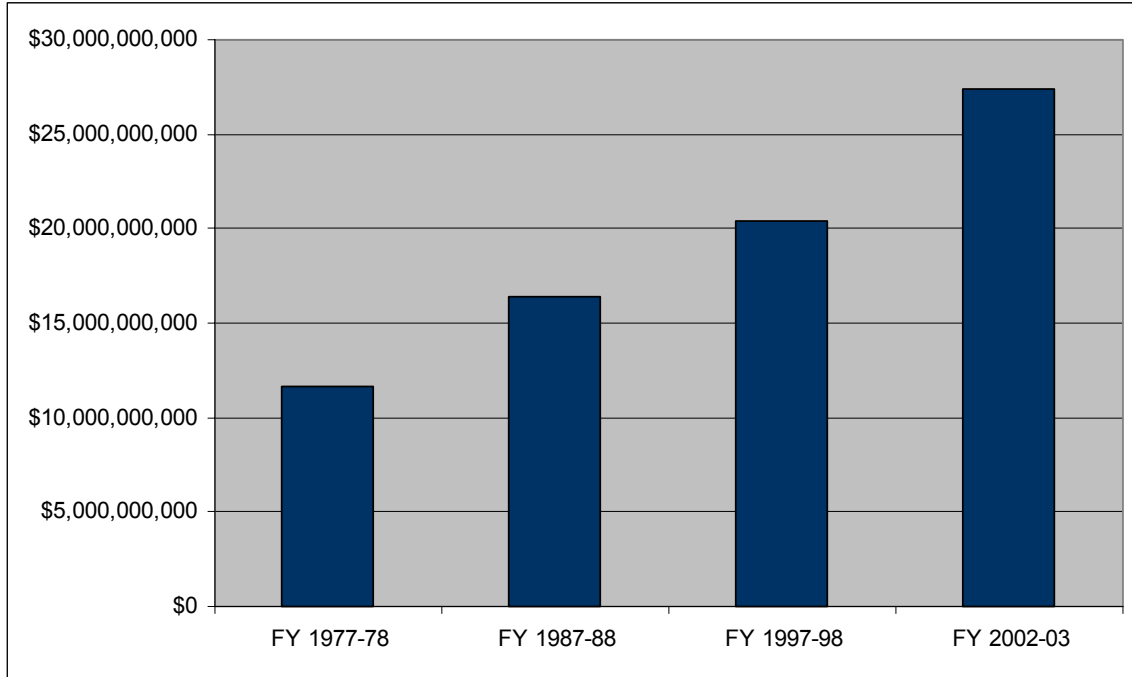
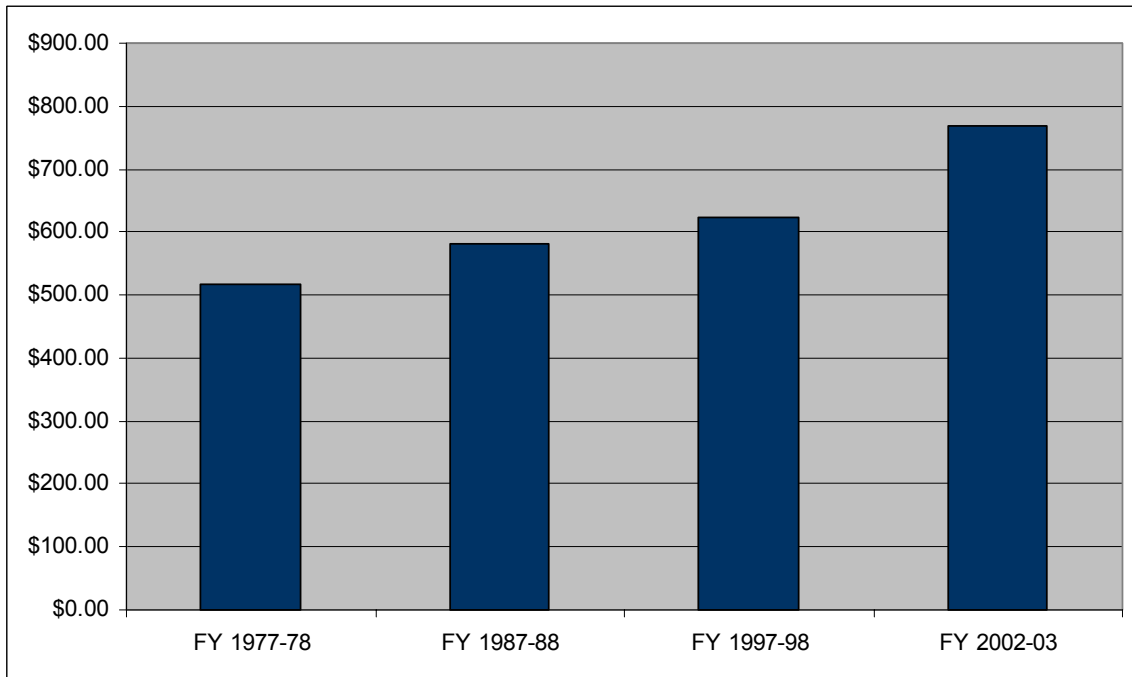


Chart 2-5b: Total State Health and Welfare Expenditure per Capita, Real Dollars



The top line in Table 2-6 shows total state higher education expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased 70 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 7 percent over this same period.

Chart 2-6a shows the data in the first line of the table in graphic form.

Chart 2-6b shows the data in the second line of the table in graphic form.

Table 2-6: Total State Higher Education Expenditure

Higher Education	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$5,840,112,068	\$7,904,287,365	\$7,935,603,540	\$9,951,749,000	70.40%
Per Capita Expenditure, Real Dollars	\$258.77	\$281.14	\$242.52	\$278.83	7.75%

Chart 2-6a: Total State Higher Education Expenditure, Real Dollars

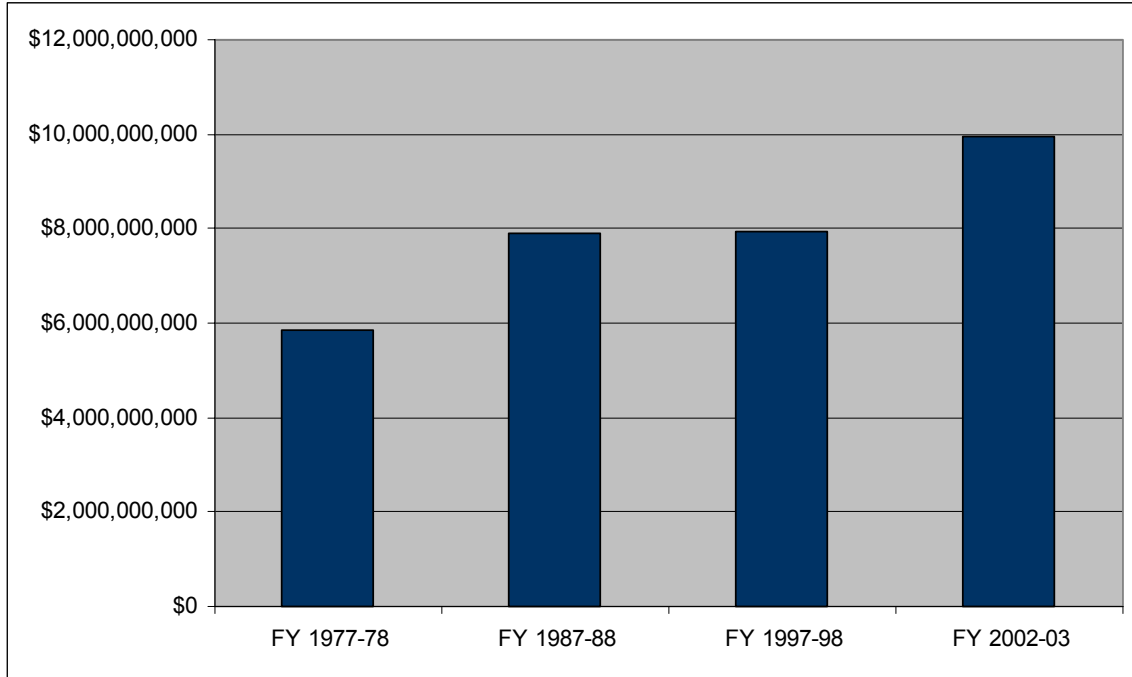
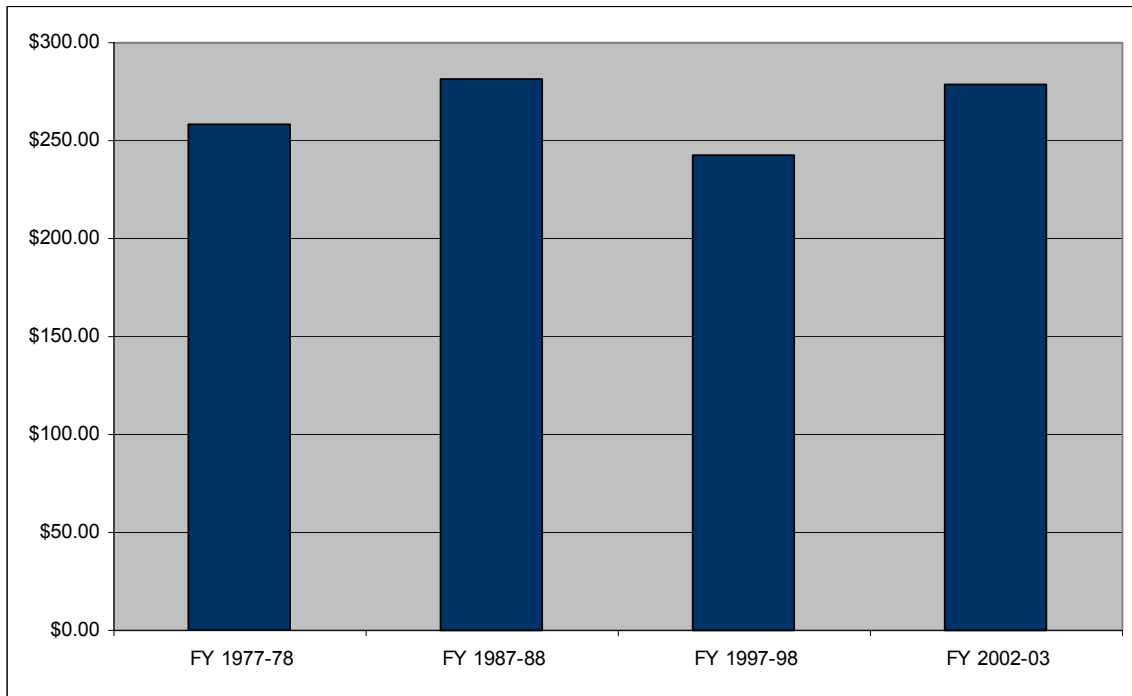


Chart 2-6b: Total State Higher Education Expenditure per Capita, Real Dollars



The top line in Table 2-7 shows total state legislative, judicial, and legal expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased 363 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 193 percent over this same period.

Chart 2-7a shows the data in the first line of the table in graphic form.

Chart 2-7b shows the data in the second line of the table in graphic form.

Table 2-7: Total State Legislative, Judicial and Legal Expenditure

Legislative Judicial and Legal	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$880,334,188	\$1,242,567,845	\$2,142,737,640	\$4,084,205,000	363.94%
Per Capita Expenditure, Real Dollars	\$39.01	\$44.20	\$65.48	\$114.43	193.36%

Chart 2-7a: Total State Legislative, Judicial and Legal Expenditure, Real Dollars

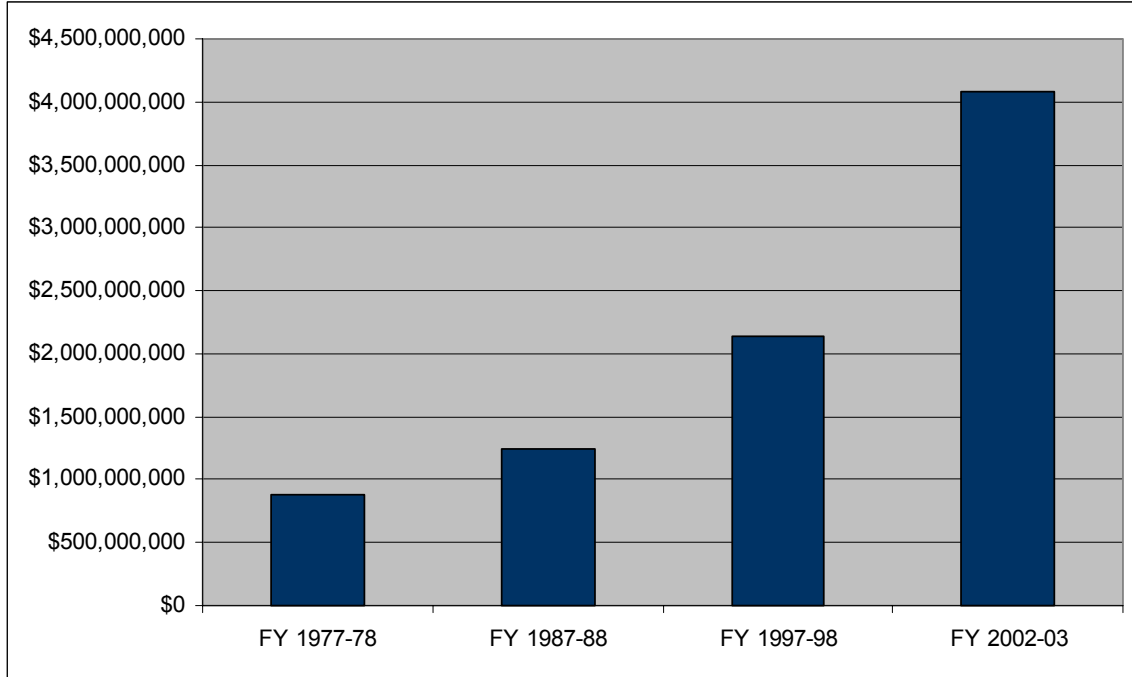
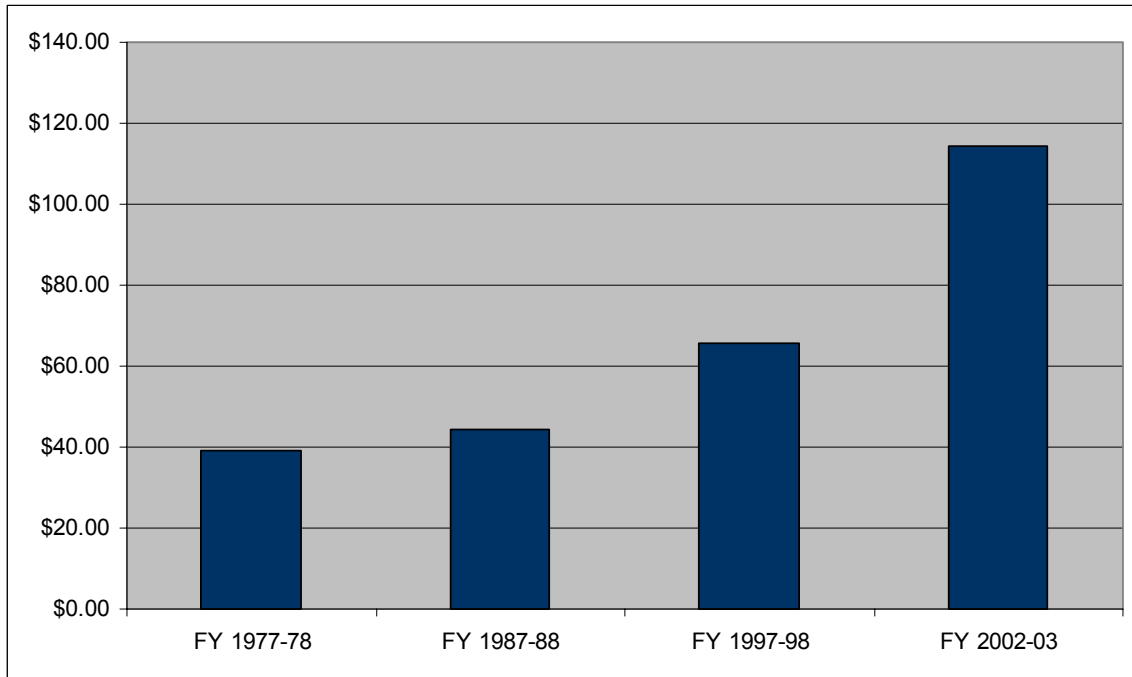


Chart 2-7b: Total State Legislative, Judicial and Legal Expenditure per Capita, Real Dollars



The top line in Table 2-8 shows total state resources expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased 85 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 17 percent over this same period.

Chart 2-8a shows the data in the first line of the table in graphic form.

Chart 2-8b shows the data in the second line of the table in graphic form.

Table 2-8: Total State Resources Expenditure

Resources	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$1,077,202,552	\$1,297,308,510	\$1,495,961,800	\$1,993,957,000	85.11%
Per Capita Expenditure, Real Dollars	\$47.73	\$46.14	\$45.72	\$55.87	17.05%

Chart 2-8a: Total State Resources Expenditure, Real Dollars

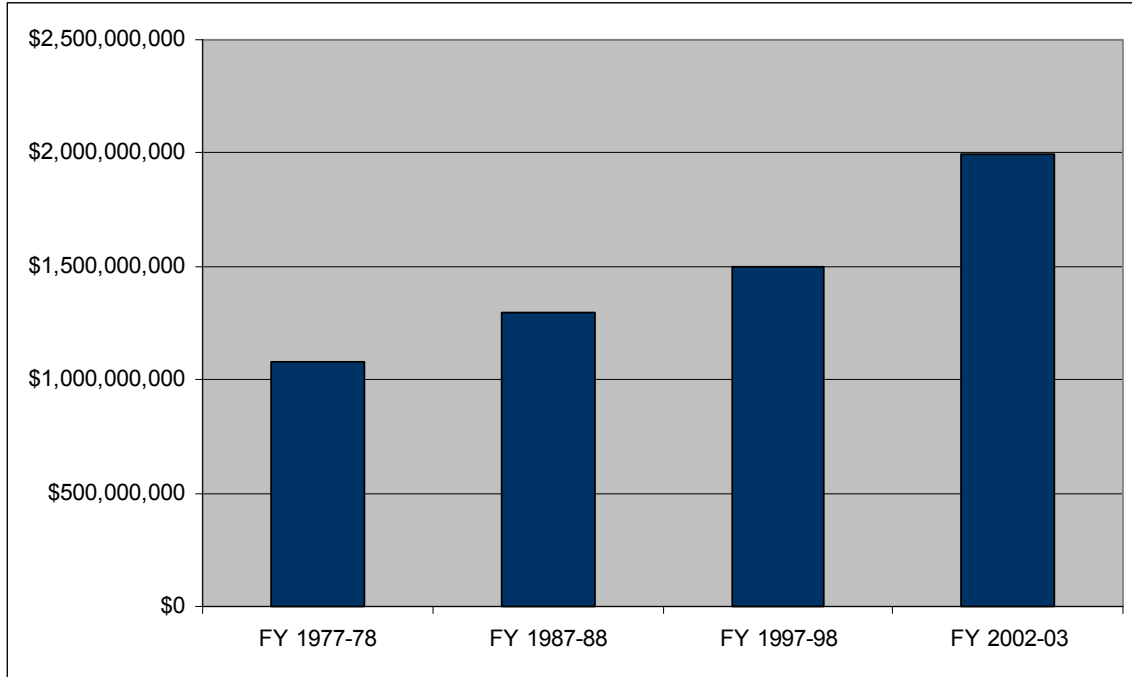
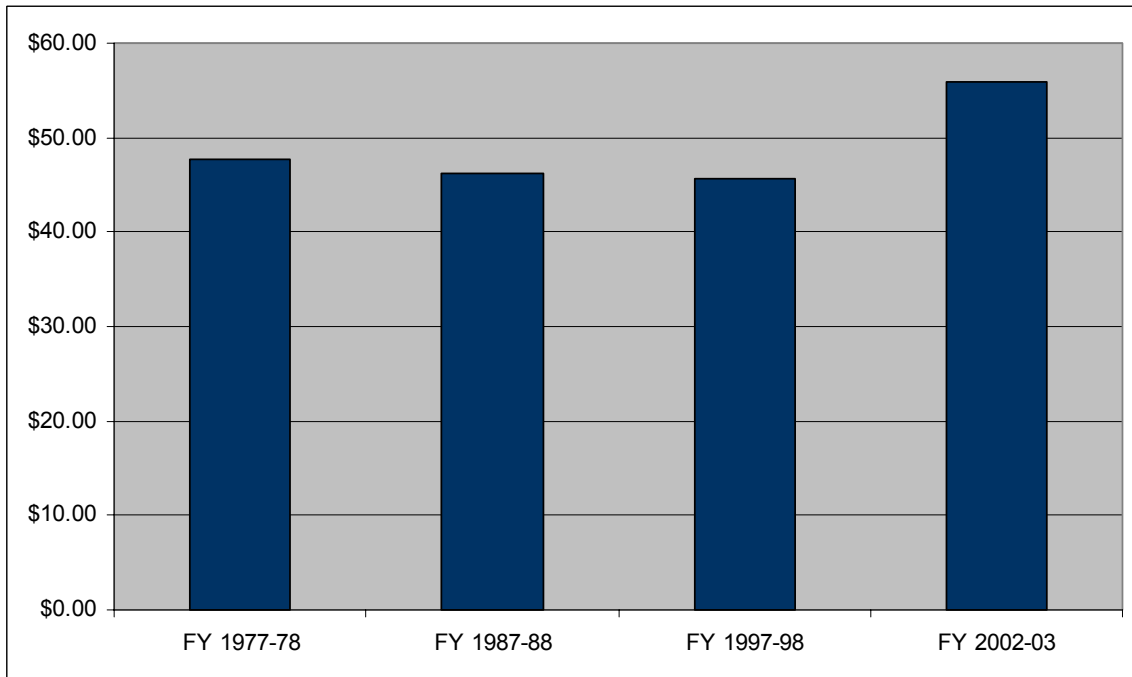


Chart 2-8b: Total State Resources Expenditure per Capita, Real Dollars



The top line in Table 2-9 shows total state general government expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased 77 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 12 percent over this same period.

Chart 2-9a shows the data in the first line of the table in graphic form.

Chart 2-9b shows the data in the second line of the table in graphic form.

Table 2-9: Total State General Government Expenditure

General Government	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$7,895,055,782	\$7,953,792,345	\$9,379,096,050	\$14,022,596,000	77.61%
Per Capita Expenditure, Real Dollars	\$349.82	\$282.90	\$286.63	\$392.88	12.31%

Chart 2-9a: Total State General Government Expenditure, Real Dollars

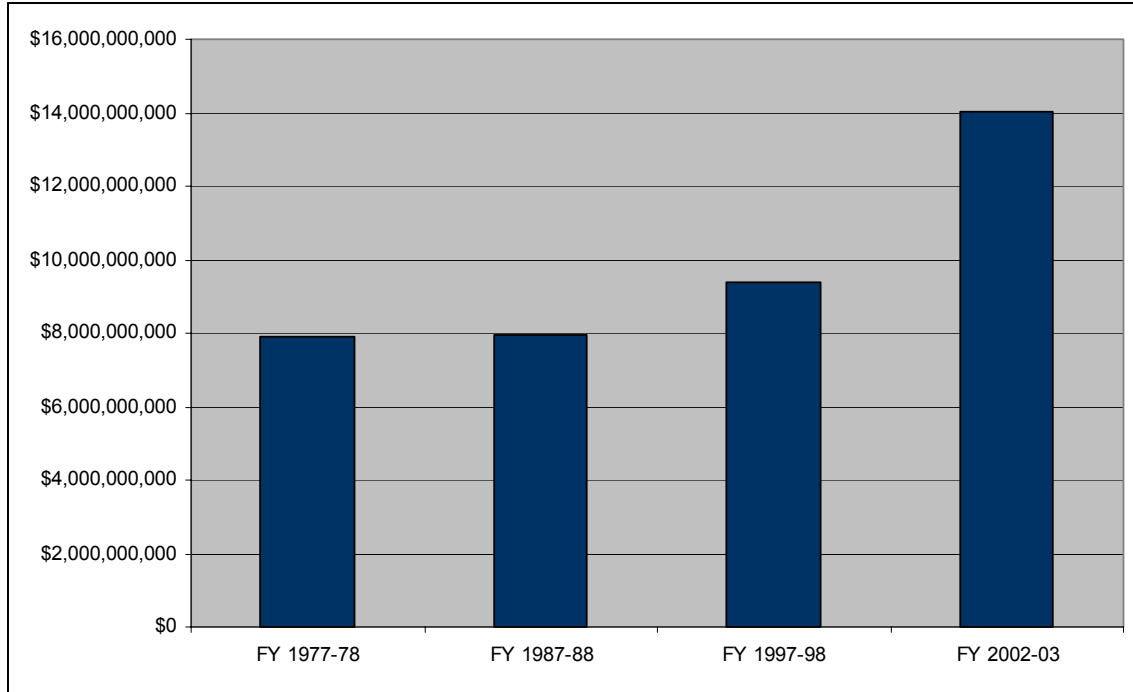
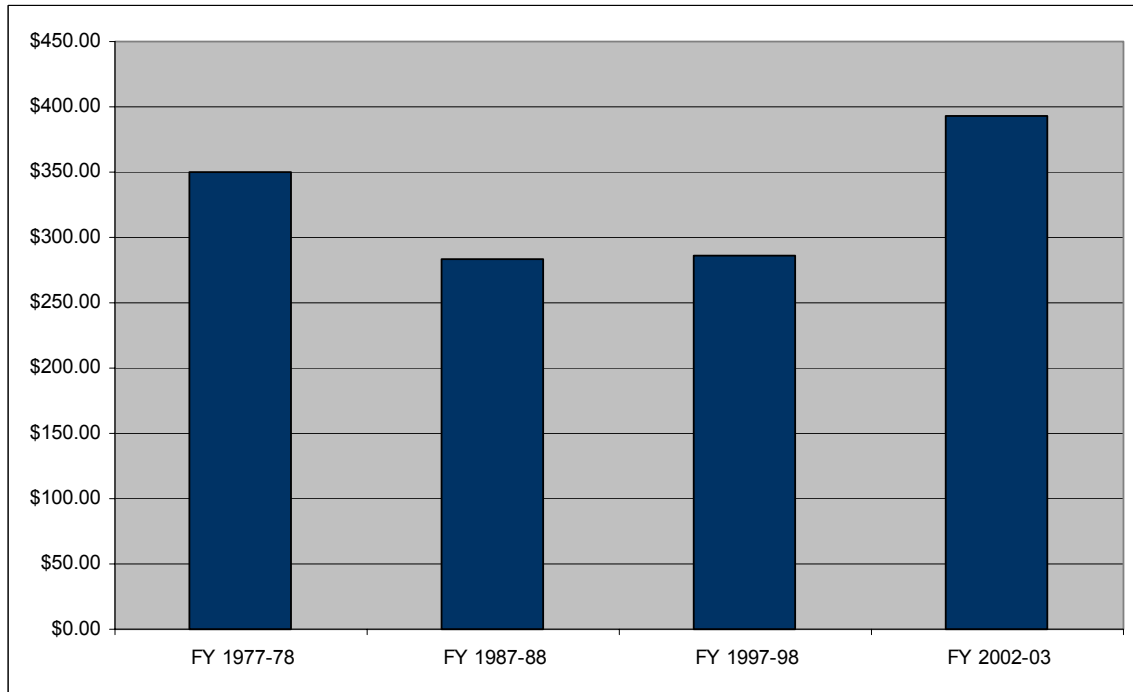


Chart 2-9b: Total State General Government Expenditure per Capita, Real Dollars



The top line in Table 2-10 shows total state consumer services expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased 109 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 32 percent over this same period.

Chart 2-10a shows the data in the first line of the table in graphic form.

Chart 2-10b shows the data in the second line of the table in graphic form.

Table 2-10: Total State and Consumer Services Expenditure

State and Consumer Services	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$456,771,742	\$3,004,832,240	\$871,731,720	\$955,054,000	109.09%
Per Capita Expenditure, Real Dollars	\$20.24	\$106.88	\$26.64	\$26.76	32.21%

Chart 2-10a: Total State and Consumer Services Expenditure, Real Dollars

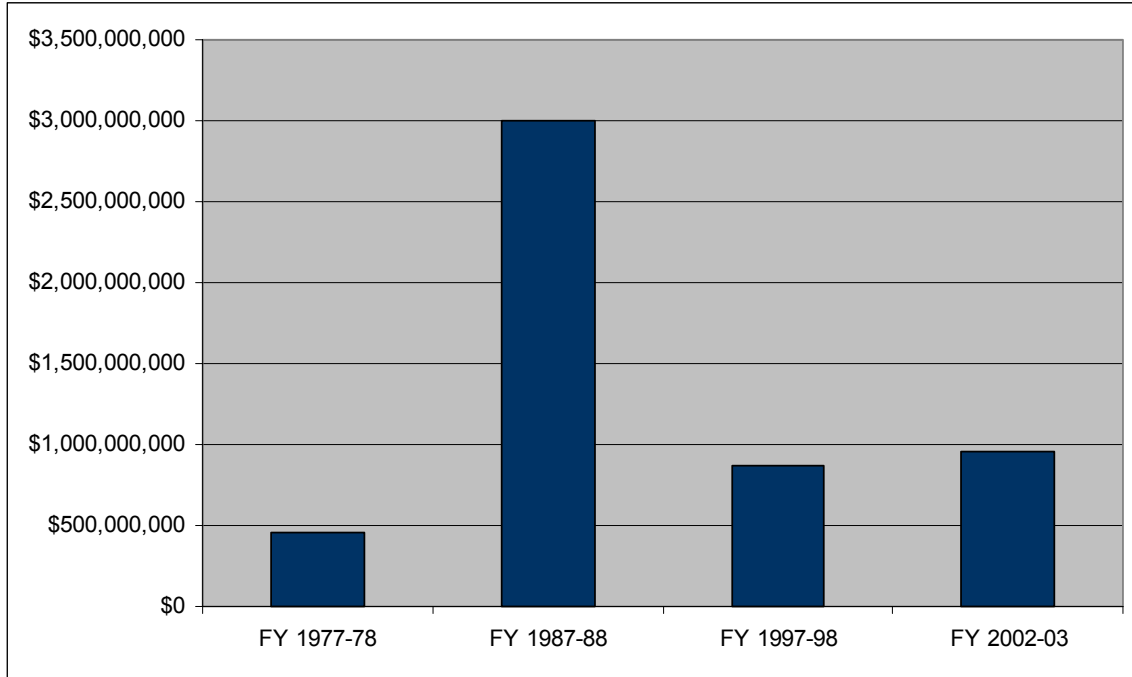
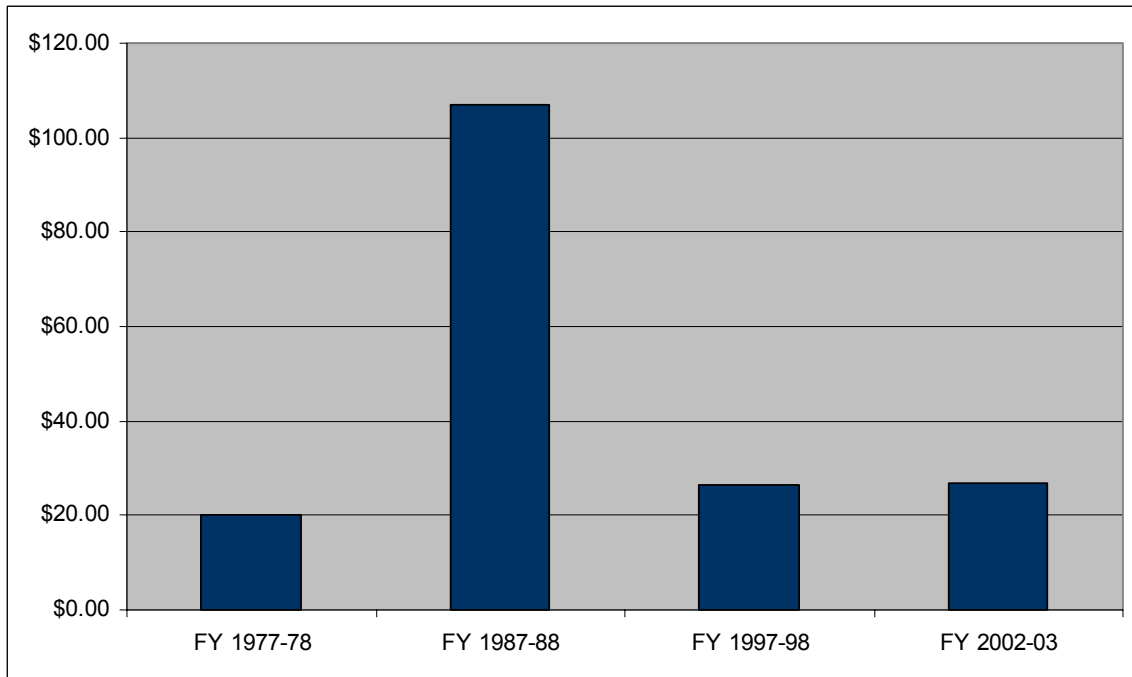


Chart 2-10b: Total State and Consumer Services Expenditure per Capita, Real Dollars



The top line in Table 2-11 shows total state business and transportation expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased nearly 59 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 0.51 percent over this same period.

Chart 2-11a shows the data in the first line of the table in graphic form.

Chart 2-11b shows the data in the second line of the table in graphic form.

Table 2-11: Total State Business and Transportation Expenditure

Business and Transportation	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$2,451,584,280	\$3,537,202,040	\$4,588,914,180	\$3,896,706,000	58.95%
Per Capita Expenditure, Real Dollars	\$108.63	\$125.81	\$140.24	\$109.18	0.51%

Chart 2-11a: Total State Business and Transportation Expenditure, Real Dollars

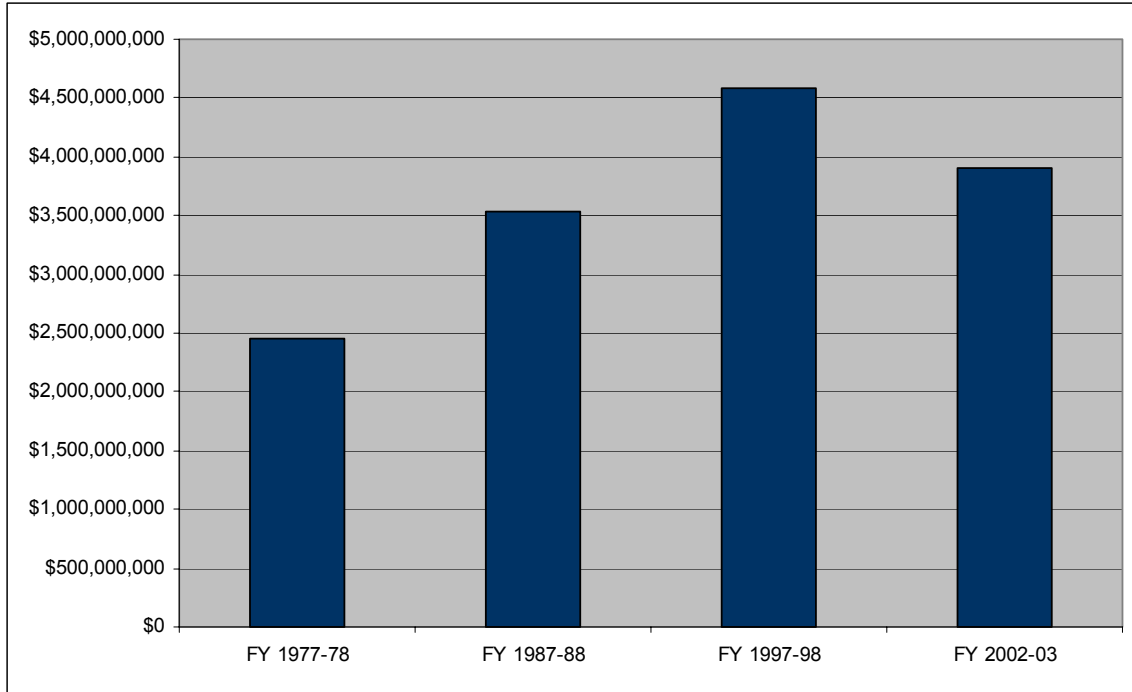
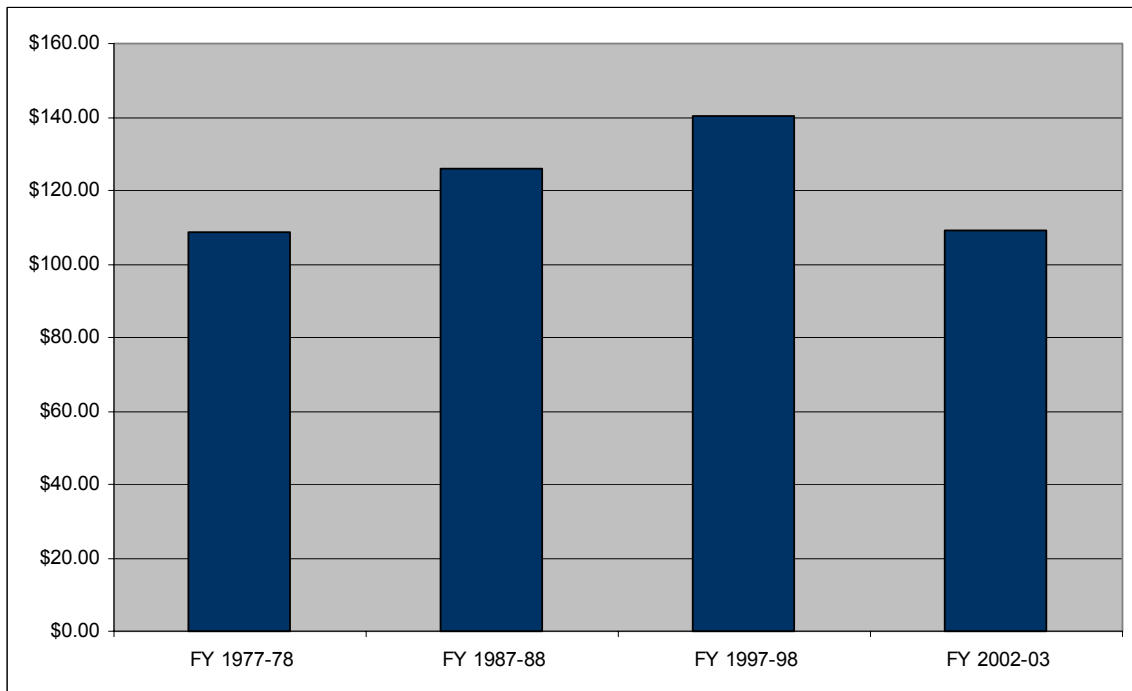


Chart 2-11b: Total State Business and Transportation Expenditure per Capita, Real Dollars



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Section 3: County Revenue

Table 3-1 shows total revenues for counties in California in constant 2003 dollars for Fiscal Year 1977-78, Fiscal Year 1987-88, Fiscal 1997-98, and Fiscal Year 2002-03. Note that total revenues in constant 2003 dollars have increased over 71 percent during this period. On a per capita basis, total county revenues, calculated in 2003 dollars, have also increased from \$1,040 to \$1,127, an increase of over 8.4 percent. Chart 3-1a and Chart 3-1b show the data from Table 3-1 in graphic form.

Table 3-1: Total County Revenue

Total Revenue	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$23,473,283,569	\$25,315,722,697	\$31,704,808,890	\$40,249,028,000	71.47%
Per Capita Revenue, Real Dollars	\$1,040.07	\$900.43	\$968.91	\$1,127.69	8.43%

Chart 3-1a: Total County Revenue, Real Dollars

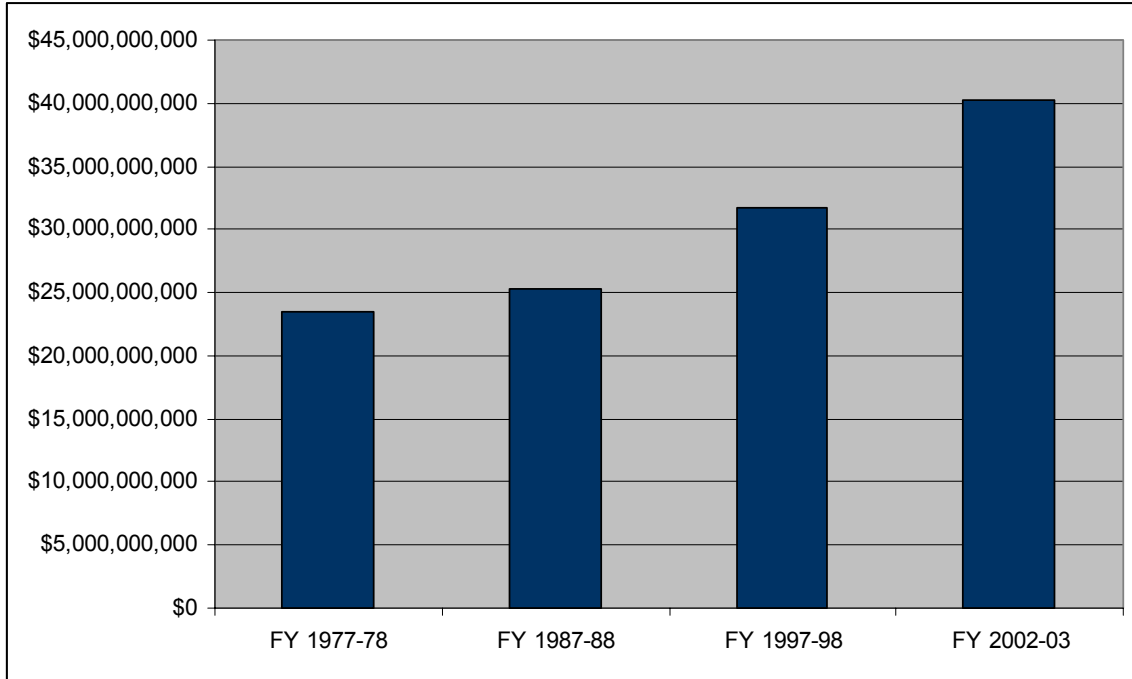


Table 3-1b: Total County Revenue per Capita, Real Dollars

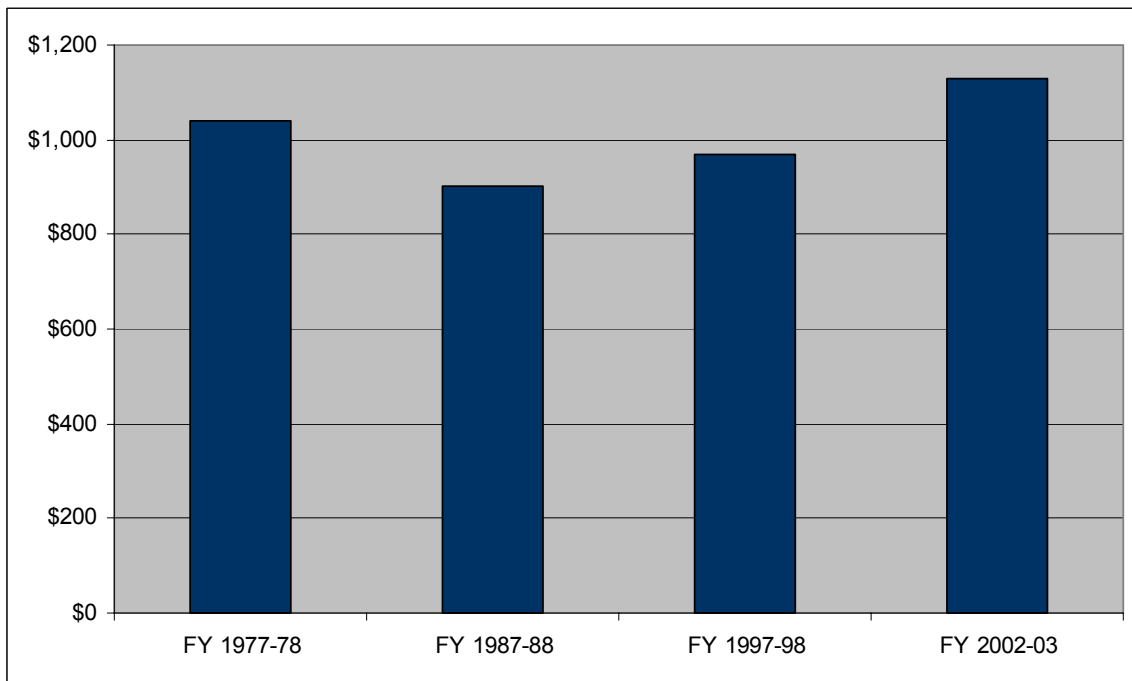


Table 3-2 shows the relative change in the composition of total revenues by category between FY 1977-78 and FY 2002-03. As Table 3-2 and Chart 3-2 make readily apparent, state transfers to counties have increased tremendously and now constitute, by far, the largest source of county revenues. Federal transfers to county governments have also grown appreciably during this period, from a little over \$6.2 billion in FY 1977-78 to almost \$8.6 billion in FY 2002-03. Property tax revenues, on the other hand, have declined significantly, from almost \$7.8 billion in FY 1977-78 down to approximately \$4.9 billion in FY 2002-03. This decline in property tax revenues has been countered by a sharp increase in charges for current services, the “other revenue” category, fines, forfeitures and penalties, and the category “other taxes.” Also noteworthy has been the opaquely labeled “other transfers” category, which increased from \$28 million in FY 1977-78 to almost \$475 million in FY 2002-03.

In sum, total county revenues have increased, as measured in constant 2003 dollars, from \$23,473,283,569 in FY 1977-78 to \$40,249,028,000 in FY 2002-03.

Chart 3-2 shows these data in graphic form.

**Table 3-2: Total County Revenue by Category, Real Dollars,
FY 1977-78 and FY 2002-03**

Category	FY 1977-78	FY 2002-03	Percent Change
State Transfers	\$5,606,809,613	\$15,746,978,000	180.85%
Federal Transfers	\$6,231,583,080	\$8,592,627,000	37.89%
General Property	\$7,797,352,659	\$4,908,687,000	-37.05%
Charges of Current Services	\$2,028,335,911	\$4,458,718,000	119.82%
Other Revenue	\$199,703,478	\$1,386,217,000	594.14%
Fines, Forfeits and Penalties	\$226,258,329	\$829,559,000	266.64%
Other Taxes	\$187,257,577	\$753,738,000	302.51%
From Use of Money and Property	\$443,063,527	\$529,061,000	19.41%
Sales Tax	\$524,403,272	\$488,306,000	-6.88%
Other Transfers	\$28,487,740	\$474,682,000	1566.27%
Licenses, Permits and Franchises	\$200,028,383	\$424,750,000	112.34%

**Chart 3-2: Total County Revenue by Category, Real Dollars,
FY 1977-78 and FY 2002-03**

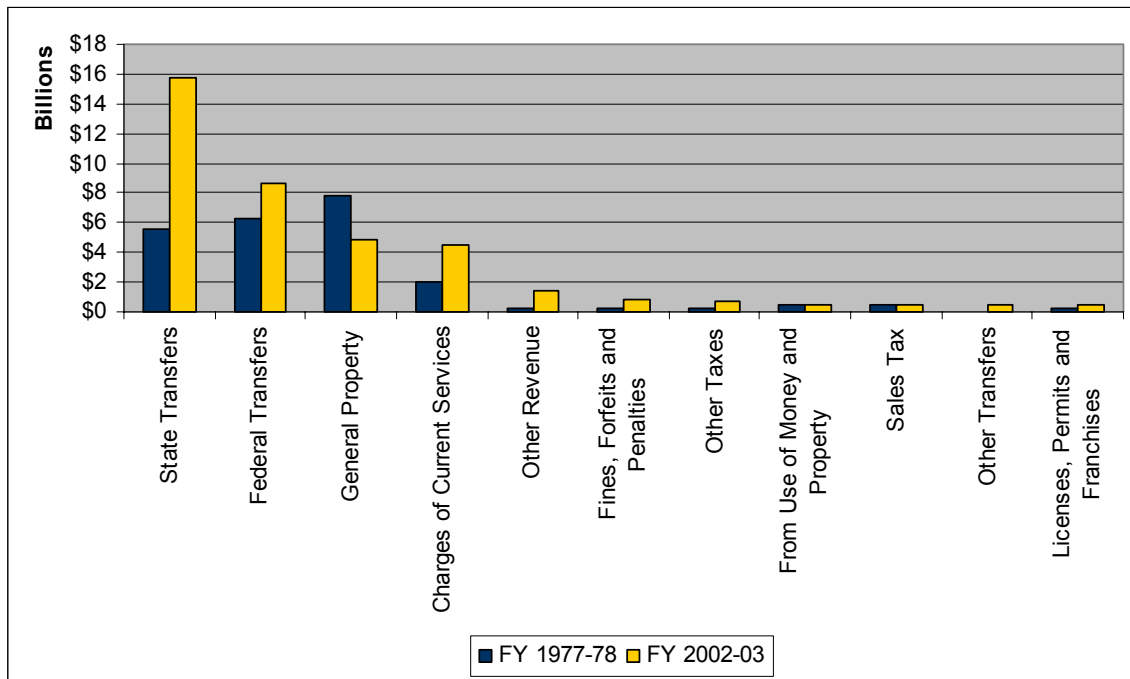


Table 3-3 shows total county revenue per capita by category, in constant 2003 dollars, for FY 1977-78 and FY 2002-03. Note that there were substantial increases in state transfers, charges for current services and licenses, permits and franchises revenue. There were huge, triple digit increases in the “other revenue” category, as well as “other taxes” and “other transfers.” There were decreases in sales tax revenue, general property tax and federal transfers, as well as a decrease in revenue from the use of money and property.

Chart 3-3 shows these data in graphic form.

**Table 3-3: Total County Revenue per Capita by Category, Real Dollars,
FY 1977-78 and FY 2002-03**

Category	FY 1977-78	FY 2002-03	Percentage Change
State Transfers	\$248	\$441	77.59%
Federal Transfers	\$276	\$241	-12.81%
General Property Tax	\$345	\$138	-60.19%
Charges of Current Services	\$90	\$125	39.00%
Other Revenue	\$9	\$39	338.93%
Fines, Forfeits and Penalties	\$10	\$23	131.84%
Other Taxes	\$8	\$21	154.52%
From Use of Money and Property	\$20	\$15	-24.49%
Sales Tax	\$23	\$14	-41.12%
Other Transfers	\$1	\$13	953.64%
Licenses, Permits and Franchises	\$9	\$12	34.27%

**Chart 3-3: Total County Revenue per Capita by Category, Real Dollars,
FY 1977-78 and FY 2002-03**

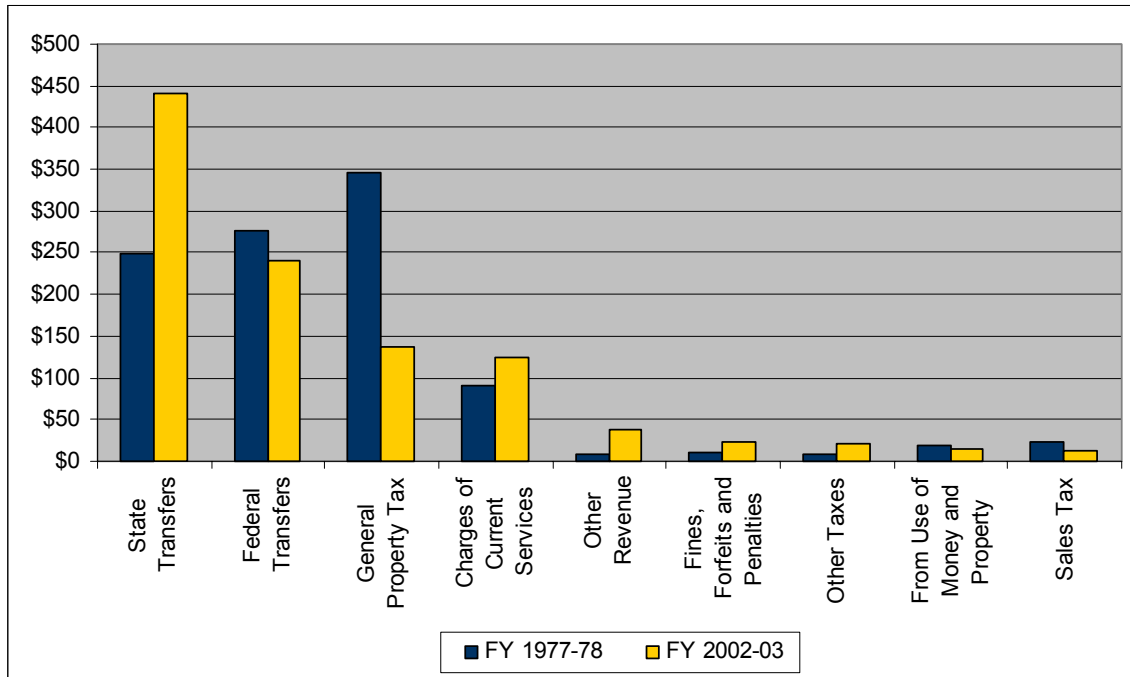


Table 3-4 shows state transfers to counties in constant 2003 dollars from FY 1977-78 to FY 2002-03. During this time period, state transfers to counties increased over 180 percent in constant dollars. Chart 3-4a shows this increase in state transfers to counties in constant 2003 dollars.

Table 3-4 also shows per capita county revenue from state transfers in real dollars from FY 1977-78 to FY 2002-03. In per capita terms, these transfers increased from approximately \$248 in FY 1977-78 to approximately \$441 in FY 2002-03, an increase of well over 77 percent. Chart 3-4b shows this increase in state transfers to counties in per capita real dollars from FY 1977-78 to FY 2002-03.

Table 3-4: County Revenue from State Transfers

State Transfers	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$5,606,809,613	\$9,487,012,668	\$12,836,440,660	\$15,746,978,000	180.85%
Per Capita Revenue, Real Dollars	\$248.43	\$337.44	\$392.29	\$441.20	77.59%

Chart 3-4a: County Revenue from State Transfers, Real Dollars

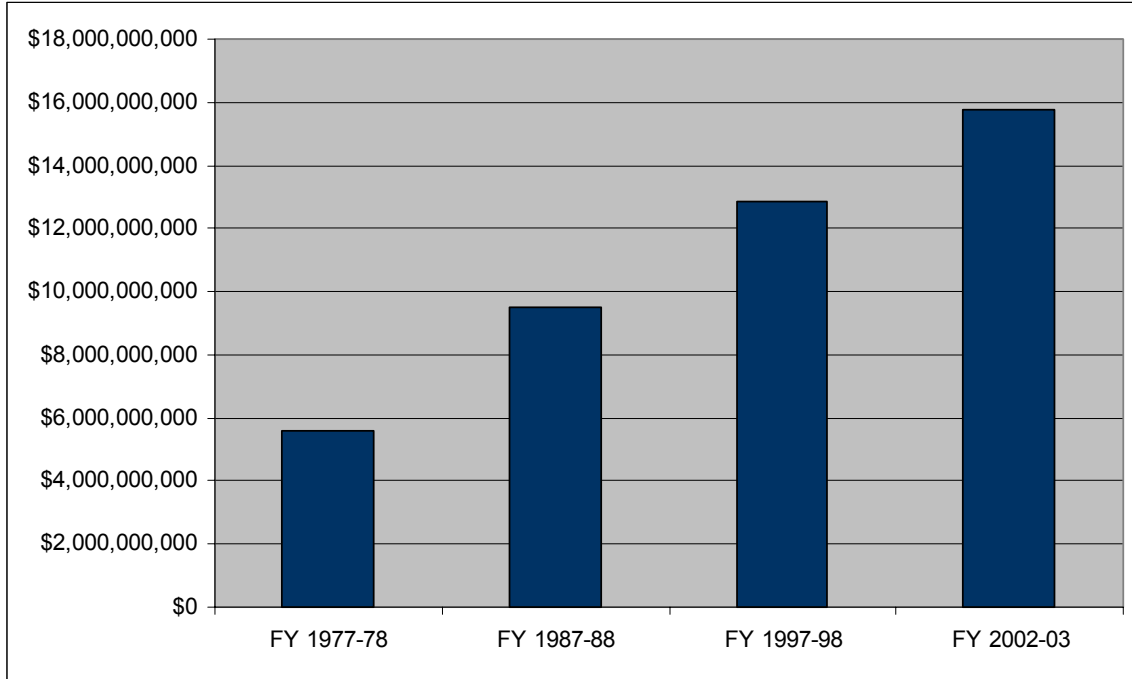


Chart 3-4b: County Revenue from State Transfers per Capita, Real Dollars

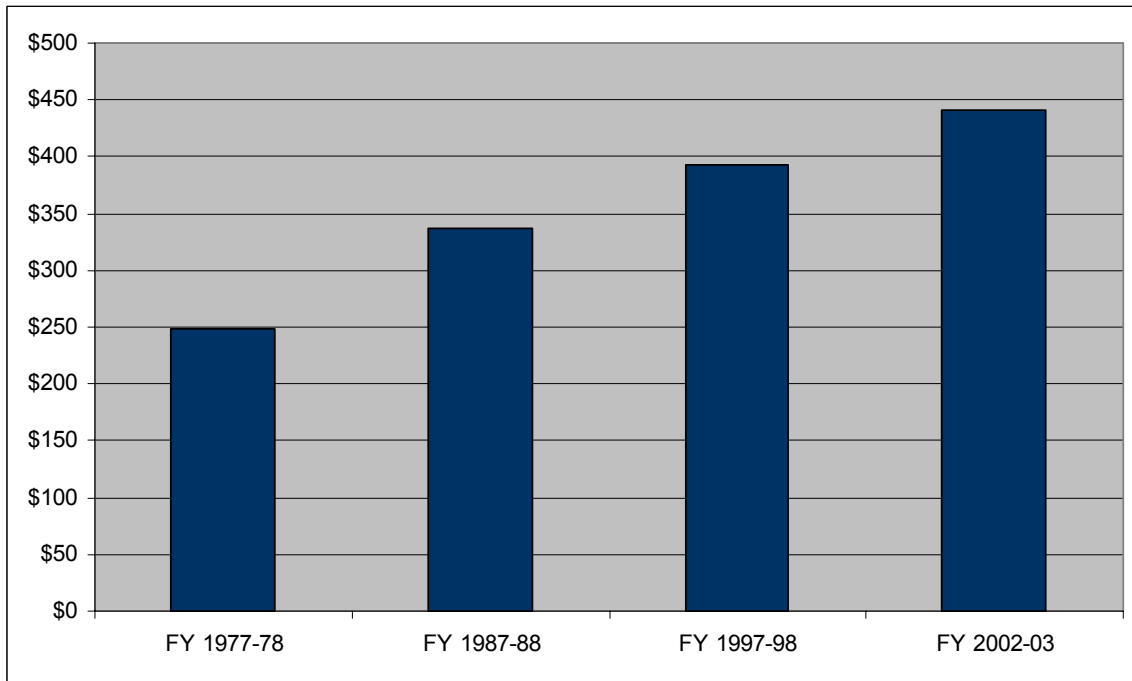


Table 3-5 shows the federal transfers from FY 1977-78 to FY 2002-03 to county governments in California in constant 2003 dollars. During this time federal transfers to California counties went from a little over \$6.2 billion in FY 1977-78 to almost \$8.6 billion in FY 2002-03, an increase of approximately 38 percent. This increase in federal transfers to counties is displayed in graphic form in Chart 3-5a.

In per capita terms, federal transfers to California counties declined over \$100 between FY 1977-78 and FY 1987-88, and then subsequently increased to a little over \$240 in FY 2002-03. There was an overall decline in federal transfers to California counties between FY 1977-78 and FY 2002-03 of approximately 13 percent. These data are shown graphically in Chart 3-5b.

Table 3-5: County Revenue from Federal Transfers

Federal Transfers	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$6,231,583,080	\$4,799,558,394	\$6,850,056,610	\$8,592,627,000	37.89%
Per Capita Revenue, Real Dollars	\$276.11	\$170.71	\$209.34	\$240.75	-12.81%

Chart 3-5a: County Revenue from Federal Transfers, Real Dollars

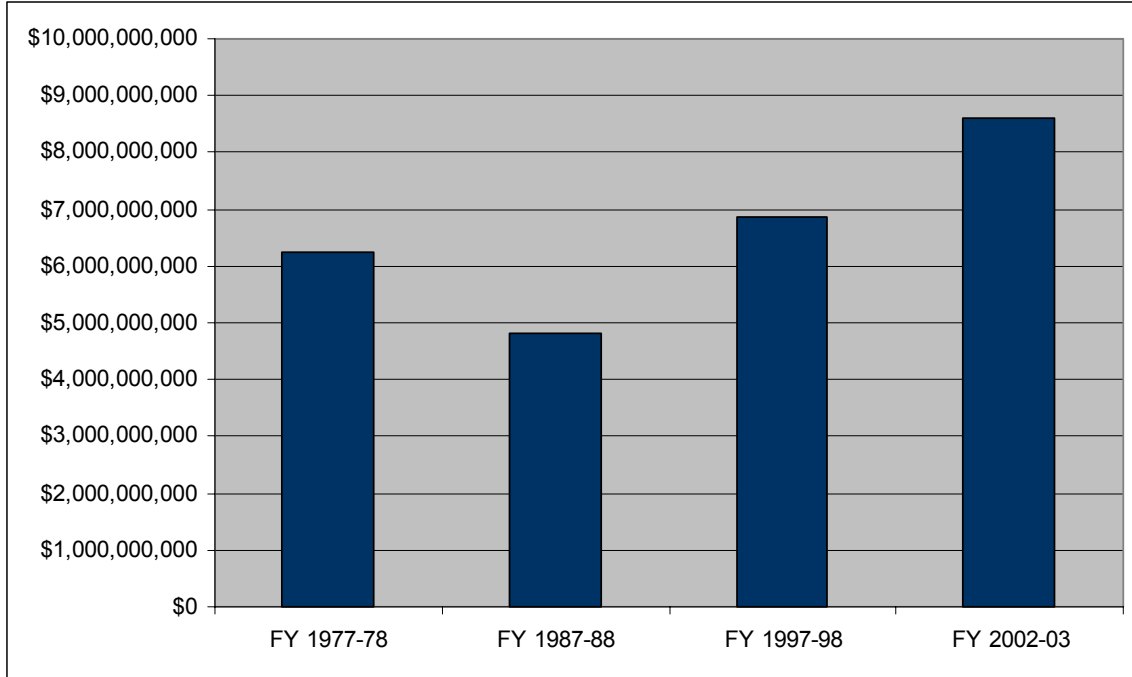


Chart 3-5b: County Revenue from Federal Transfers per Capita, Real Dollars

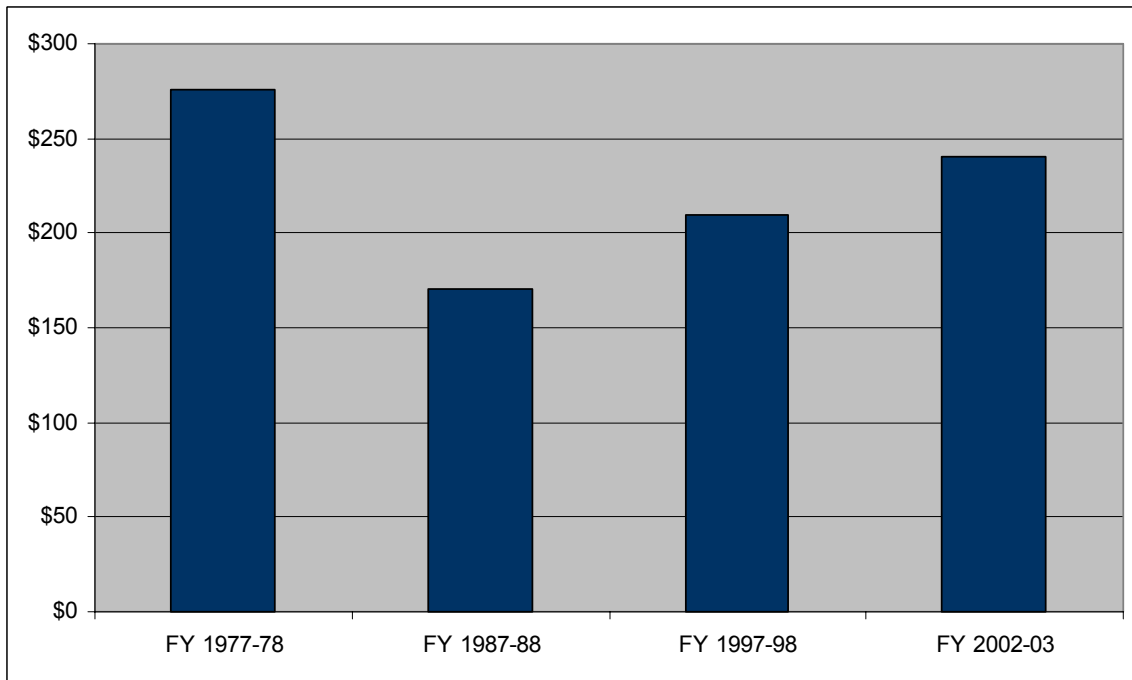


Table 3-6 shows the decline in county property tax revenues from FY 1977-78 to FY 2002-03 in constant 2003 dollars. This decline was substantial, as county property tax revenues were almost \$7.8 billion in FY 1977-78 and decreased to a little more than \$4.9 billion in FY 2002-03. This represents a decrease of over 37 percent.

In per capita terms, the decline in county property tax revenue has been even more substantial. County general property tax revenues were over \$345 in FY 1977-78. By FY 2002-03, per capita county property tax revenues were a little over \$137, which represents a decrease of approximately 60 percent in per capita county property tax revenues, as measured in constant 2003 dollars. Note, however, that per capita property tax revenues and total property tax revenues have been on an upswing recently. Per capita property tax revenues in California counties increased from \$120 in FY 1997-98 to approximately \$137 in FY 2002-03.

Chart 3-6a shows the change in total property tax revenues for California counties between FY 1977-78 through FY 2002-03, as measured in constant 2003 dollars. Chart 3-6b shows comparable data in per capita terms over the same time period.

Table 3-6: County General Property Tax Revenue

General Property Tax	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$7,797,352,659	\$6,237,475,696	\$3,932,437,290	\$4,908,687,000	-37.05%
Per Capita Revenue, Real Dollars	\$345.49	\$221.86	\$120.18	\$137.53	-60.19%

Chart 3-6a: General Property Tax Revenue, Real Dollars

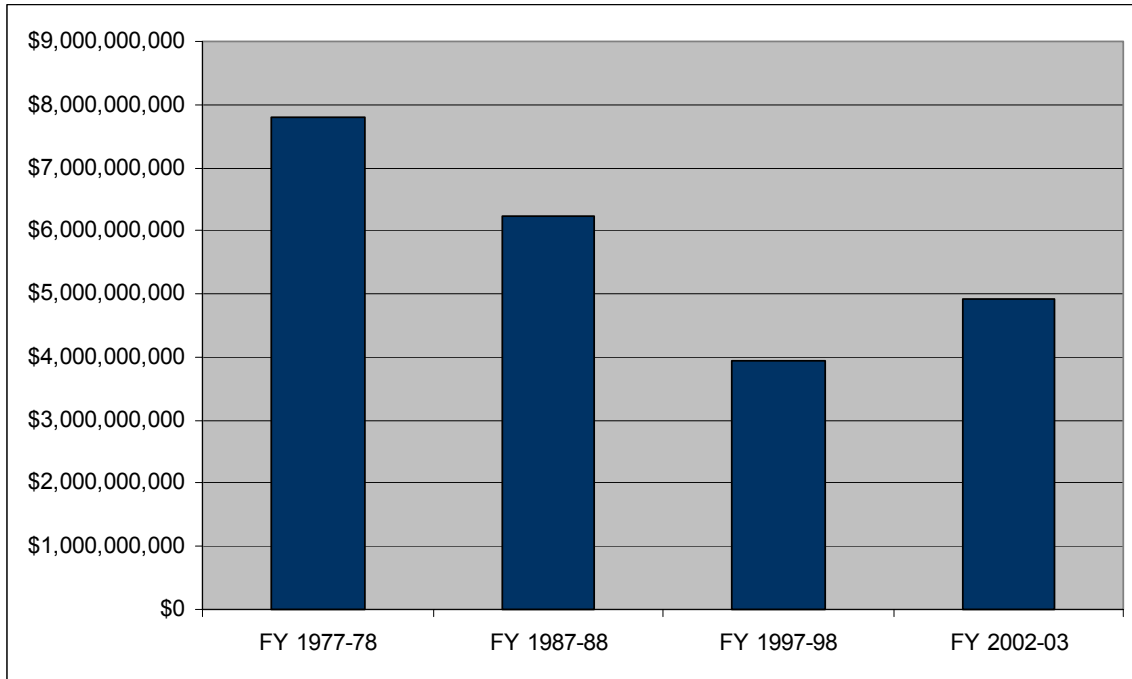


Chart 3-6b: General Property Tax Revenue per Capita, Real Dollars

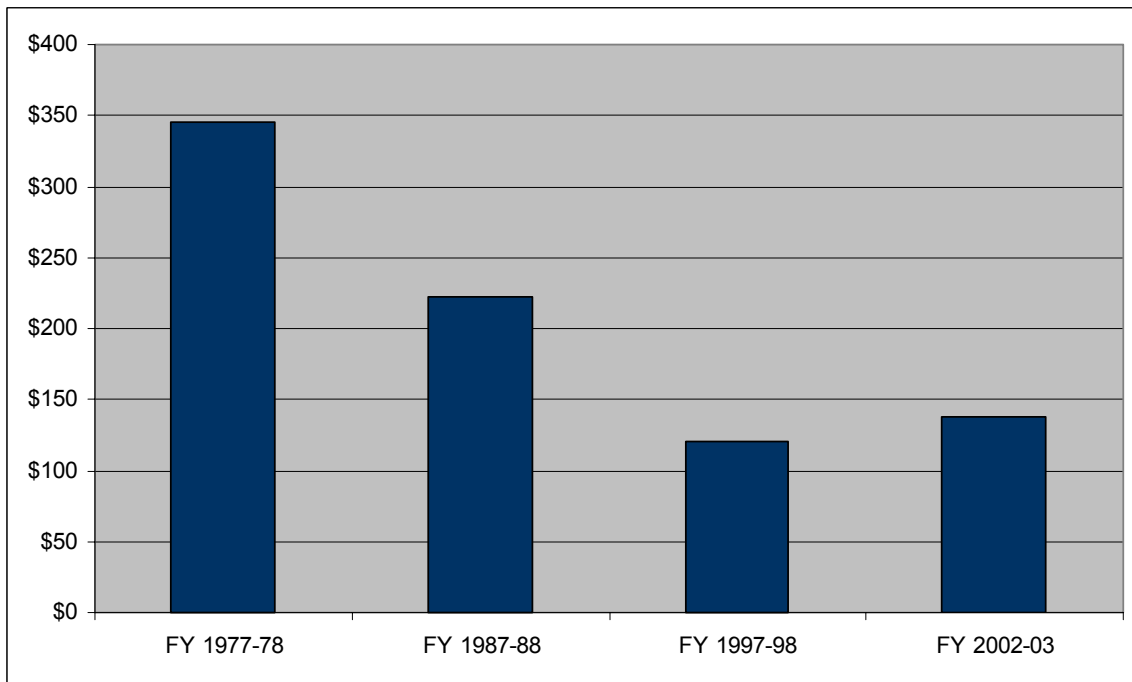


Table 3-7 shows county revenues for all California counties from charges for current services from FY 1977-78 through FY 2002-03, as measured in constant 2003 dollars. As is readily apparent from Table 3-7 and Chart 3-7a, total revenues to counties from charges for current services, measured in constant 2003 dollars, has increased substantially over this time period, from a little over \$2 billion in FY 1977-78 to well over \$4.4 in FY 2002-03, an increase of almost 120 percent.

In per capita terms, there has been a corresponding rapid increase in charges for current services during this same time period. Such charges were approximately \$90 per capita in 1977-78, and increased to approximately \$125 per capita in FY 2002-03, an increase of 39 percent. Chart 3-7b shows this change in per capita revenues over the same time period.

Table 3-7: County Revenue from Charges for Current Services

Charges of Current Services	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$2,028,335,911	\$2,092,037,134	\$3,388,980,740	\$4,458,718,000	119.82%
Per Capita Revenue, Real Dollars	\$89.87	\$74.41	\$103.57	\$124.92	39.00%

Chart 3-7a: County Revenue from Charges for Current Services, Real Dollars

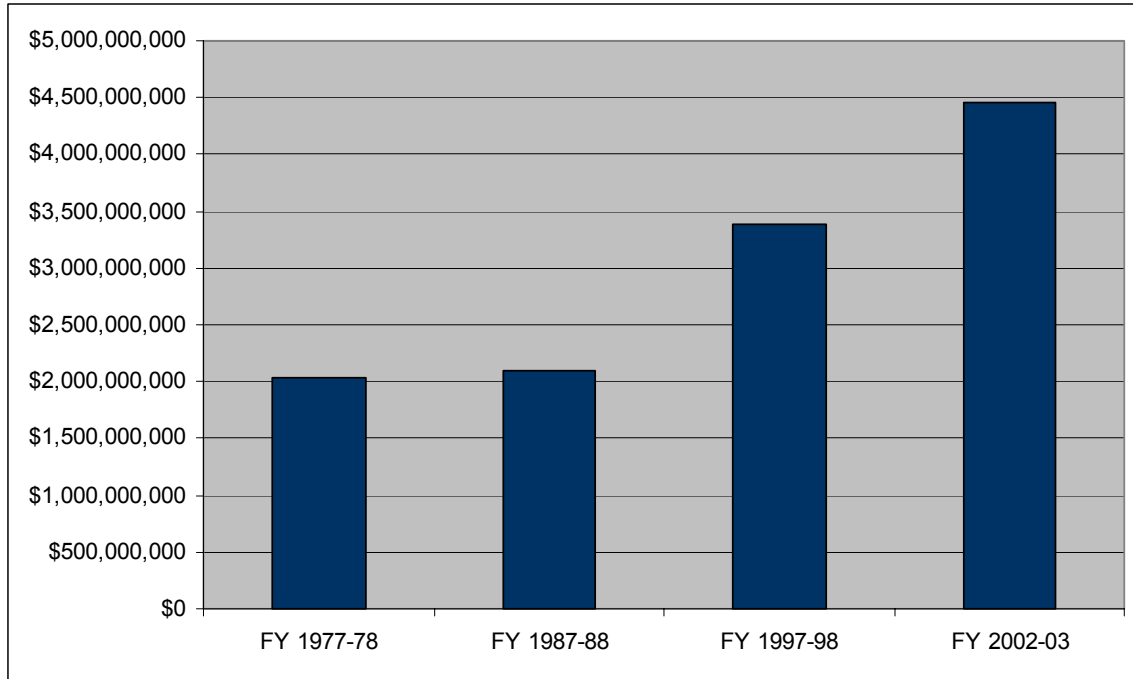


Chart 3-7b: County Revenue from Charges for Current Services per Capita, Real Dollars

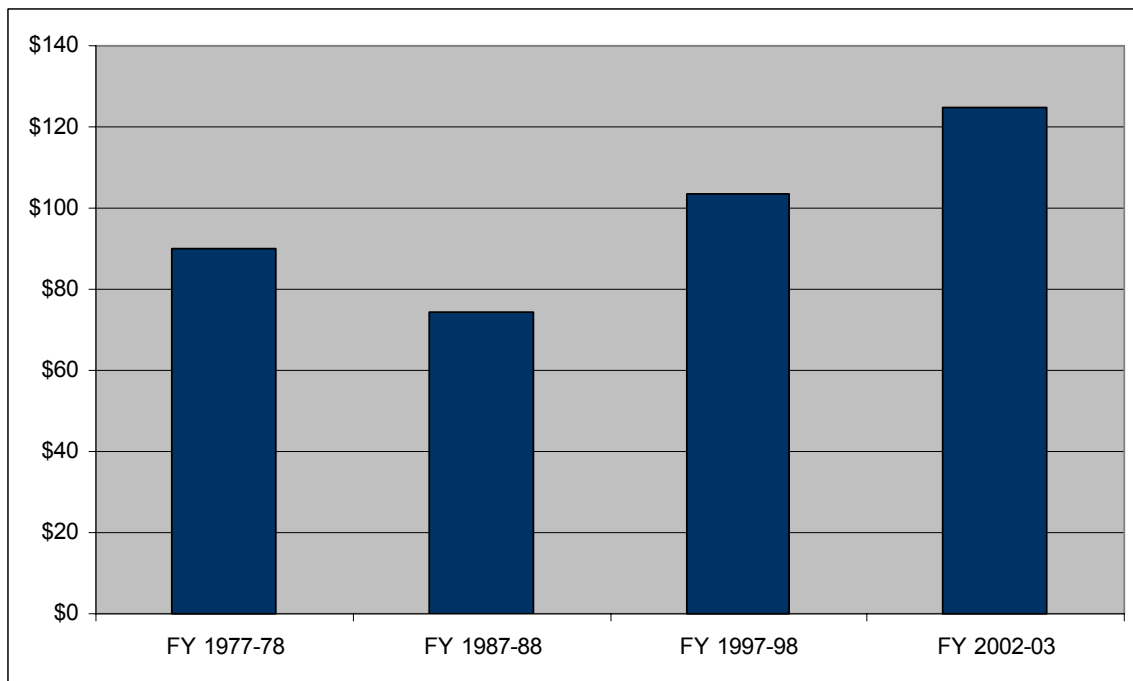


Table 3-8 shows county revenues from the “other financing sources” category from FY 1977-78 through FY 2002-03, as measured in constant in constant 2003 dollars. It is especially significant to note that there were no such revenues described as coming from “other financing sources” in 1977-78. This category of revenue has become significant over the years, however, and the percentage increase (857 percent) just between FY 1987-88 and FY 2002-03 has been very substantial. This rapid escalation is shown graphically in Chart 3-8a.

There has been a correspondingly large increase in per capita revenues from “other financing sources,” as well. On a per capita basis these revenues increased from slightly over \$6 in FY 1987-88 to almost \$46 in FY 2002-03. This huge increase of 654 percent in such per capita revenues is shown graphically in Chart 3-8b.

Table 3-8: County Revenue from Other Financing Sources

Other Financing Sources	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars		\$170,719,824	\$670,842,580	\$1,634,660,000	857.51%
Per Capita Revenue, Real Dollars		\$6.07	\$20.50	\$45.80	654.25%

Chart 3-8a: County Revenue from Other Financing Sources, Real Dollars

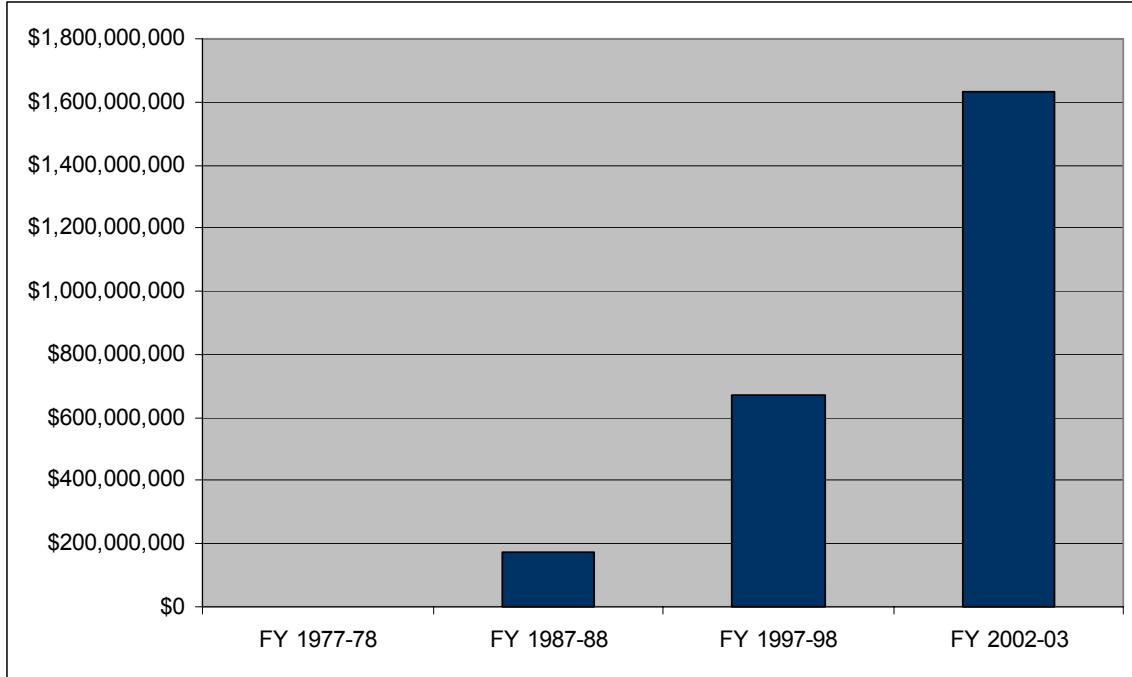
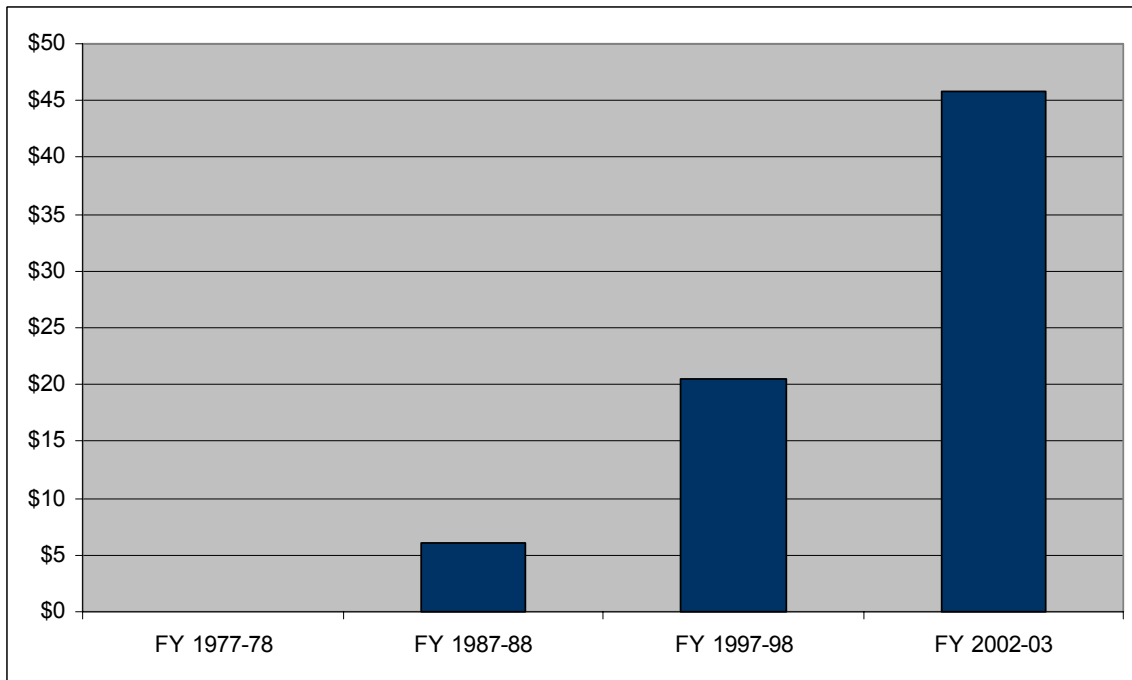


Chart 3-8b: County Revenue from Other Financing Sources per Capita, Real Dollars



County revenues from the “other revenue” category are shown in Table 3-9. Such revenues increased over 594 percent in constant 2003 dollars between FY 1977-78 and FY 2002-03. In FY 1977-78 such revenues were slightly under \$200 million, but these revenues exploded to almost \$1.4 billion in FY 2002-03. This rapid increase is shown graphically in Chart 3-9a.

In per capita terms, this revenue source grew almost 339 percent between FY 1977-78 and FY 2002-03. Per capita revenues from these sources were under \$9 in FY 1977-78. By FY 2002-03, county revenues per capita from these sources had increased to almost \$39. This large and rapid increase in per capita revenues from these sources is shown graphically in Chart 3-9b.

Table 3-9: County Revenue from Other Revenue

Other Revenue	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$199,703,478	\$369,136,082	\$905,957,160	\$1,386,217,000	594.14%
Per Capita Revenue, Real Dollars	\$8.85	\$13.13	\$27.69	\$38.84	338.93%

Chart 3-9a: County Revenue from Other Revenue, Real Dollars

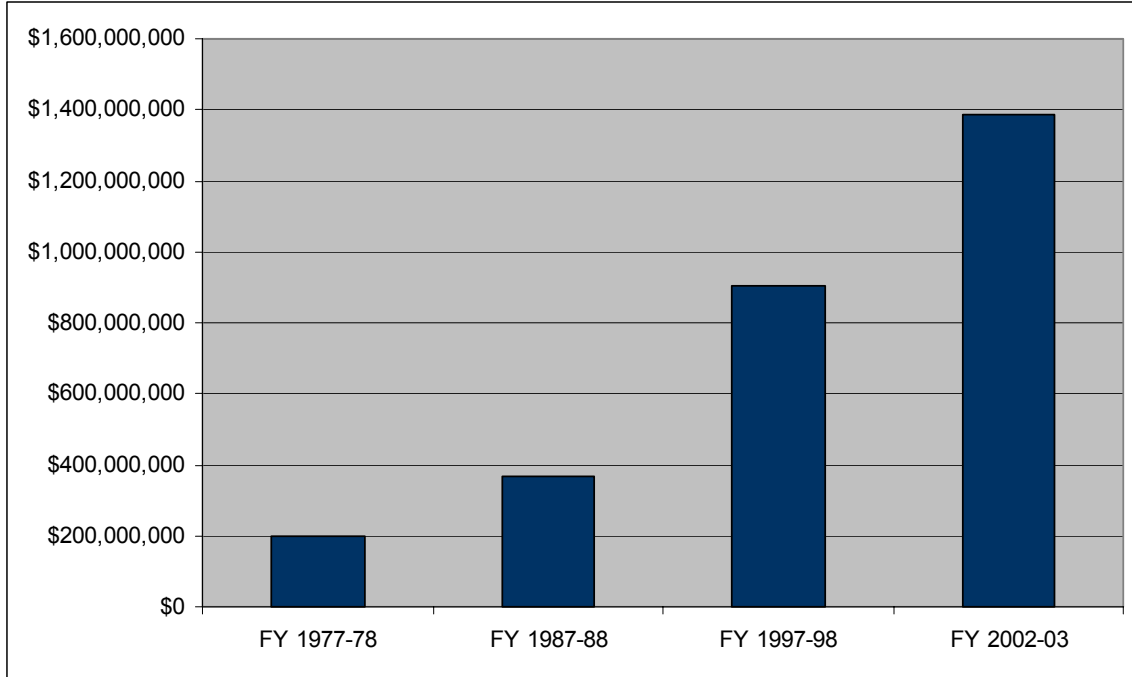


Chart 3-9b: County Revenue from Other Revenue per Capita, Real Dollars

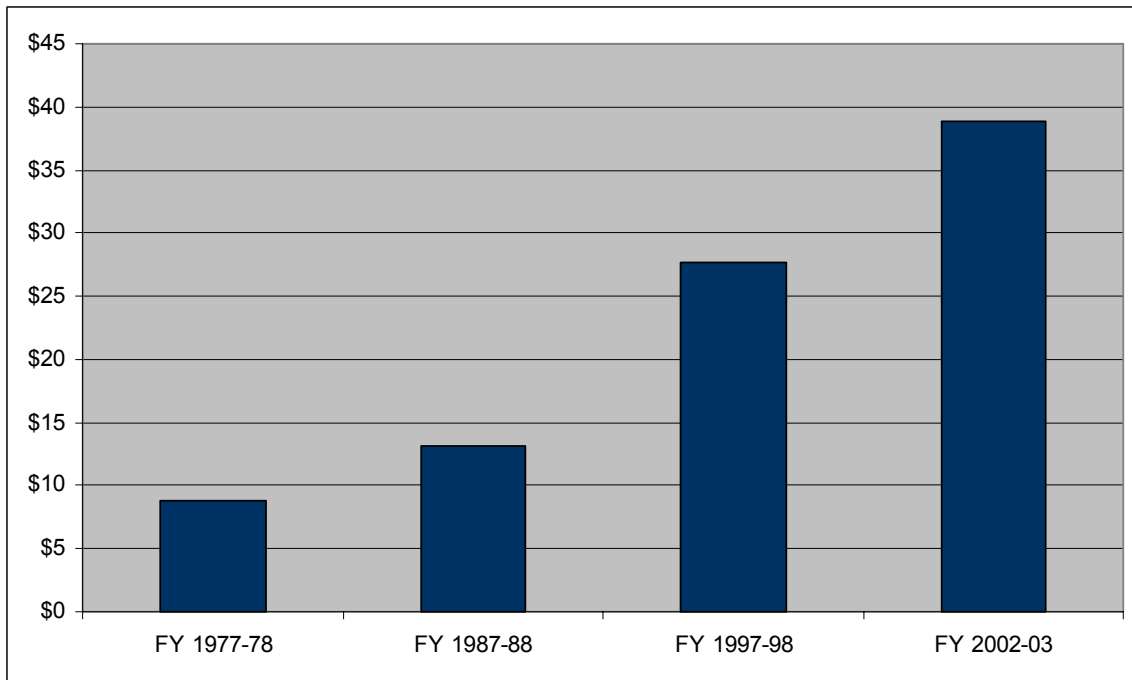


Table 3-10 shows county revenues from fines, forfeitures and penalties, measured in constant 2003 dollars, between FY 1977-78 and FY 2002-03. County revenues from such sources increased a little over 266 percent during this time period, from approximately \$226 million in FY 1977-78 to approximately \$830 million in FY 2002-03. This increase is charted graphically in Chart 3-10a.

On a per capita basis, county revenues from fines, forfeitures and penalties increased approximately 132 percent from FY 1977-78 to FY 2002-03. In constant 2003 dollars, per capita revenues from these sources grew from a little over \$10 in FY 1977-78 to a little over \$23 in 2002-03. This increase in per capita revenues is displayed graphically in Chart 3-10b.

Table 3-10: County Revenue from Fines, Forfeitures and Penalties

Fines Forfeits Penalties	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$226,258,329	\$424,459,073	\$683,763,000	\$829,559,000	266.64%
Per Capita Revenue, Real Dollars	\$10.03	\$15.10	\$20.90	\$23.24	131.84%

Chart 3-10a: County Revenue from Fines, Forfeitures and Penalties, Real Dollars

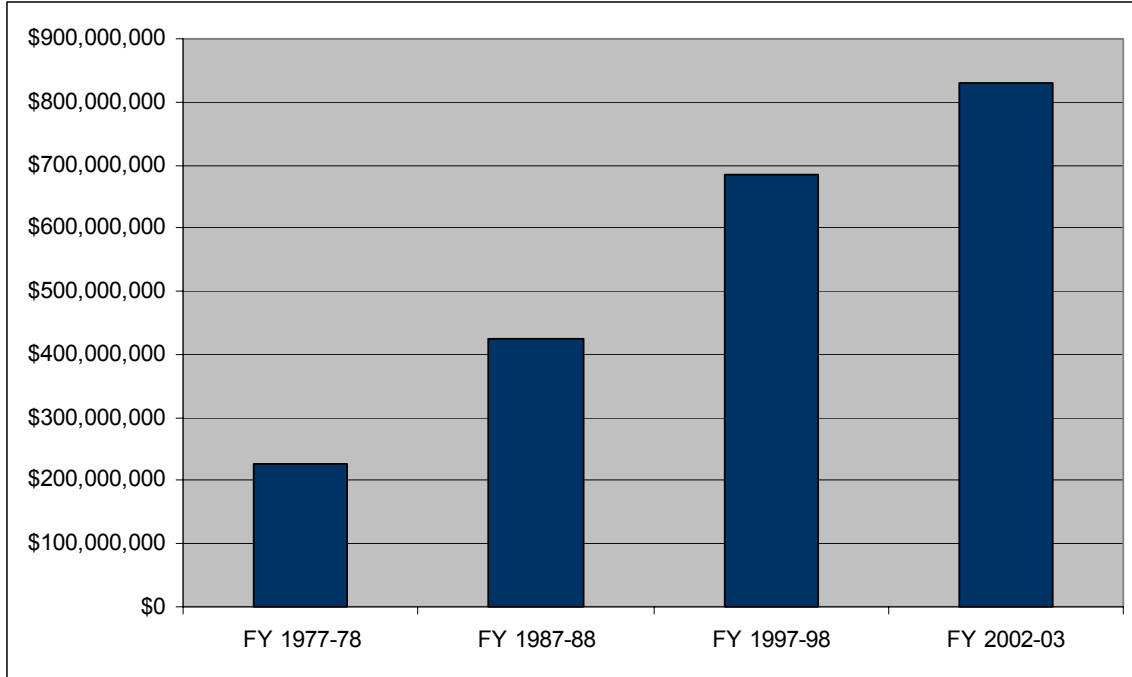


Chart 3-10b: County Revenue from Fines, Forfeitures and Penalties per Capita, Real Dollars

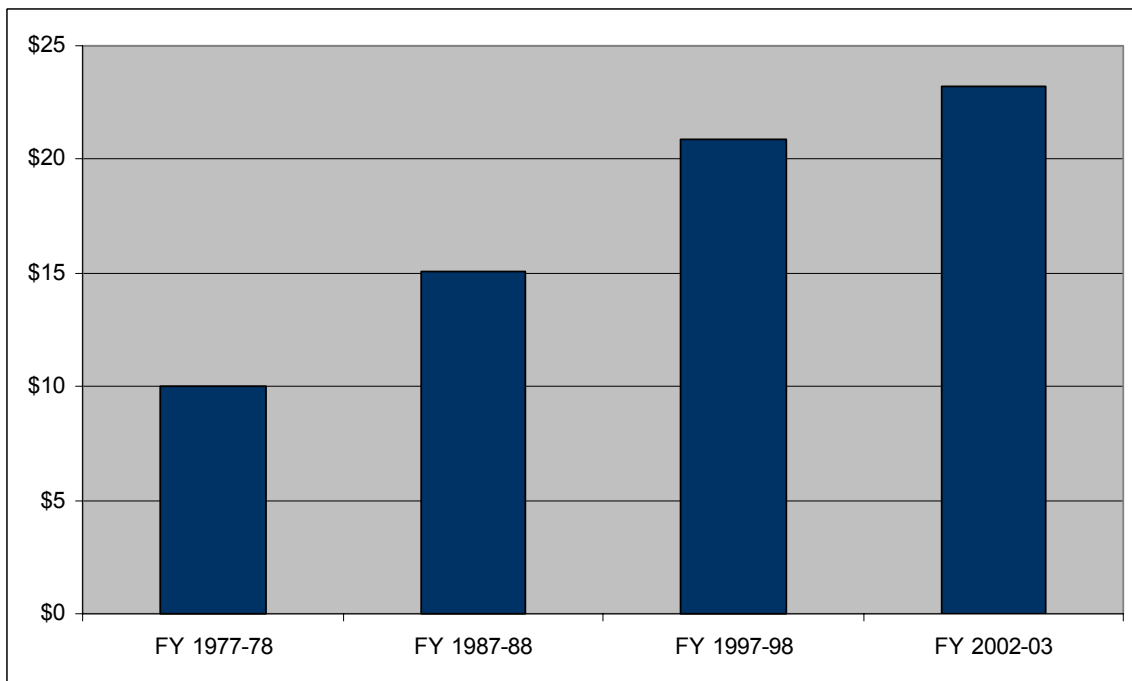


Table 3-11 shows the category of “other tax revenue” for California counties. This category of revenue increased 302 percent in constant 2003 dollars between FY 1977-78 and FY 2002-03. In FY 1977-78 such revenues were a little over \$187 million; by FY 2002-03 this category of revenues had increased to almost \$754 million. Chart 3-11a shows this rapid increase in graphic form.

In real per capita dollars, this category of revenue increased from a little over \$8 per capita in FY 1977-78 to a little over \$21 per capita in FY 2002-03. This was an increase of over 154 percent in per capita revenues of this sort during this period, and this per capita change is shown graphically in Chart 3-11b.

Table 3-11: County Other Tax Revenue

Other Tax	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$187,257,577	\$307,979,434	\$533,185,980	\$753,738,000	302.51%
Per Capita Revenue, Real Dollars	\$8.30	\$10.95	\$16.29	\$21.12	154.52%

Chart 3-11a: County Other Tax Revenue, Real Dollars

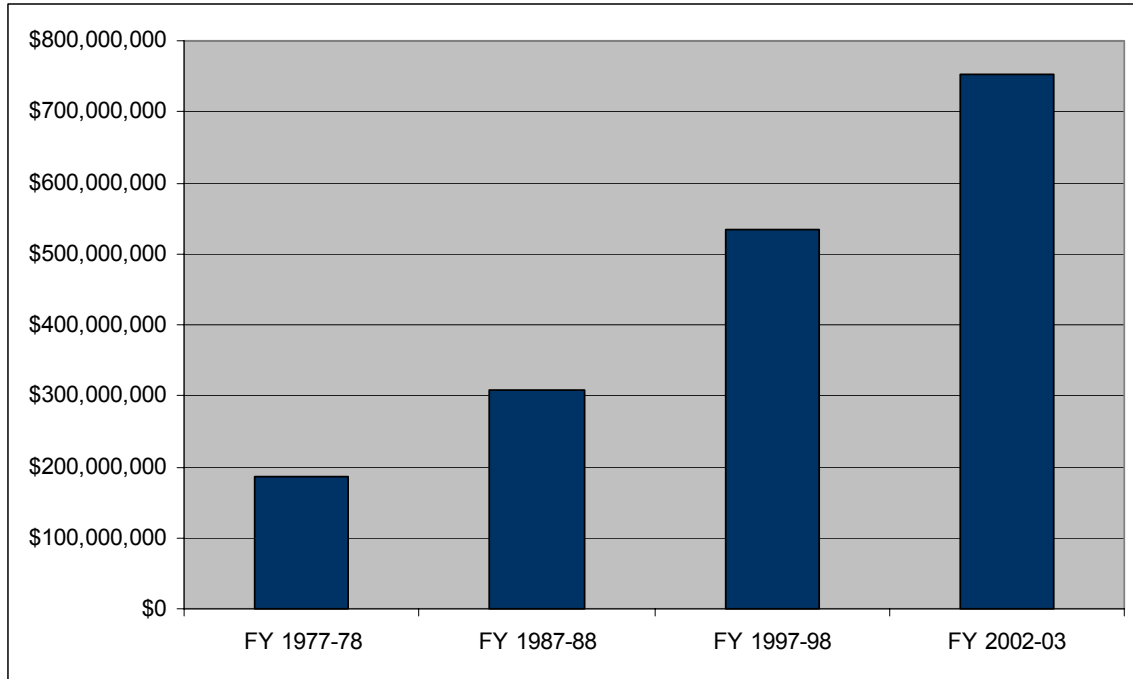


Chart 3-11b: County Other Tax Revenue per Capita, Real Dollars

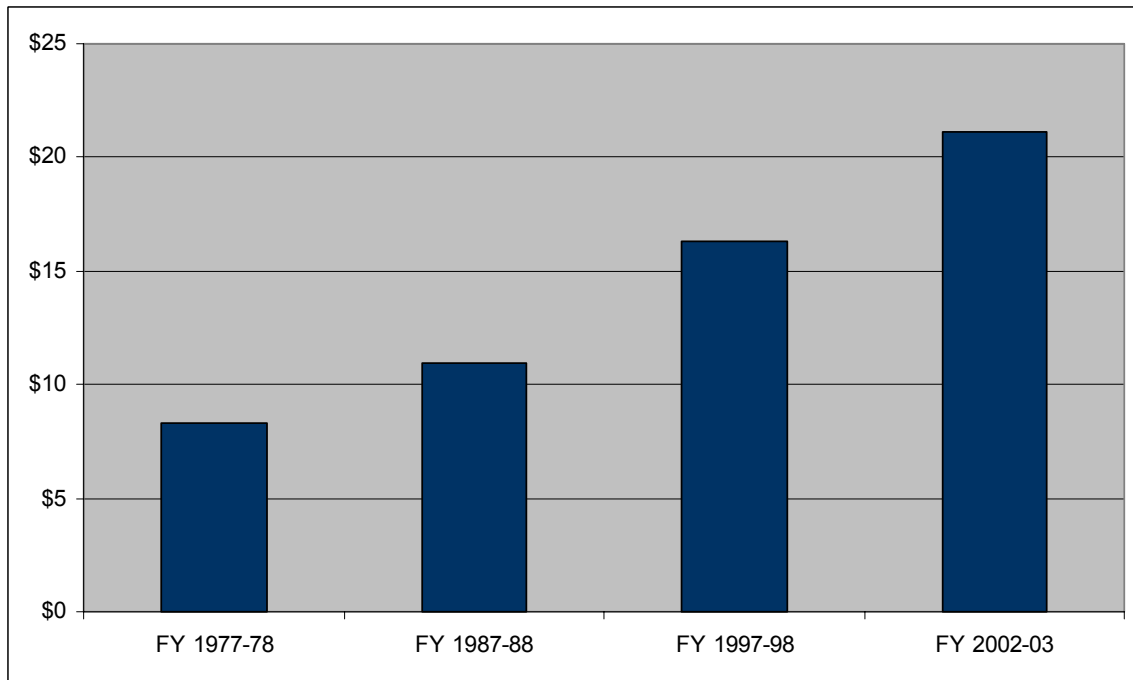


Table 3-12 shows the change in county revenues statewide from the use of property and money between FY 1977-78 and FY 2002-03. Note that in the intervening years, revenue from the use of money and property accelerated substantially, and reached almost \$793 million in FY 1997-98, before easing back to approximately \$529 million in FY 2002-03. Despite this decline, there was an overall increase in county revenue from the use of money and property of well over 19 percent between FY 1977-78 and FY 2002-03, as measured in constant 2003 dollars.

In per capita terms, revenue from the use of property and money, as measured in constant dollars, actually declined about 24 percent between FY 1977-78 and FY 2002-03. The data in Table 3-12 for statewide county revenues from this source, and per capita county revenues from this source, are shown in graphs 3-12a and 3-12b, respectively. It should be noted that the revenue from this source indicates that counties have significant rent producing property and significant cash investment assets which are necessary to generate funds of this sort.

Table 3-12: County Revenue from the Use of Property and Money

From Use of Money Property	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$443,063,527	\$634,710,411	\$792,836,250	\$529,061,000	19.41%
Per Capita Revenue, Real Dollars	\$19.63	\$22.58	\$24.23	\$14.82	-24.49%

Chart 3-12a: County Revenue from the Use of Property and Money, Real Dollars

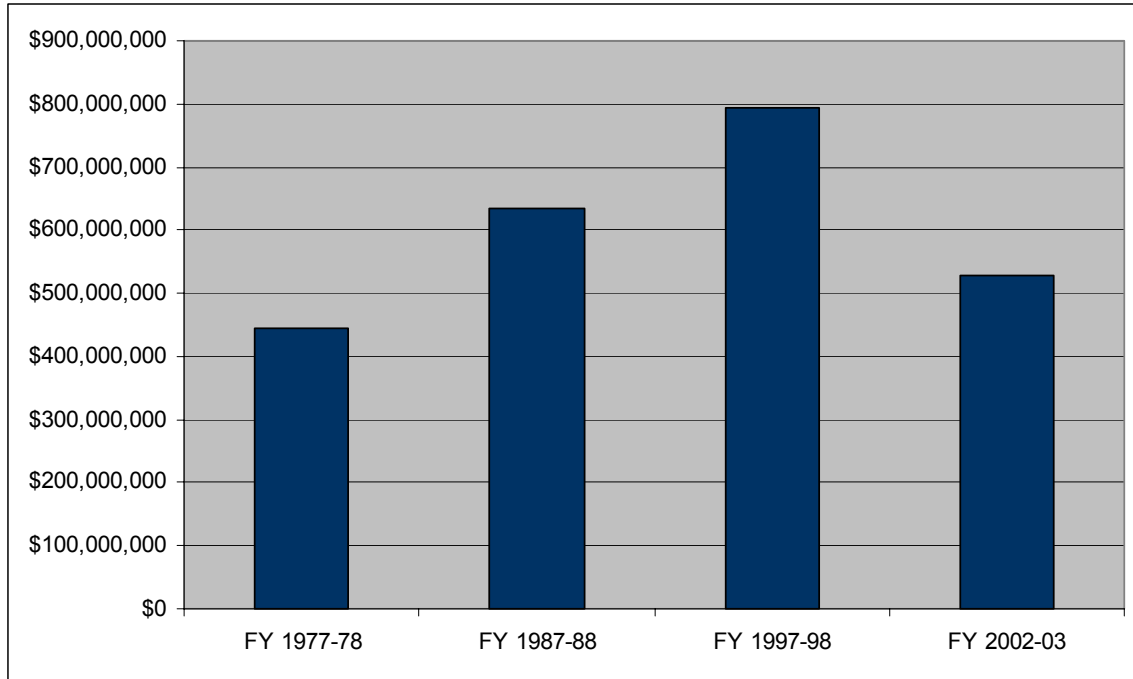


Chart 3-12b: County Revenue from the Use of Property and Money per Capita, Real Dollars

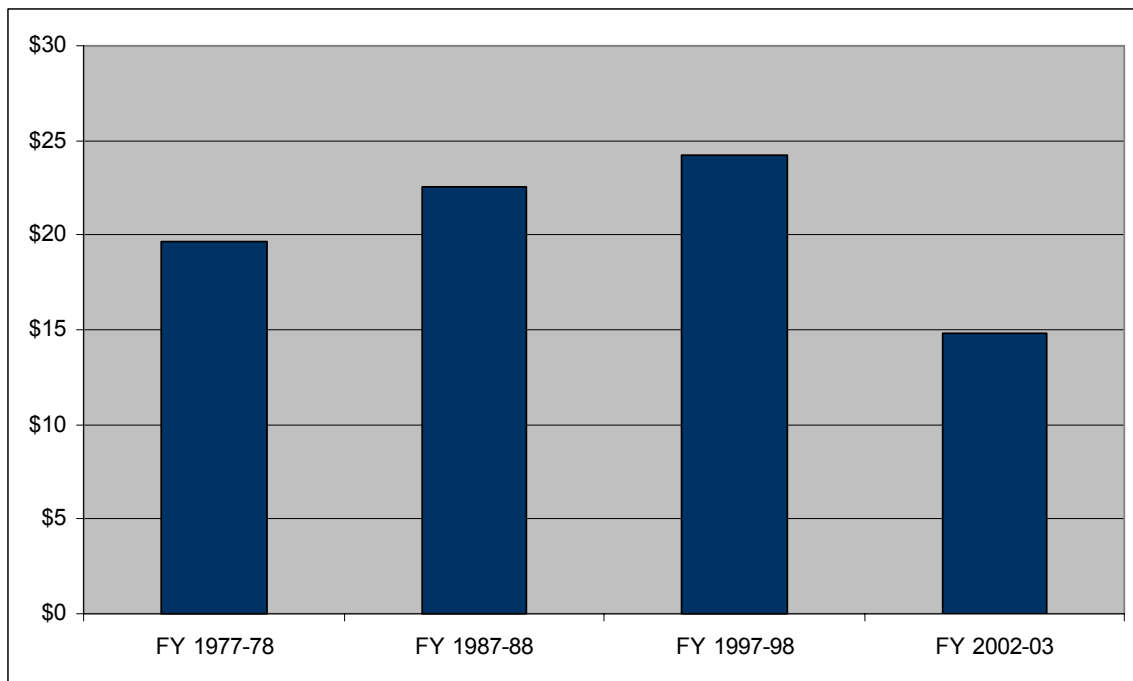


Table 3-13 shows county sales tax revenue statewide as measured in constant 2003 dollars between FY 1977-78 and FY 2002-03. These revenues have fluctuated substantially, decreasing sharply in the two middle decades and rebounding somewhat in the most recent year shown (FY 2002-03) to a little over \$488 million. In overall terms, this revenue stream to counties decreased 6.88 percent during this time period, as is illustrated in Chart 3-13a.

In per capita terms, the revenues from this source have also declined substantially for counties between FY 1977-78 and FY 2002-03. Overall, there was a 41 percent decrease in per capita revenues from this source going to counties during this time period, as is illustrated graphically in Chart 3-13b.

Two factors are particularly noteworthy here. First, the slight uptrend in county sales tax revenue is an encouraging barometer of healthy economic activity in unincorporated areas. Second, it should be remembered that cities have aggressively courted sales tax generating businesses in the last 25 or so years. This fact, coupled with increased urbanization and attendant development of retail outlets of all types, has resulted in a much more challenging sales tax environment for unincorporated areas.

Table 3-13: County Sales Tax Revenue

Sales Tax	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$524,403,272	\$447,208,295	\$442,847,000	\$488,306,000	-6.88%
Per Capita Revenue, Real Dollars	\$23.24	\$15.91	\$13.53	\$13.68	-41.12%

Chart 3-13a: County Sales Tax Revenue, Real Dollars

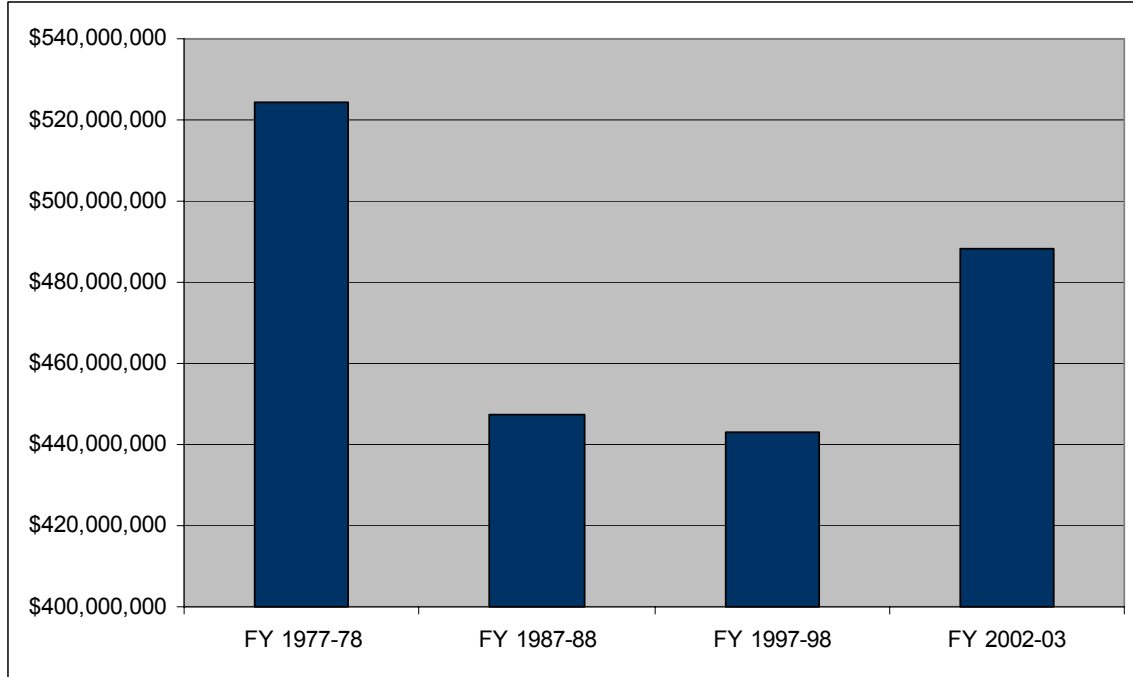


Chart 3-13b: County Sales Tax Revenue per Capita, Real Dollars

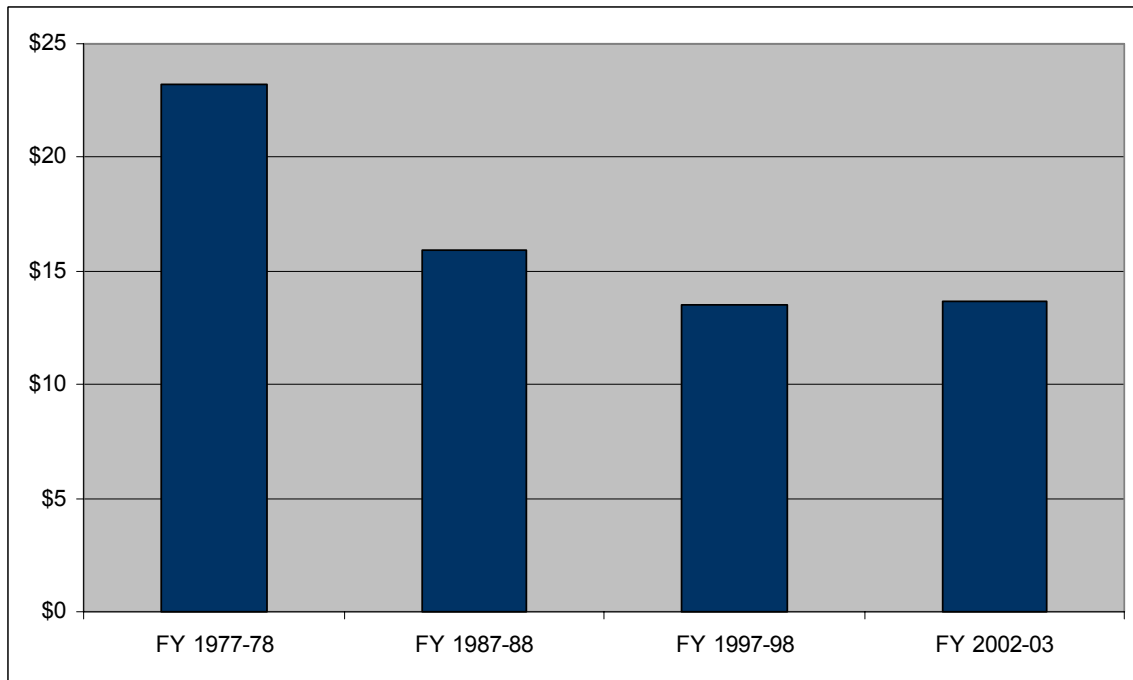


Table 3-14 shows county revenue from “other transfers.” Note that there has been a huge increase in this category, as measured in 2003 dollars, between FY 1977-78 and FY 2002-03. As Table 3-14 shows, these revenues increased from about \$28.5 million in FY 1977-78 to almost \$475 million in FY 2002-03. This constitutes a huge increase of over 1,566 percent statewide, which is apparent from looking at Chart 3-14a.

In per capita terms, the increase has been equally substantial, albeit from a comparatively low base. In FY 1977-78, per capita income from this source was only \$1.26, but it has grown rapidly to \$13.30 in FY 2002-03. This rapid growth (953 percent) in the per capita revenue from this source is illustrated in Chart 3-14b.

Table 3-14: County Revenue from Other Transfers

Other Transfers	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$28,487,740	\$55,369,771	\$292,745,710	\$474,682,000	1566.27%
Per Capita Revenue, Real Dollars	\$1.26	\$1.97	\$8.95	\$13.30	953.64%

Chart 3-14a: County Revenue from Other Transfers, Real Dollars

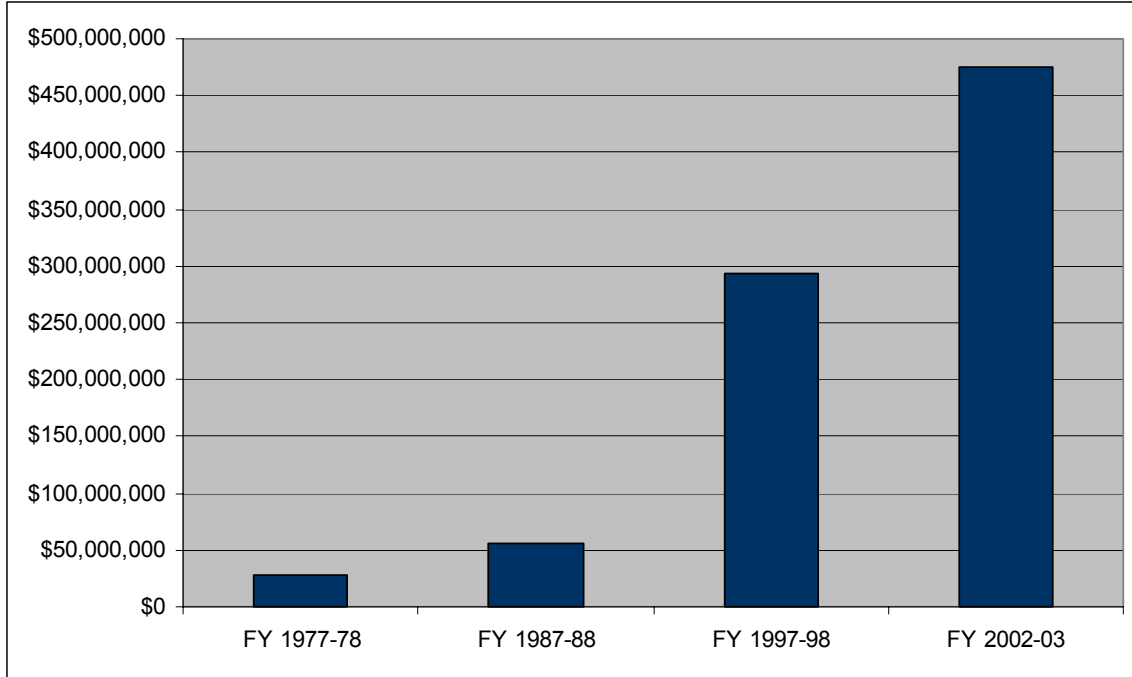


Chart 3-14b: County Revenue from Other Transfers per Capita, Real Dollars

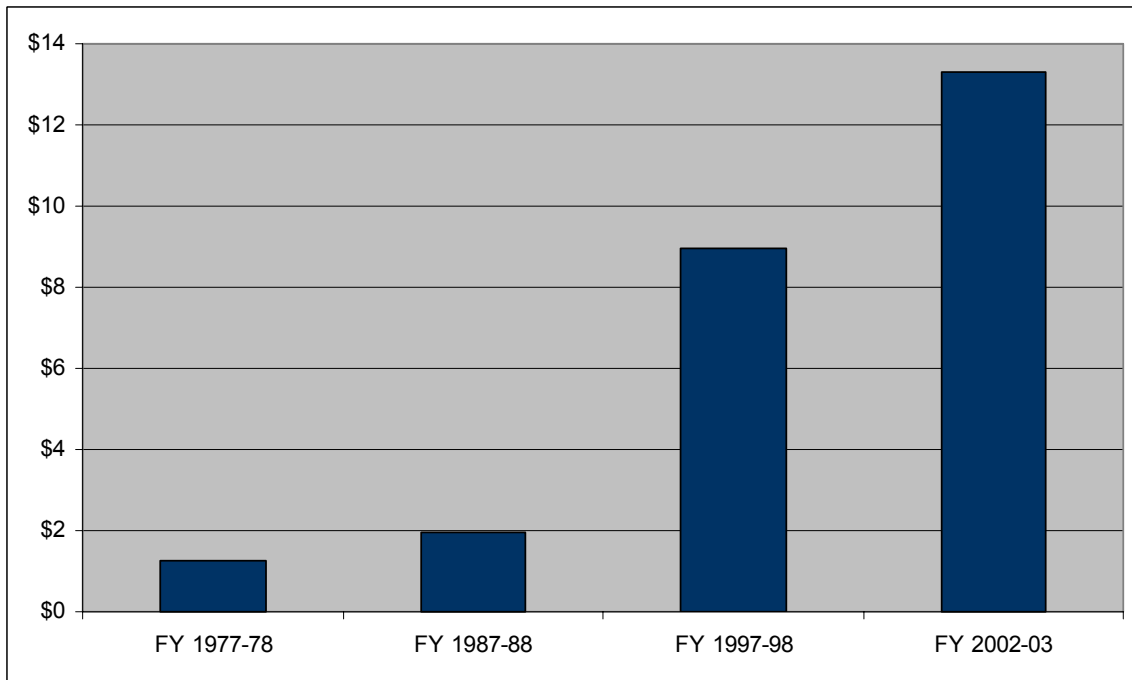


Table 3-15 shows county revenues statewide from licenses, permits and franchises from FY 1977-78 to FY 2002-03, as measured in constant 2003 dollars. As illustrated in Chart 3-15a and the top line in Table 3-15, this revenue has increased substantially, over 112 percent in real dollars, during this time period, growing from a little over \$200 million in FY 1977-78 to almost \$425 million in FY 2002-03.

In per capita terms, revenue from licenses, permits and franchises grew over 34 percent in constant 2003 dollars between FY 1977-78 and FY 2002-03. This per capita increase, from \$8.86 to \$11.90, is illustrated in Chart 3-15b.

Table 3-15: County Revenue from Licenses, Permits and Franchises

Lic. Permit & Franchise	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$200,028,383	\$287,935,865	\$353,310,320	\$424,750,000	112.34%
Per Capita Revenue, Real Dollars	\$8.86	\$10.24	\$10.80	\$11.90	34.27%

Chart 3-15a: County Revenue from Licenses, Permits and Franchises, Real Dollars

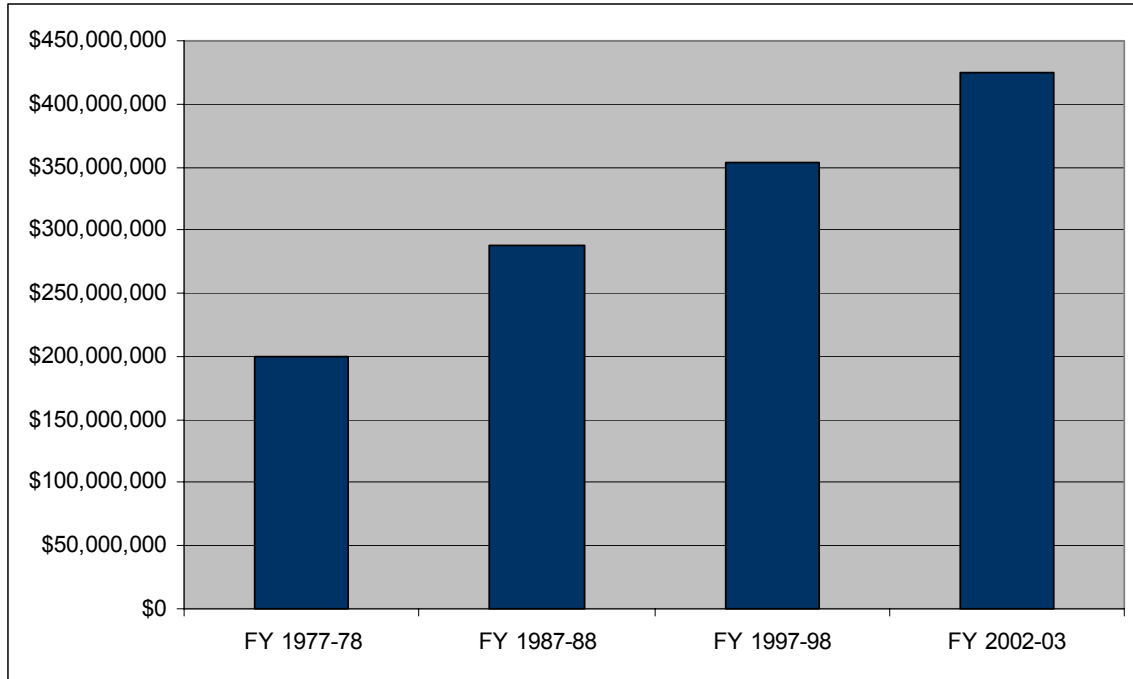


Chart 3-15b: County Revenue from Licenses, Permits and Franchises per Capita, Real Dollars

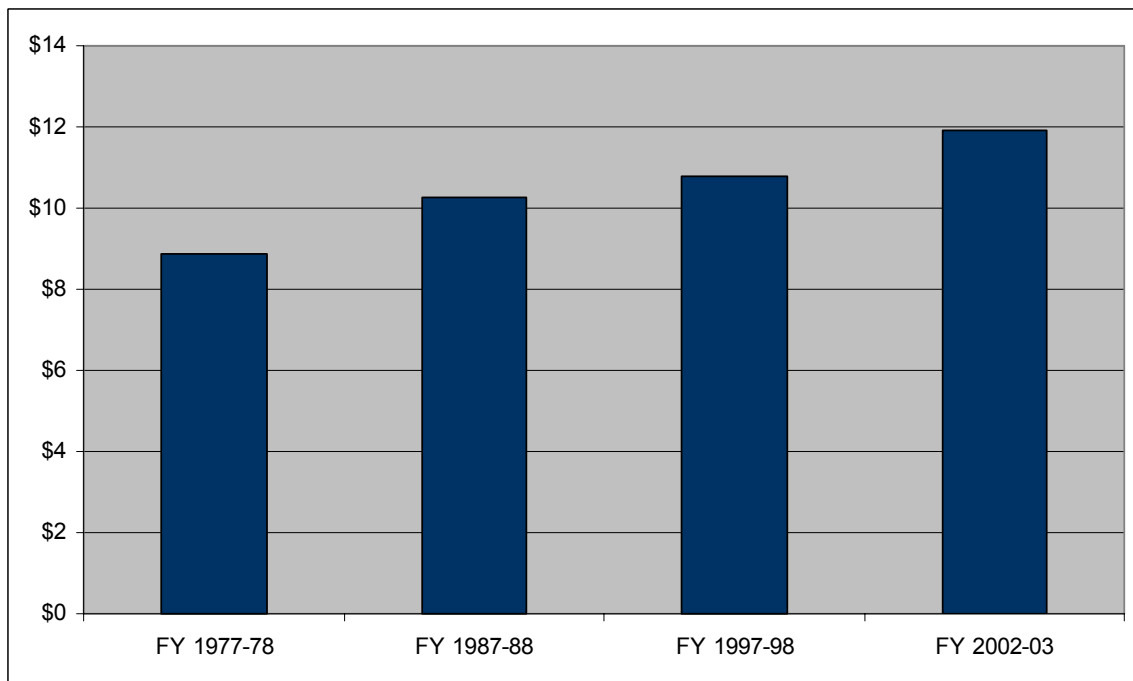


Table 3-16 shows county revenue statewide from special benefit assessments. The recent growth in this category is reflected in the change in these revenues between FY 1987-88 and FY 2002-03. In FY 1987-88 there was just a little over \$2 million in such revenues to counties statewide, and by FY 2002-03 this amount had grown to a little over \$21 million, a percentage increase in constant 2003 dollars of 892 percent. The per capita revenues also grew from only \$0.08 per capita in FY 1987-88 to \$0.59 in FY 2002-03, an increase of 681 percent. Graphs 3-16a and 3-16b show these relative increases in total and per capita revenues between FY 1987-88 and FY 2002-03.

Table 3-16: County Revenue from Special Benefits Assessments

Special Benefit Assessments	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars		\$2,120,048	\$21,405,590	\$21,045,000	892.67%
Per Capita Revenue, Real Dollars		\$0.08	\$0.65	\$0.59	681.95%

Chart 3-16a: County Revenue from Special Benefits Assessments, Real Dollars

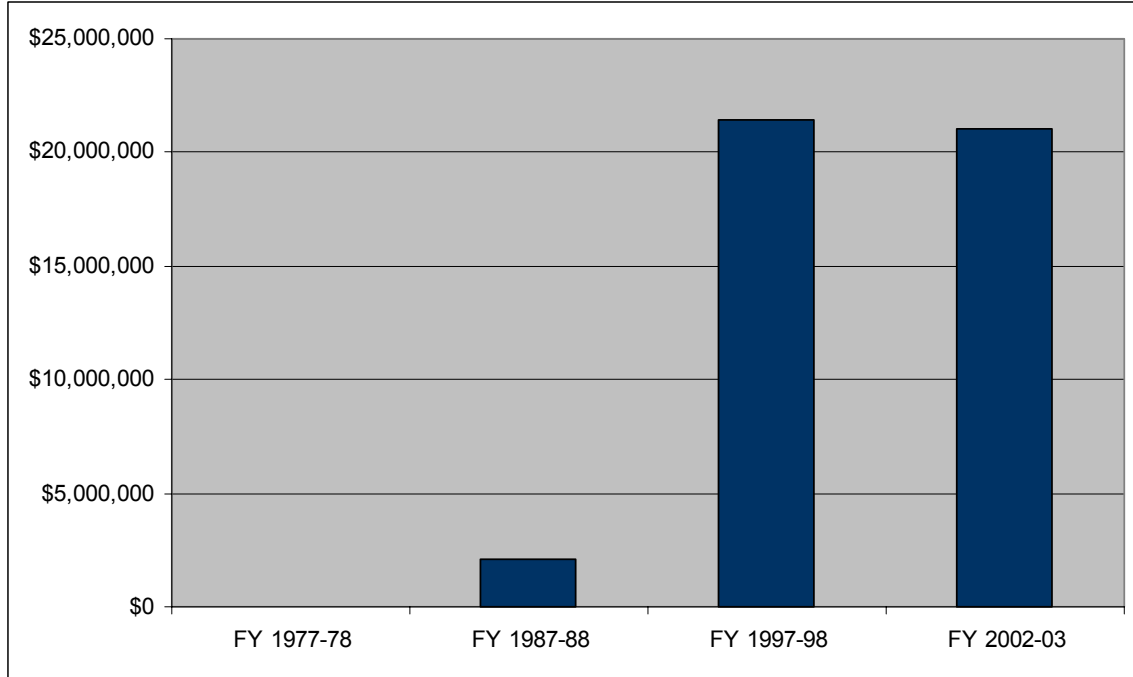
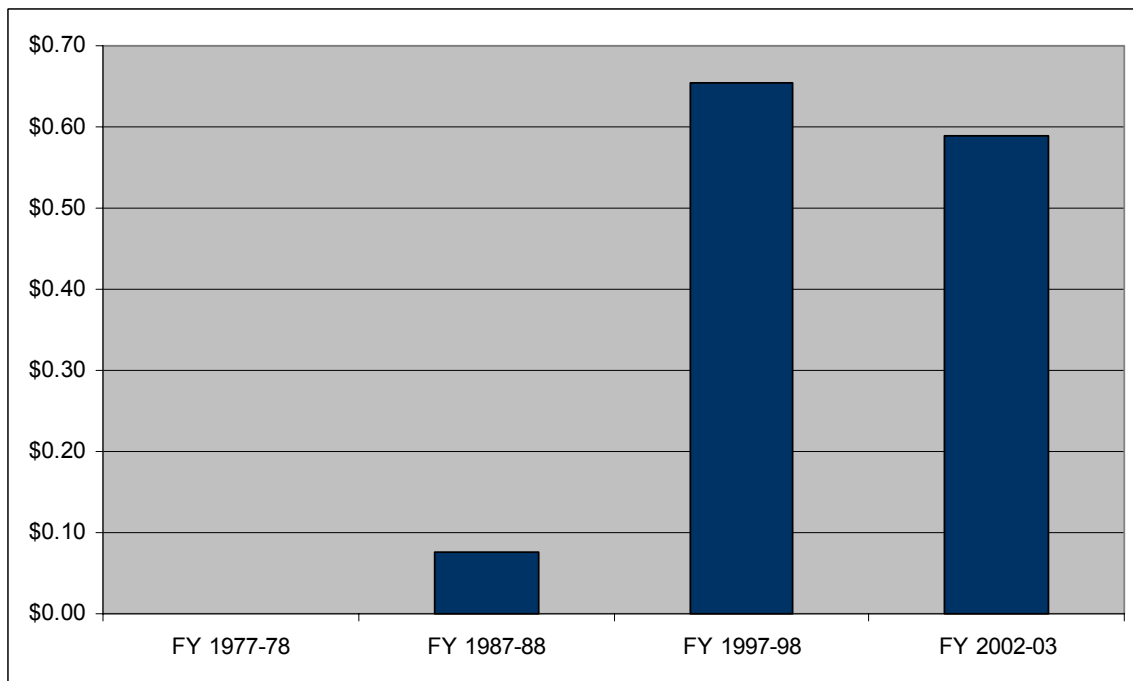


Chart 3-16b: County Revenue from Special Benefits Assessments per Capita, Real Dollars



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Section 4: County Expenditures

Table 4-1 shows total county expenditures from FY 1977-78 to FY 2002-03 in constant 2003 dollars. The percentage change in total expenditure, in constant 2003, was over 67 percent. In per capita terms, the increase in expenditure was a little over 6 percent, as measured in constant 2003 dollars.

Chart 4-1a shows the change in total county expenditures over this period, and Chart 4-1b shows the change in per capita county expenditures, as measured in constant 2003 dollars.

Table 4-1: County Total Expenditure

Total Expenditure	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$22,756,556,524	\$25,485,040,120	\$31,214,628,450	\$38,177,551,000	67.77%
Per Capita Expenditure, Real Dollars	\$1,008.31	\$906.46	\$953.93	\$1,069.66	6.08%

Chart 4-1a: County Total Expenditure, Real Dollars

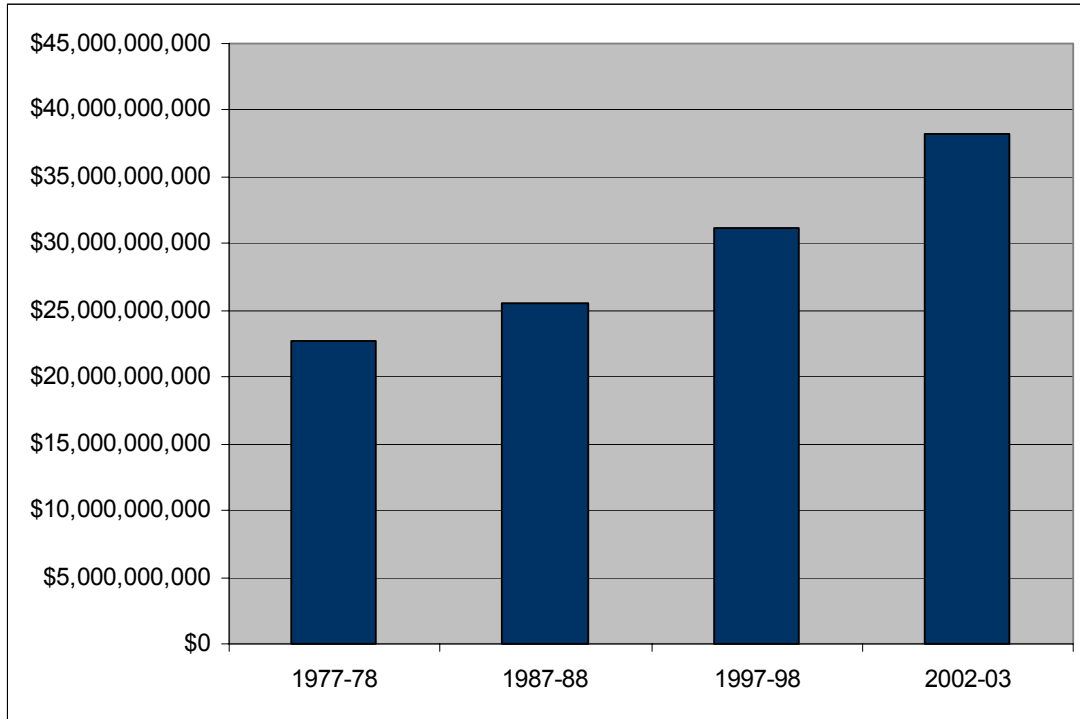


Chart 4-1b: County Total Expenditure per Capita, Real Dollars

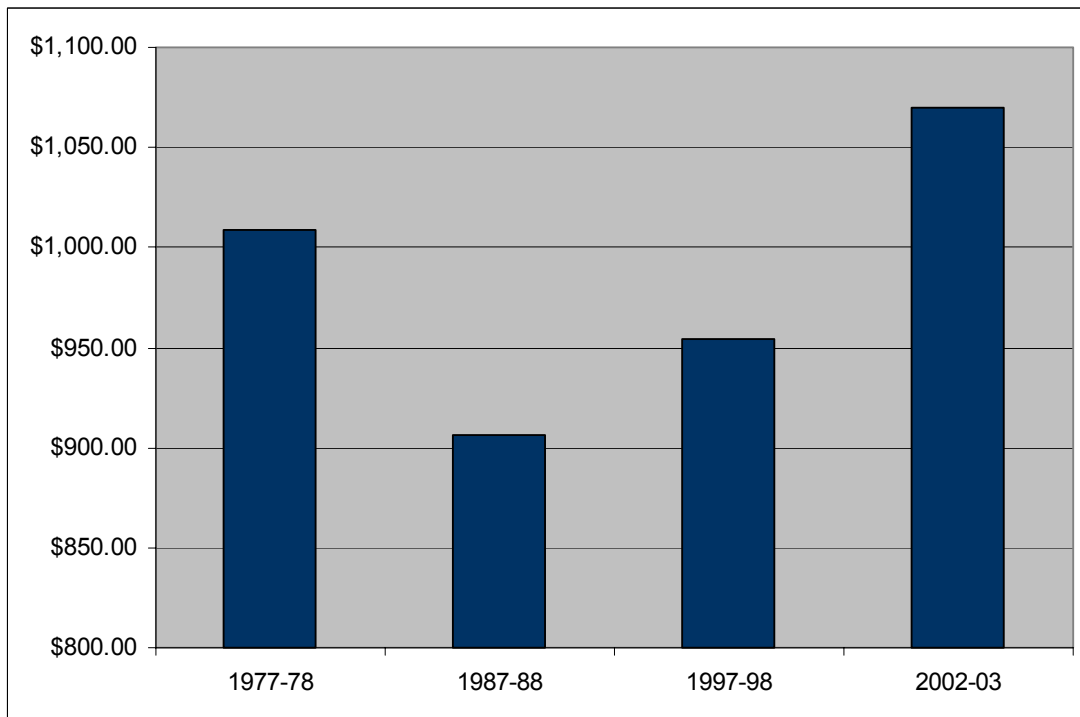


Table 4-2 shows the change in various categories in county expenditures in constant 2003 dollars from FY 1977-78 to FY 2002-03. Note that there were increases in every category of expenditure except in the “general” category. There were triple digit increases in public protection and in health and sanitation expenditures, and a huge increase of over 2,123 percent in debt service expenditures.

Chart 4-2 shows these data in graphic form.

**Table 4-2: County Total Expenditure by Category,
Real Dollars, FY 1977-78 and FY 2002-03**

Category	1977-78	2002-03	Percentage Change
Public Assistance	\$9,165,068,710	\$12,652,719,000	38.05%
Public Protection	\$4,400,630,079	\$11,210,891,000	154.76%
Health and Sanitation	\$3,167,581,304	\$6,941,875,000	119.15%
General	\$4,276,935,515	\$3,655,156,000	-14.54%
Public Ways and Facilities	\$1,094,166,432	\$1,746,028,000	59.58%
Debt Service	\$56,732,359	\$1,261,221,000	2123.11%
Education	\$296,899,950	\$361,445,000	21.74%
Recreation and Cultural	\$298,542,174	\$348,216,000	16.64%

**Chart 4-2: County Total Expenditure by Category,
Real Dollars, FY 1977-78 and FY 2002-03**

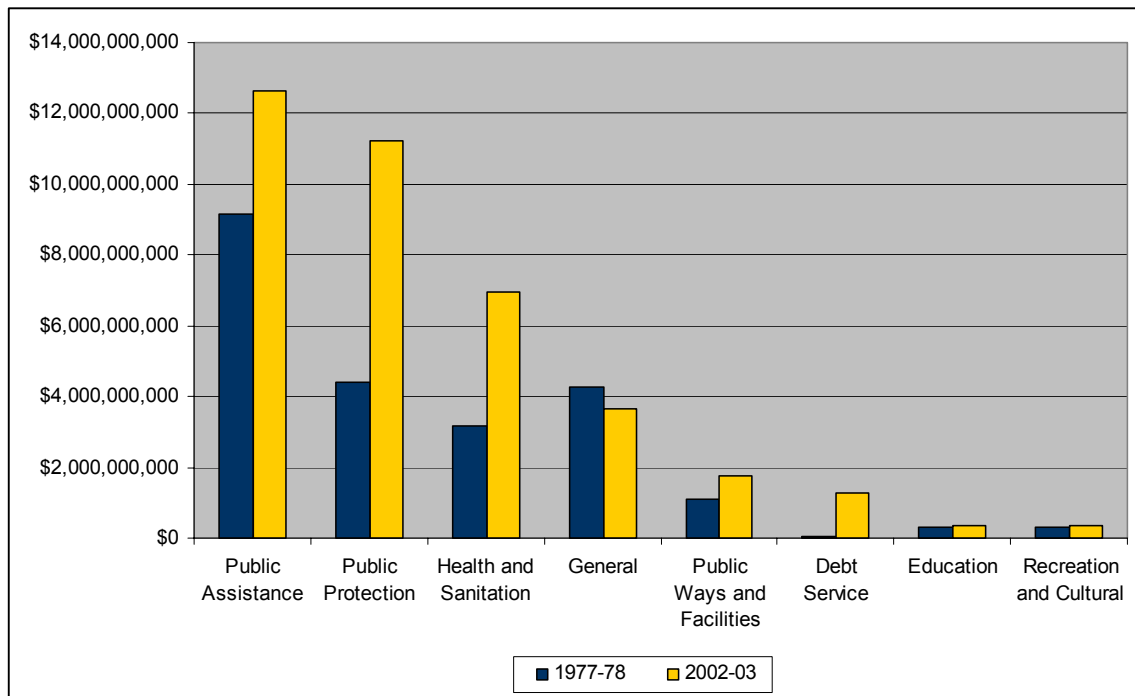


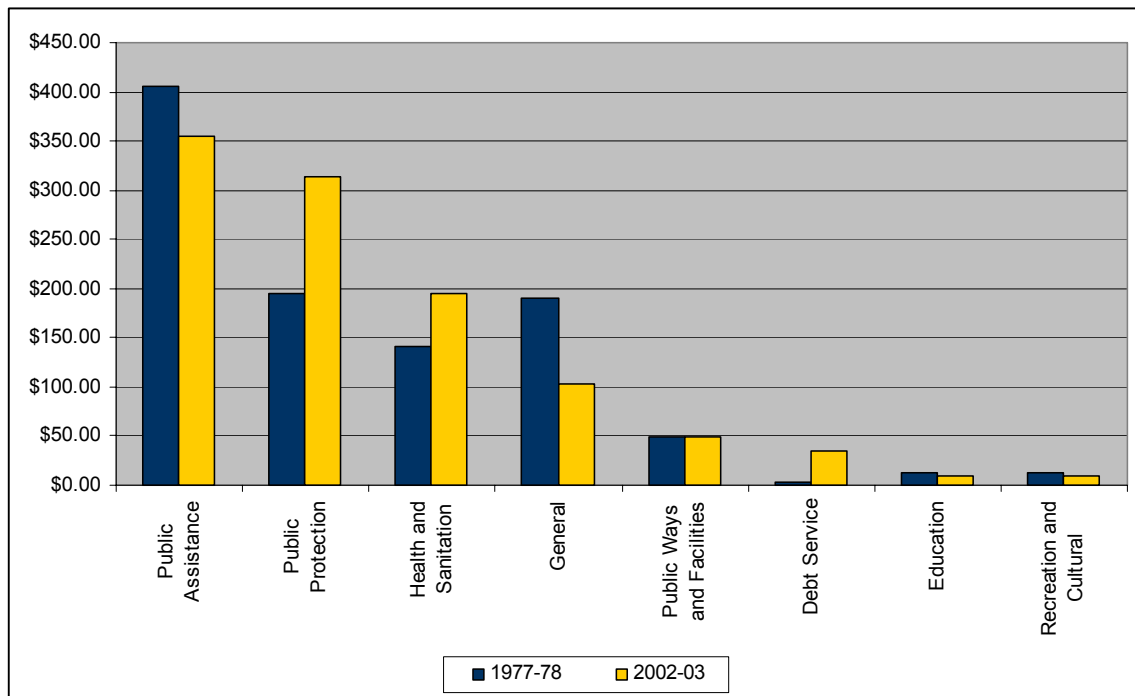
Table 4-3 shows the total county expenditure per capita by category, in constant 2003 dollars, for FY 1977-78 and FY 2002-03. Note that there were substantial increases in per capita expenditures for public protection, health and sanitation, and especially debt service. There were declines in per capita expenditures for public assistance, education, recreation and culture, and the “general” expenditure category. Public ways and facilities expenditures remained virtually constant.

Chart 4-3 shows the data from Table 4-3 in graphic form.

**Table 4-3: County Total Expenditure per Capita by Category,
Real Dollars, FY 1977-78 and FY 2002-03**

Category	1977-78	2002-03	Percentage Change
Public Assistance	\$406.09	\$354.50	-12.70%
Public Protection	\$194.99	\$314.11	61.09%
Health and Sanitation	\$140.35	\$194.50	38.58%
General	\$189.50	\$102.41	-45.96%
Public Ways and Facilities	\$48.48	\$48.92	0.91%
Debt Service	\$2.51	\$35.34	1305.75%
Education	\$13.16	\$10.13	-23.02%
Recreation and Cultural	\$13.23	\$9.76	-26.25%

**Chart 4-3: County Total Expenditure per Capita by Category,
Real Dollars, FY 1977-78 and FY 2002-03**



The top line in Table 4-4 shows total county public assistance expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased 38 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which decreased 12 percent over this same period.

Chart 4-4a shows the data in the first line of the table in graphic form.

Chart 4-4b shows the data in the second line of the table in graphic form.

Table 4-4: County Public Assistance Expenditure

Public Assistance	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$9,165,068,710	\$9,921,753,082	\$11,054,601,290	\$12,652,719,000	38.05%
Per Capita Expenditure, Real Dollars	\$406.09	\$352.90	\$337.83	\$354.50	-12.70%

Chart 4-4a: County Public Assistance Expenditure, Real Dollars

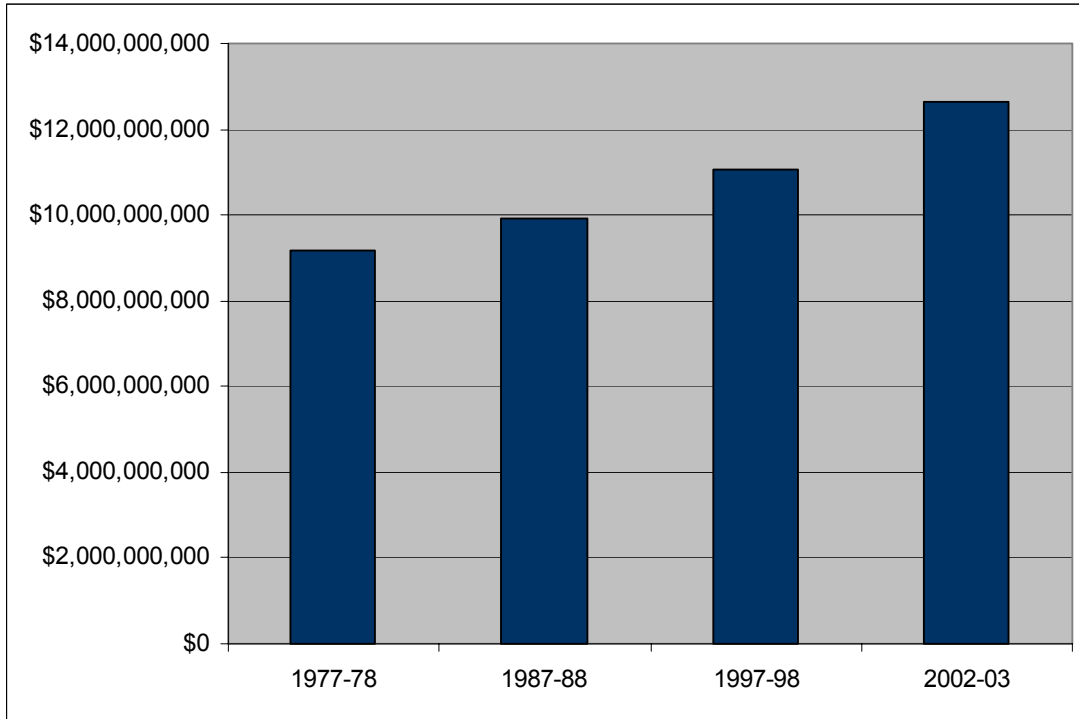
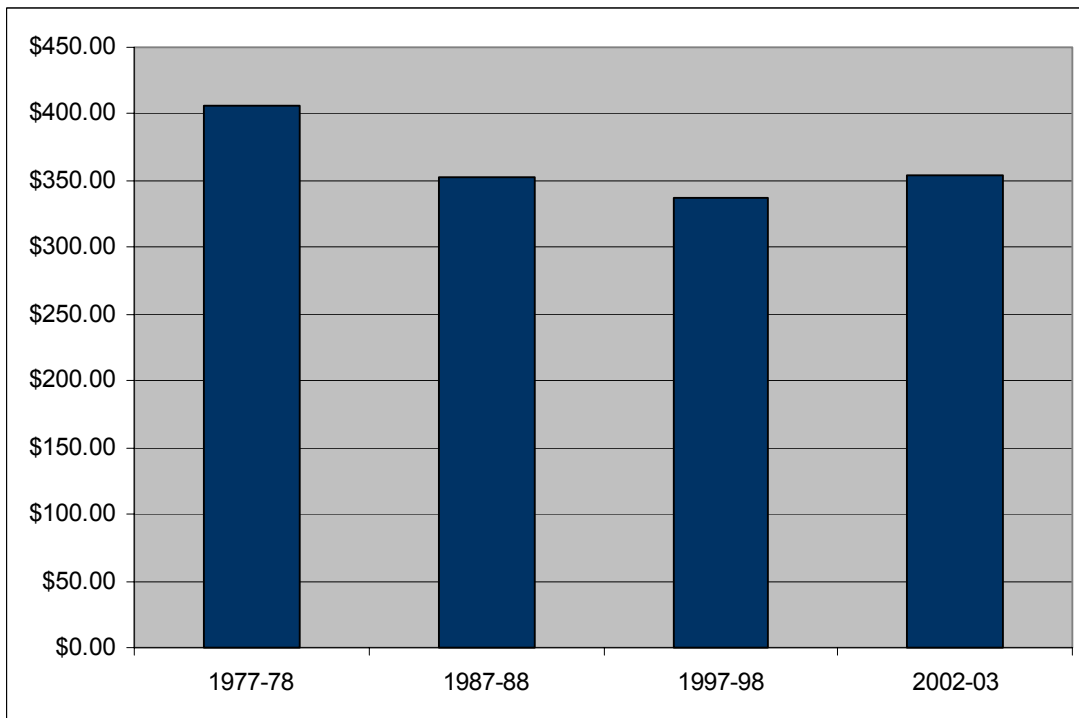


Chart 4-4b: County Public Assistance Expenditure per Capita, Real Dollars



The top line in Table 4-5 shows total county public protection expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased 154 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 61 percent over this same period.

Chart 4-5a shows the data in the first line of the table in graphic form.

Chart 4-5b shows the data in the second line of the table in graphic form.

Table 4-5: County Public Protection Expenditure

Public Protection	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$4,400,630,079	\$6,831,234,438	\$9,345,782,520	\$11,210,891,000	154.76%
Per Capita Expenditure, Real Dollars	\$194.99	\$242.97	\$285.61	\$314.11	61.09%

Chart 4-5a: County Public Protection Expenditure, Real Dollars

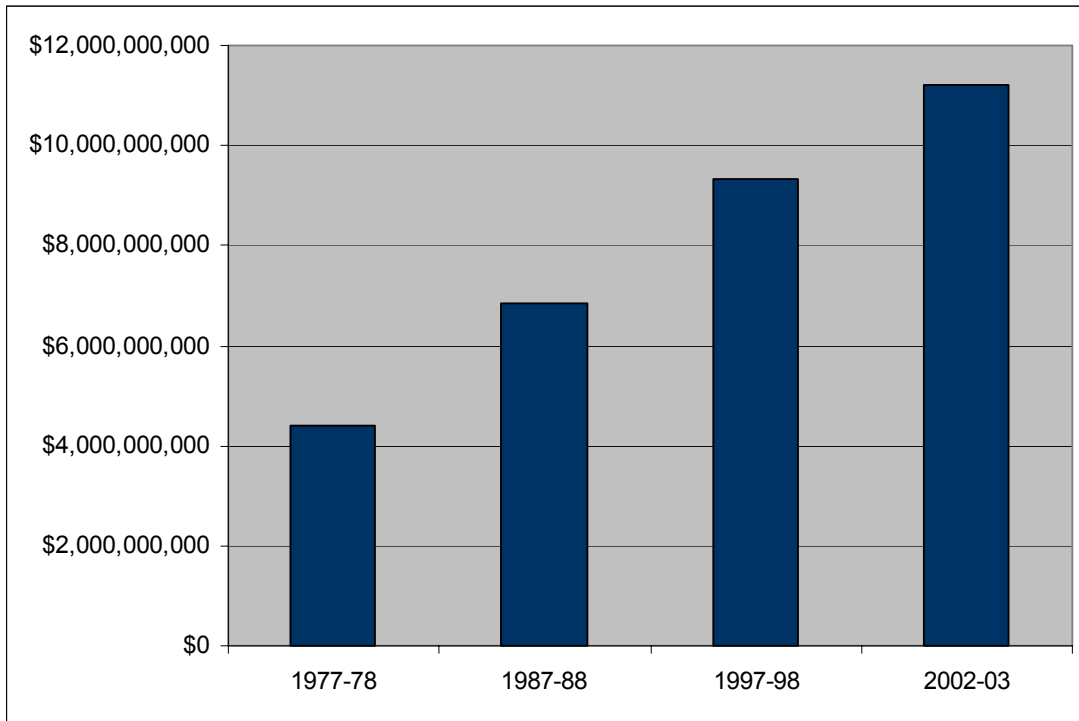
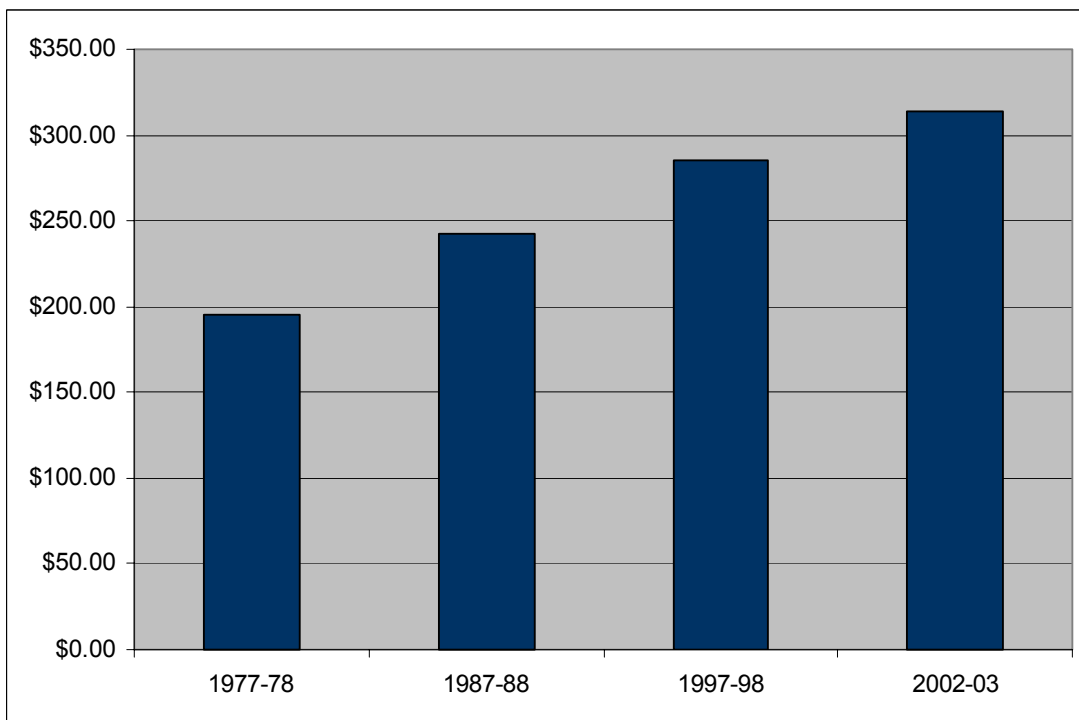


Chart 4-5b: County Public Protection Expenditure per Capita, Real Dollars



The top line in Table 4-6 shows total county health and sanitation expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased 119 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 38 percent over this same period.

Chart 4-6a shows the data in the first line of the table in graphic form.

Chart 4-6b shows the data in the second line of the table in graphic form.

Table 4-6: County Health and Sanitation Expenditure

Health and Sanitation	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$3,167,581,304	\$2,665,530,291	\$5,305,957,940	\$6,941,875,000	119.15%
Per Capita Expenditure, Real Dollars	\$140.35	\$94.81	\$162.15	\$194.50	38.58%

Chart 4-6a: County Health and Sanitation Expenditure, Real Dollars

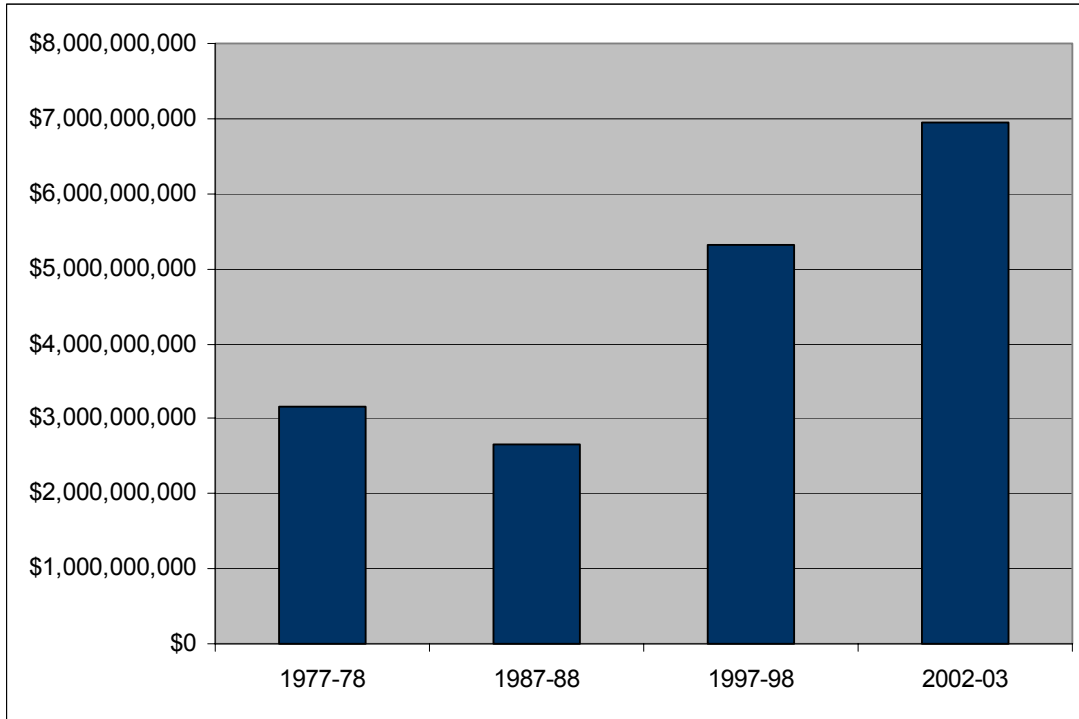
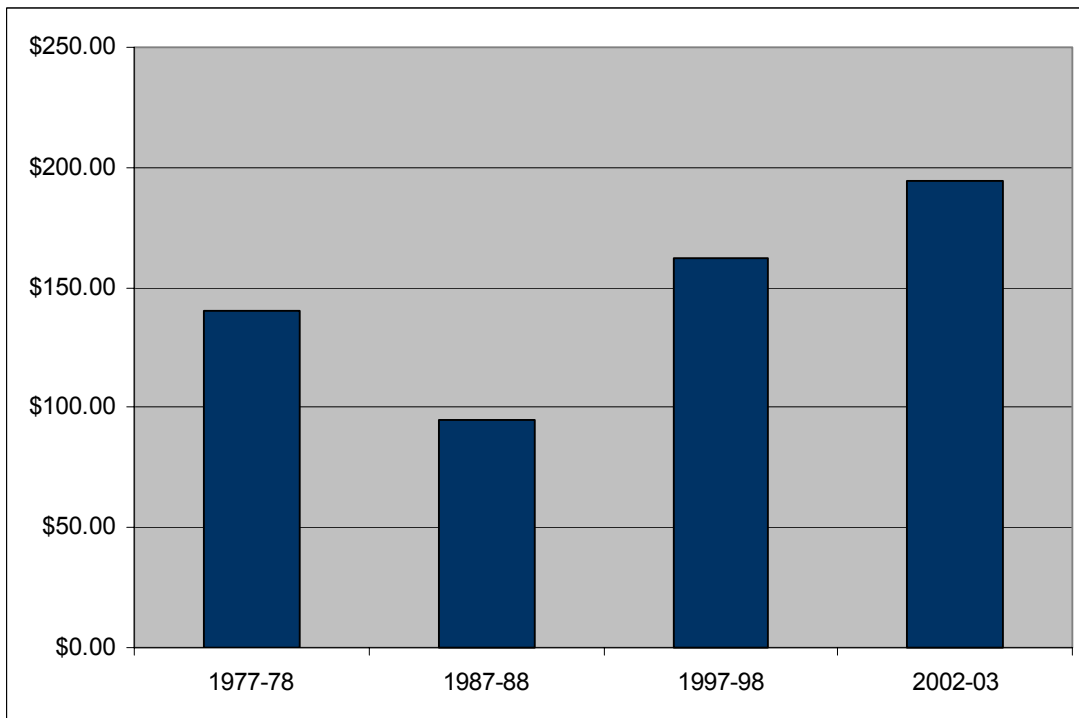


Chart 4-6b: County Health and Sanitation Expenditure per Capita, Real Dollars



The top line in Table 4-7 shows total county general expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures decreased 14 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which decreased 45 percent over this same period.

Chart 4-7a shows the data in the first line of the table in graphic form.

Chart 4-7b shows the data in the second line of the table in graphic form.

Table 4-7: County General Expenditure

General Expenditure	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$4,276,935,515	\$4,341,041,600	\$2,735,613,610	\$3,655,156,000	-14.54%
Per Capita Expenditure, Real Dollars	\$189.50	\$154.40	\$83.60	\$102.41	-45.96%

Chart 4-7a: County General Expenditure, Real Dollars

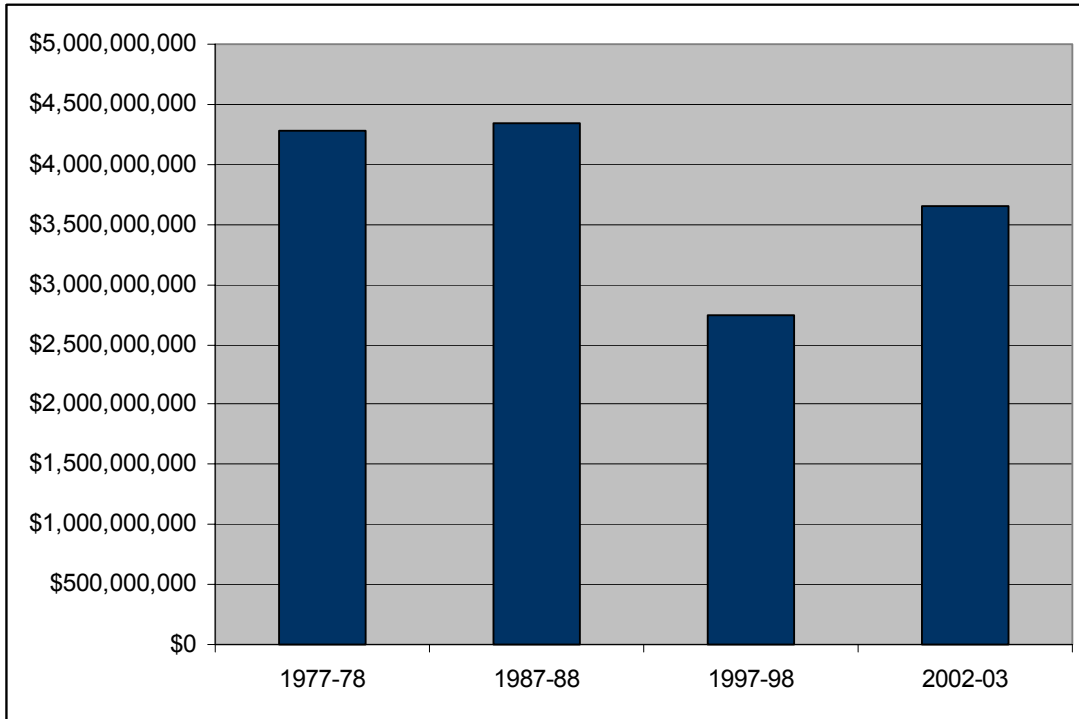
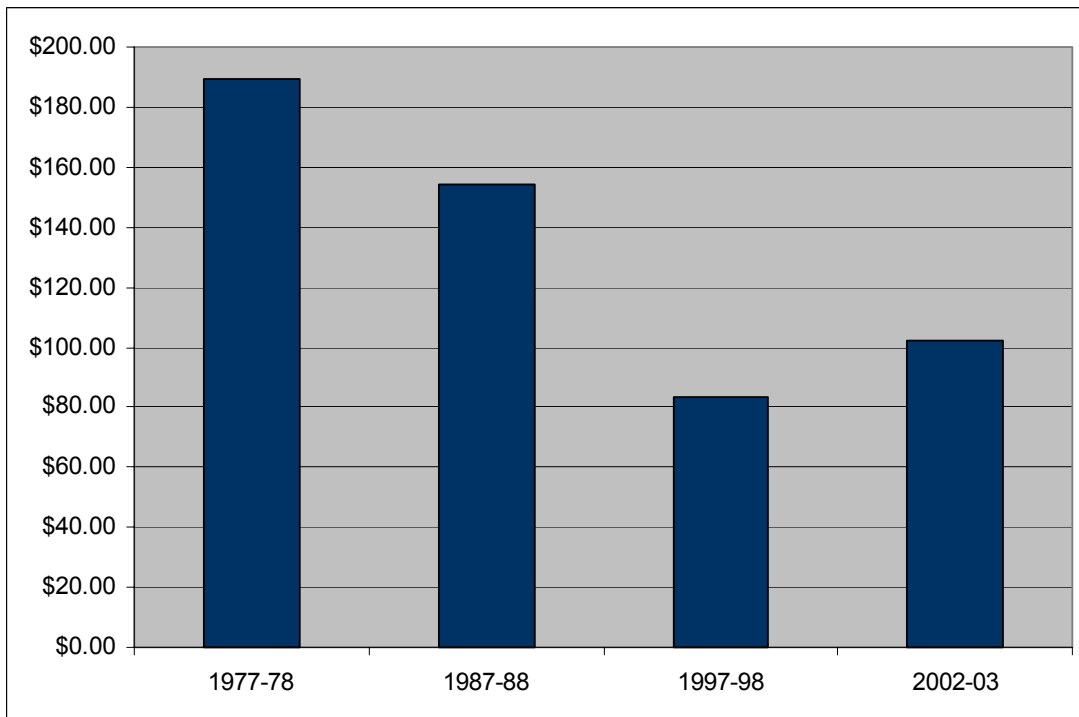


Chart 4-7b: County General Expenditure per Capita, Real Dollars



The top line in Table 4-8 shows total county public ways and facilities expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased 59 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 0.91 percent over this same period.

Chart 4-8a shows the data in the first line of the table in graphic form.

Chart 4-8b shows the data in the second line of the table in graphic form.

Table 4-8: County Public Ways and Facilities Expenditure

Public Ways and Facilities	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$1,094,166,432	\$1,067,289,977	\$1,136,989,050	\$1,746,028,000	59.58%
Per Capita Expenditure, Real Dollars	\$48.48	\$37.96	\$34.75	\$48.92	0.91%

Chart 4-8a: County Public Ways and Facilities Expenditure, Real Dollars

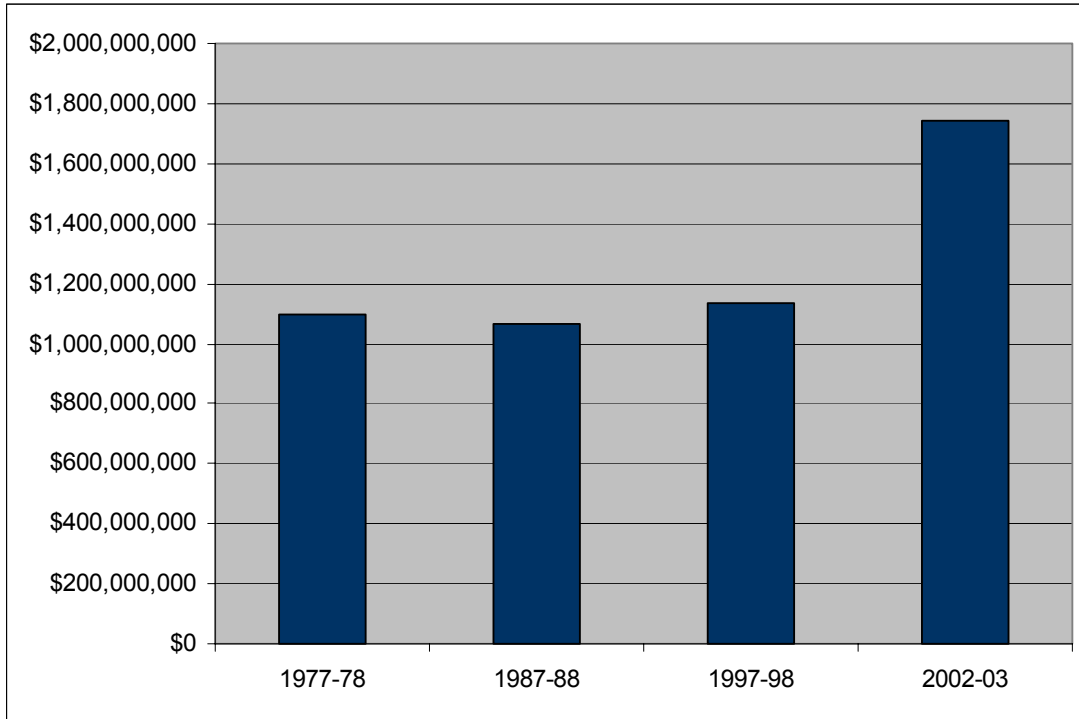
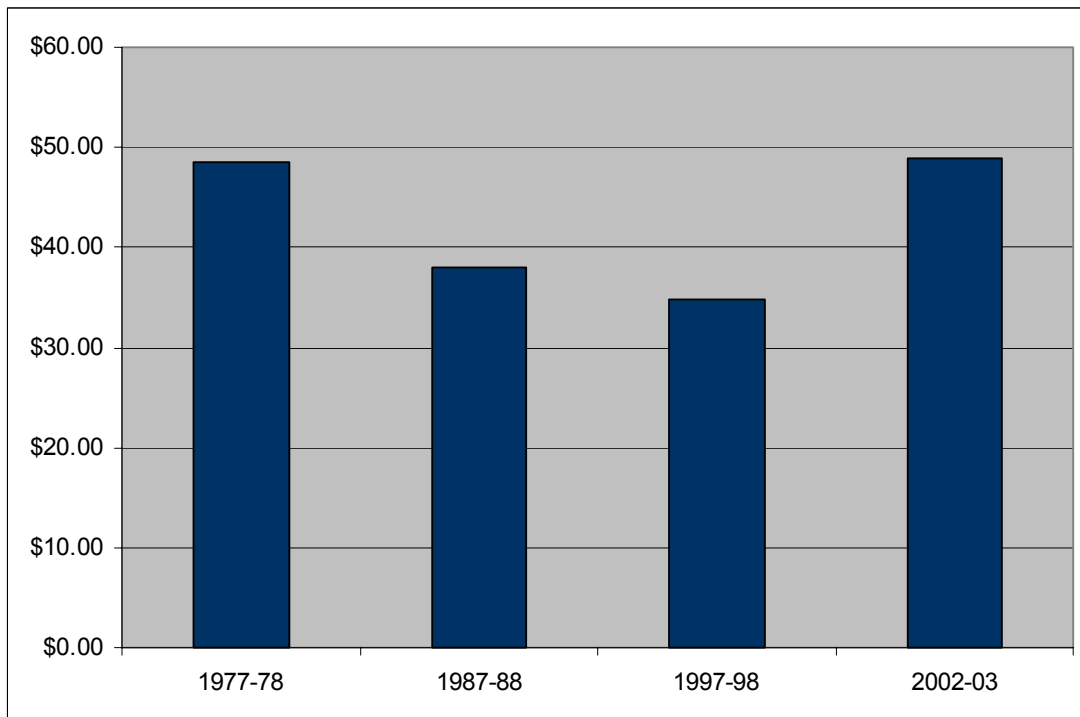


Chart 4-8b: County Public Ways and Facilities Expenditure per Capita, Real Dollars



The top line in Table 4-9 shows total county debt service expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased 2,123 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 1,305 percent over this same period.

Chart 4-9a shows the data in the first line of the table in graphic form.

Chart 4-9b shows the data in the second line of the table in graphic form.

Table 4-9: County Debt Service Expenditure

Debt Service	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$56,732,359	\$101,171,673	\$1,083,054,150	\$1,261,221,000	2123.11%
Per Capita Expenditure, Real Dollars	\$2.51	\$3.60	\$33.10	\$35.34	1305.75%

Chart 4-9a: County Debt Service Expenditure, Real Dollars

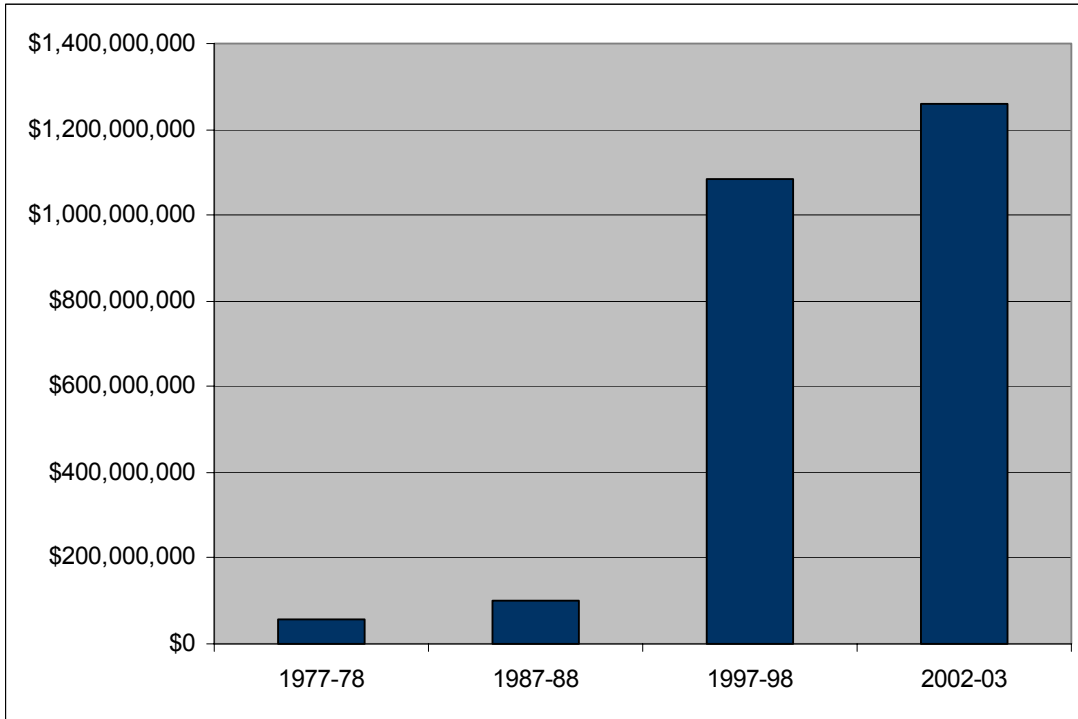
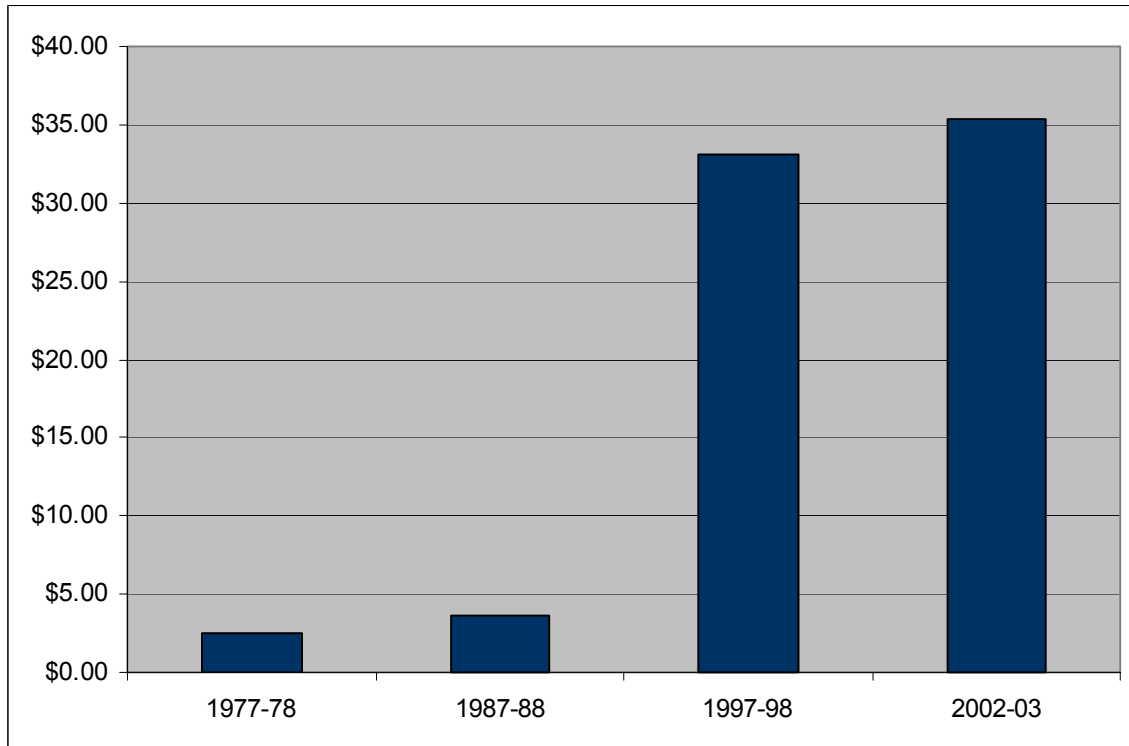


Chart 4-9b: County Debt Service Expenditure per Capita, Real Dollars



The top line in Table 4-10 shows total county education expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased 21 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which decreased 23 percent over this same period.

Chart 4-10a shows the data in the first line of the table in graphic form.

Chart 4-10b shows the data in the second line of the table in graphic form.

Table 4-10: County Education Expenditure

Education	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$296,899,950	\$291,712,344	\$278,829,760	\$361,445,000	21.74%
Per Capita Expenditure, Real Dollars	\$13.16	\$10.38	\$8.52	\$10.13	-23.02%

Chart 4-10a: County Education Expenditure, Real Dollars

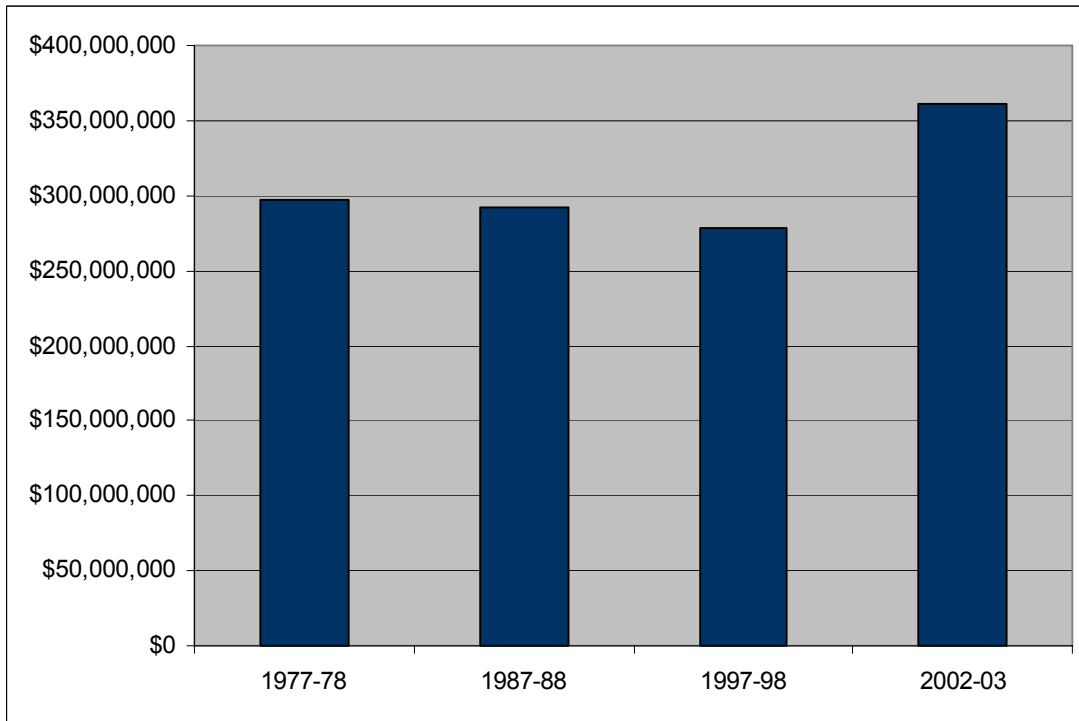
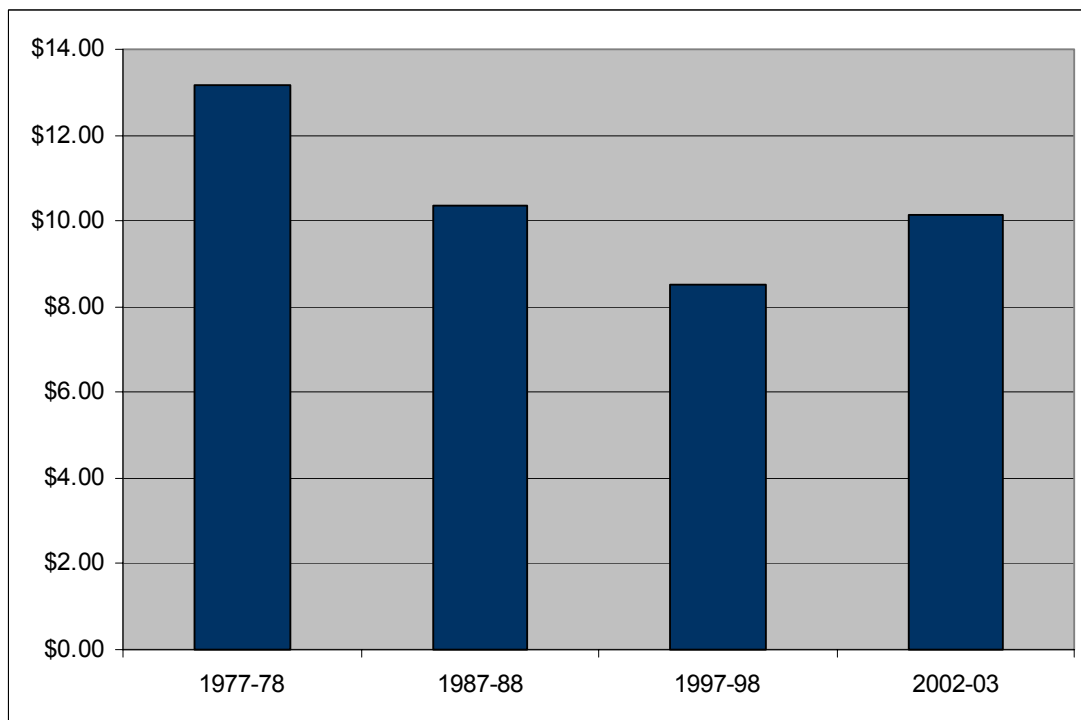


Chart 4-10b: County Education Expenditure per Capita, Real Dollars



The top line in Table 4-11 shows total county recreation and cultural expenditures from FY 1977-1978 to FY 2002-03 in constant 2003 dollars. These expenditures increased 16 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which decreased 26 percent over this same period.

Chart 4-11a shows the data in the first line of the table in graphic form.

Chart 4-11b shows the data in the second line of the table in graphic form.

Table 4-11: County Recreation and Cultural Expenditure

Recreation and Cultural	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$298,542,174	\$265,306,714	\$273,800,130	\$348,216,000	16.64%
Per Capita Expenditure, Real Dollars	\$13.23	\$9.44	\$8.37	\$9.76	-26.25%

Chart 4-11a: County Recreation and Cultural Expenditure, Real Dollars

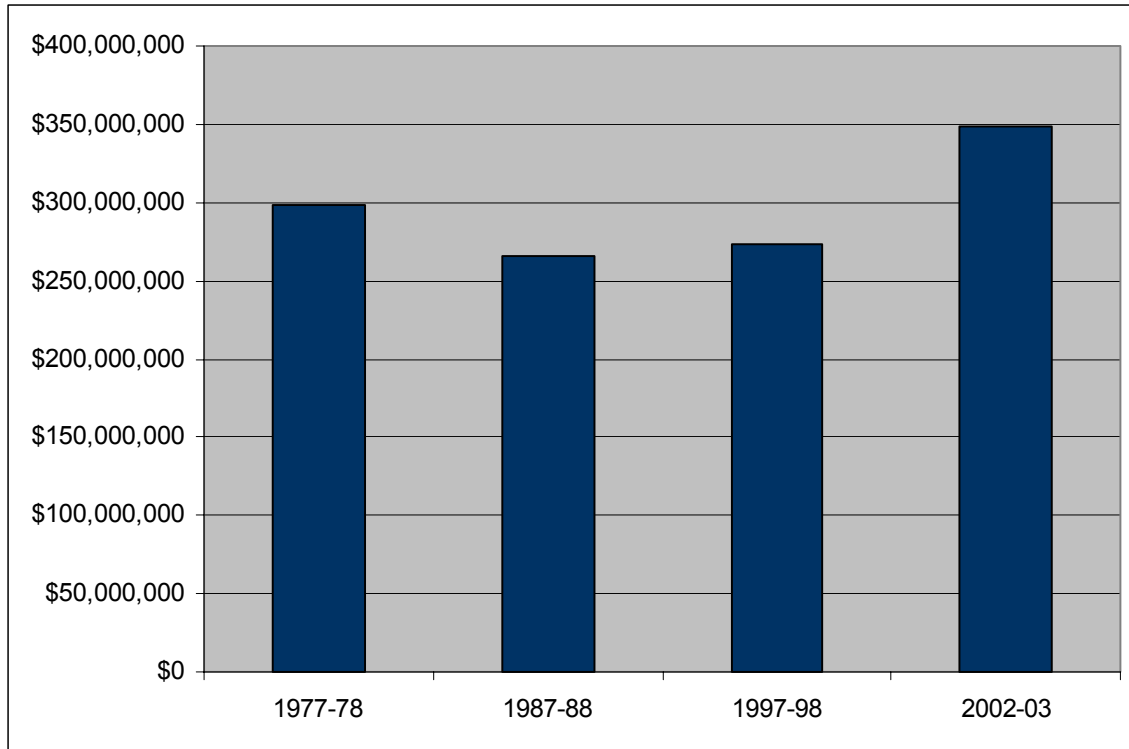
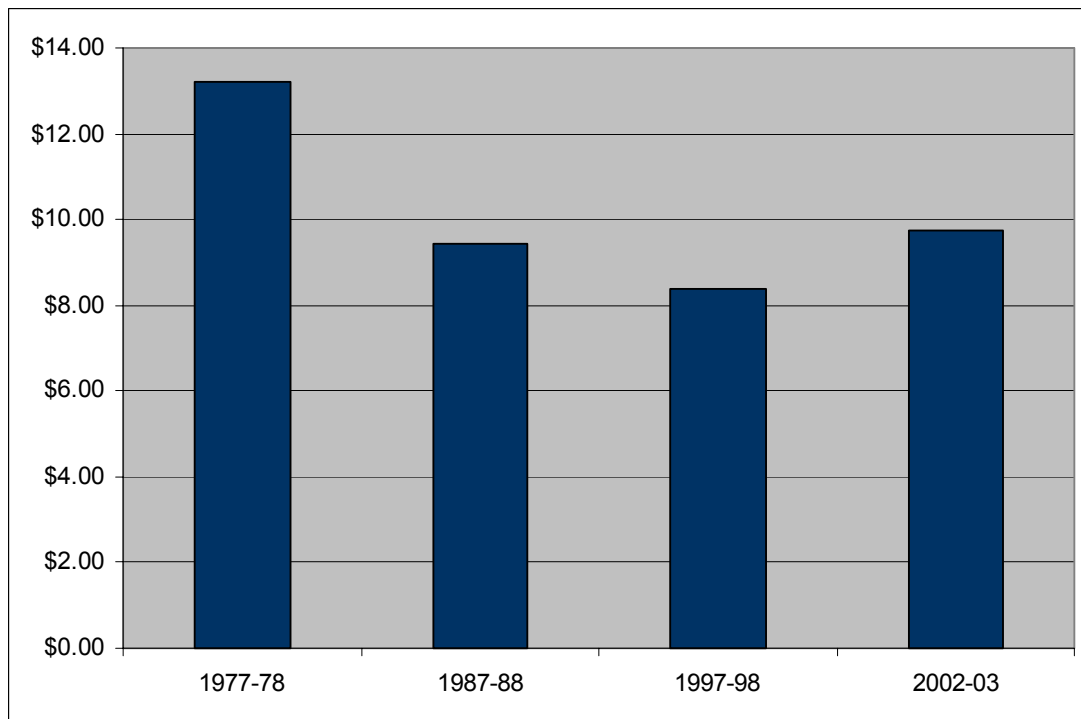


Chart 4-11b: County Recreation and Cultural Expenditure per Capita, Real Dollars



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Section 5: City Revenue

Table 5-1 shows data about municipal revenues in California. In FY 1977-78, total municipal revenues were approximately \$24.9 billion in constant 2003 dollars. Those revenues had grown to over \$47.6 billion in constant 2003 dollars by FY 2002-03, an increase in constant dollars of over 91 percent. Per capita municipal revenues in constant 2003 dollars during this same time period grew from \$1,105 in FY 1977-78 to \$1,336 in FY 2002-03, an increase of over 20.8 percent. Chart 5-1a shows the change in total dollars, and Chart 5-1b shows the change in per capita dollars.

Table 5-1: City Total Revenue

Total Revenue	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$24,946,642,392	\$30,418,747,370	\$40,333,094,418	\$47,687,896,774	91.16%
Per Capita Revenue, Real Dollars	\$1,105.35	\$1,081.94	\$1,232.60	\$1,336.12	20.88%

Chart 5-1a: City Total Revenue, Real Dollars

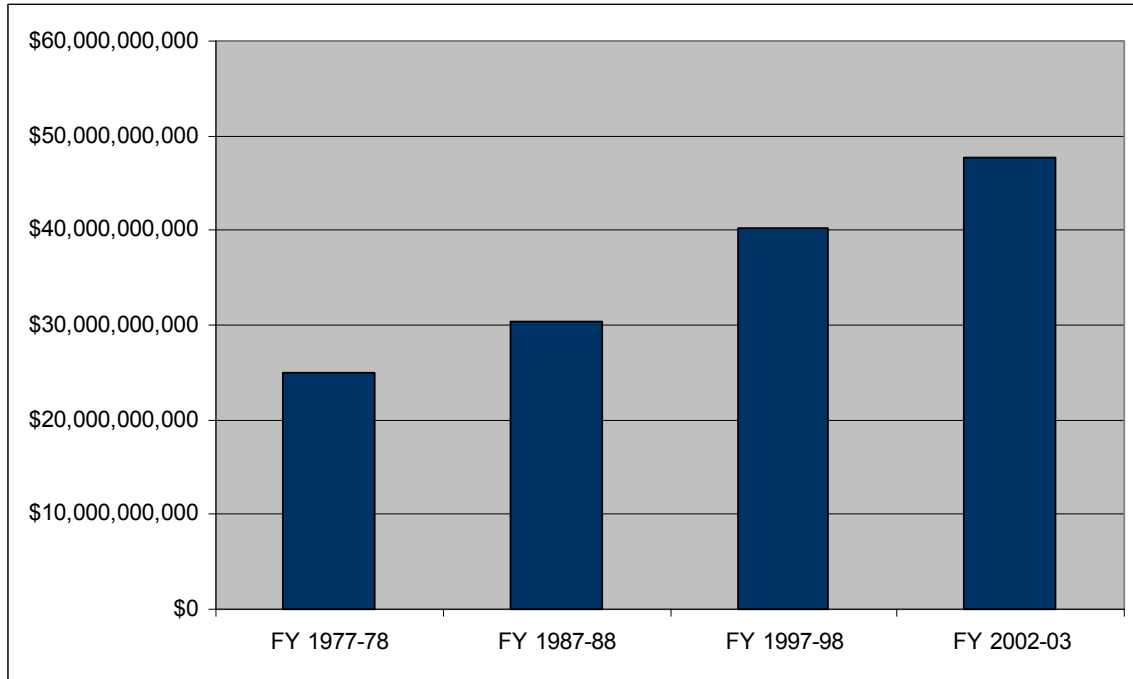


Chart 5-1b: City Total Revenue per Capita, Real Dollars

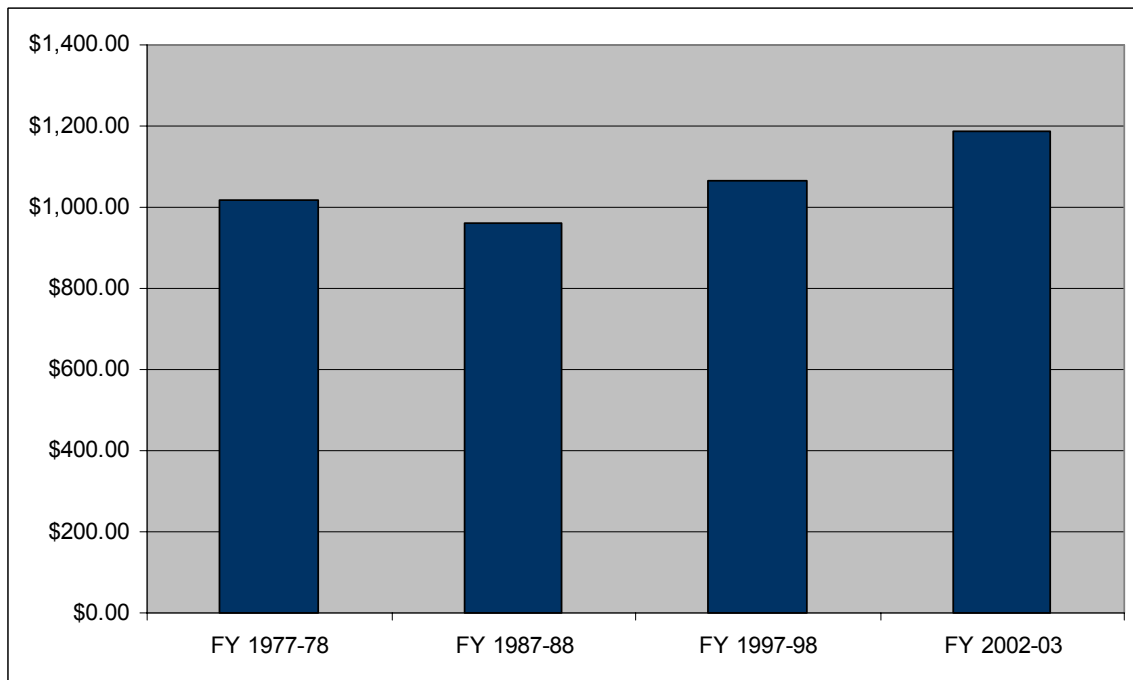


Table 5-2 and Chart 5-2 compare the revenue streams for municipal governments in California in FY 1977-78 and FY 2002-03. For purposes of this comparison, the dollar amounts for FY 1977-78 have been converted to 2003 dollar values.

As is immediately apparent from looking at the table and graph, current service charges have grown much more rapidly in relative terms, and now constitute a much larger proportion of municipal revenues than was the case in FY 1977-78. Revenue from other agencies stayed roughly the same, while sales and use taxes increased significantly. Although general property taxes declined in real dollar terms, other non-property taxes increased much more rapidly. Similarly, there were very substantial increases in the euphemistically titled category of “other revenue,” as well as substantial increases from the rent of property and investments of money. Business license taxes, licenses and permits, and fines and penalties all increased significantly.

Table 5-2: City Revenue by Category, Real Dollars, FY 1977-78 and FY 2002-03

Category	FY 2002-03	FY 1977-78	Percentage Change
Current Service Charges	\$17,235,627,965	\$7,684,365,381	124.29%
From Other Agencies	\$6,801,174,529	\$6,100,627,947	11.48%
Sales and Use Taxes	\$4,076,484,909	\$2,691,539,575	51.46%
General Property Taxes	\$3,492,879,711	\$4,384,018,551	-20.33%
Other Non-Property Taxes	\$2,736,287,909	\$940,214,480	191.03%
Other Revenue	\$2,060,686,000	\$202,930,254	915.47%
Use of Property and Money	\$1,809,265,682	\$570,345,198	217.22%
Business License Taxes	\$835,949,403	\$439,835,314	90.06%
Licenses and Permits	\$622,906,587	\$337,601,606	84.51%
Fines and Penalties	\$472,629,597	\$322,928,114	46.36%

Chart 5-2: City Revenue by Category, Real Dollars, FY 1977-78 and FY 2002-03

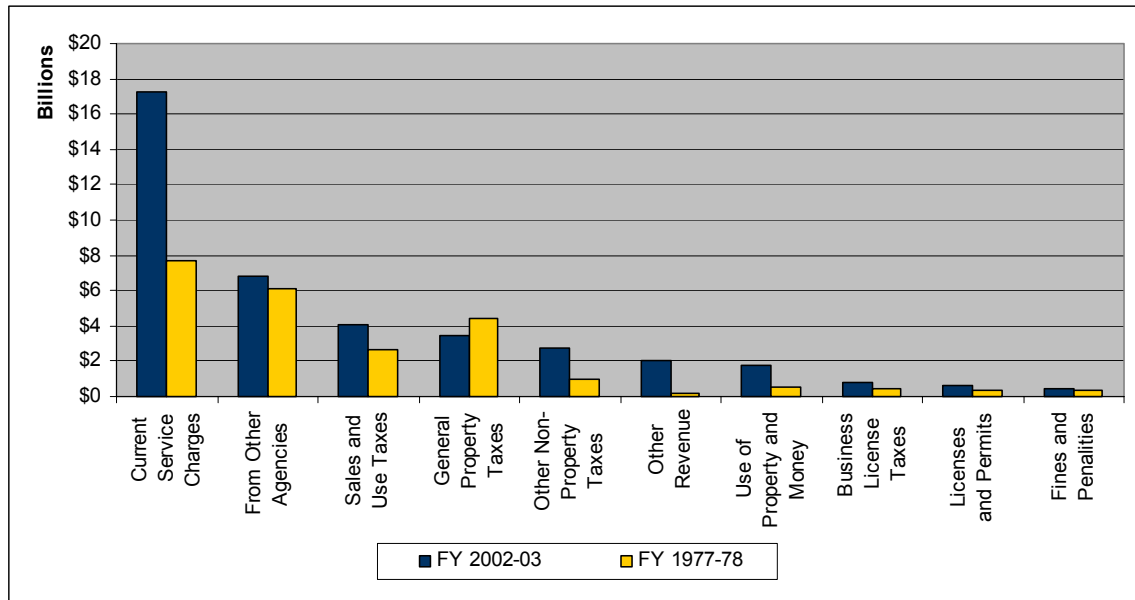


Table 5-3 shows the total municipal revenue per capita by category, in constant 2003 dollars, for FY 1977-78 and FY 2002-03. Note that there were substantial increases in current service charges, other non property taxes, the euphemistically defined “other revenue,” and in revenue from the use of money and property. There was a slight decline in per capita sales tax revenue, and more substantial declines in revenue from other agencies and from general property taxes.

Chart 5-3a shows the data from Table 5-3 in graphic form.

**Table 5-3: City Revenue by Category per Capita,
Real Dollars, FY 1977-78 and FY 2002-03**

Category	FY 2002-03	FY 1977-78	Percent Change
Current Service Charges	\$482.91	\$340.48	41.83%
From Other Agencies	\$190.55	\$270.31	-29.51%
Sales and Use Taxes	\$114.21	\$119.26	-4.23%
General Property Taxes	\$97.86	\$194.25	-49.62%
Other Non-Property Taxes	\$76.67	\$41.66	84.03%
Other Revenue	\$57.74	\$8.99	542.12%
Use of Property and Money	\$50.69	\$25.27	100.59%
Business License Taxes	\$23.42	\$19.49	20.18%
Licenses and Permits	\$17.45	\$14.96	16.67%
Fines and Penalties	\$13.24	\$14.31	-7.45%

**Chart 5-3: City Revenue by Category per Capita,
Real Dollars, FY 1977-78 and FY 2002-03**

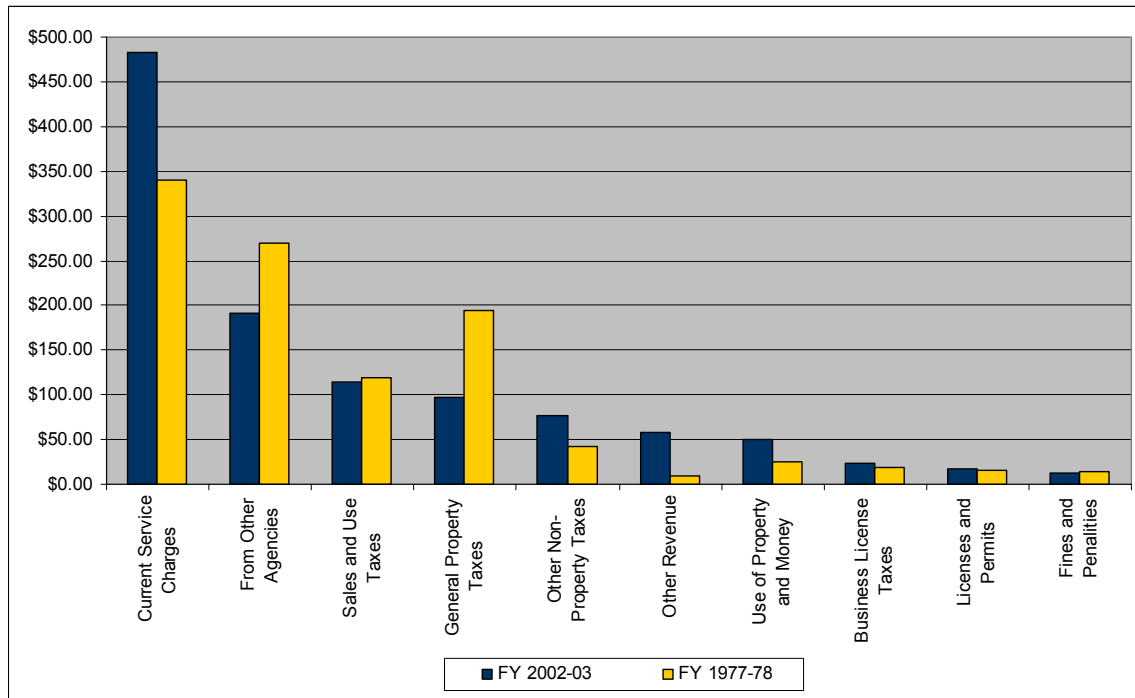


Table 5-4 and Chart 5-4 show the municipal revenues for all cities in California by major category in FY 2002-03. Current service charges, which are over \$17.2 billion, constitute, by far, the largest category of revenues. This is in part because many cities in California operate water (especially), sewer, sanitation, and electrical services for which they charge. The second largest category is money from other agencies, primarily subventions from the state, which total a little over \$6.8 billion. Sales taxes garner over \$4 billion, and general property taxes are over \$3.4 billion. Other non-property taxes generate over \$2.7 billion a year. Further down the list, note that utility user taxes generate over \$1.4 billion, and that business license taxes generate over \$835 million. Chart 5-4 shows the data from Table 5-4 in graphic form.

Table 5-4: City Revenue by Major Category, FY 2002-03, Real Dollars

Category	Revenue, FY 2002-03
Current Service Charges	\$17,235,627,965
From Other Agencies	\$6,801,174,529
Sales and Use Taxes	\$4,076,484,909
General Property Taxes	\$3,492,879,711
Sale of Bonds	\$2,935,731,945
Other Non-Property Taxes	\$2,736,287,909
Other Revenue	\$2,060,686,000
Use of Property and Money	\$1,809,265,682
Utility Users	\$1,493,784,810
Other Financing Sources	\$1,279,689,371
Business License Taxes	\$835,949,403
Licenses and Permits	\$622,906,587
Transportation	\$616,949,307
Special Benefit Assessments	\$501,251,000
Fines and Penalties	\$472,629,597
Voter-Approved Indebtedness	\$388,510,021
Transient Lodging Taxes	\$122,852,918
Property Transfer Taxes	\$51,475,305
Franchise Taxes	\$10,946,527

Chart 5-4: City Revenue by Major Category, FY 2002-03, Real Dollars

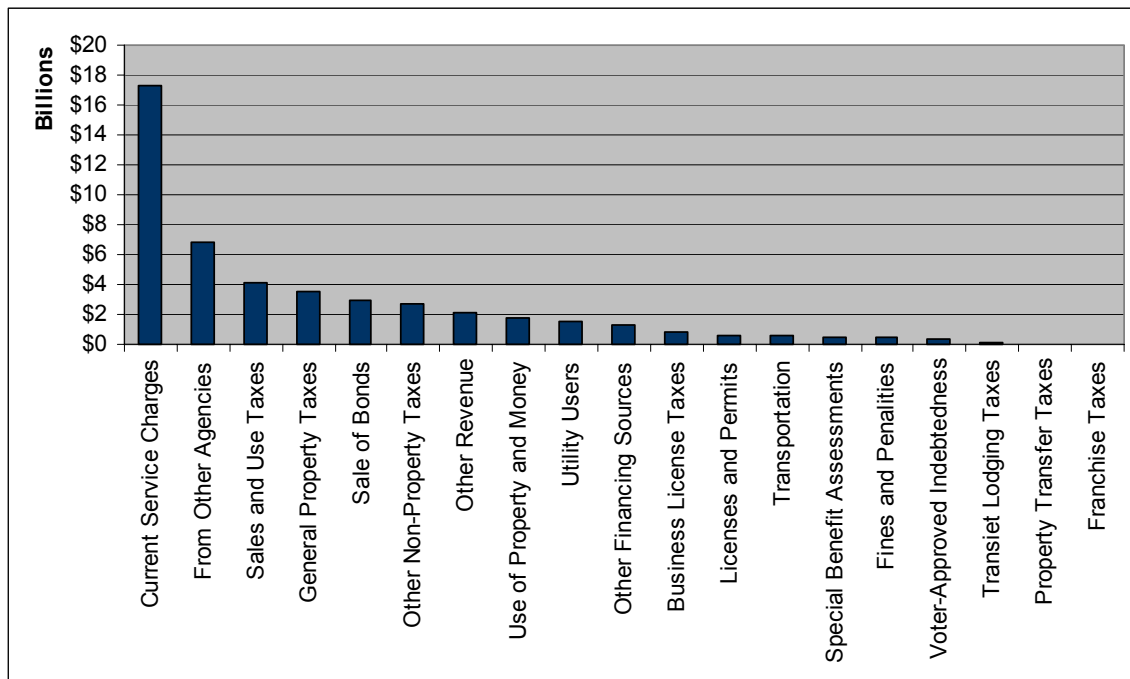


Table 5-5 and Chart 5-5 show the composition of municipal revenues by major category for all California cities by major category for FY 1977-78. For purposes of comparison, these amounts are shown in 2003 dollars. As was the case in FY 2002-03 (shown on the previous pages), current service charges was the largest category, at a little over \$7.6 billion. Revenue from other agencies, primarily the state, was about \$6.1 billion. General property taxes (approximately \$4.3 billion), sales and use taxes (approximately \$2.6 billion) were the other major revenue categories.

Table 5-5: City Revenue by Major Category, FY 1977-78, Real Dollars

Category	FY 1977-78
Current Service Charges	\$7,684,365,381
From Other Agencies	\$6,100,627,947
General Property Taxes	\$4,384,018,551
Sales and Use Taxes	\$2,691,539,575
Other Non-Property Taxes	\$940,214,480
Use of Property and Money	\$570,345,198
From City-Owned Enterprises	\$559,033,578
Business License Taxes	\$439,835,314
Licenses and Permits	\$337,601,606
Fines and Penalties	\$322,928,114
Transient Lodging Taxes	\$212,492,353
Other Revenue	\$202,930,254
Franchise Taxes	\$178,352,000
Property Transfer Taxes	\$114,959,887
Other Financing Sources	\$83,212,873
Sale of Property	\$77,662,349
Utility Users	\$46,801,078
From Non-Governmental Sources	\$46,092,313

Chart 5-5: City Revenue by Major Category, FY 1977-78, Real Dollars

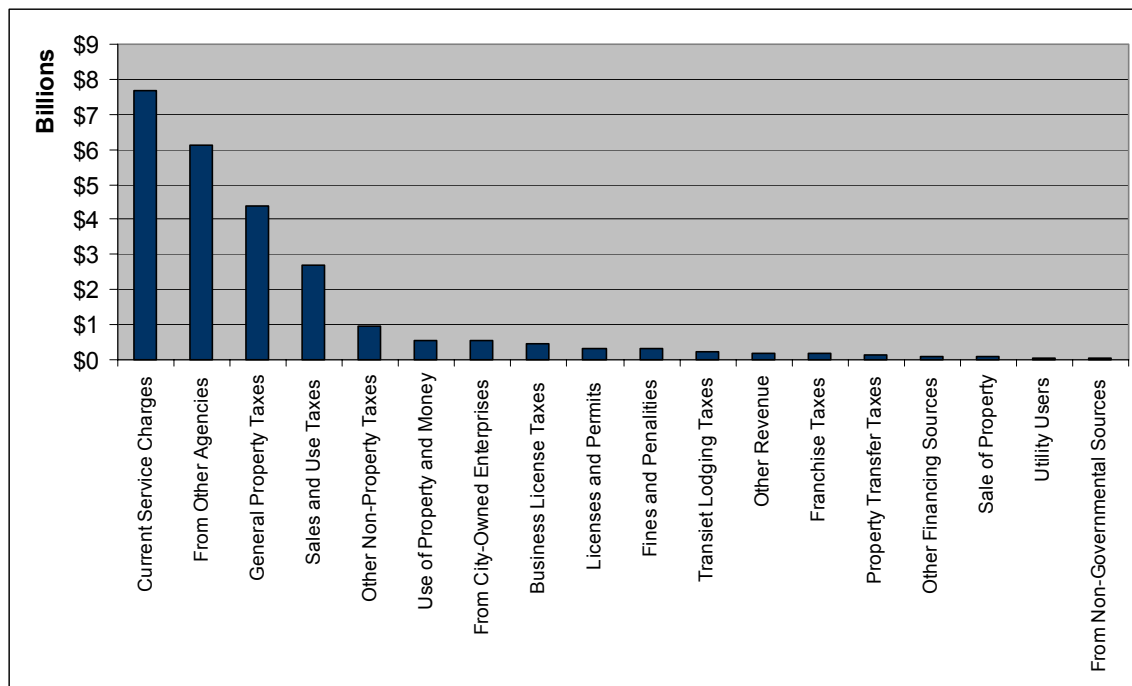


Table 5-6 shows municipal revenues from current service charges in California from FY 1977-78 to FY 2002-03, as measured in constant 2003 dollars. In absolute terms, there was a huge increase, from approximately \$7.6 billion in FY 1977-78 to over \$17.2 billion in FY 2002-03, an increase of over 124 percent. Chart 5-6a shows this increase quite clearly.

In per capita terms, the increase was also substantial. In FY 1977-78, the per capita revenue from current service charges was a little over \$340, a figure that grew to almost \$482 in FY 2002-03. As calculated in constant 2003 dollars, this is an increase of over 41 percent, which is shown graphically in Chart 5-6b.

Table 5-6: City Revenue from Current Service Charges

Current Service Charges	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$7,684,365,381	\$11,414,109,938	\$15,740,219,763	\$17,235,627,965	124.29%
Per Capita Revenue, Real Dollars	\$340.48	\$405.98	\$481.03	\$482.91	41.83%

Table 5-6a: City Revenue from Current Service Charges, Real Dollars

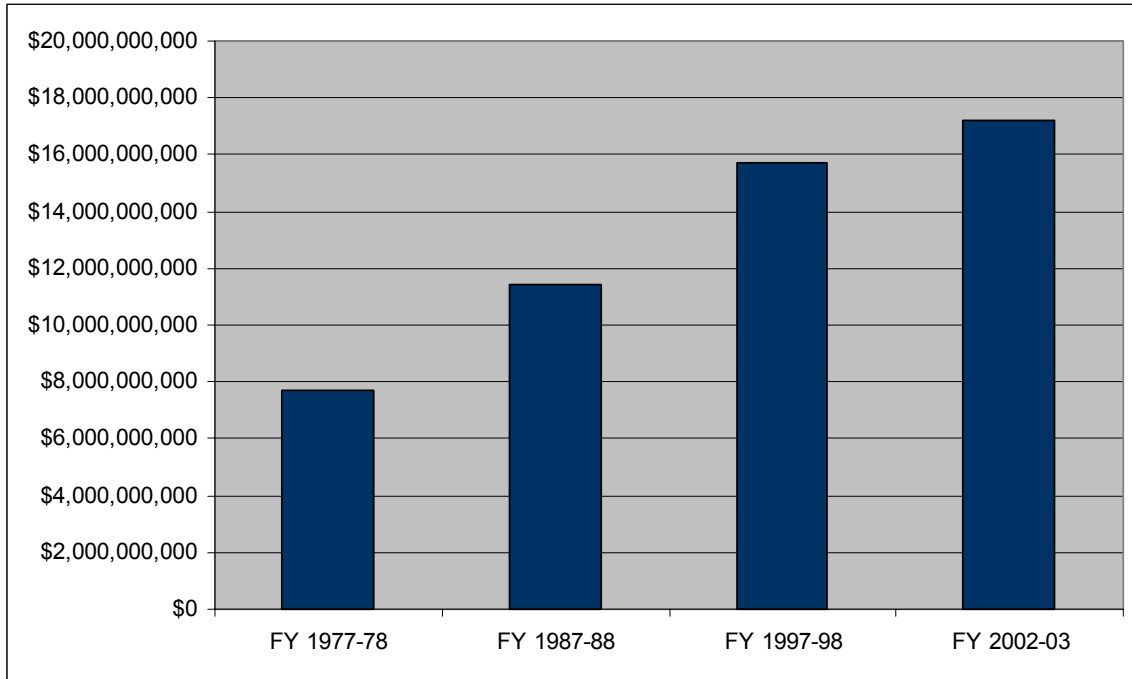


Table 5-6b: City Revenue from Current Service Charges per Capita, Real Dollars

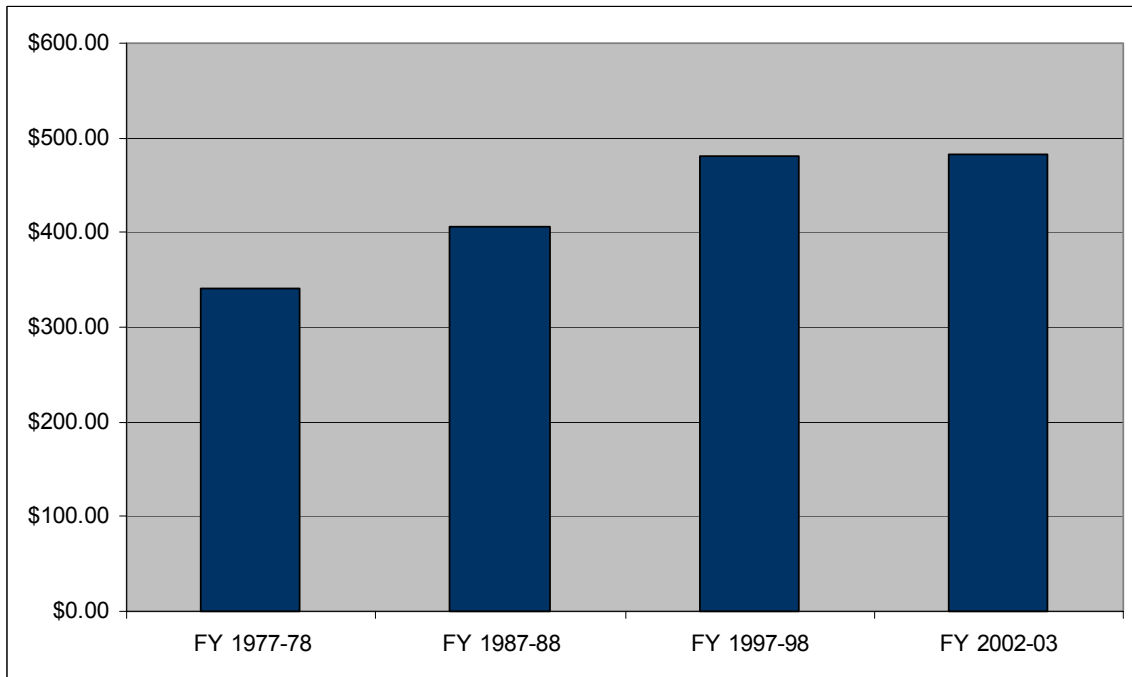


Table 5-7 shows municipal revenue from other agencies, primarily the state. In constant 2003 dollars, there has been very little change between FY 1977-78 and FY 2002-03, with the dollar amount increasing slightly from \$6.1 billion in FY 1977-78 to \$6.8 in FY 2002-03, which constitutes an increase of almost 11 percent. Note, however, that there have been substantial fluctuations in the intervening years when, for example, such revenues declined to \$3.6 billion in FY 1987-88 and \$5.3 billion in FY 1997-98. This pattern is reflected graphically in Chart 5-7a.

In per capita terms, municipal revenues from other agencies have declined significantly, from \$270 in FY 1977-78 down to \$131 in FY 1987-88. The trend was reversed with the per capita amount reaching \$190 in FY 2002-03, which nevertheless still represents a 29 percent decline from the amount received in FY 1977-78. This fluctuation in per capita revenues is illustrated in Chart 5-7b.

Table 5-7: City Revenue from Other Agencies

From Other Agencies	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$6,100,627,947	\$3,687,196,158	\$5,386,298,813	\$6,801,174,529	11.48%
Per Capita Revenue, Real Dollars	\$270.31	\$131.15	\$164.61	\$190.55	-29.51%

Chart 5-7a: City Revenue from Other Agencies, Real Dollars

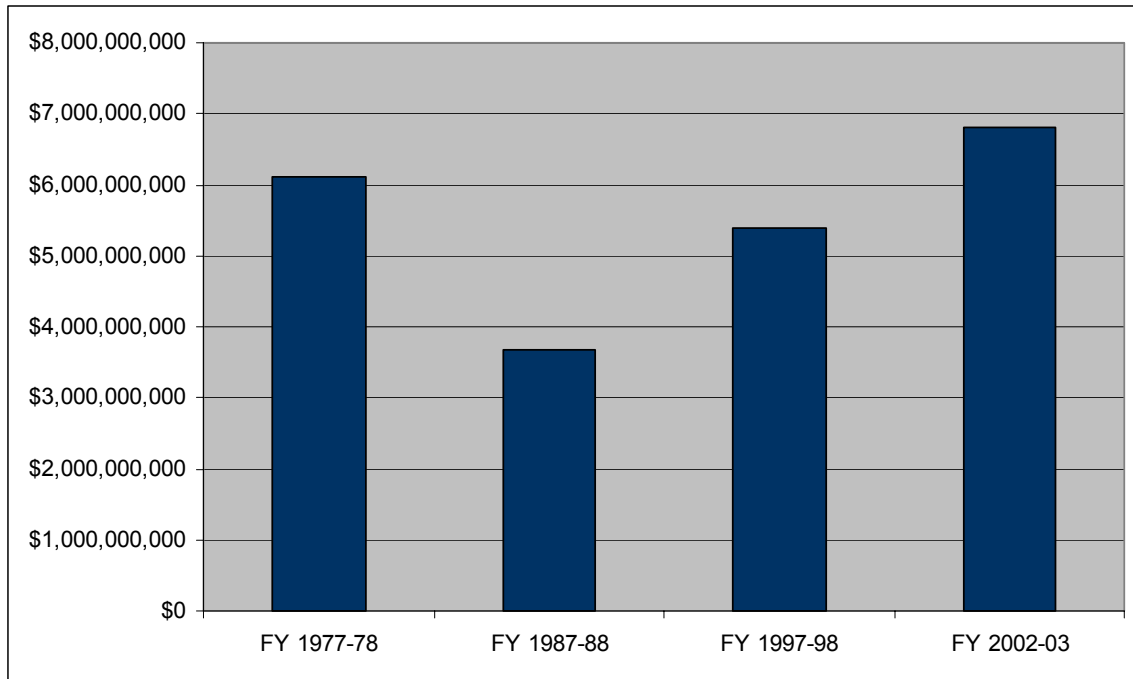


Chart 5-7b: City Revenue from Other Agencies per Capita, Real Dollars

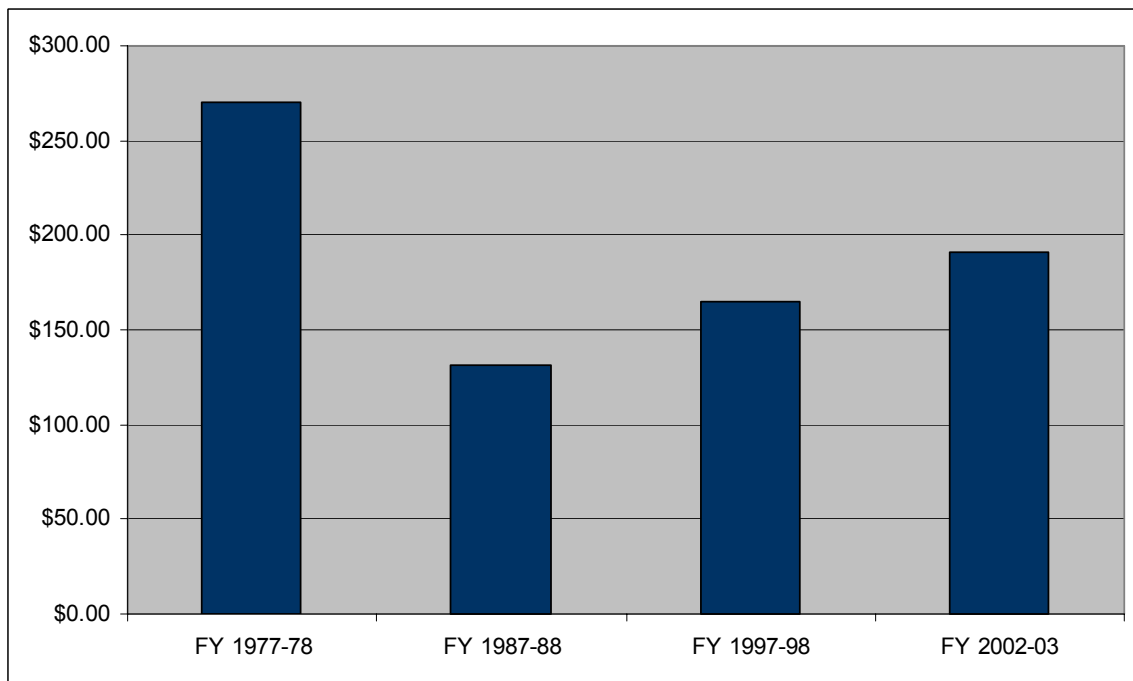


Chart 5-8 shows city sales and use tax revenue in constant 2003 dollars from FY 1977-78 to FY 2002-03. Over this time, the dollar amount rose from over \$2.6 billion to well over \$4 billion, an absolute increase of approximately 51 percent, which is reflected in Chart 5-8a.

In per capita terms, the dollar amount of sales and use tax revenue going to cities has remained quite constant, with a significant though not major dip in FY 1997-98. The per capita income of almost \$114 in FY 2002-03 was only 4 percent less than the per capita figure for FY 1977-78 (\$119). This consistent pattern is reflected in Chart 5-8b.

Table 5-8: City Sales and Use Tax Revenue

Sales and Use Taxes	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$2,691,539,575	\$3,305,231,393	\$3,545,355,844	\$4,076,484,909	51.46%
Per Capita Revenue, Real Dollars	\$119.26	\$117.56	\$108.35	\$114.21	-4.23%

Chart 5-8a: City Sales and Use Tax Revenue, Real Dollars

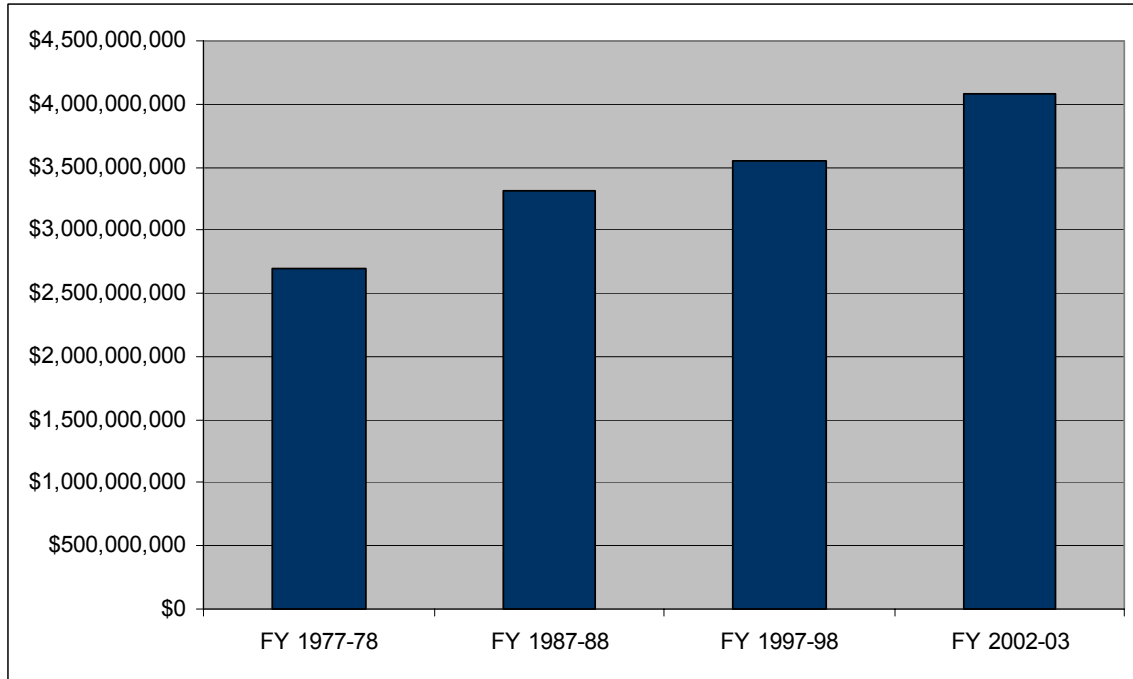


Chart 5-8b: City Sales and Use Tax Revenue per Capita, Real Dollars

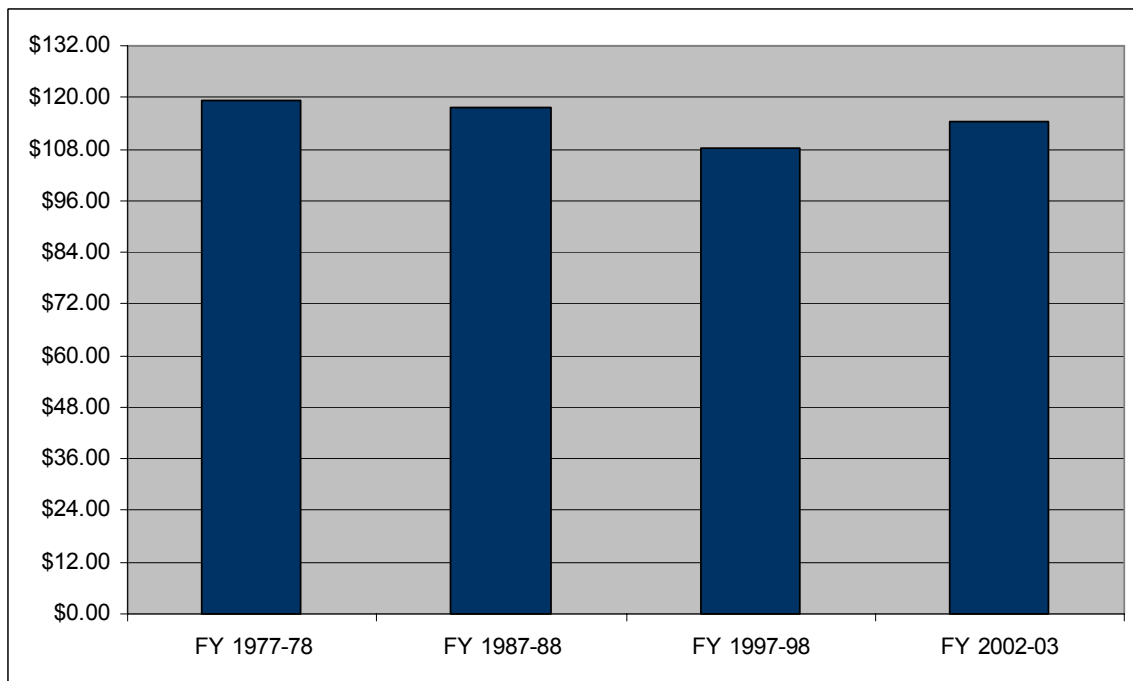


Table 5-9 shows the general property tax revenue received by California cities from FY 1977-78 through FY 2002-03 in constant 2003 dollars. The revenues from this source have declined in absolute terms about 20 percent over this period, from almost \$4.3 billion in FY 1977-78 to \$3.4 billion in FY 2002-03. These data are reflected in Chart 5-9a, as is the fact that such revenues have increased recently in concert with the property value boom in California.

In per capita terms, these revenues have declined by almost 50 percent between FY 1977-78 and FY 2002-03, although here again a distinct upturn has been recorded in the last several years, as is illustrated in Chart 5-9b.

Table 5-9: City General Property Tax Revenue

General Property Taxes	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$4,384,018,551	\$2,842,898,578	\$2,692,741,537	\$3,492,879,711	-20.33%
Per Capita Revenue, Real Dollars	\$194.25	\$101.12	\$82.29	\$97.86	-49.62%

Chart 5-9a: City General Property Tax Revenue, Real Dollars

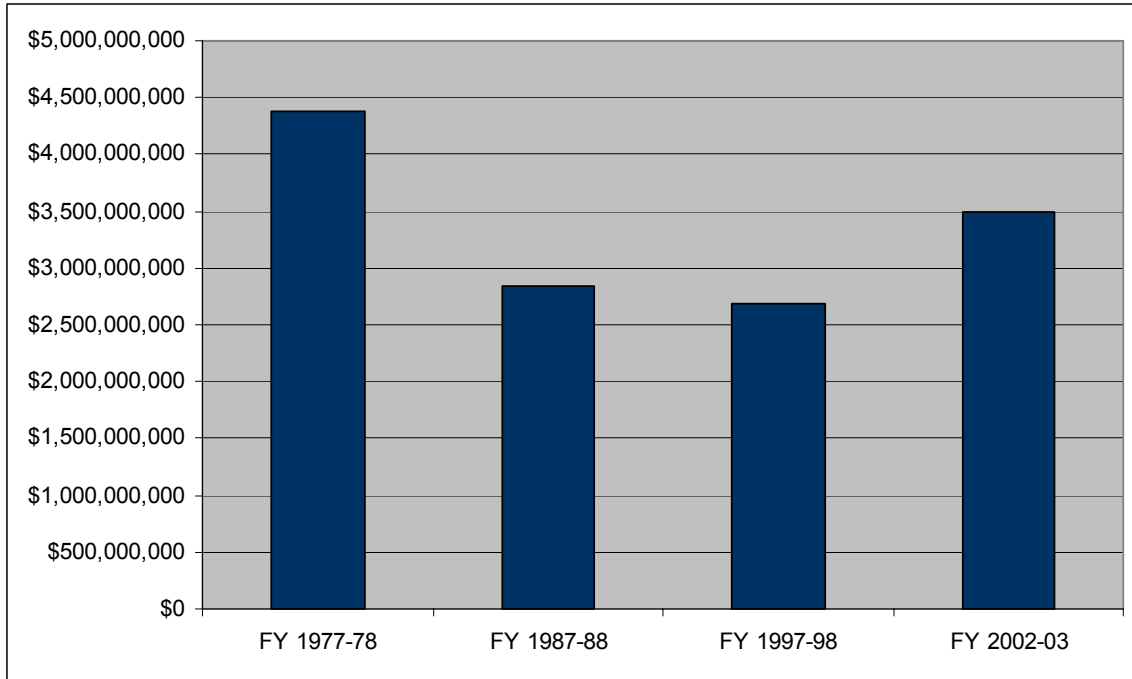


Chart 5-9b: City General Property Tax Revenue per Capita, Real Dollars

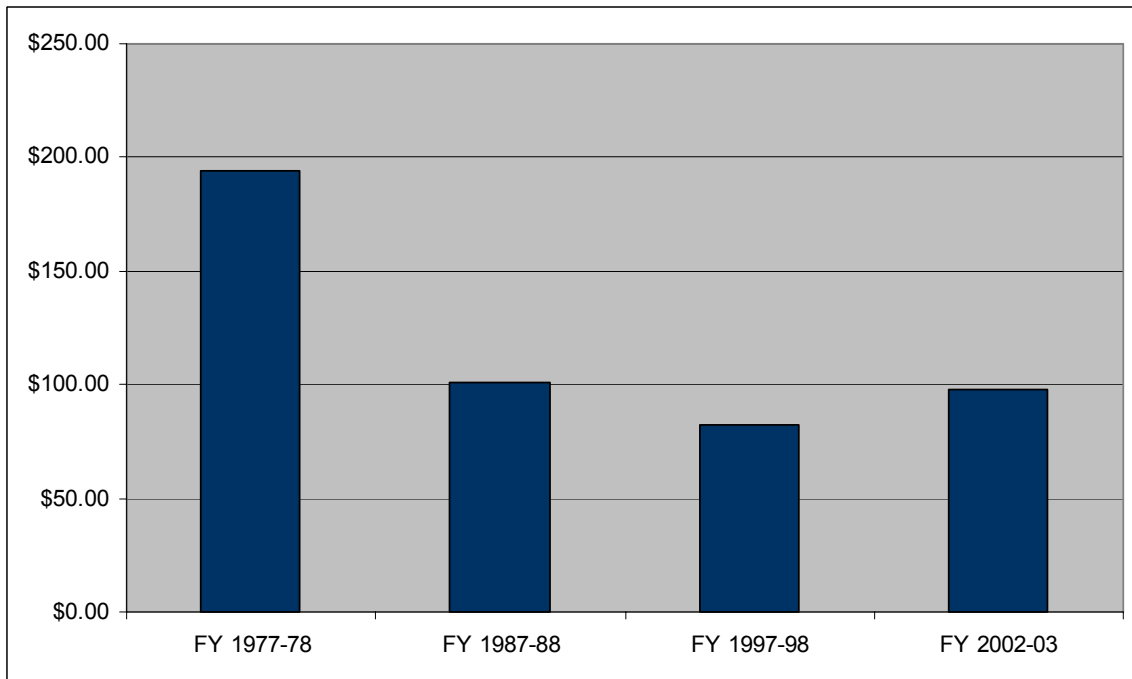


Table 5-10 shows “other non-property tax revenue” received by California cities between FY 1977-78 and FY 2002-03, as measured by constant 2003 dollars. During this time, these revenues have increased by over 191 percent, from approximately \$940 million in FY 1977-78 to almost \$2.7 billion in FY 2002-03, as is illustrated by Chart 5-10a.

This huge increase is reflected in the per capita numbers, which have doubled from approximately \$41 in 1977-78 to well over \$76 in FY 2002-03, an increase of approximately 84 percent which is illustrated in Chart 5-10b.

Table 5-10: City Other Non-Property Tax Revenue

Other Non-Property Taxes	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$940,214,480	\$1,739,492,177	\$2,433,967,255	\$2,736,287,909	191.03%
Per Capita Revenue, Real Dollars	\$41.66	\$61.87	\$74.38	\$76.67	84.03%

Chart 5-10a: City Other Non-Property Tax Revenue, Real Dollars

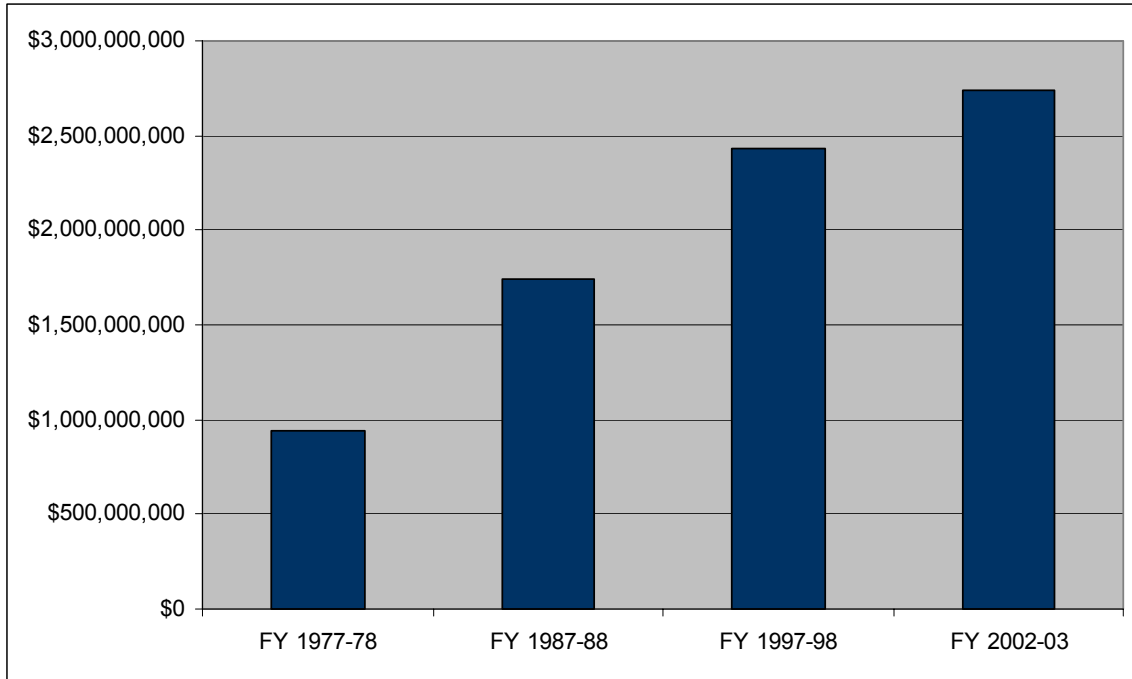


Chart 5-10b: City Other Non-Property Tax Revenue per Capita, Real Dollars

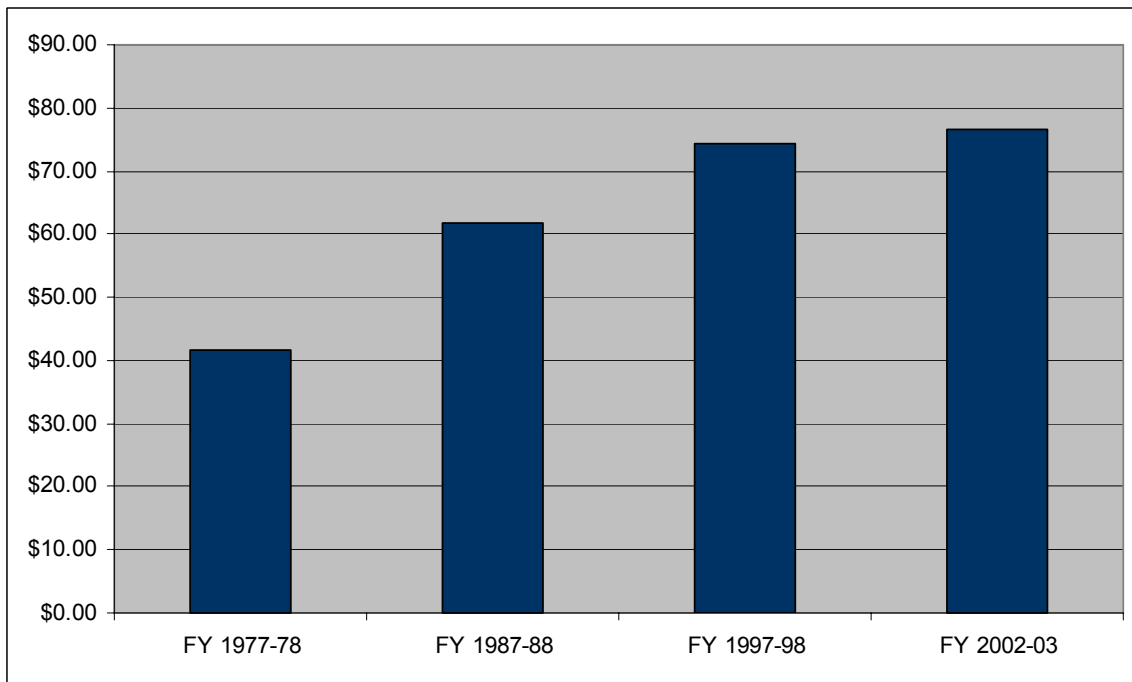


Table 5-11 shows revenue from the sale of bonds received by cities in California. Noteworthy here is that these revenues were nonexistent in FY 1977-78 and FY 1987-88 but had become fairly prevalent and increased in absolute terms since the category's inception in FY 1997-98, reaching approximately \$2.9 billion in FY 2002-03, an increase of over 273%.

In per capita terms, these revenues increased from \$24.04 in FY 1997-98 to \$82.05 in FY 2002-03, an increase of over 242%. Charts 5-11a and 5-11b display these revenue data in absolute and per capita terms.

Table 5-11: City Revenue from Sale of Bonds

Sale of Bonds	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars			\$786,507,120	\$2,935,731,945	273.26%
Per Capita Revenue, Real Dollars			\$24.04	\$82.25	242.21%

Chart 5-11a: City Revenue from Sale of Bonds, Real Dollars

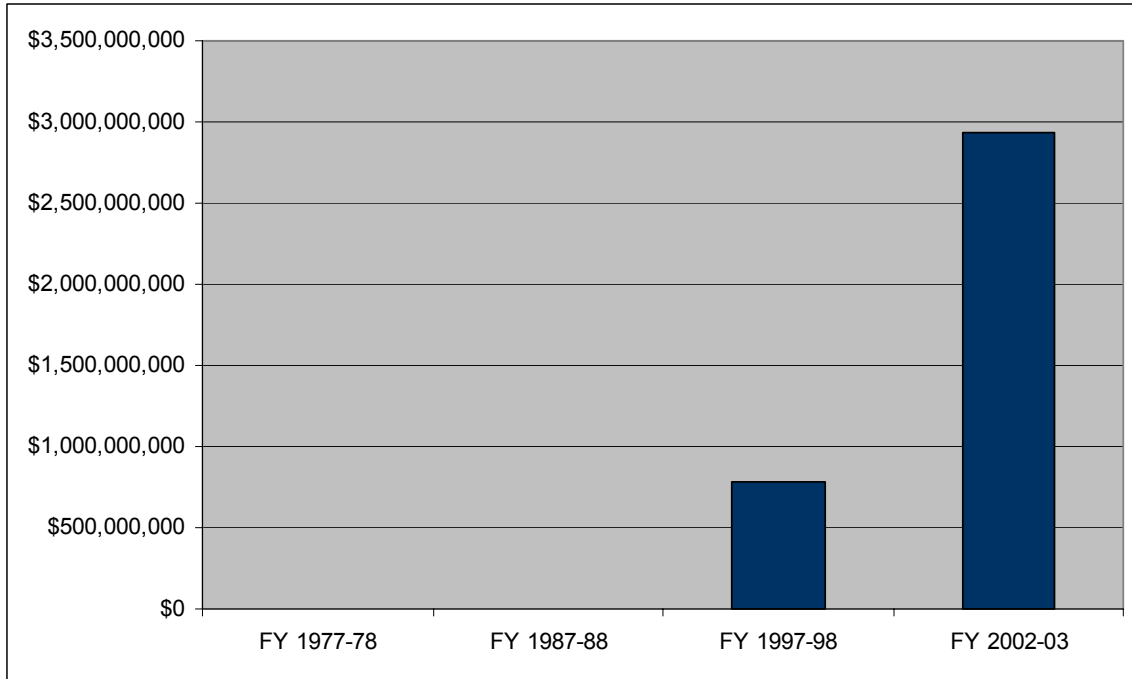


Chart 5-11b: City Revenue from Sale of Bonds per Capita, Real Dollars

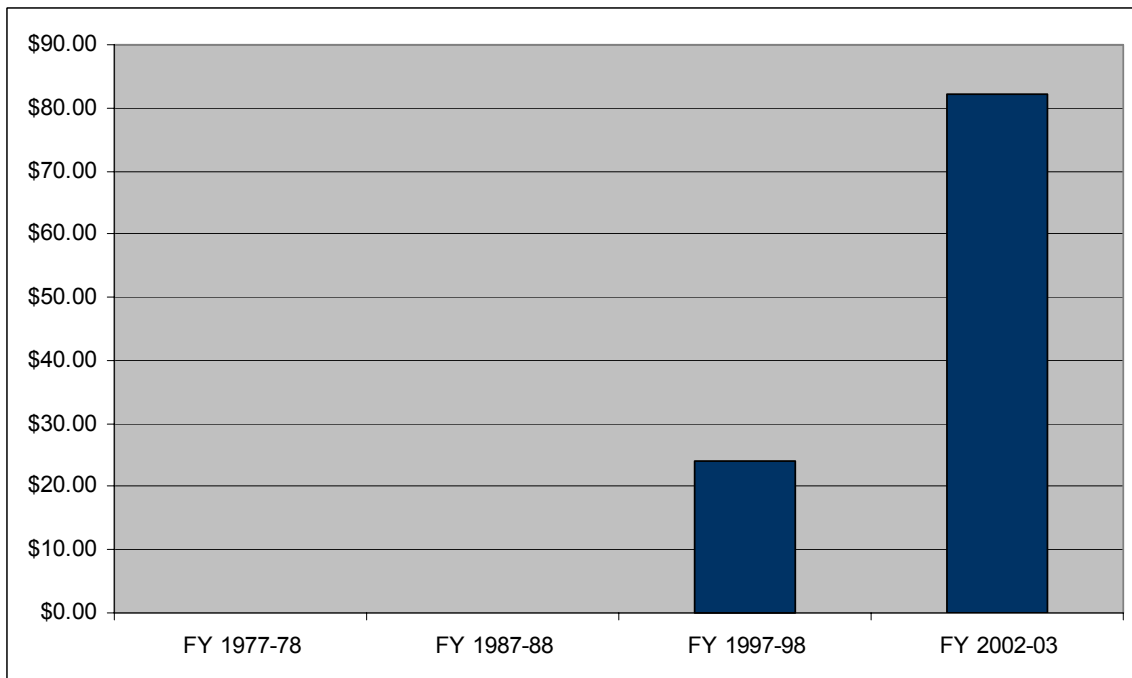


Table 5-12 shows the euphemistically defined “other revenue” that has gone to cities in California from FY 1977-78 and FY 2002-03, as measured in constant 2003 dollars. This increase, from approximately \$202 million in FY 1977-78 to well over \$2 billion in FY 2002-03, has been substantial, as Chart 5-12a makes readily apparent.

The per capita amount has increased by over 542 percent, from \$8.99 in FY 1977-78 to \$57.74 in FY 2002-03, as measured in constant 2003 dollars. Chart 5-12b illustrates this rapid increase.

Table 5-12: City Other Revenue

Other Revenue	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$202,930,254	\$927,590,760	\$1,944,670,110	\$2,060,686,000	915.47%
Per Capita Revenue, Real Dollars	\$8.99	\$32.99	\$59.43	\$57.74	542.12%

Chart 5-12a: City Other Revenue, Real Dollars

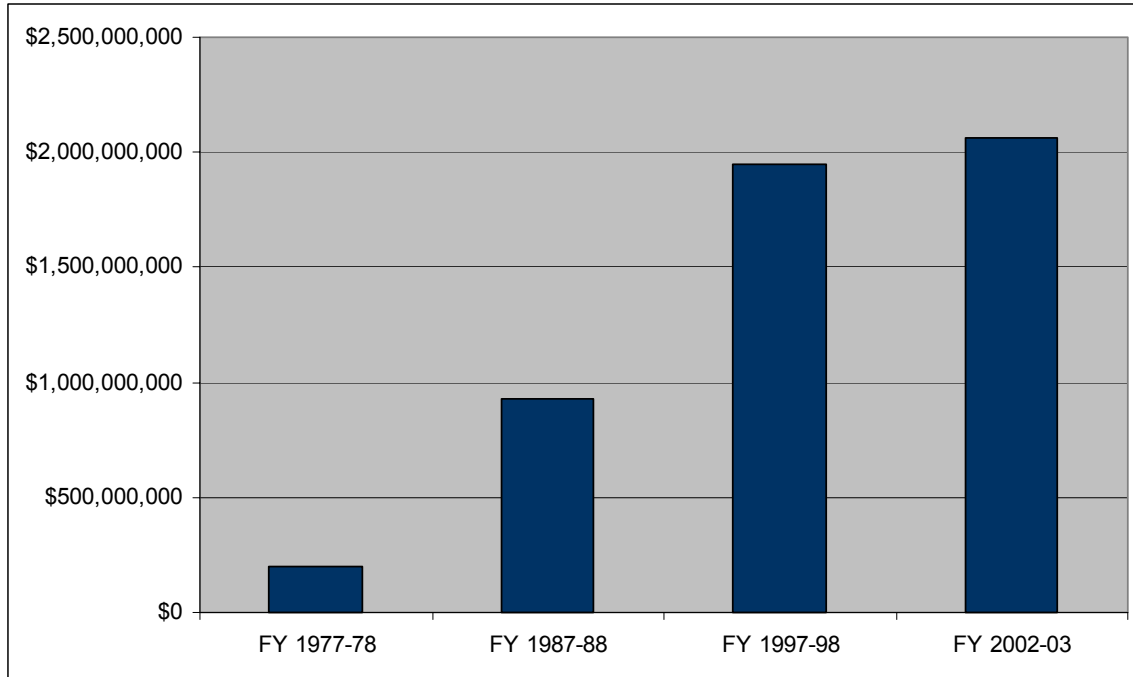


Chart 5-12b: City Other Revenue per Capita, Real Dollars

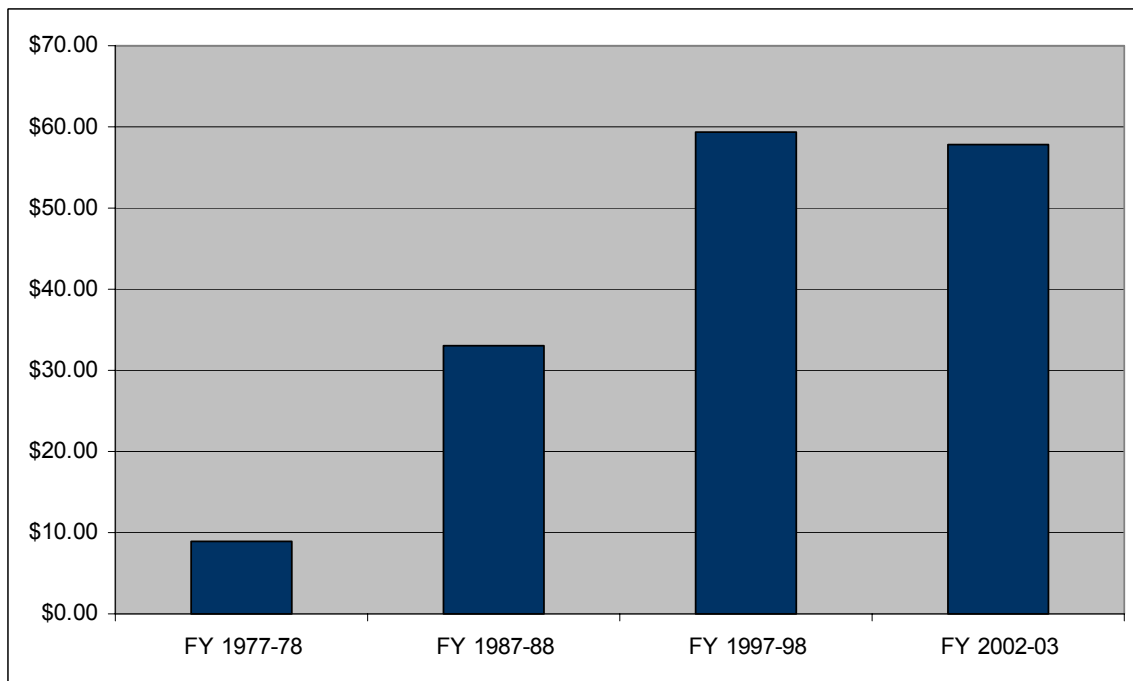


Table 5-13 shows the city revenue from the use of property and money from FY 1977-78 and FY 2002-03, as measured in constant 2003 dollars. The amount jumped from a little over \$570 million in FY 1977-78 to almost \$1.8 billion in FY 2002-03, a change of 217 percent which is shown in Chart 5-13a.

The per capita increase was very substantial as well, a 100 percent increase from the \$25.27 in FY 1977-78 to the \$50.69 in FY 2002-03. Most of this per capita increase occurred in the first 10-year period, and has since remained fairly constant at around \$50 per capita, which is apparent from the data shown graphically in 5-13b.

Table 5-13: City Revenue from Use of Money and Property

Use of Property and Money	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$570,345,198	\$1,548,592,098	\$1,933,996,266	\$1,809,265,682	217.22%
Per Capita Revenue, Real Dollars	\$25.27	\$55.08	\$59.10	\$50.69	100.59%

Chart 5-13a: City Revenue from Use of Money and Property , Real Dollars

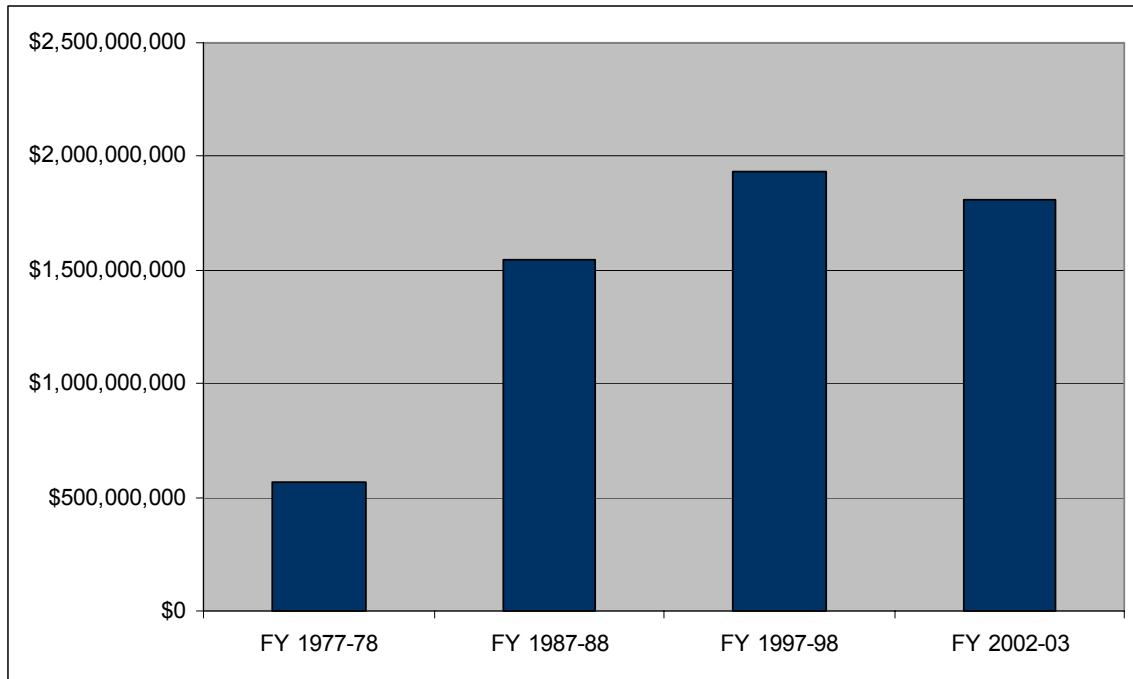


Chart 5-13b: City Revenue from Use of Money and Property per Capita , Real Dollars

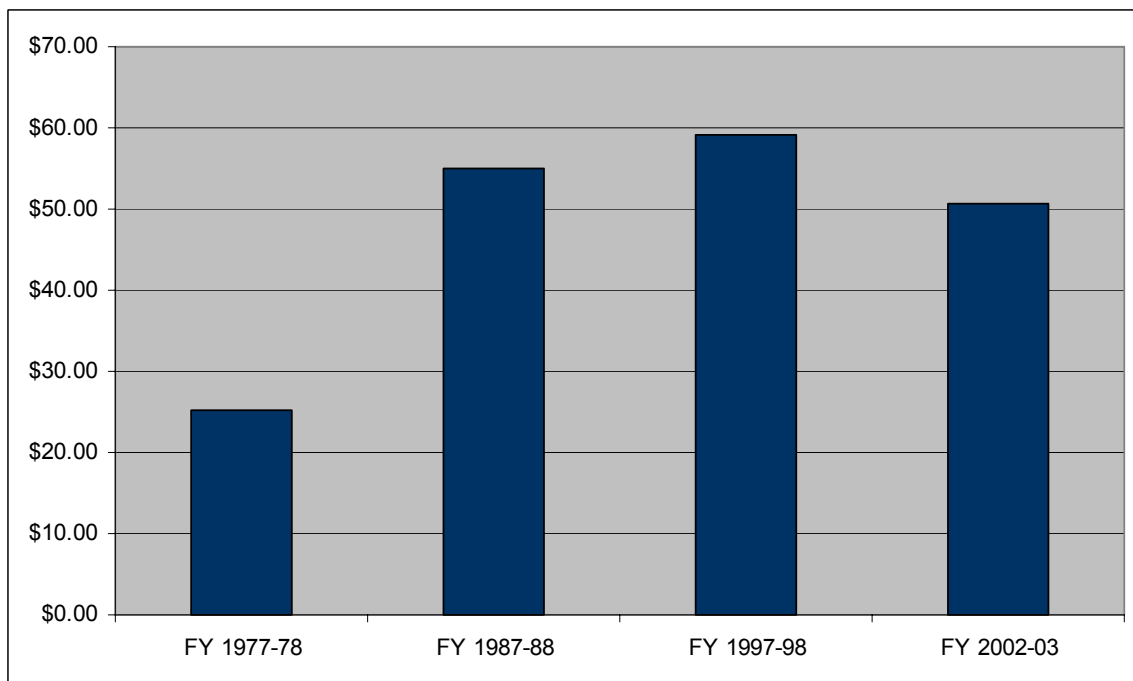


Table 5-14 shows utility user tax revenue received by cities in California. Noteworthy here is that these revenues were virtually nonexistent in FY 1977-78 but by FY 1987-88 had become fairly prevalent and have increased in absolute terms ever since, reaching approximately \$1.5 billion in FY 2002-03. Chart 5-14a graphically displays this change.

In per capita terms, these revenues have stayed around \$40 for most of the same period, and this fairly constant rate is apparent from looking at Chart 5-14b.

Table 5-14: City Utility Users Revenue

Utility Users	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$46,801,078	\$1,122,447,538	\$1,458,649,793	\$1,493,784,810	33.08%
Per Capita Revenue, Real Dollars	\$2.07	\$39.92	\$44.58	\$41.85	4.83%

Chart 5-14a: City Utility Users Revenue, Real Dollars

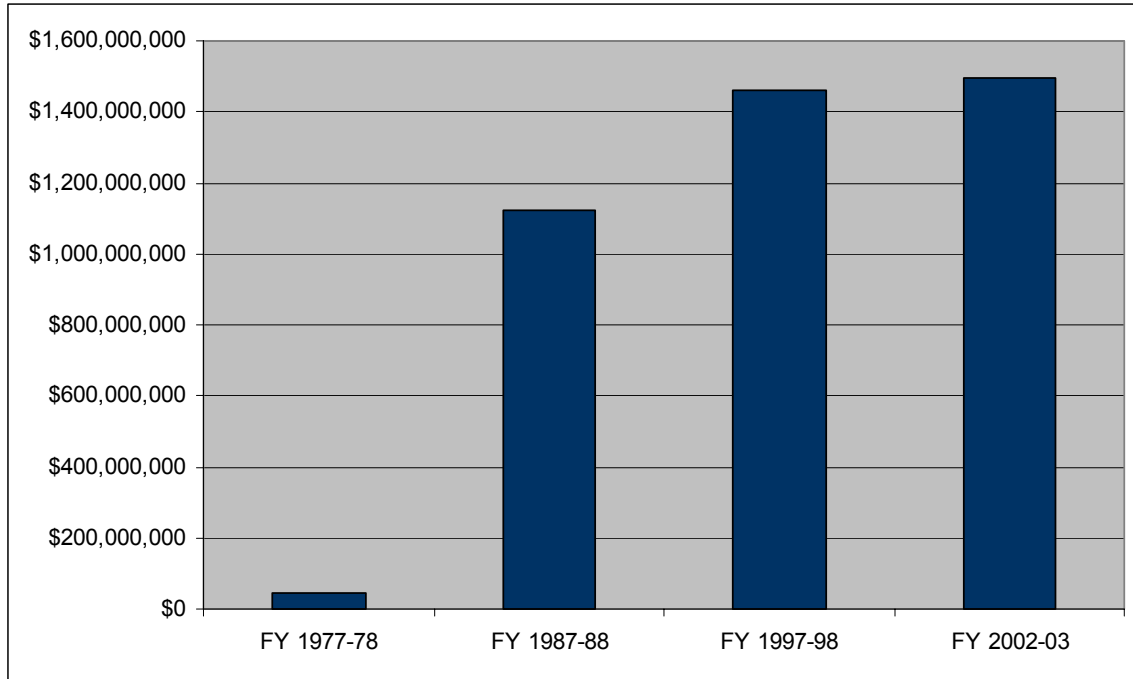


Chart 5-14b: City Utility Users Revenue per Capita, Real Dollars

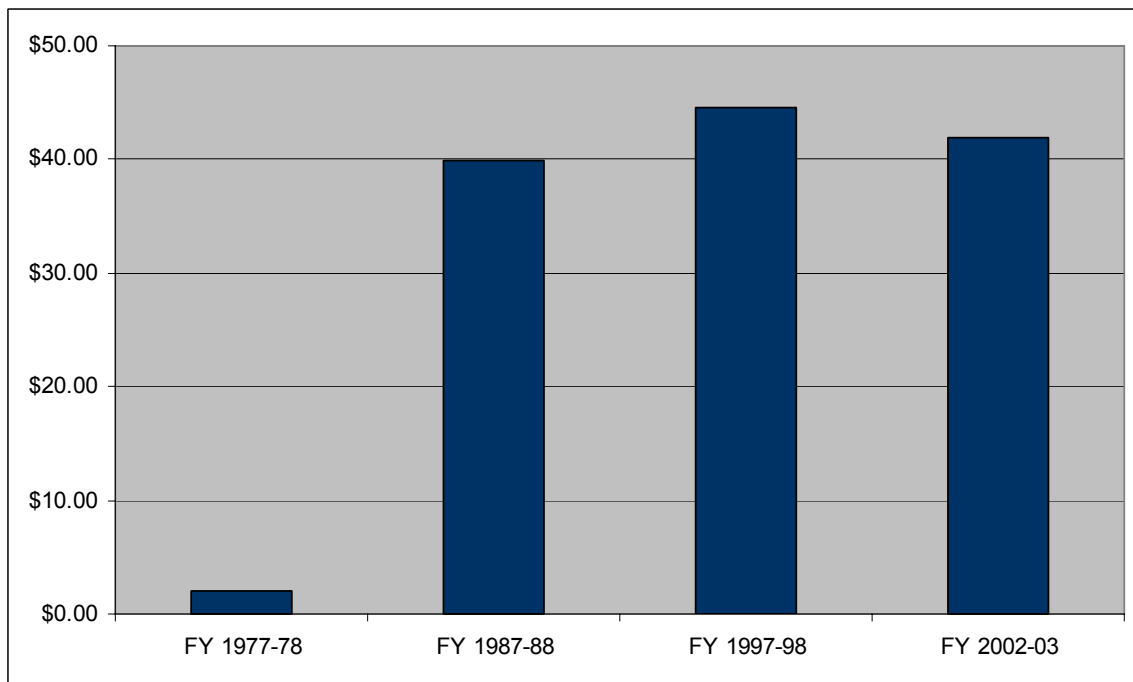


Table 5-15 shows business license tax revenue received by cities in California, which increased from \$439 million in FY 1977-78 to \$835 million in FY 2002-03, as measured in constant 2003 dollars. The 90 percent change in revenues is illustrated by Chart 5-15a.

In per capita terms, business license tax revenue went from a little over \$19 in FY 1977-78 to a little over \$23 in FY 2002-03, an increase of over 20 percent. Readers should keep in mind that this figure is not the business license tax paid by each business, but rather the total amount of business license tax revenue divided by the total number of people in California. Chart 5-15b illustrates the per capita change in these revenues.

Table 5-15: Business License Tax Revenue

Business License Taxes	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$439,835,314	\$708,928,573	\$810,769,149	\$835,949,403	90.06%
Per Capita Revenue, Real Dollars	\$19.49	\$25.22	\$24.78	\$23.42	20.18%

Chart 5-15a: Business License Tax Revenue, Real Dollars

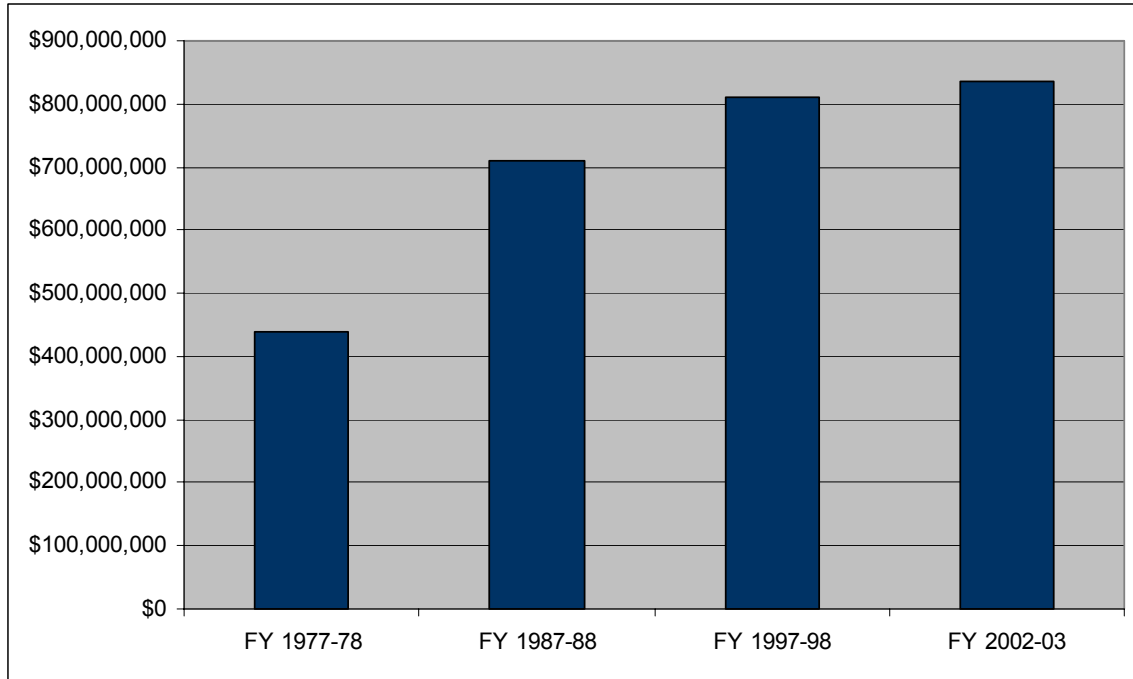


Chart 5-15b: Business License Tax Revenue per Capita, Real Dollars

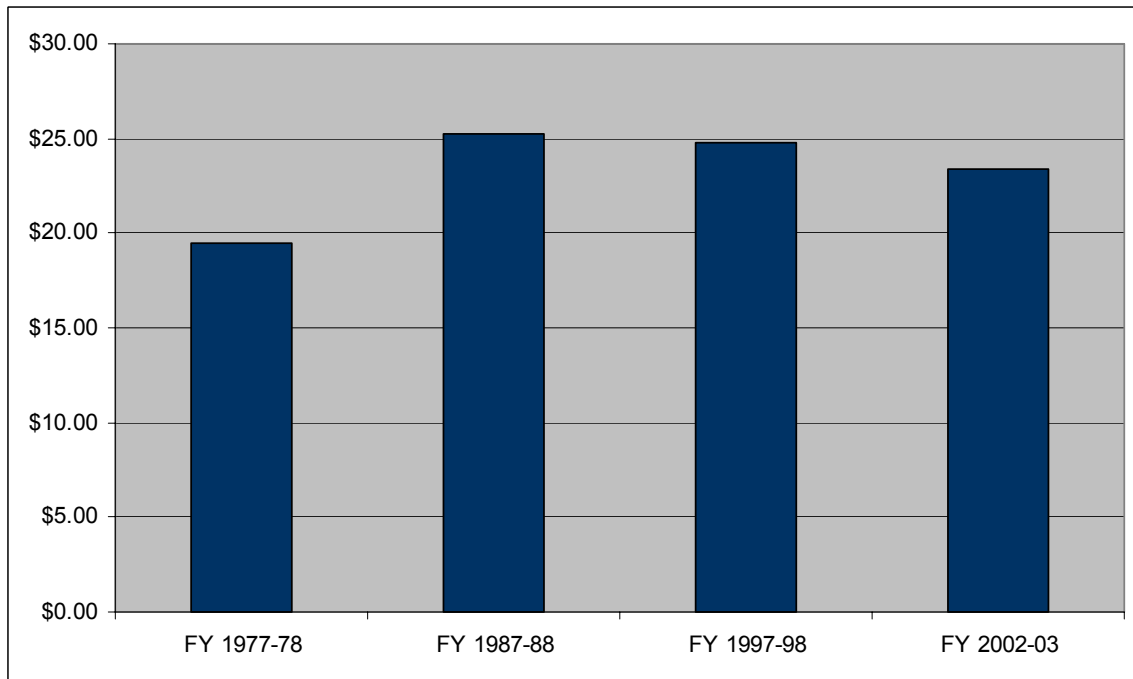


Chart 5-16 shows municipal revenues in California from licenses and permits. Such revenues rose from approximately \$337 million in FY 1977-78 to over \$622 million in FY 2002-03, as measured in constant 2003 dollars, an increase of almost 85 percent. Chart 5-16a illustrates this change.

In real per capita terms, the increase was almost 17 percent, going from \$14.96 in FY 1977-78 to \$17.45 in FY 2002-03, as shown in Chart 5-16b.

Table 5-16: City Revenue from Licenses and Permits

Licenses and Permits	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$337,601,606	\$435,517,833	\$496,664,191	\$622,906,587	84.51%
Per Capita Revenue, Real Dollars	\$14.96	\$15.49	\$15.18	\$17.45	16.67%

Chart 5-16a: City Revenue from Licenses and Permits, Real Dollars

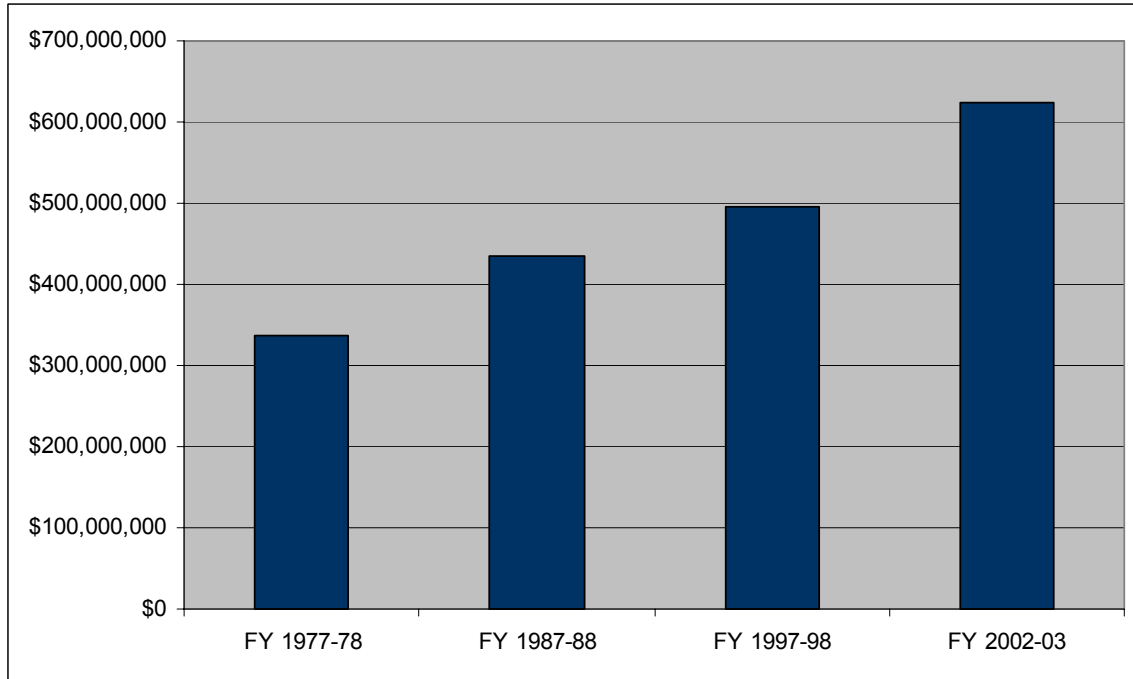


Chart 5-16b: City Revenue from Licenses and Permits per Capita, Real Dollars

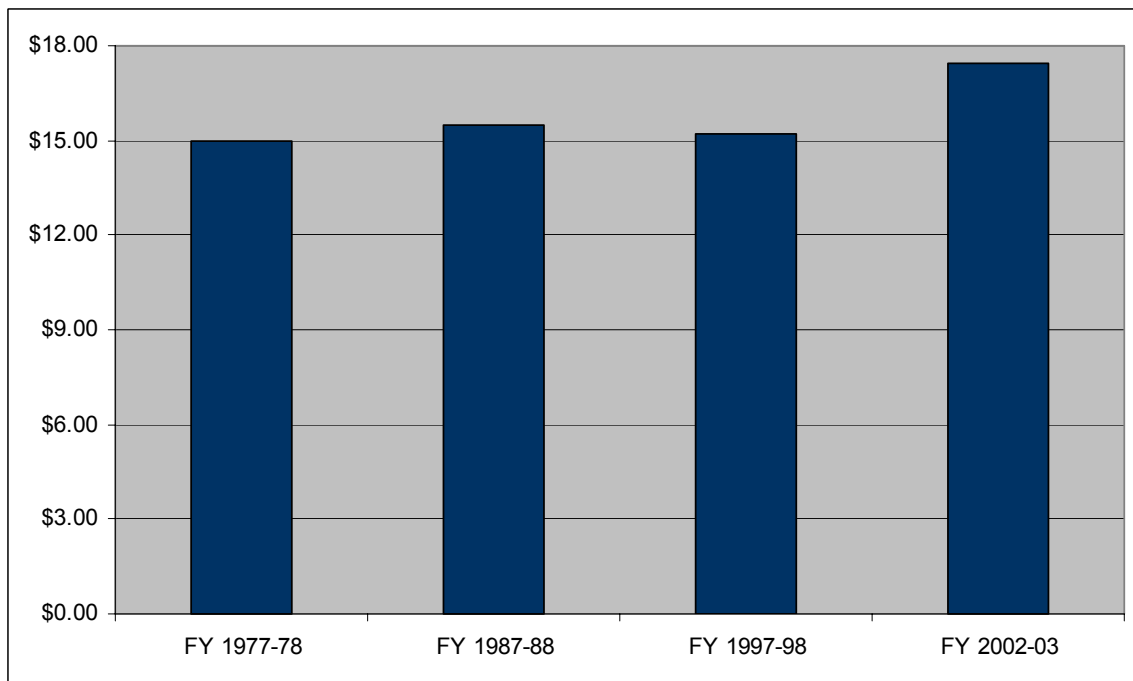


Table 5-17 shows city transportation revenue for California cities. Data were only available from FY 1987-88 through FY 2002-03. During this period, total revenues grew about 88 percent, from \$275 million to almost \$506 million in constant 2003 dollars. This increase in total revenues is shown in Chart 5-17a.

On a per capita basis over the same period, revenues rose from \$11.62 to \$17.29, an increase of approximately 45 percent which is illustrated in Chart 5-17b.

Table 5-17: City Transportation Revenue

Transportation	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars		\$326,757,619	\$608,004,724	\$616,949,307	88.81%
Per Capita Revenue, Real Dollars		\$11.62	\$18.58	\$17.29	48.73%

Chart 5-17a: City Transportation Revenue, Real Dollars

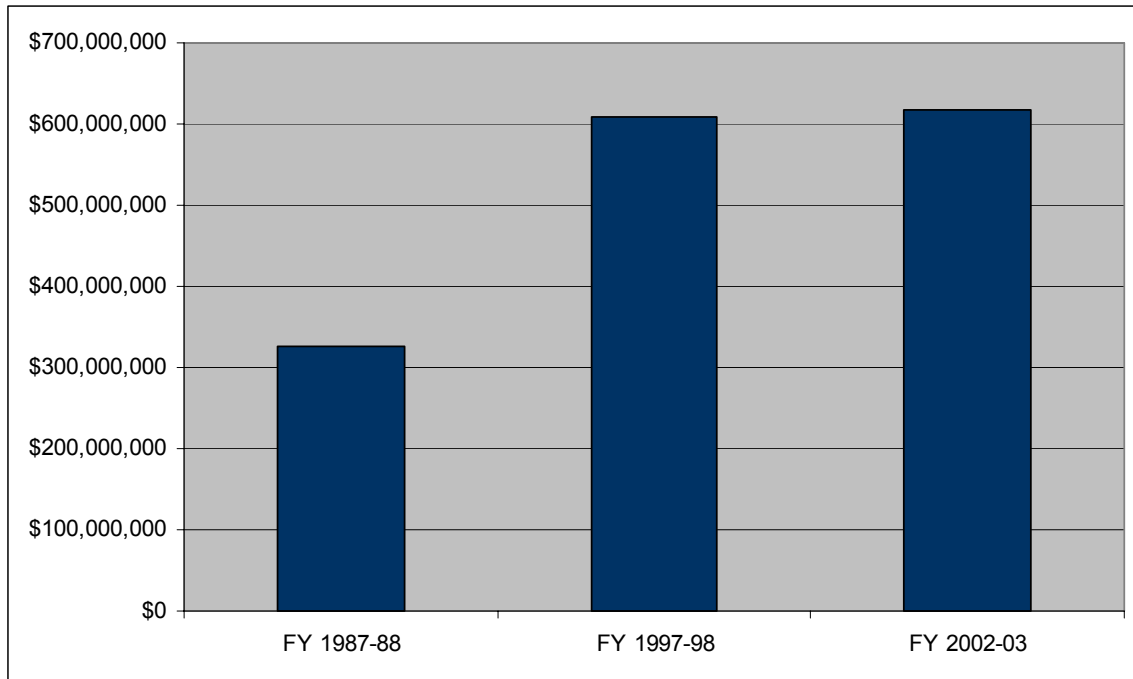


Chart 5-17b: City Transportation Revenue per Capita, Real Dollars

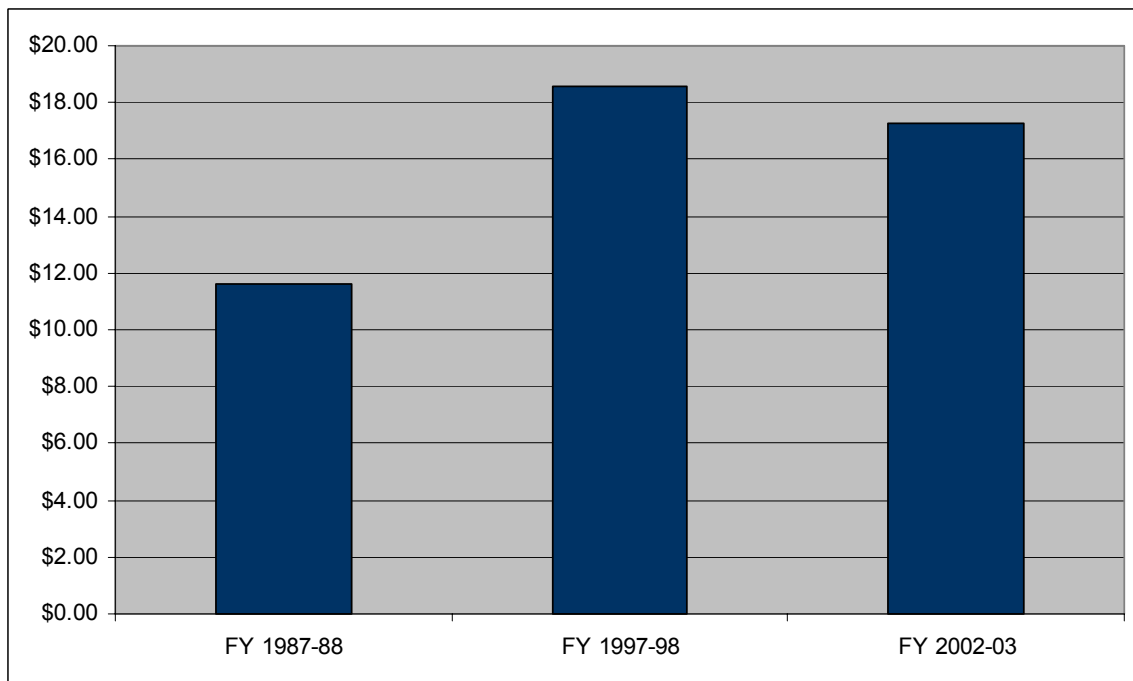


Table 5-18 shows municipal revenues from special benefit assessments. Such revenues have increased quite sharply since data were first available in FY 1987-88. In that year, approximately \$153 million was received from special benefit assessments, and by FY 2002-03 this revenue stream had grown to over \$501 million, an increase of approximately 227 percent in constant 2003 dollars, which is illustrated in Chart 5-18a.

In per capita terms, these revenues have increased substantially from \$5.44 in FY 1987-88 to \$14.04 in FY 2002-03, a healthy 158 percent increase which is shown in Chart 5-18b.

Table 5-18: City Special Benefits Assessments Revenue

Special Benefit Assessments	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars		\$153,019,593	\$474,023,700	\$501,251,000	227.57%
Per Capita Revenue, Real Dollars		\$5.44	\$14.49	\$14.04	158.04%

Chart 5-18a: City Special Benefits Assessments Revenue, Real Dollars

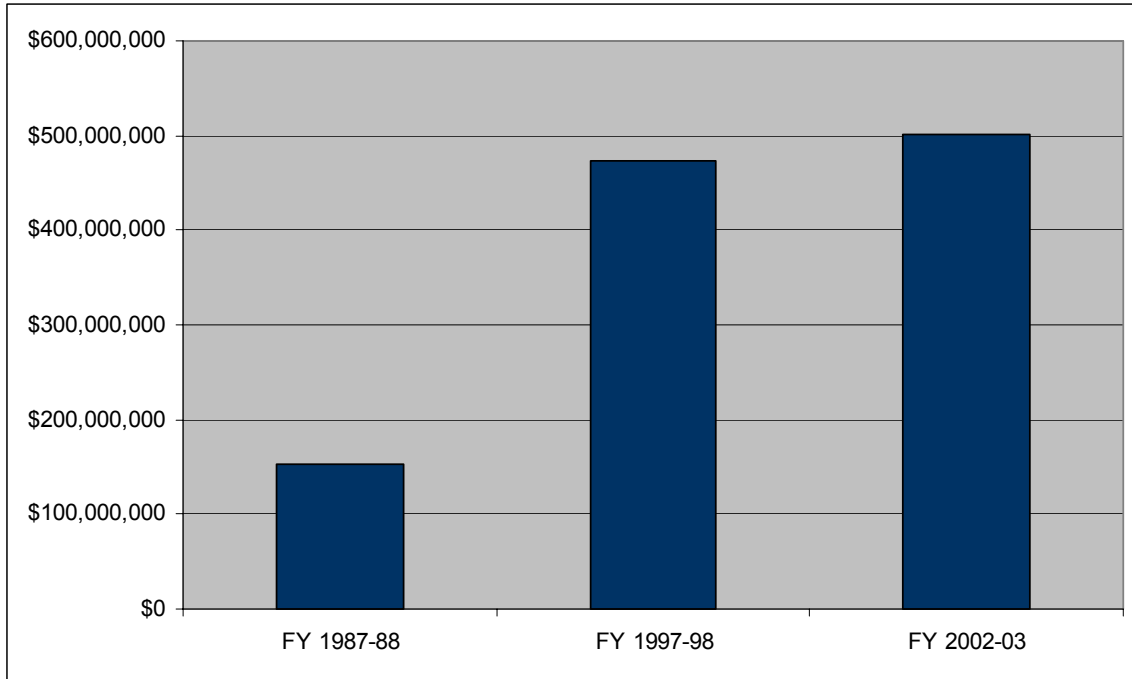


Chart 5-18b: City Special Benefits Assessments Revenue per Capita, Real Dollars

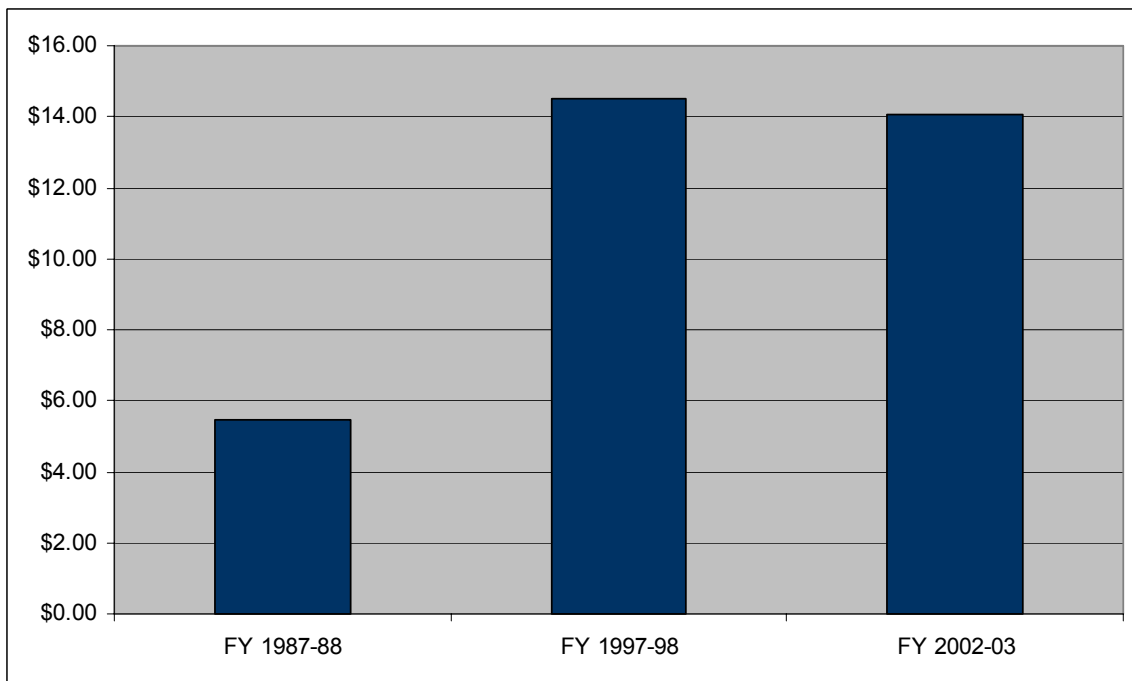


Table 5-19 shows city revenues from fines and penalties. As is apparent from both Charts 5-19a and 5-19b, there has been substantial fluctuation in these revenues between FY 1977-78 and FY 2002-03. Overall, the total increase in such revenues between FY 1977-78 and FY 2002-03 has been about 46 percent. In per capita terms for the same period, there has been a slight decrease of approximately 7 percent, and substantial fluctuation in this revenue stream.

Table 5-19: City Revenue from Fines and Penalties

Fines and Penalties	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$322,928,114	\$467,176,571	\$334,898,064	\$472,629,597	46.36%
Per Capita Revenue, Real Dollars	\$14.31	\$16.62	\$10.23	\$13.24	-7.45%

Chart 5-19a: City Revenue from Fines and Penalties, Real Dollars

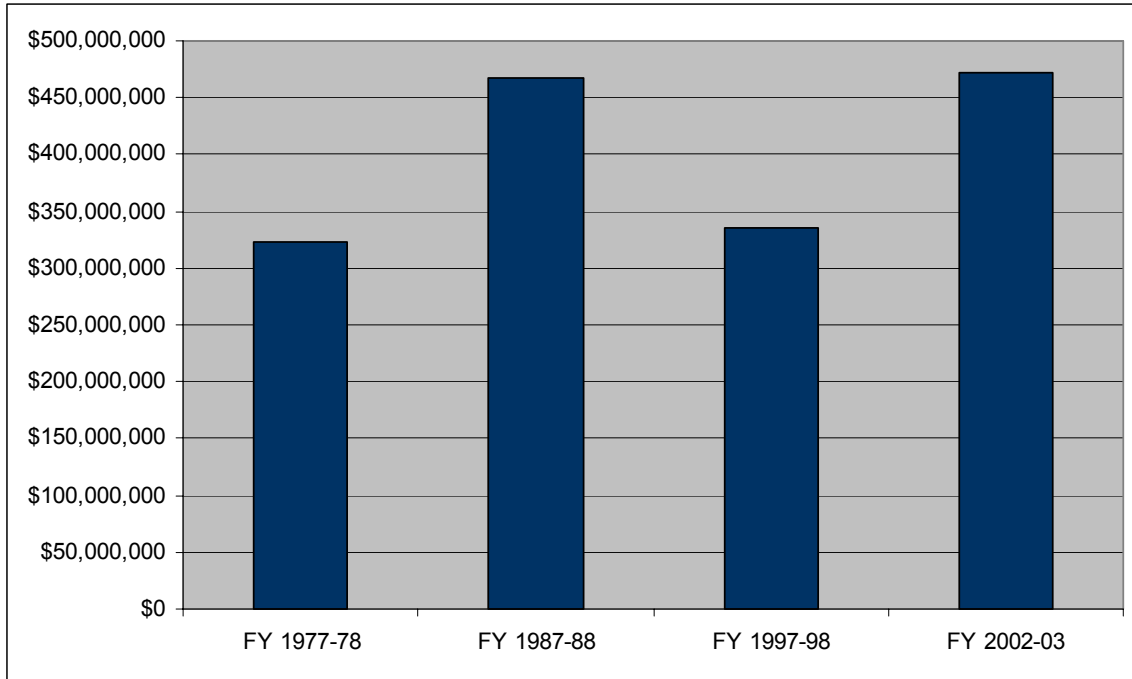


Chart 5-19b: City Revenue from Fines and Penalties per Capita, Real Dollars

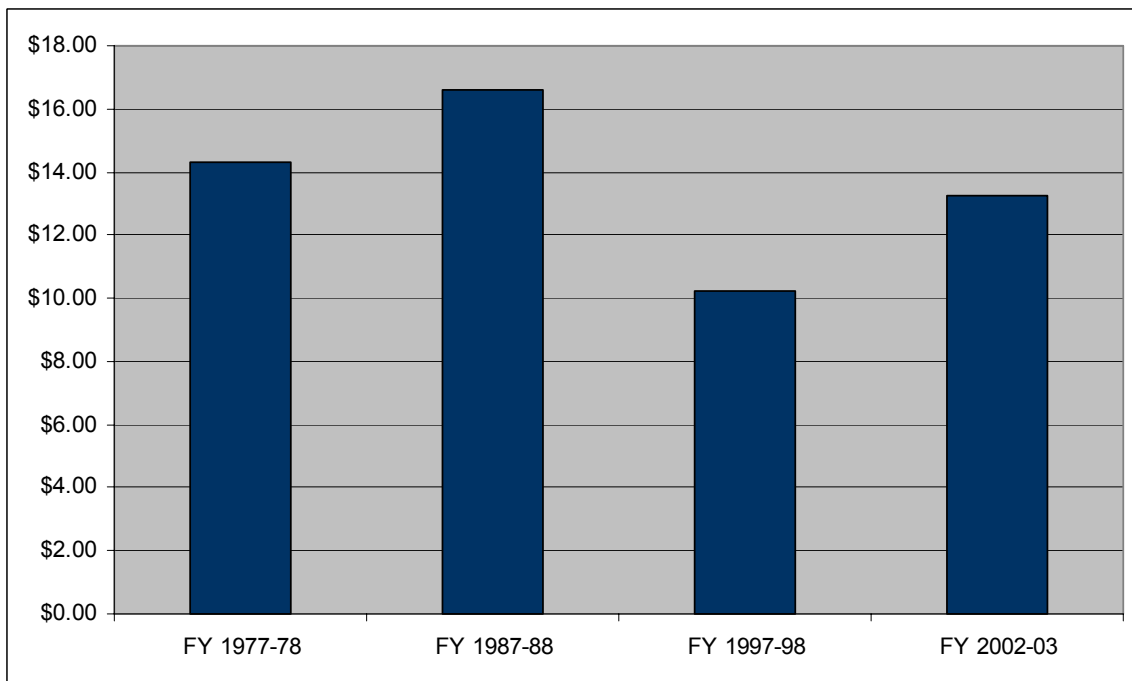


Table 5-20 shows voter approved indebtedness revenue. Data for these revenues were not available for FY 1977-78, but by FY 1987-88 cities had received a little over \$202 million from this source in constant 2003 dollars. This increased to almost \$388 million in FY 2002-03, a percent change of over 92 percent which is reflected in Chart 5-20a.

In per capita terms, the increase over the same period was approximately 51 percent, from \$7.19 in FY 1977-78 to \$10.89 in FY 2002-03. This increase is reflected in the data shown in Chart 5-20b.

Table 5-20: City Voter-Approved Indebtedness Revenue

Voter-Approved Indebtedness	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars		\$202,109,993	\$341,722,740	\$388,510,021	92.23%
Per Capita Revenue, Real Dollars		\$7.19	\$10.44	\$10.89	51.42%

Chart 5-20a: City Voter-Approved Indebtedness Revenue, Real Dollars

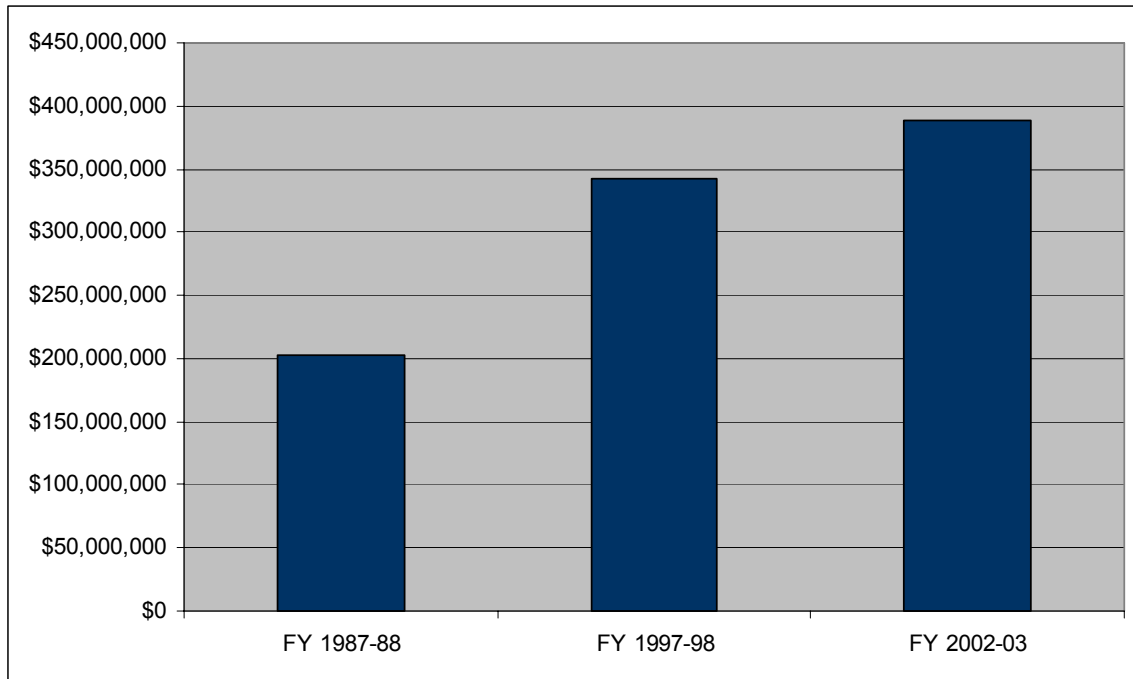
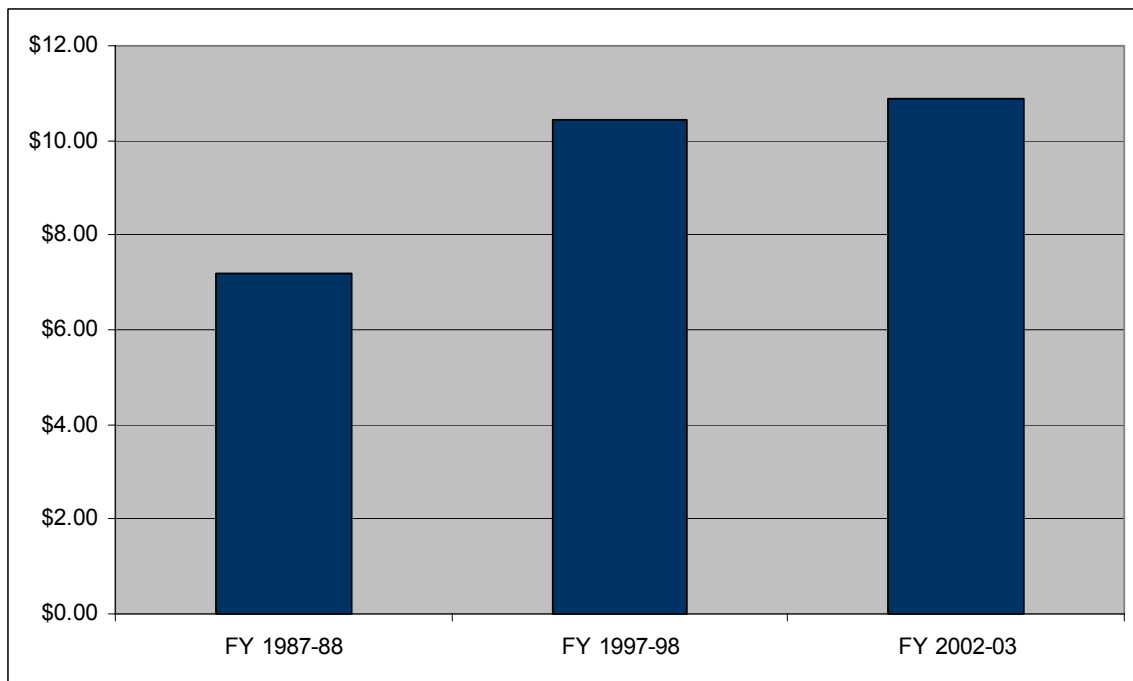


Chart 5-20b: City Voter-Approved Indebtedness Revenue per Capita, Real Dollars



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Section 6: City Expenditure

Table 6-1 shows total city expenditures, in constant 2003 dollars, for FY 1977-78 and FY 2002-03. Total expenditures in constant 2003 dollars increased over 60 percent during this period. Per capita expenditures, as measured in constant 2003 dollars, increased over 1 percent during this period.

Chart 6-1a shows the data in total expenditures, and Chart 6-1b shows the data from per capita expenditures, in graphic form.

Table 6-1: City Total Expenditure

Total City Expenditure	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$29,149,459,316	\$29,220,394,856	\$38,658,005,297	\$46,662,056,126	60.08%
Per Capita Expenditure, Real Dollars	\$1,291.57	\$1,039.32	\$1,181.41	\$1,307.37	1.22%

Chart 6-1a: City Total Expenditure, Real Dollars

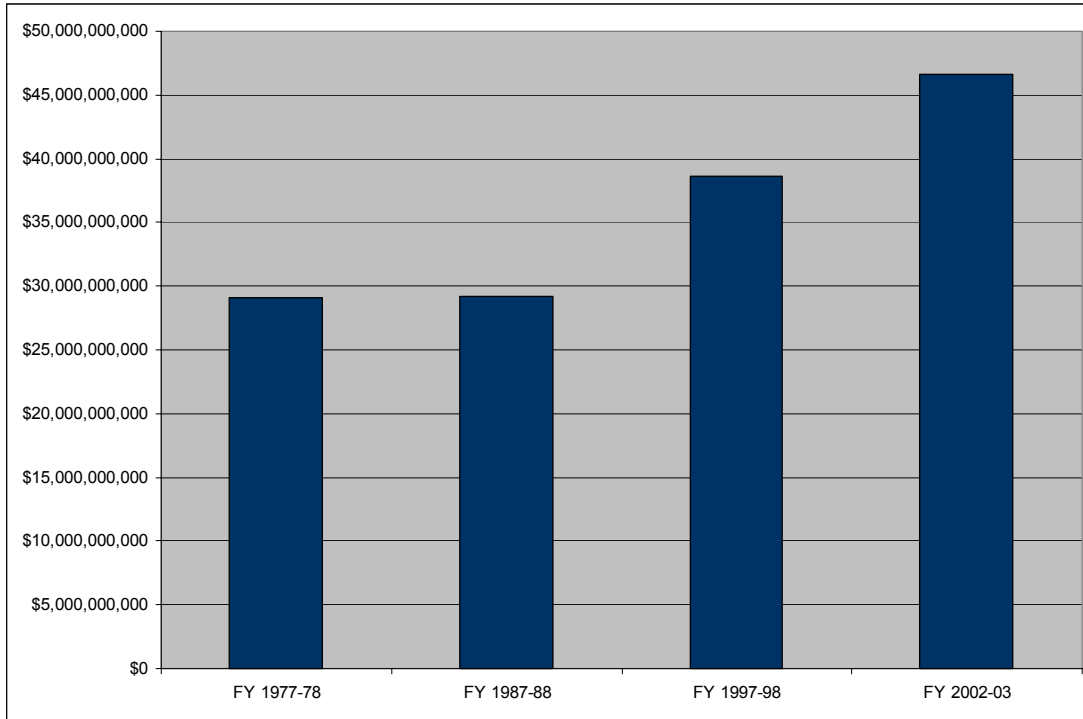


Chart 6-1b: City Total Expenditure per Capita, Real Dollars

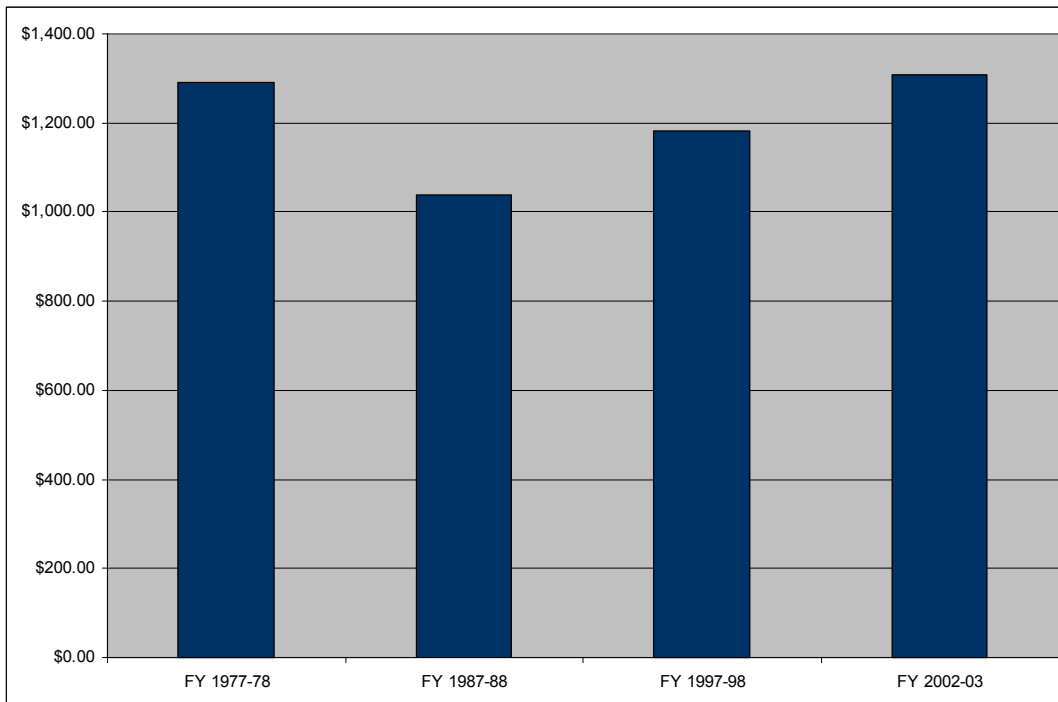


Table 6-2 shows the change in various categories of city expenditure in constant 2003 dollars from FY 1977-78 to FY 2002-03. Note that in all but two categories, the percentage increases were well into the triple digits, and there were increased expenditures in every category, as measured in constant 2003 dollars.

These data are shown graphically in Chart 6-2.

**Table 6-2: City Total Expenditure by Category,
Real Dollars, FY 1977-78 and FY 2002-03**

Category	FY 1977-78	FY 2002-03	Percent Change
Police Protection	\$2,829,877,720	\$7,107,472,240	151.16%
Streets, Storm Drains and Street Lighting	\$1,802,755,771	\$3,652,607,000	102.61%
Sewers and Sewage Disposal	\$457,438,437	\$2,903,647,284	534.76%
Fire Protection	\$1,613,226,902	\$2,840,350,756	76.07%
Parks and Recreation	\$1,522,854,595	\$2,408,136,700	58.13%
Libraries	\$344,276,606	\$781,033,702	126.86%

**Chart 6-2: City Total Expenditure by Category,
Real Dollars, FY 1977-78 and FY 2002-03**

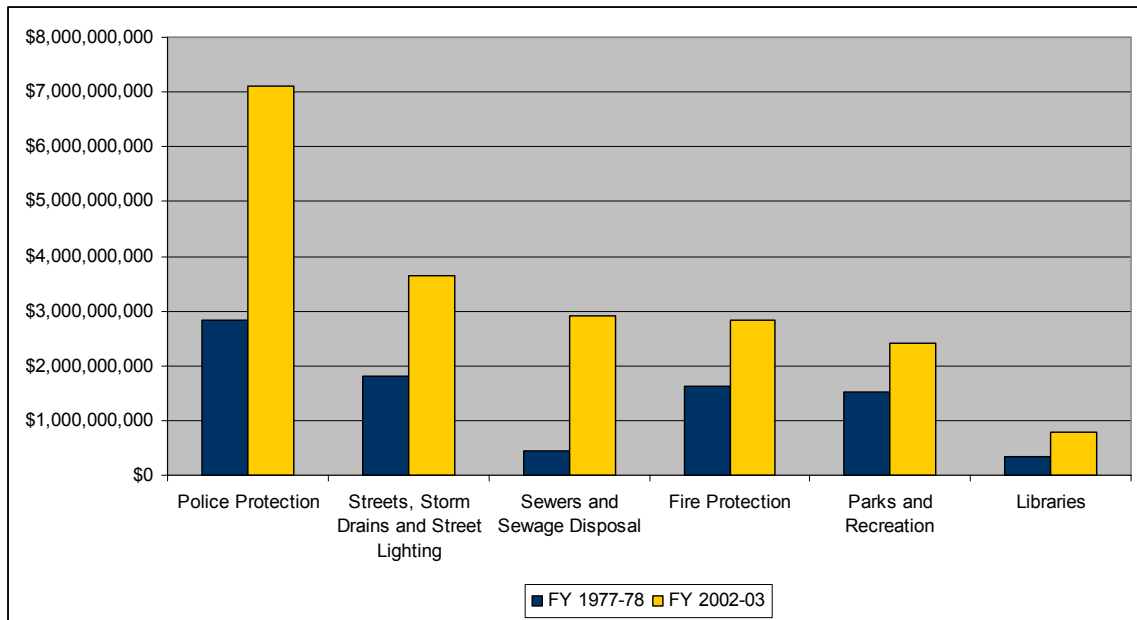


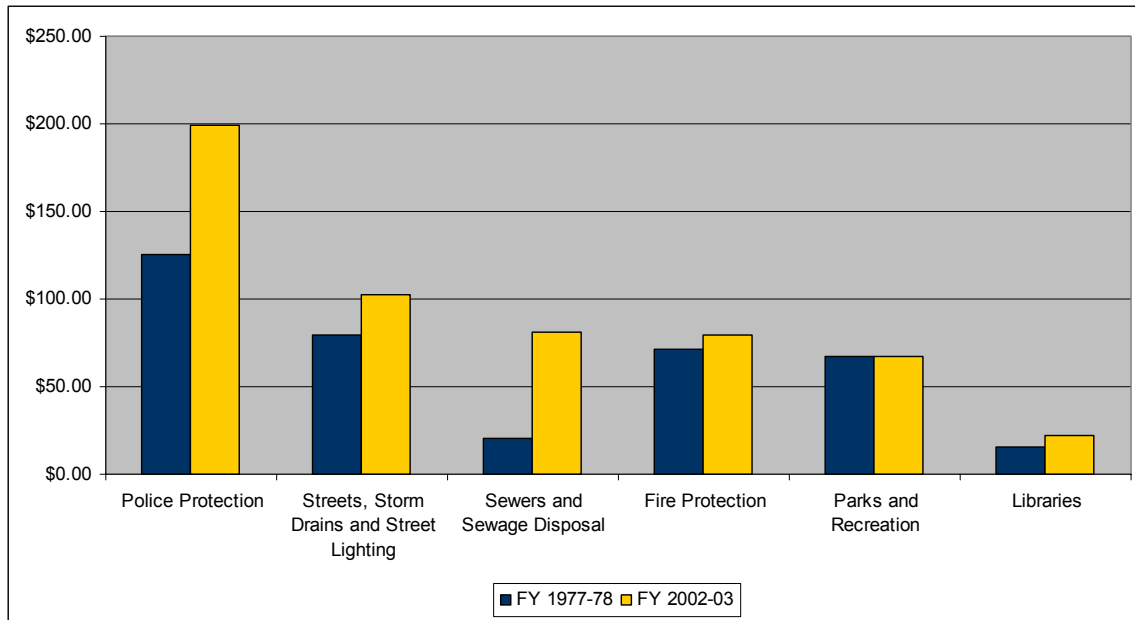
Table 6-3 shows the total city expenditure per capita by category, in constant 2003 dollars, for FY 1977-78 and FY 2002-03. Note that in every category except parks and recreation, per capita expenditures, as measured in constant 2003 dollars, increased.

Chart 6-3 shows the data from Table 6-3 in graphic form.

**Table 6-3: City Total Expenditure per Capita by Category,
Real Dollars, FY 1977-78 and FY 2002-03**

Category	FY 1977-78	FY 2002-03	Percent Change
Police Protection	\$125.39	\$199.14	58.82%
Streets, Storm Drains and Street Lighting	\$79.88	\$102.34	28.12%
Sewers and Sewage Disposal	\$20.27	\$81.35	301.38%
Fire Protection	\$71.48	\$79.58	11.33%
Parks and Recreation	\$67.48	\$67.47	-0.01%
Libraries	\$15.25	\$21.88	43.45%

**Chart 6-3: City Total Expenditure per Capita by Category,
Real Dollars, FY 1977-78 and FY 2002-03**



The top line in Table 6-4 shows city expenditures for police protection from FY 1977-78 to FY 2002-03 in constant 2003 dollars. These expenditures increased 151 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 58 percent over this same period.

Chart 6-4a shows the data in the first line of the table in graphic form.

Chart 6-4b shows the data in the second line of the table in graphic form.

Table 6-4: City Police Protection Expenditure

Police Protection	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$2,829,877,720	\$4,678,369,815	\$6,203,894,664	\$7,107,472,240	151.16%
Per Capita Expenditure, Real Dollars	\$125.39	\$166.40	\$189.59	\$199.14	58.82%

Chart 6-4a: City Police Protection Expenditure, Real Dollars

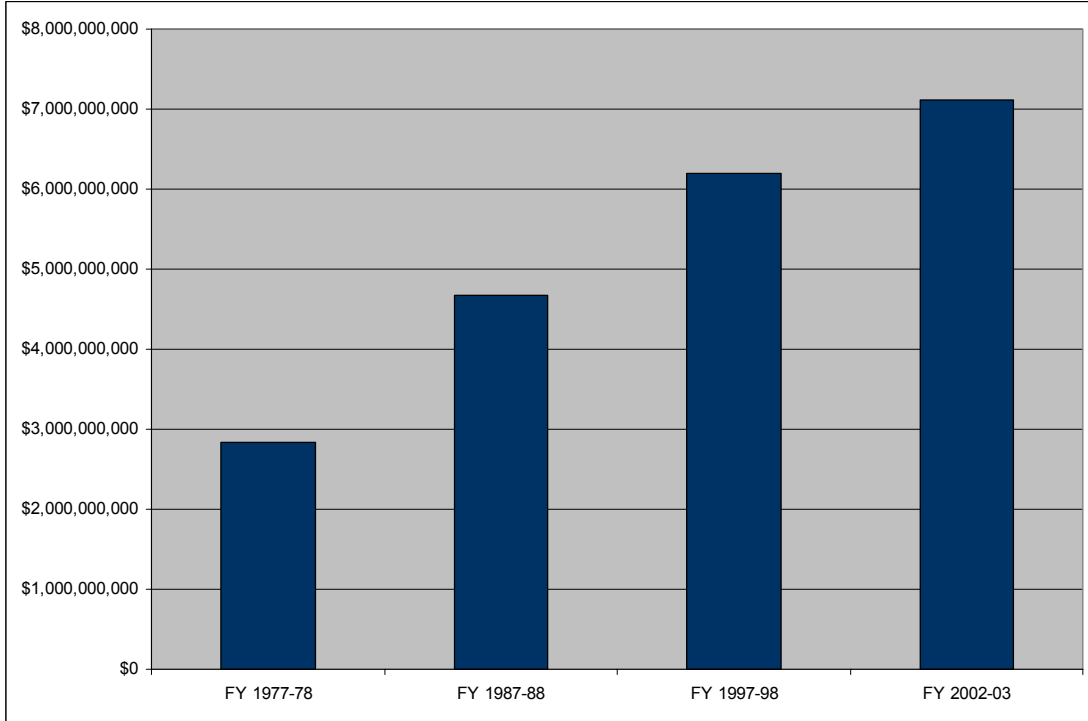
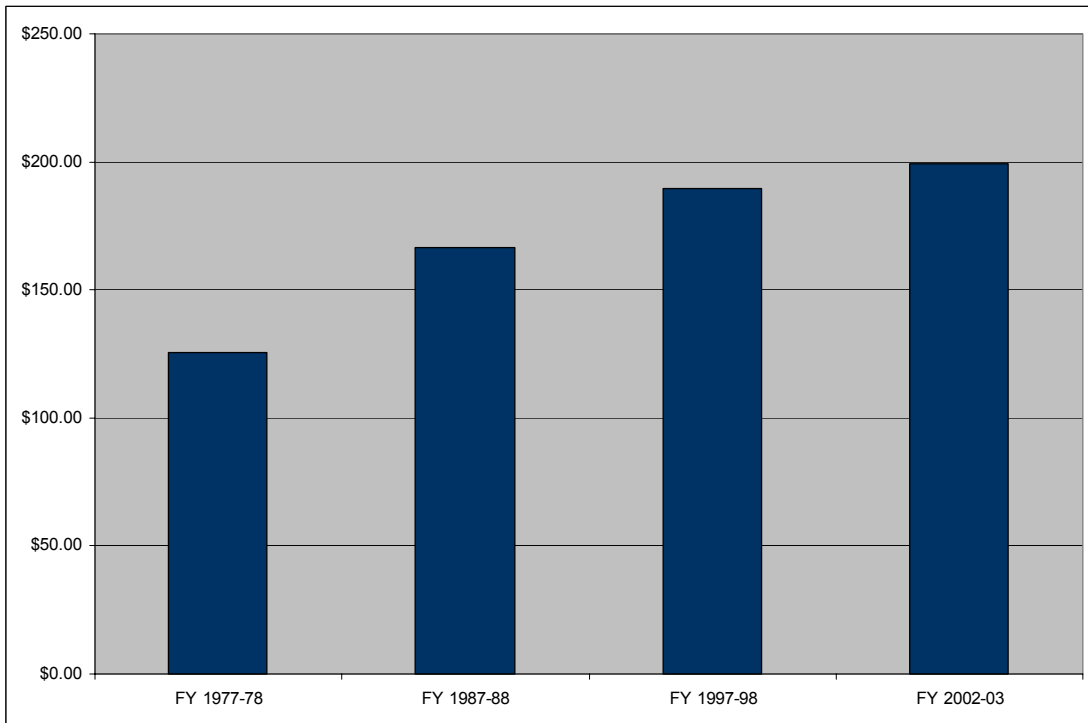


Chart 6-4b: City Police Protection Expenditure per Capita, Real Dollars



The top line in Table 6-5 shows city expenditures for city streets, storm drains and street lighting from FY 1977-78 to FY 2002-03 in constant 2003 dollars. These expenditures increased 102 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 28 percent over this same period.

Chart 6-5a shows the data in the first line of the table in graphic form.

Chart 6-5b shows the data in the second line of the table in graphic form.

Table 6-5: City Streets, Storm Drains and Street Lighting Expenditure

Streets, Storm Drains and Street Lighting	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$1,802,755,771	\$2,389,933,909	\$3,018,171,735	\$3,652,607,000	102.61%
Per Capita Expenditure, Real Dollars	\$79.88	\$85.01	\$92.24	\$102.34	28.12%

Chart 6-5a: City Streets, Storm Drains and Street Lighting Expenditure, Real Dollars

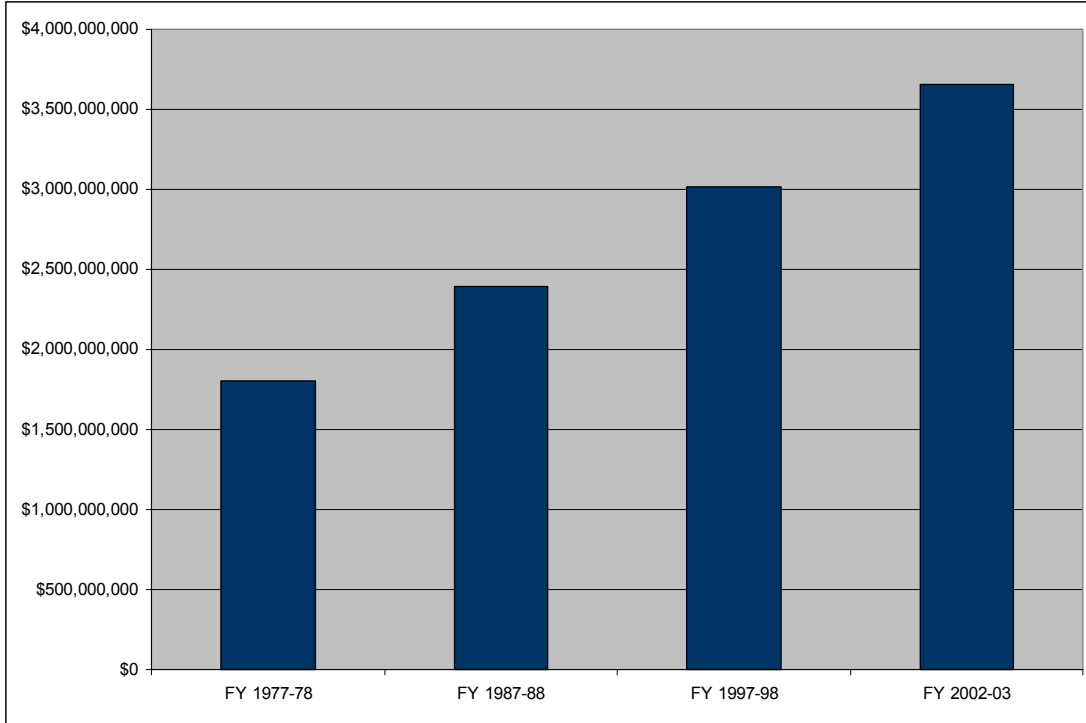
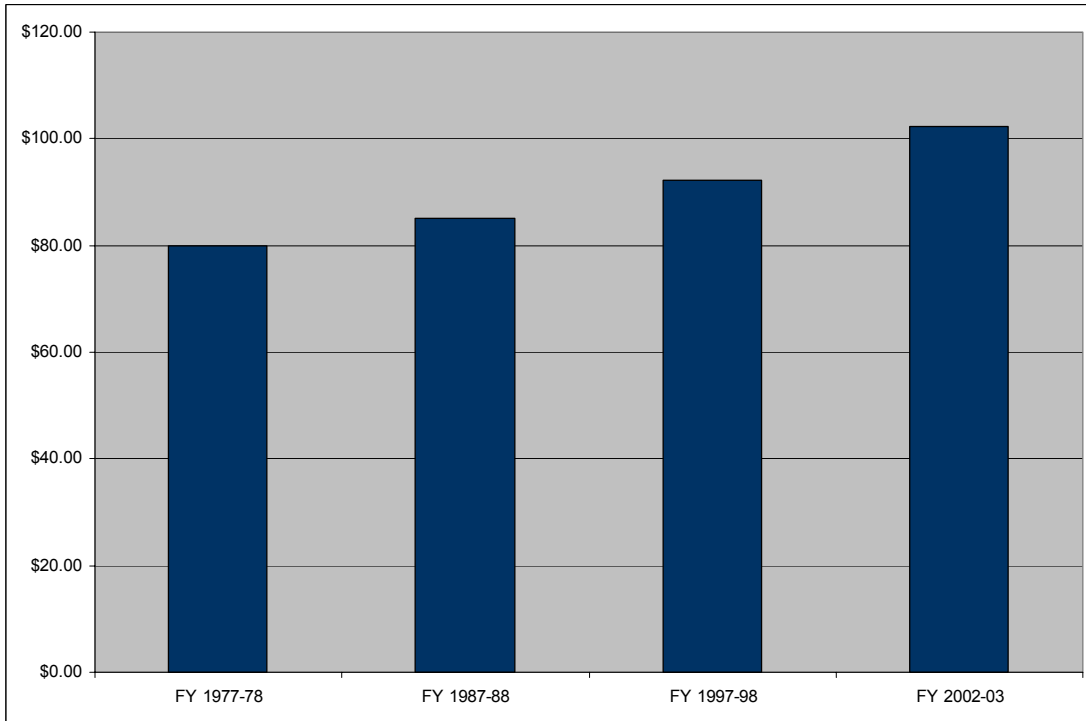


Chart 6-5b: City Streets, Storm Drains and Street Lighting Expenditure per Capita, Real Dollars



The top line in Table 6-6 shows city expenditures for sewers and sewage disposal from FY 1977-78 to FY 2002-03 in constant 2003 dollars. These expenditures increased 534 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 301 percent over this same period.

Chart 6-6a shows the data in the first line of the table in graphic form.

Chart 6-6b shows the data in the second line of the table in graphic form.

Table 6-6: City Sewers and Sewage Disposal Expenditure

Sewers and Sewage Disposal	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$457,438,437	\$1,681,200,477	\$2,869,090,708	\$2,903,647,284	534.76%
Per Capita Expenditure, Real Dollars	\$20.27	\$59.80	\$87.68	\$81.35	301.38%

Table 6-6a: City Sewers and Sewage Disposal Expenditure, Real Dollars

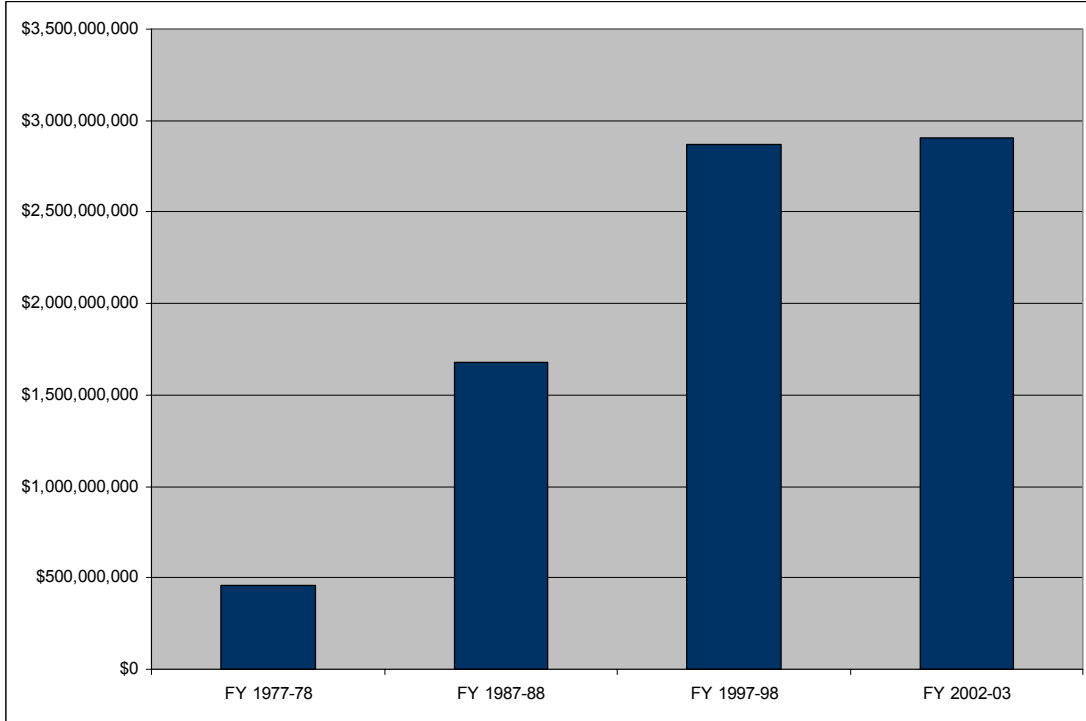
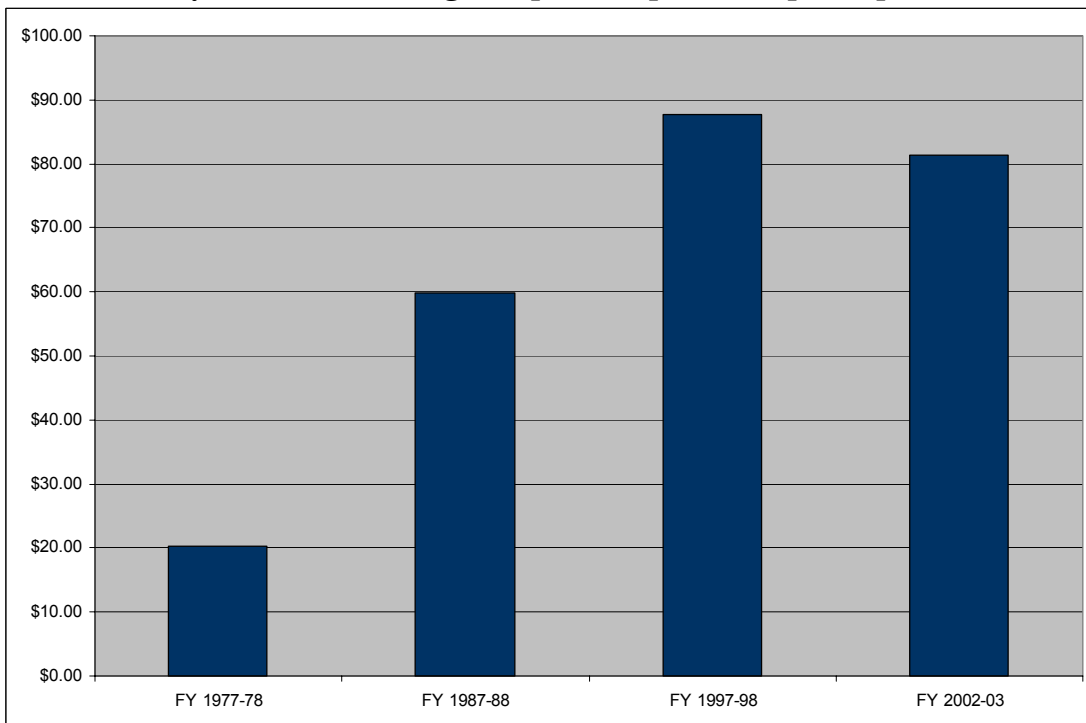


Table 6-6b: City Sewers and Sewage Disposal Expenditure per Capita, Real Dollars



The top line in Table 6-7 shows city expenditures for fire protection from FY 1977-78 to FY 2002-03 in constant 2003 dollars. These expenditures increased 76 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 11 percent over this same period.

Chart 6-7a shows the data in the first line of the table in graphic form.

Chart 6-7b shows the data in the second line of the table in graphic form.

Table 6-7: City Fire Protection Expenditure

Fire Protection	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$1,613,226,902	\$2,173,237,227	\$2,344,331,024	\$2,840,350,756	76.07%
Per Capita Expenditure, Real Dollars	\$71.48	\$77.30	\$71.64	\$79.58	11.33%

Chart 6-7a: City Fire Protection Expenditure, Real Dollars

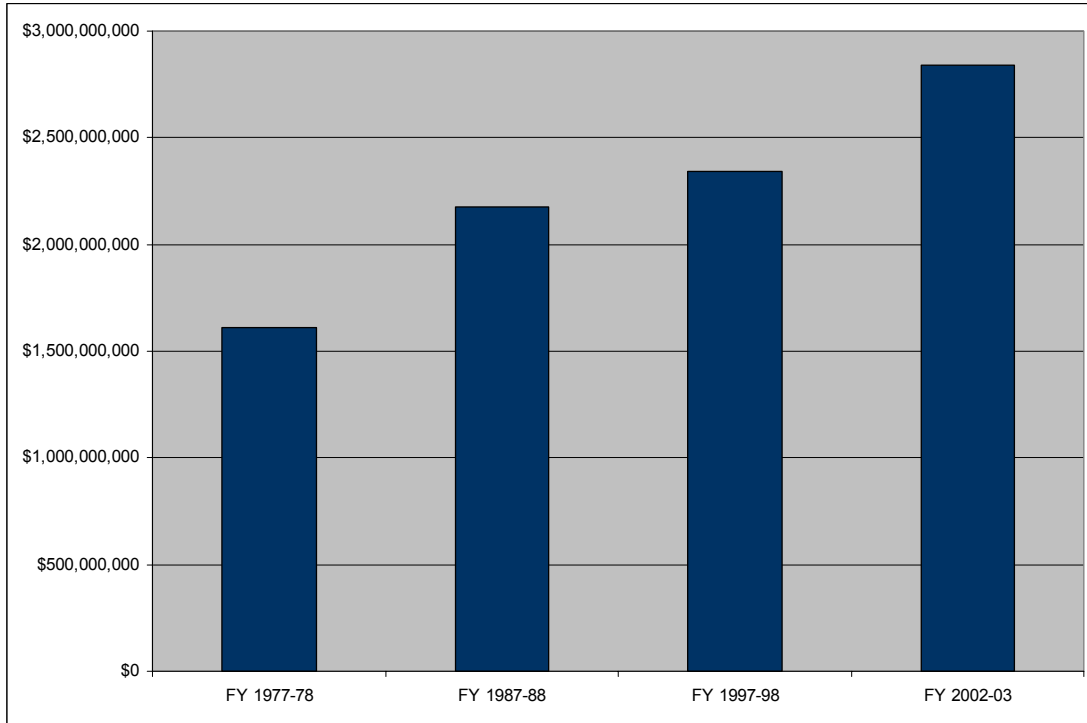
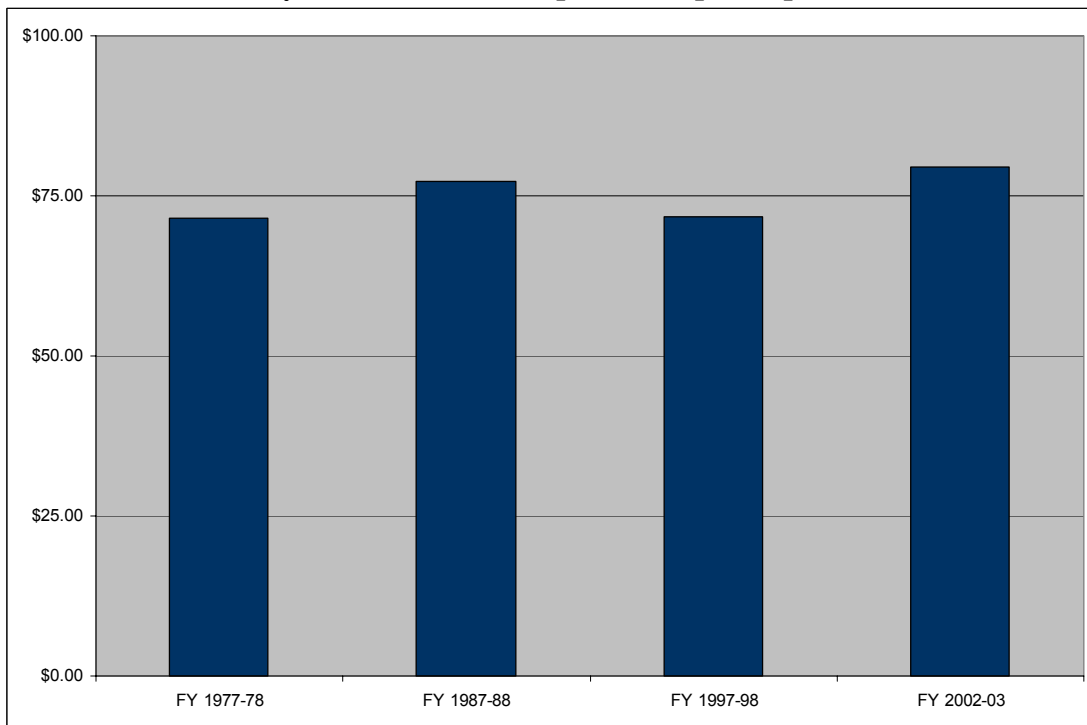


Chart 6-7b: City Fire Protection Expenditure per Capita, Real Dollars



The top line in Table 6-8 shows city expenditures for parks and recreation from FY 1977-78 to FY 2002-03 in constant 2003 dollars. These expenditures increased 58 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which decreased 0.01 percent over this same period.

Chart 6-8a shows the data in the first line of the table in graphic form.

Chart 6-8b shows the data in the second line of the table in graphic form.

Table 6-8: City Parks and Recreation Expenditure

Parks and Recreation	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$1,522,854,595	\$1,494,239,222	\$1,644,293,842	\$2,408,136,700	58.13%
Per Capita Expenditure, Real Dollars	\$67.48	\$53.15	\$50.25	\$67.47	-0.01%

Chart 6-8a: City Parks and Recreation Expenditure, Real Dollars

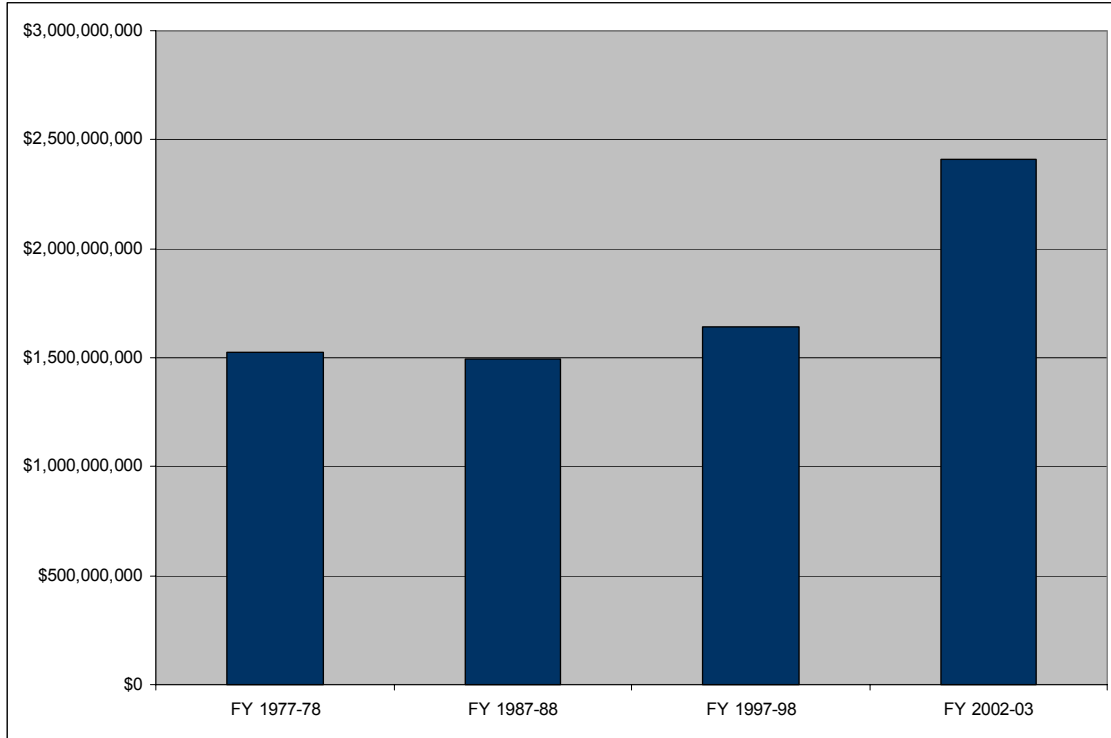
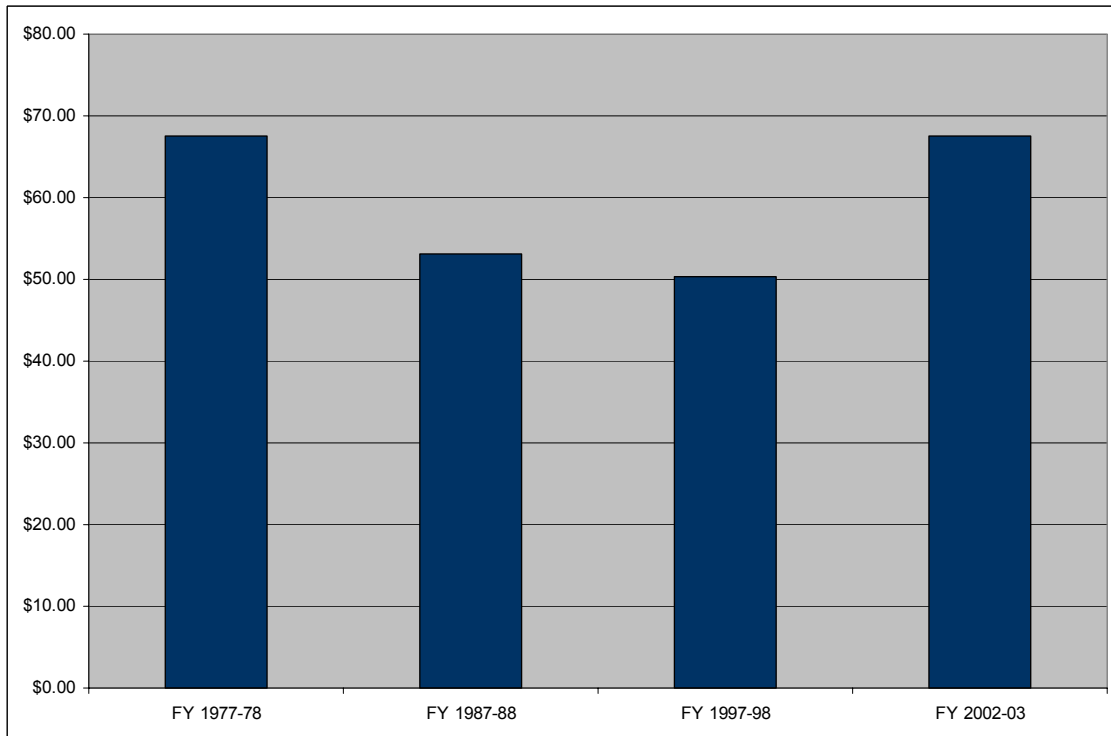


Chart 6-8b: City Parks and Recreation Expenditure per Capita, Real Dollars



The top line in Table 6-9 shows city expenditures for libraries from FY 1977-78 to FY 2002-03 in constant 2003 dollars. These expenditures increased 126 percent in constant 2003 dollar terms from FY 1977-78 to FY 2002-03. The bottom line shows the per capita figures in constant 2003 dollar terms, which increased 43 percent over this same period.

Chart 6-9a shows the data in the first line of the table in graphic form.

Chart 6-9b shows the data in the second line of the table in graphic form.

Table 6-9: City Libraries Expenditure

Libraries	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$344,276,606	\$471,947,204	\$520,199,687	\$781,033,702	126.86%
Per Capita Expenditure, Real Dollars	\$15.25	\$16.79	\$15.90	\$21.88	43.45%

Chart 6-9a: City Libraries Expenditure, Real Dollars

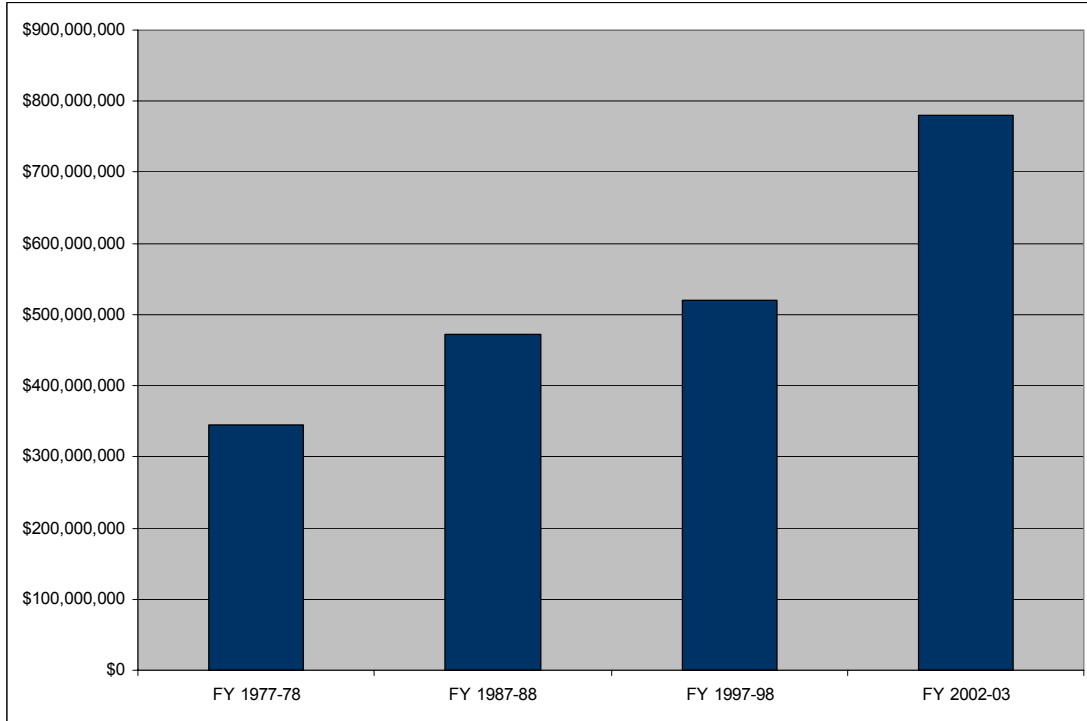
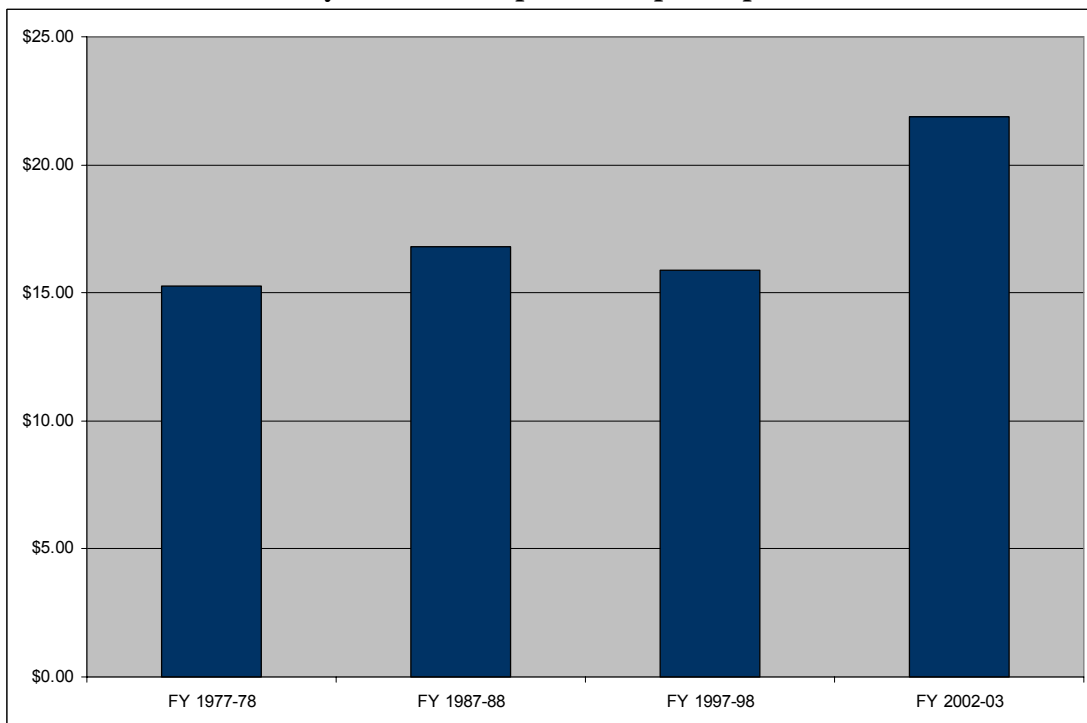


Chart 6-9b: City Libraries Expenditure per Capita, Real Dollars



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Section 7: School District Revenues and Expenditures

Table 7-1 shows total revenue statewide for all K-12 school districts in California from Fiscal Year 1977-78 to Fiscal Year 2002-03 in constant 2003 dollars. Total revenues increased over 76 percent in constant 2003 dollars during this period. Per capita revenues increased over 39 percent in constant 2003 dollars during this period. Per ADA revenue (that is to say, per student revenue) increased well over 30 percent in constant 2003 dollars during this period.

Graph 7-1a shows the change in total K-12 school district revenue statewide from FY 1977-78 to FY 2002-03 in graphic form. Graph 7-1b shows the total revenue per capita for all school districts in California in constant 2003 dollars from FY 1977-78 to FY 2002-03. Graph 7-1c shows the total revenue per ADA (that is to say, per student revenue) for all school districts in California in constant 2003 dollars from FY 1977-78 to FY 2002-03.

Table 7-1: School District Total Revenue

Total Revenue	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$25,551,150,036	\$31,569,668,967	\$44,863,896,190	\$55,728,000,000	76.52%
Per Capita Revenue, Real Dollars	\$1,132.13	\$1,122.88	\$1,371.06	\$1,561.38	39.05%
Per ADA Revenue, Real Dollars	\$5,559.34	\$6,888.01	\$7,920.34	\$9,005	30.73%

Chart 7-1a: School District Total Revenue, Real Dollars

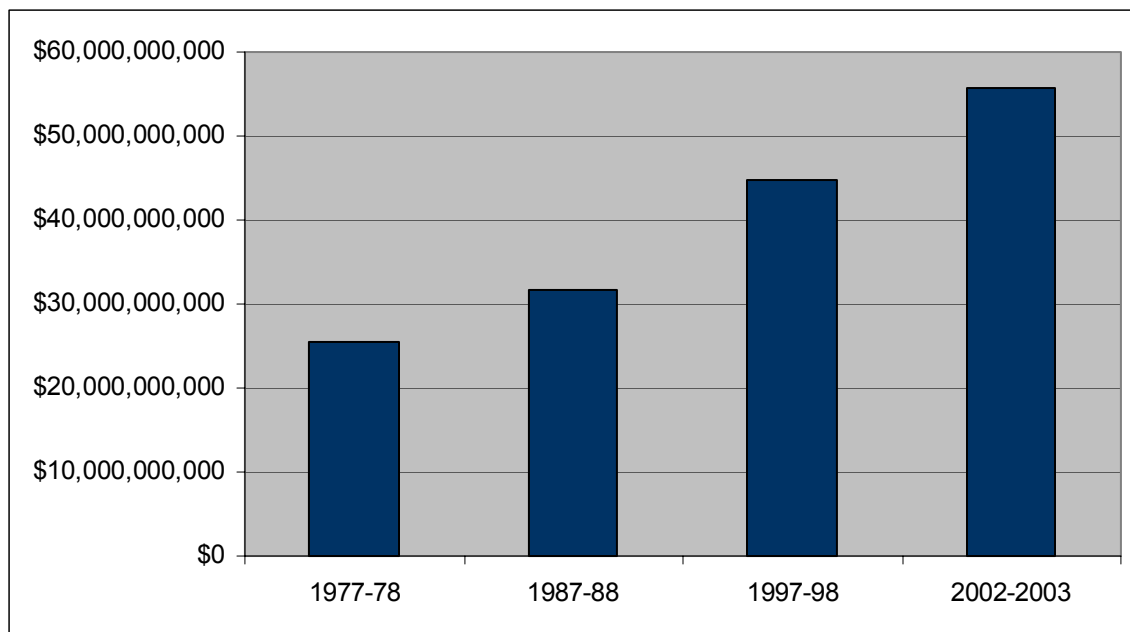


Chart 7-1b: School District Total Revenue per Capita, Real Dollars

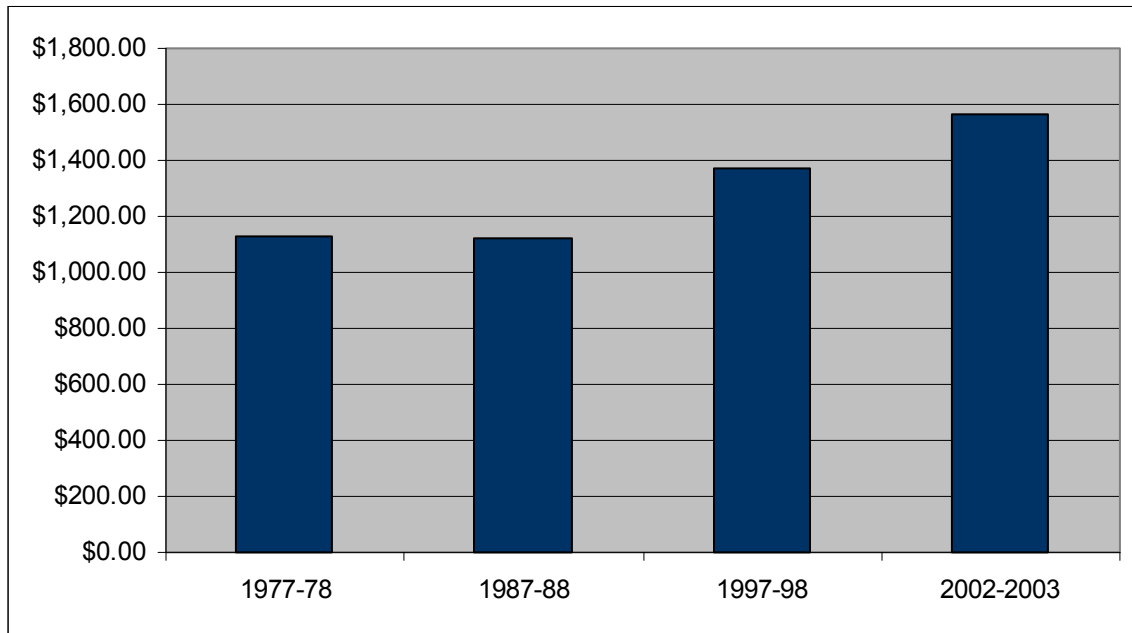


Chart 7-1c: School District Total Revenue per ADA, Real Dollars

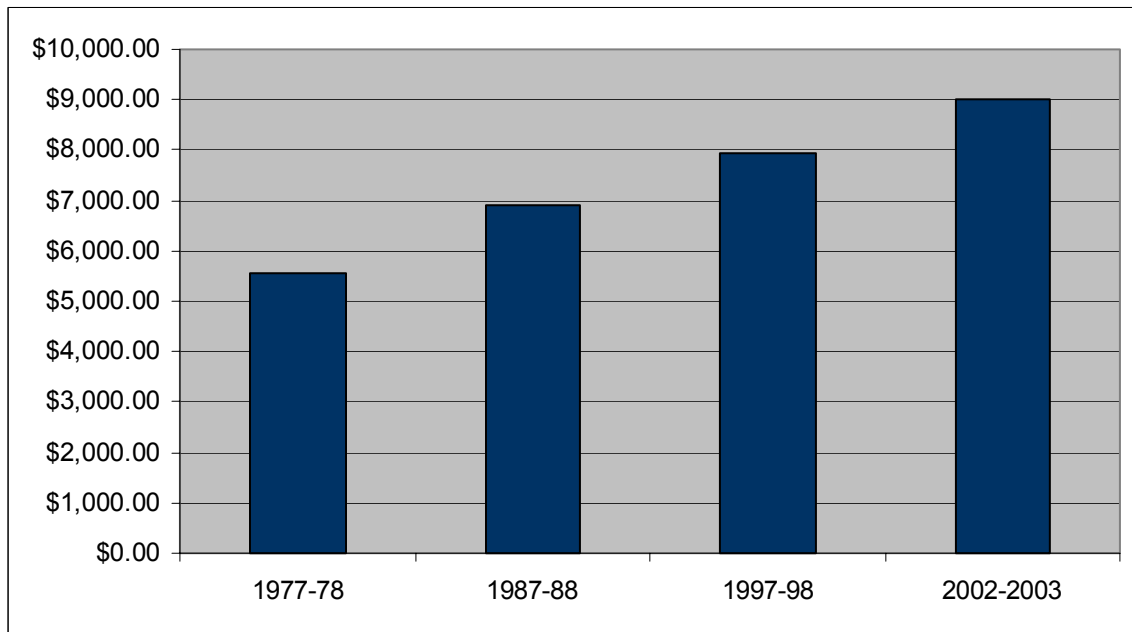


Table 7-2 shows total revenue from federal aid for all K-12 school districts in California from Fiscal Year 1987-88 to Fiscal Year 2002-03 in constant 2003 dollars. Total revenues increased over 222 percent in constant 2003 dollars during this period. Per capita revenue increased over 154 percent in constant 2003 dollars during this period. Per ADA revenue (that is to say, per student revenue) increased almost 139 percent in constant 2003 dollars during this period.

Graph 7-2a shows the change in revenue from federal aid statewide for all K-12 school districts from FY 1987-88 to FY 2002-03 in graphic form. Graph 7-2b shows federal aid revenue per capita for all school districts in California in constant 2003 dollars from FY 1987-88 to FY 2002-03. Graph 7-2c shows revenue from federal aid per ADA (that is to say, per student revenue) for all school districts in California in constant 2003 dollars from FY 1987-88 to FY 2002-03.

Table 7-2: School District Revenue from Federal Aid

Federal	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$2,002,612,073	\$3,451,815,520	\$6,462,000,000	222.68%
Per Capita Revenue, Real Dollars	\$71.23	\$105.49	\$181.05	154.18%
Per ADA Revenue, Real Dollars	\$436.94	\$609.39	\$1,044.14	138.97%

Chart 7-2a: School District Revenue from Federal Aid, Real Dollars

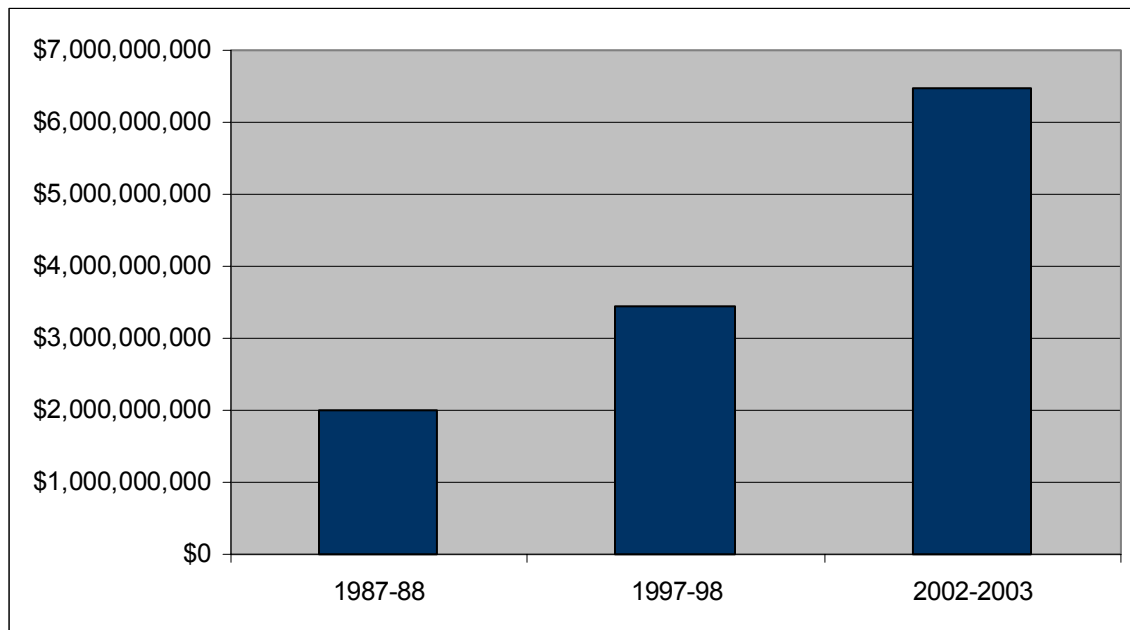


Chart 7-2b: School District Revenue from Federal Aid per Capita, Real Dollars

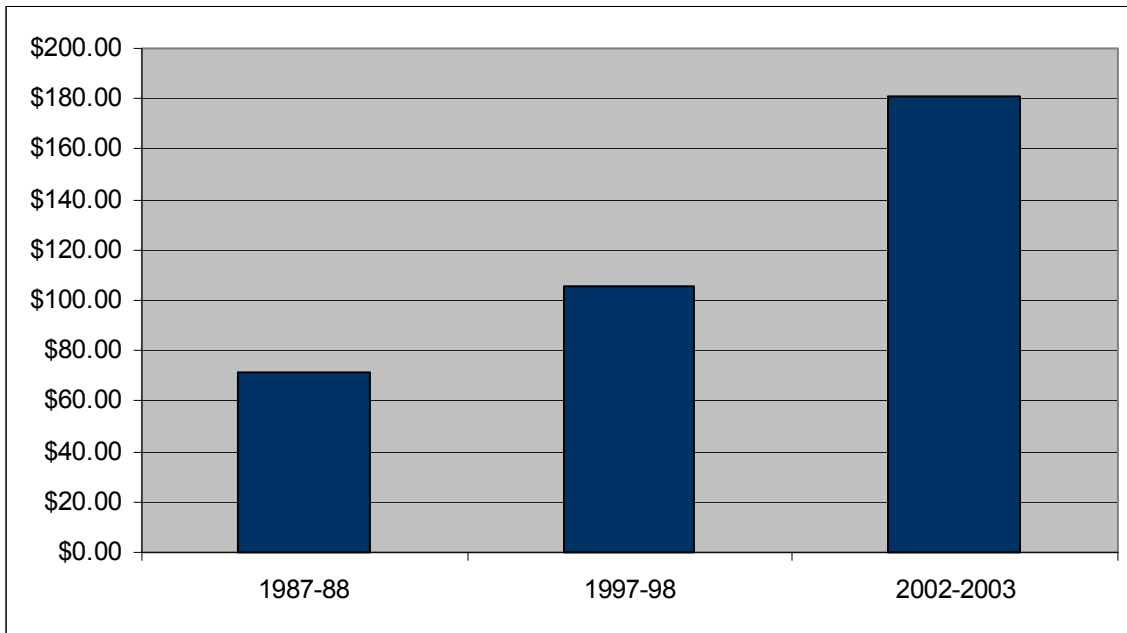


Chart 7-2c: School District Revenue from Federal Aid per ADA, Real Dollars

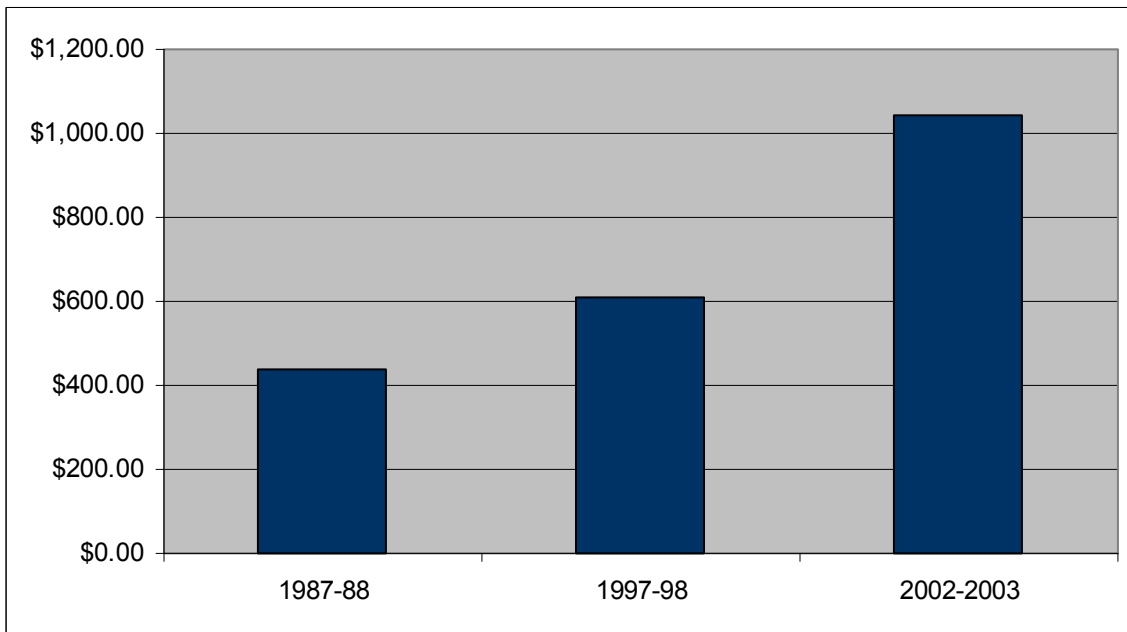


Table 7-3 shows total revenue from state aid for all K-12 school districts in California from Fiscal Year 1987-88 to Fiscal Year 2002-03 in constant 2003 dollars. Total revenues increased over 126 percent in constant 2003 dollars during this period. Per capita revenues increased over 78 percent in constant 2003 dollars during this period. Per ADA revenue (that is to say, per student revenue) increased well over 67 percent in constant 2003 dollars during this period.

Graph 7-3a shows the change in district revenue from state aid K-12 statewide from FY 1987-88 to FY 2002-03 in graphic form. Graph 7-3b shows the total state aid K-12 district revenue per capita for all school districts in California in constant 2003 dollars from FY 1987-88 to FY 2002-03. Graph 7-3c shows the state aid K-12 district revenue per ADA (that is to say, per student revenue) for all school districts in California in constant 2003 dollars from FY 1987-88 to FY 2002-03.

Table 7-3: School District Revenue from State Aid

State Aid	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$13,614,767,015	\$14,647,306,340	\$30,770,000,000	126.00%
Per Capita Revenue, Real Dollars	\$484.25	\$447.63	\$862.11	78.03%
Per ADA Revenue, Real Dollars	\$2,970.53	\$2,585.86	\$4,971.84	67.37%

Chart 7-3a: School District Revenue from State Aid, Real Dollars

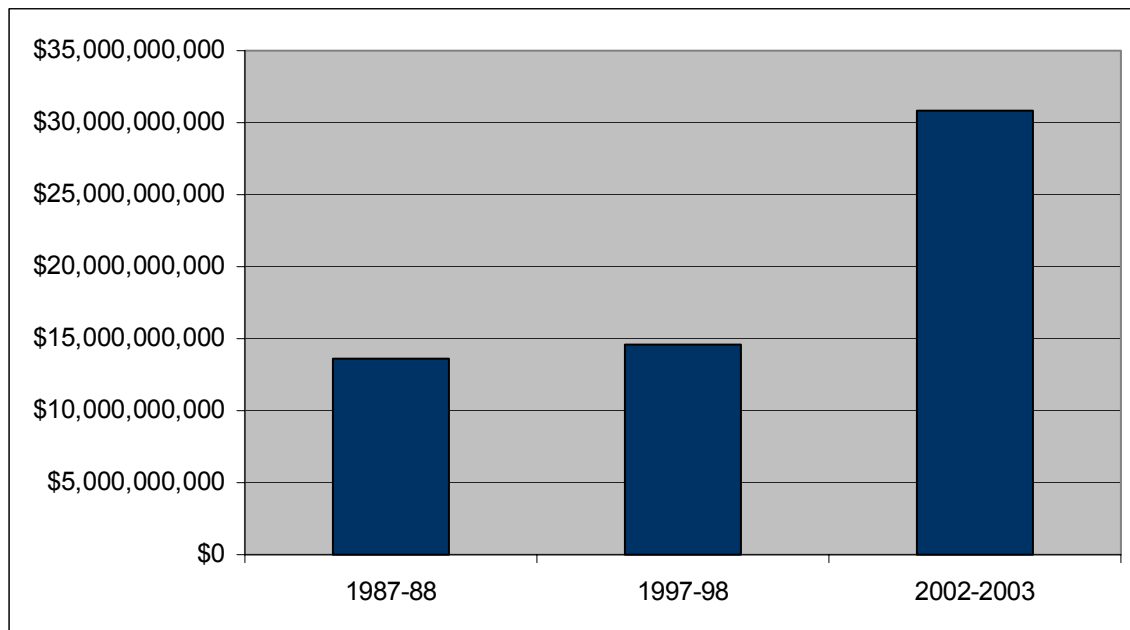


Chart 7-3b: School District Revenue from State Aid per Capita, Real Dollars

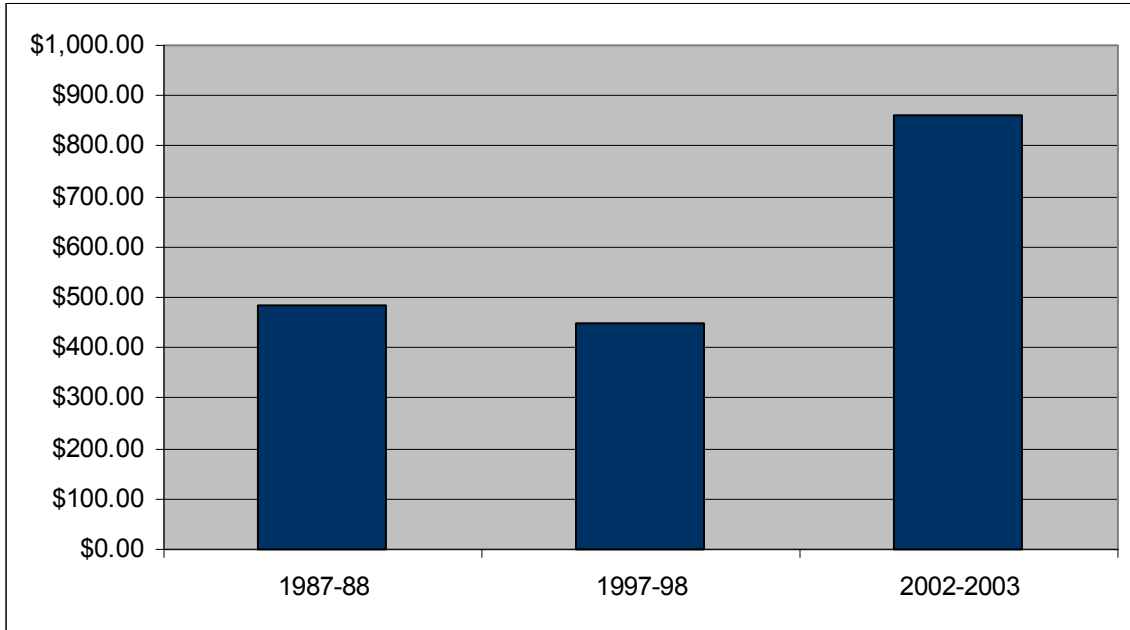


Chart 7-3c: School District Revenue from State Aid per ADA, Real Dollars

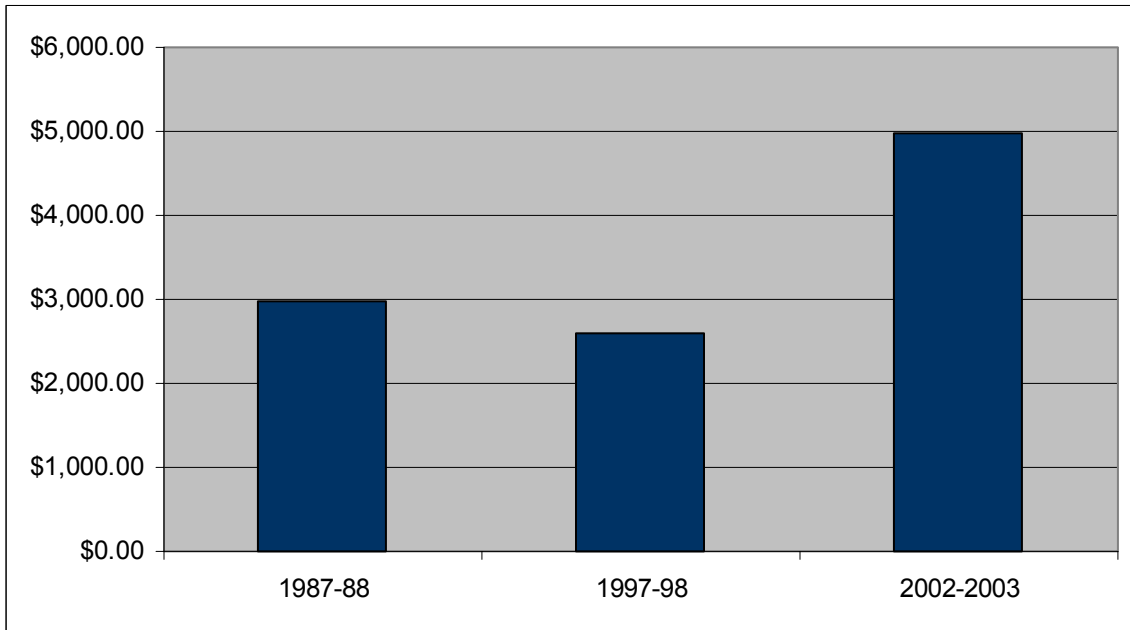


Table 7-4 shows total revenue from the state lottery for all K-12 school districts in California from Fiscal Year 1997-98 to Fiscal Year 2002-03 in constant 2003 dollars. Total revenues increased over 6.6 percent in constant 2003 dollars during this period. Per capita revenue has declined approximately 2.2 percent in constant 2003 dollars during this period. Per ADA revenue (that is to say, per student revenue) has declined over 2.3 percent in constant 2003 dollars during this period.

Graph 7-4b shows the change in state lottery revenue statewide for all K-12 school districts from FY 1997-98 to FY 2002-03 in graphic form. Graph 7-4b shows the state lottery district revenue per capita for all school districts in California in constant 2003 dollars from FY 1997-98 to FY 2002-03. Graph 7-4c shows the state lottery district revenue per ADA (that is to say, per student revenue) for all school districts in California in constant 2003 dollars from FY 1997-98 to FY 2002-03.

Table 7-4: School District Revenue from State Lottery

State Lottery	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$762,078,780	\$813,000,000	6.68%
Per Capita Revenue, Real Dollars	\$23.29	\$22.78	-2.19%
Per ADA Revenue, Real Dollars	\$134.54	\$131.37	-2.36%

Chart 7-4a: School District Revenue from State Lottery, Real Dollars

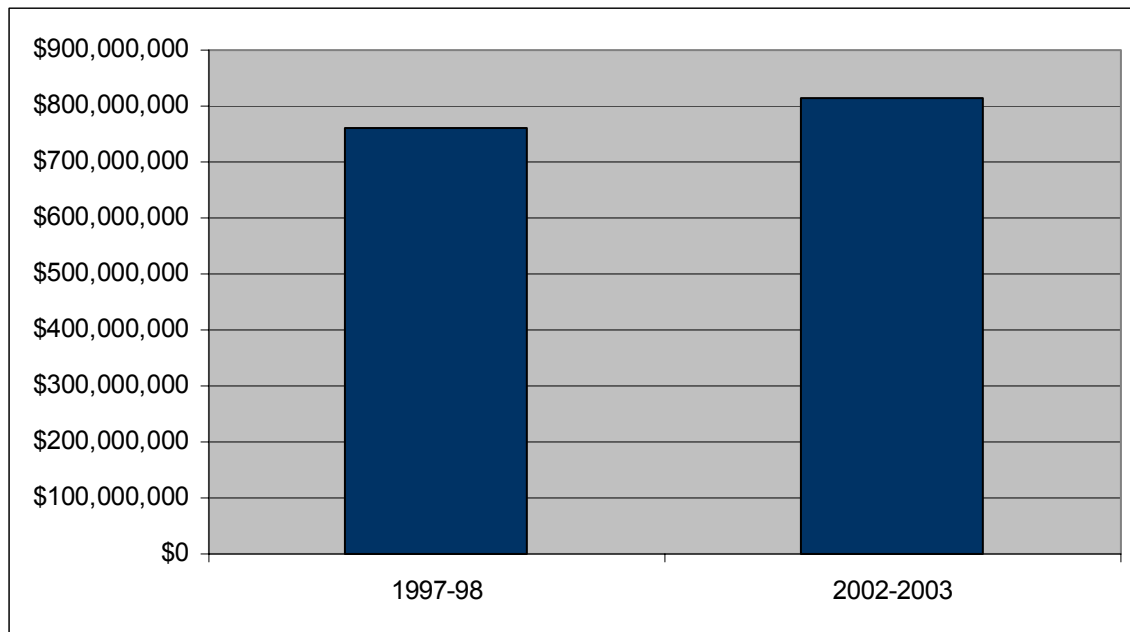


Chart 7-4b: School District Revenue from State Lottery per Capita, Real Dollars

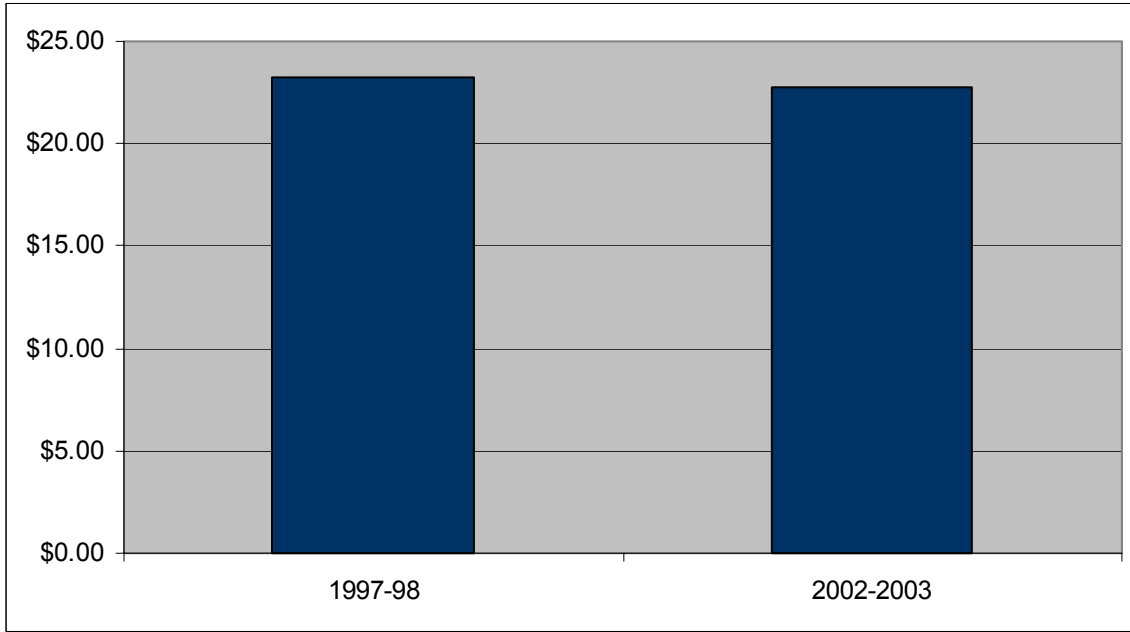


Chart 7-4c: School District Revenue from State Lottery per ADA, Real Dollars

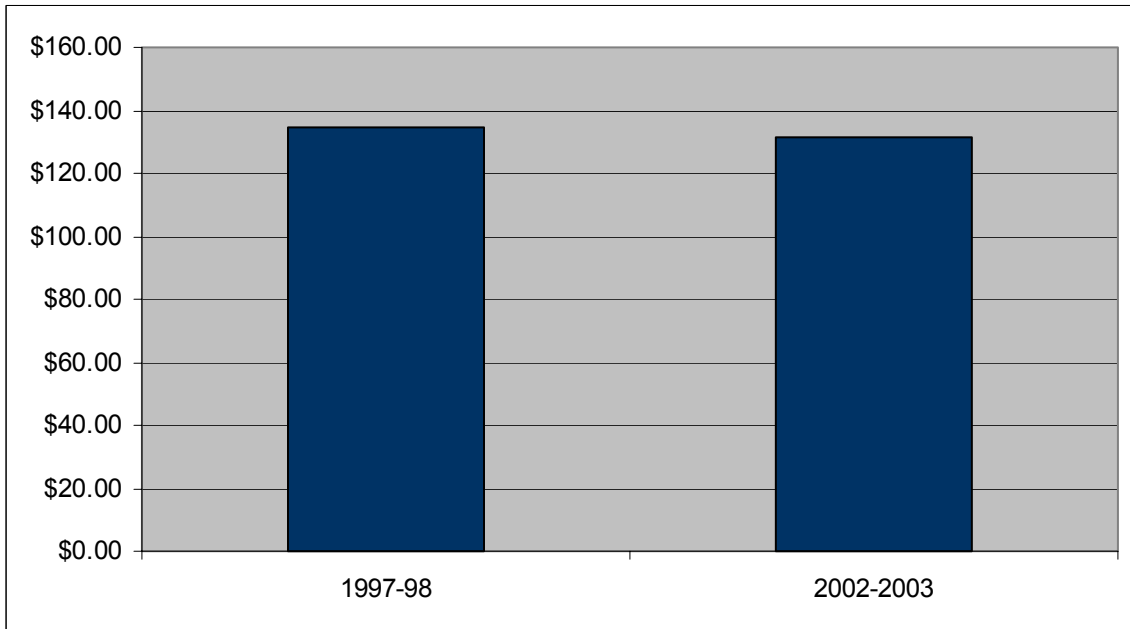


Table 7-5 shows total revenue from local taxes and fees for all K-12 school districts in California from Fiscal Year 1997-98 to Fiscal Year 2002-03 in constant 2003 dollars. Total revenues increased over 34 percent in constant 2003 dollars during this period. Per capita revenue increased over 23 percent in constant 2003 dollars during this period. Per ADA revenue (that is to say, per student revenue) increased 23 percent in constant 2003 dollars during this period.

Graph 7-5a shows the change in revenue from local taxes and fees statewide for all K-12 school districts from FY 1997-98 to FY 2002-03 in graphic form. Graph 7-5b shows local taxes and fee revenue per capita for all school districts in California in constant 2003 dollars from FY 1997-98 to FY 2002-03. Graph 7-5c shows revenue from local taxes and fees per ADA (that is to say, per student revenue) for all school districts in California in constant 2003 dollars from FY 1997-98 to FY 2002-03.

Table 7-5: School District Revenue from Local Taxes and Fees

Local Taxes & Fees	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	n/a	\$10,316,476,250	\$13,865,000,000	34.40%
Per Capita Revenue, Real Dollars	n/a	\$315.28	\$388.47	23.22%
Per ADA Revenue, Real Dollars	n/a	\$1,821.29	\$2,240.32	23.01%

Chart 7-5a: School District Revenue from Local Taxes and Fees, Real Dollars

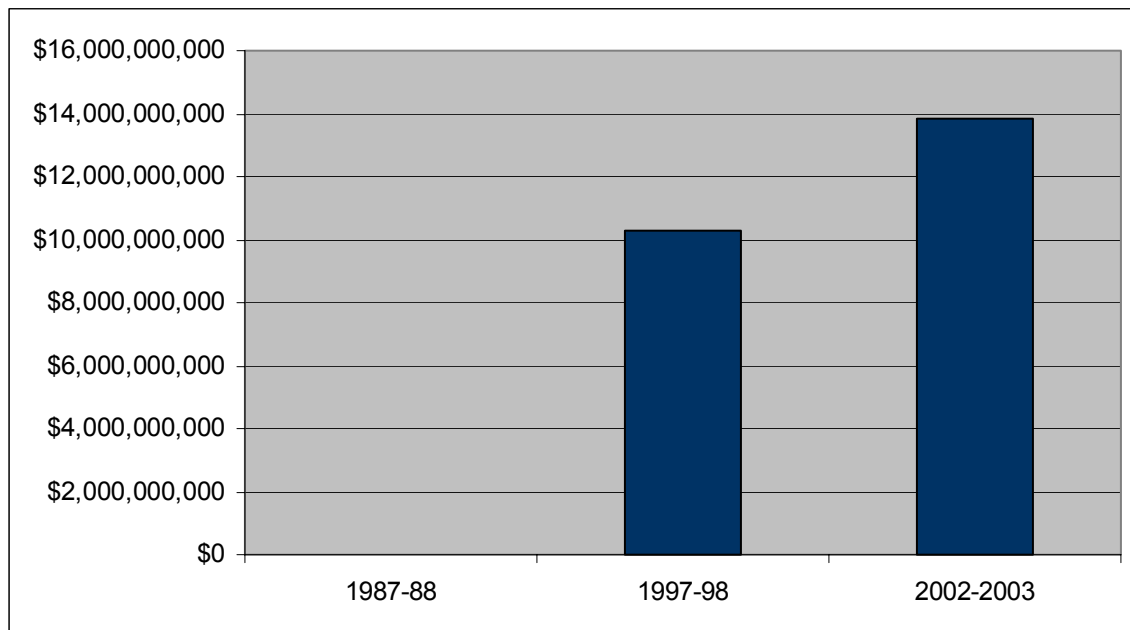


Chart 7-5b: School District Revenue from Local Taxes and Fees per Capita, Real Dollars

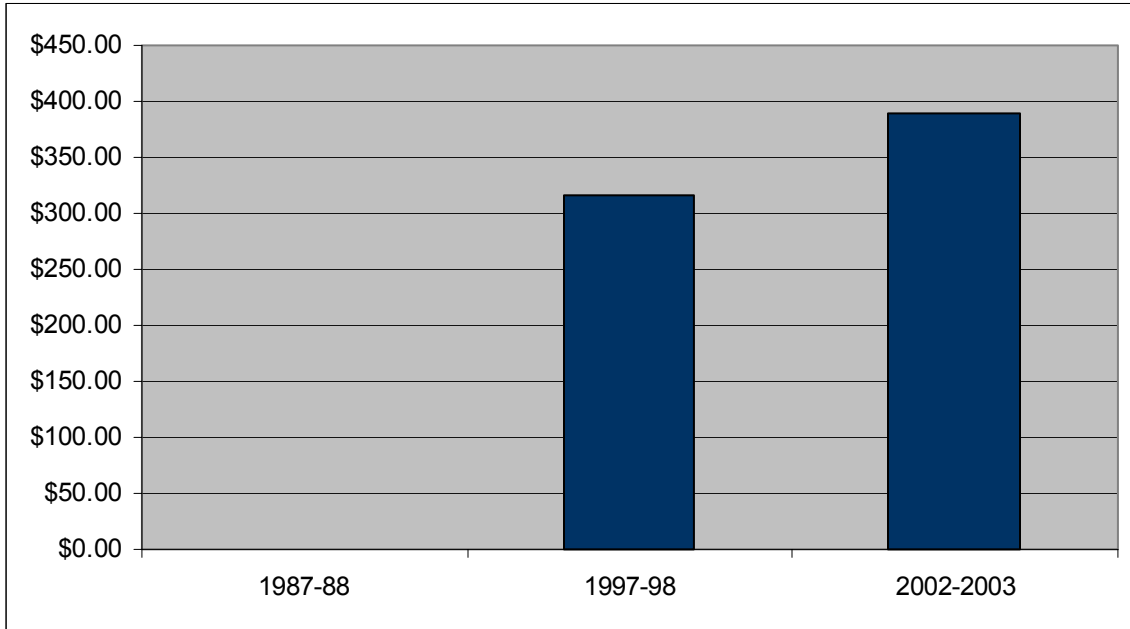


Chart 7-5c: School District Revenue from Local Taxes and Fees per ADA, Real Dollars

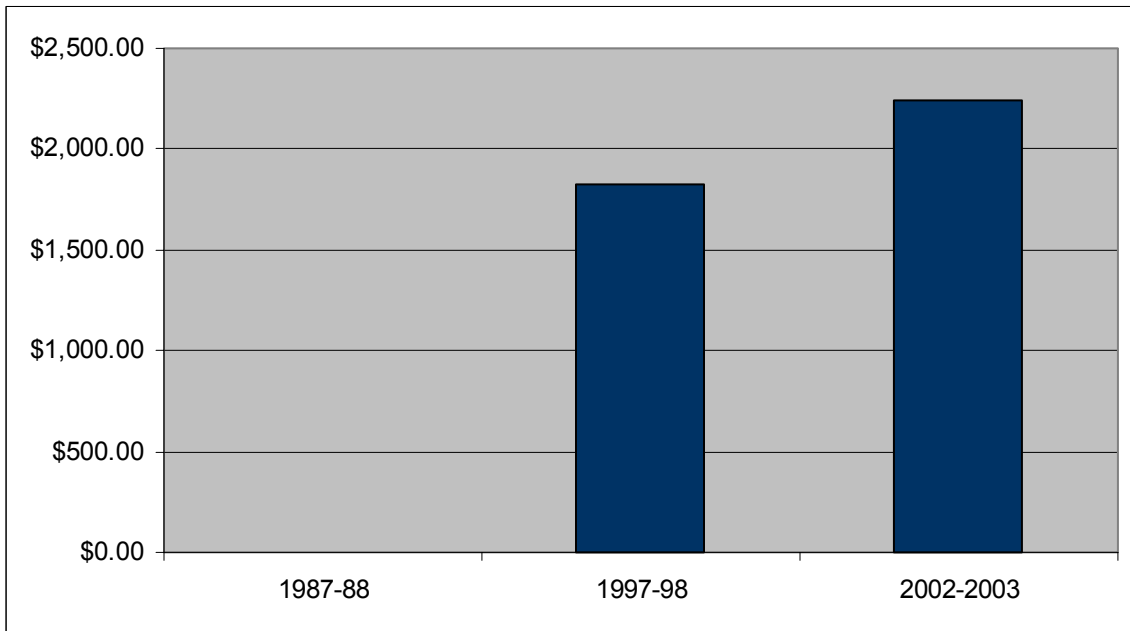


Table 7-6 shows total revenue from the category “other local sources” for all K-12 school districts in California from Fiscal Year 1987-88 to Fiscal Year 2002-03 in constant 2003 dollars. Total revenues increased almost 48 percent in constant 2003 dollars during this period. Per capita revenue increased well over 16 percent in constant 2003 dollars during this period. Per ADA revenue (that is to say, per student revenue) increased well over 9 percent in constant 2003 dollars during this period.

Graph 7-6a shows the change in revenue from “other local sources” statewide for all K-12 school districts from FY 1987-88 to FY 2002-03 in graphic form. Graph 7-6b shows revenue per capita from “other local sources” for all school districts in California in constant 2003 dollars from FY 1987-88 to FY 2002-03. Graph 7-6c shows revenue from “other local sources” per ADA (that is to say, per student revenue) for all school districts in California in constant 2003 dollars from FY 1987-88 to FY 2002-03.

Table 7-6: School District Revenue from Other Local Sources

Other Local	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$2,511,831,989	\$3,569,117,430	\$3,716,000,000	47.94%
Per Capita Revenue, Real Dollars	\$89.34	\$109.07	\$104.11	16.54%
Per ADA Revenue, Real Dollars	\$548.04	\$630.10	\$600.43	9.56%

Chart 7-6a: School District Revenue from Other Local Sources, Real Dollars

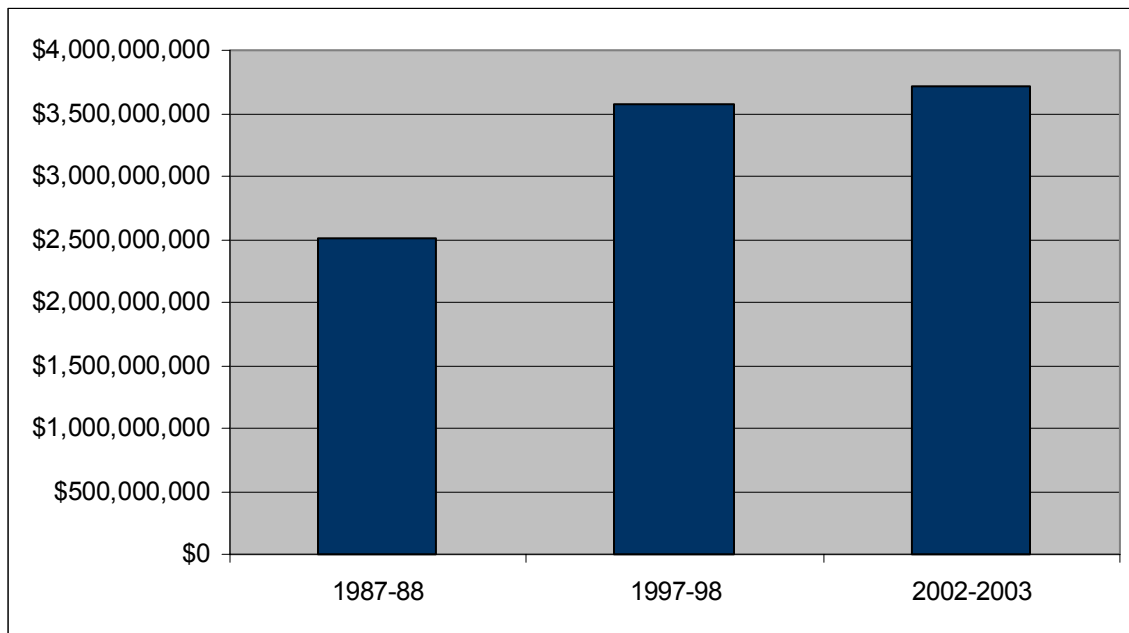


Chart 7-6b: School District Revenue from Other Local Sources per Capita, Real Dollars

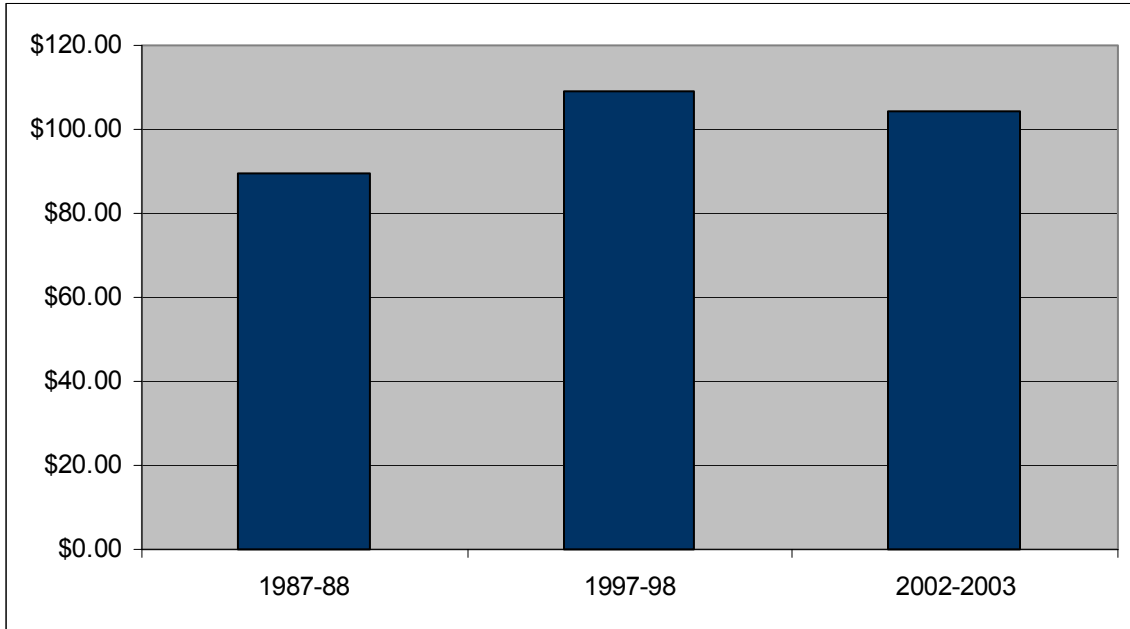


Chart 7-6c: School District Revenue from Other Local Sources per ADA, Real Dollars

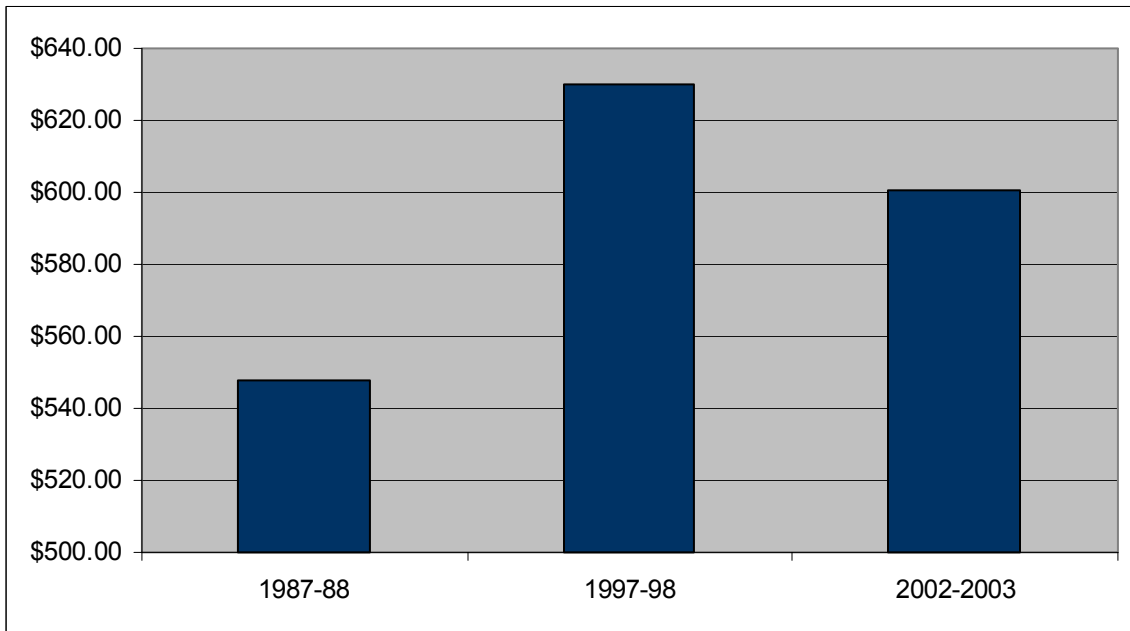


Table 7-7 shows total revenue from the “other state revenue” category for all K-12 school districts in California from Fiscal Year 1987-88 to Fiscal Year 2002-03 in constant 2003 dollars. Total revenues decreased over 98 percent in constant 2003 dollars during this period. Per capita revenue decreased over 98 percent in constant 2003 dollars during this period. Per ADA revenue (that is to say, per student revenue) decreased almost 99 percent in constant 2003 dollars during this period.

Graph 7-7a shows the change in the “other state revenue” category statewide for all K-12 school districts from FY 1987-88 to FY 2002-03 in graphic form. Graph 7-7b shows “other revenue” per capita for all school districts in California in constant 2003 dollars from FY 1987-88 to FY 2002-03. Graph 7-7c shows “other state revenue” per ADA (that is to say, per student revenue) for all school districts in California in constant 2003 dollars from FY 1987-88 to FY 2002-03.

Table 7-7: School District Other State Revenue

Other State	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$5,707,110,456	\$8,517,589,700	\$102,000,000	-98.21%
Per Capita Revenue, Real Dollars	\$202.99	\$260.30	\$2.86	-98.59%
Per ADA Revenue, Real Dollars	\$1,245.20	\$1,503.71	\$16.48	-98.68%

Chart 7-7a: School District Other State Revenue, Real Dollars

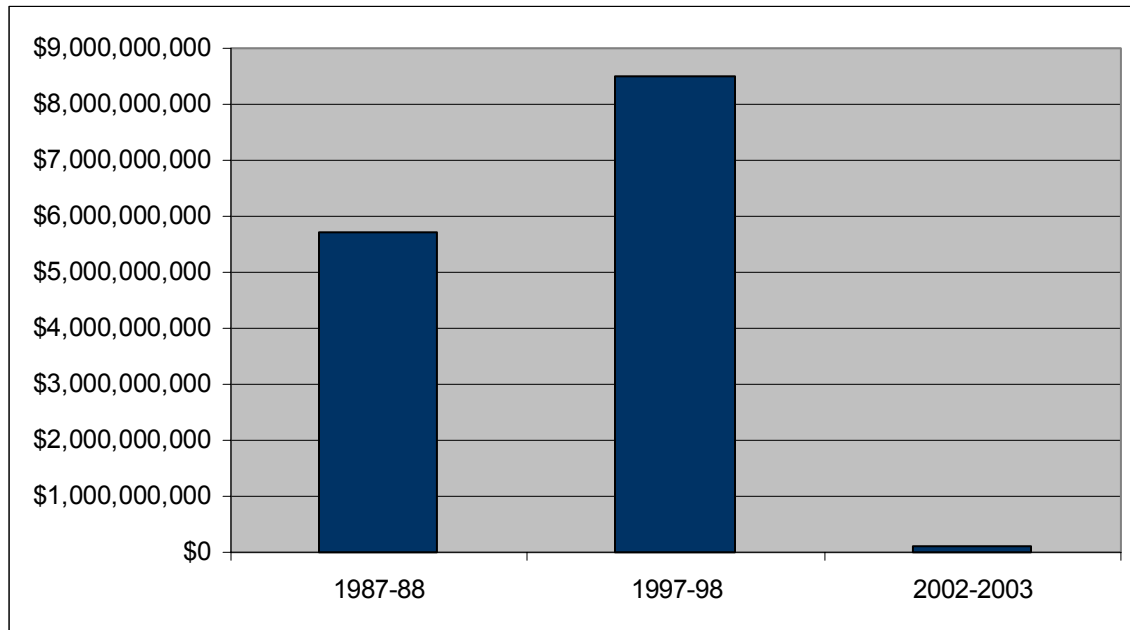


Chart 7-7b: School District Other State Revenue per Capita, Real Dollars

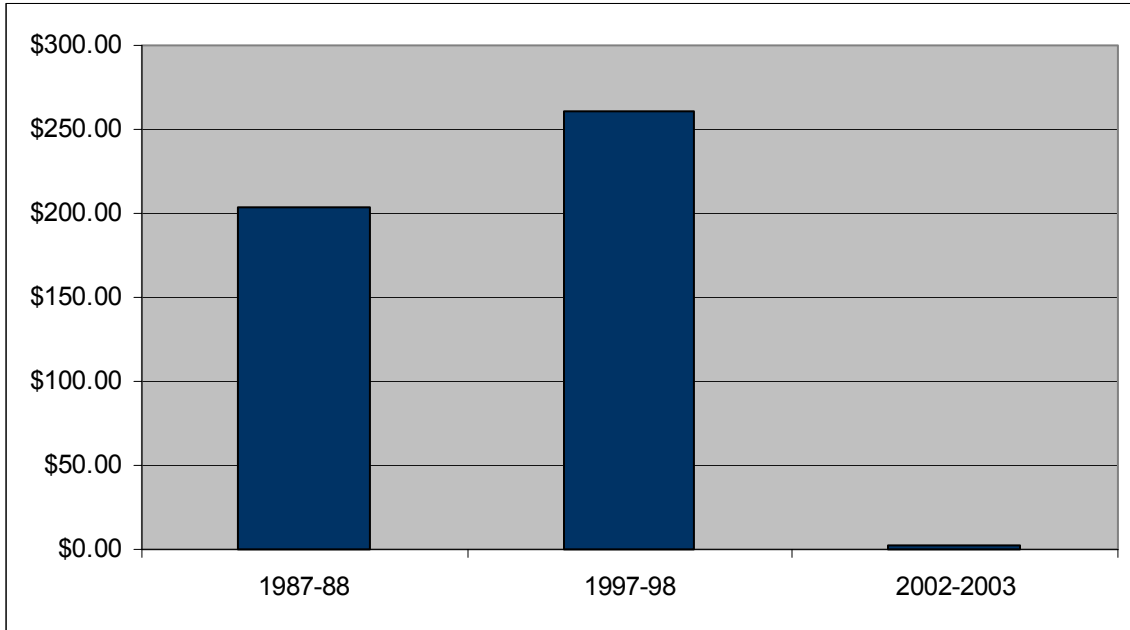


Chart 7-7c: School District Other State Revenue per ADA, Real Dollars

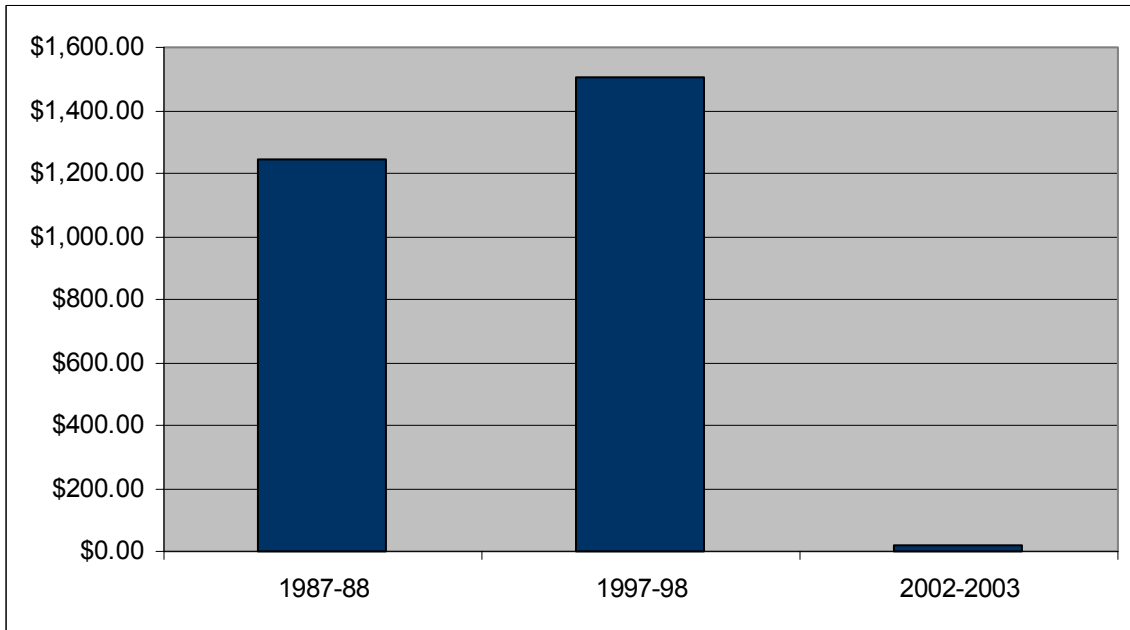


Table 7-8 shows total expenditures statewide for all K-12 school districts in California from Fiscal Year 1977-78 to Fiscal Year 1997-98 in constant 2003 dollars. Total expenditures increased over 68 percent in constant 2003 dollars during this period. Per capita expenditures increased almost 16 percent in constant 2003 dollars during this period. Per ADA revenue (that is to say, per student expenditures) increased over 36 percent in constant 2003 dollars during this period.

Graph 7-8 a shows the change in total K-12 school district expenditure statewide from FY 1977-78 to 1997-98 in graphic form. Graph 7-8b shows the total expenditure per capita for all school districts in California in constant 2003 dollars from FY 1977-78 to FY 1997-98. Graph 7-8c shows the total expenditure per ADA (that is to say, per student expenditure) for all school districts in California in constant 2003 dollars from FY 1977-78 to FY 1997-98.

Table 7-8: School District Total Expenditure

Total Expenditure	FY 1977-78	FY 1987-88	FY 1997-98	Percent Change
Total Expenditure, Real Dollars	\$25,455,202,036	\$31,116,092,358	\$42,766,078,310	68.01%
Per Capita Expenditure, Real Dollars	\$1,127.88	\$1,106.74	\$1,306.95	15.88%
Per ADA Expenditure, Real Dollars	\$5,538.46	\$6,789.05	\$7,549.99	36.32%

Chart 7-8a: School District Total Expenditure, Real Dollars

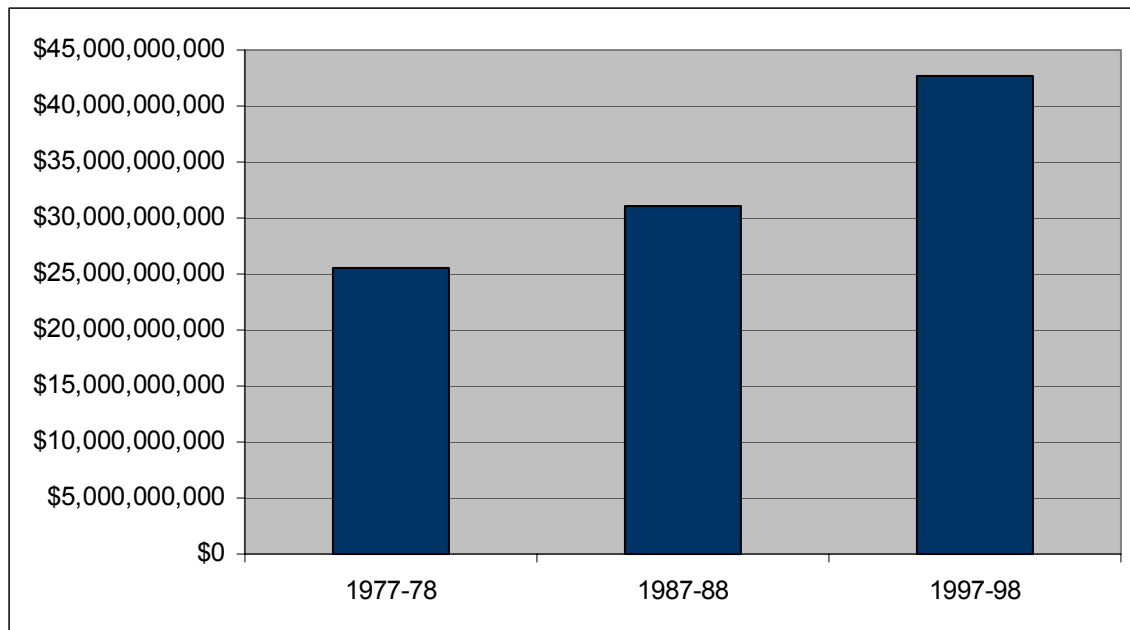


Chart 7-8b: School District Total Expenditure per Capita, Real Dollars

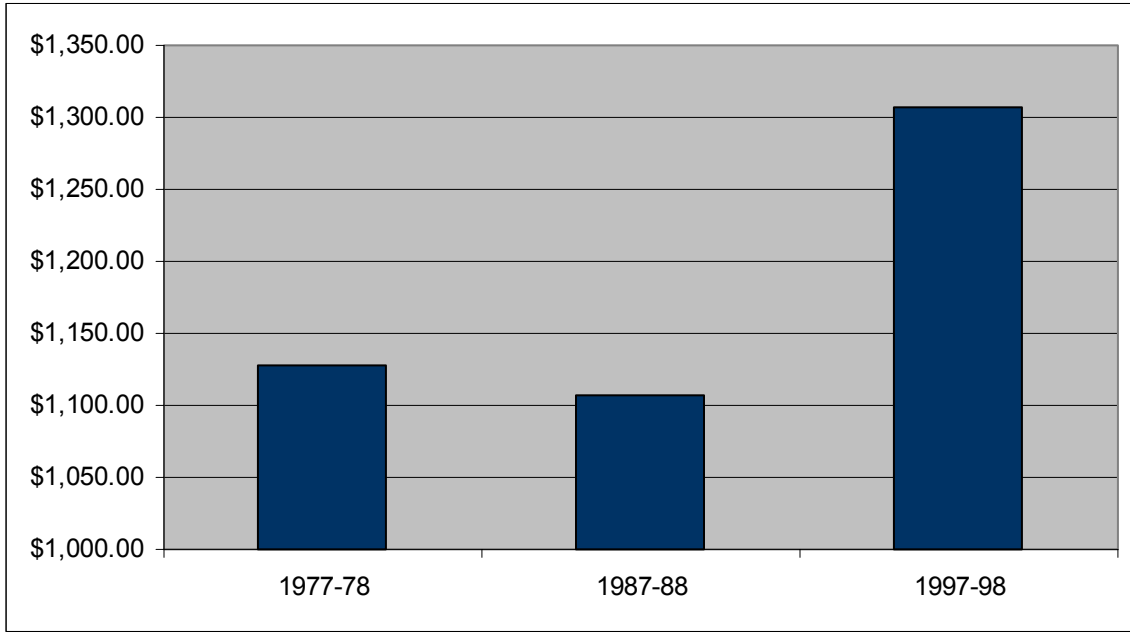
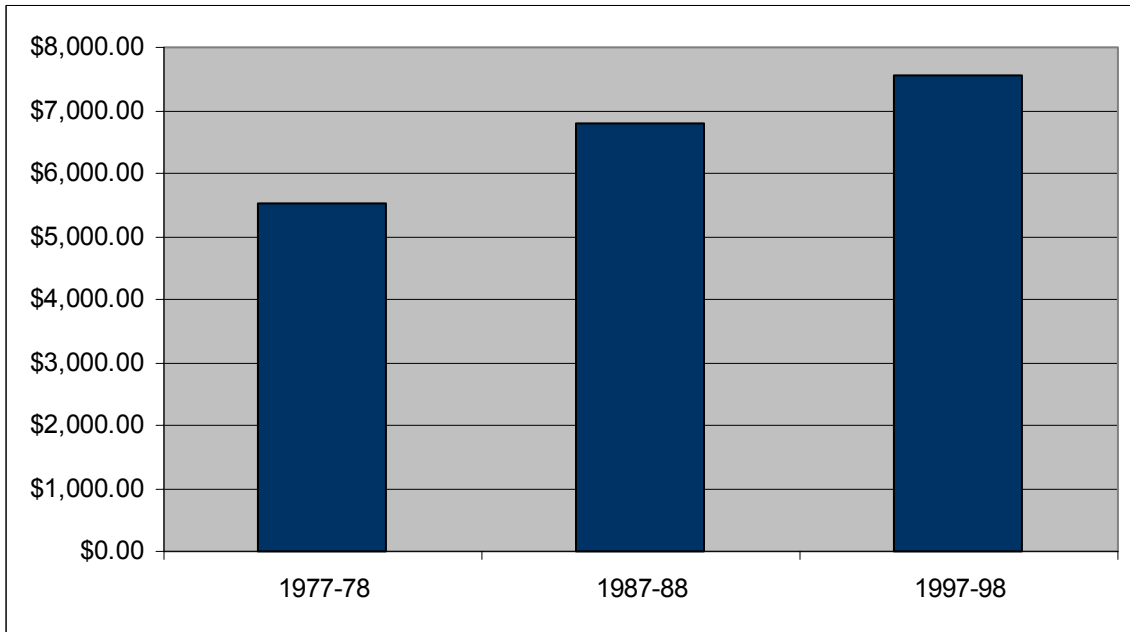


Chart 7-8c: School District Total Expenditure per ADA, Real Dollars



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Section 8: Special District Revenue and Expenditures

Table 8-1 shows special district total revenues from FY 1977-78 to FY 2002-03 in constant 2003 dollars. There has been an increase of 160 percent in such revenues, as measured in constant 2003 dollars, during this time period. In per capita constant 2003 dollars, the revenues have also increased substantially from FY 1977-78 to FY 2002-03. This per capita increase in total special district revenue was almost 65 percent.

Graph 8-1a shows the change in total special district revenues over this period, and Graph 8-1b shows the change in per capita special district revenues, as measured in constant 2003 dollars.

Table 8-1: Special District Total Revenue

Total Revenue	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$12,881,762,385	\$24,350,143,735	\$26,410,823,300	\$33,579,523,000	160.67%
Per Capita Revenue, Real Dollars	\$570.77	\$866.09	\$807.13	\$940.83	64.83%

Chart 8-1a: Special District Total Revenue, Real Dollars

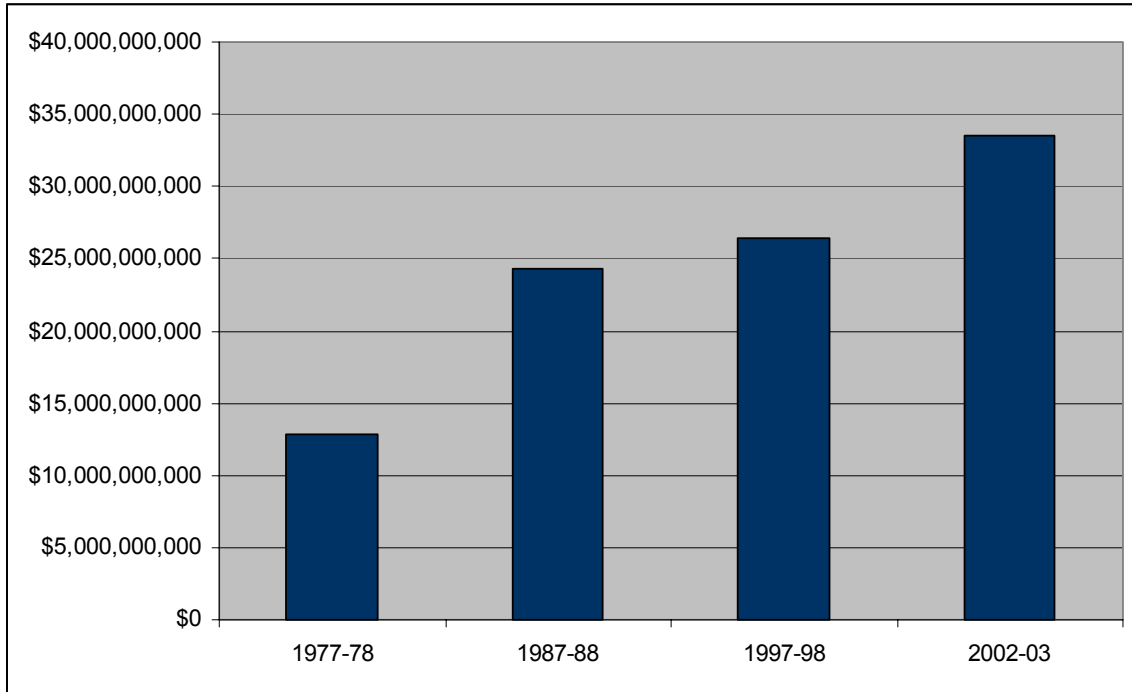


Chart 8-1b: Special District Total Revenue per Capita, Real Dollars

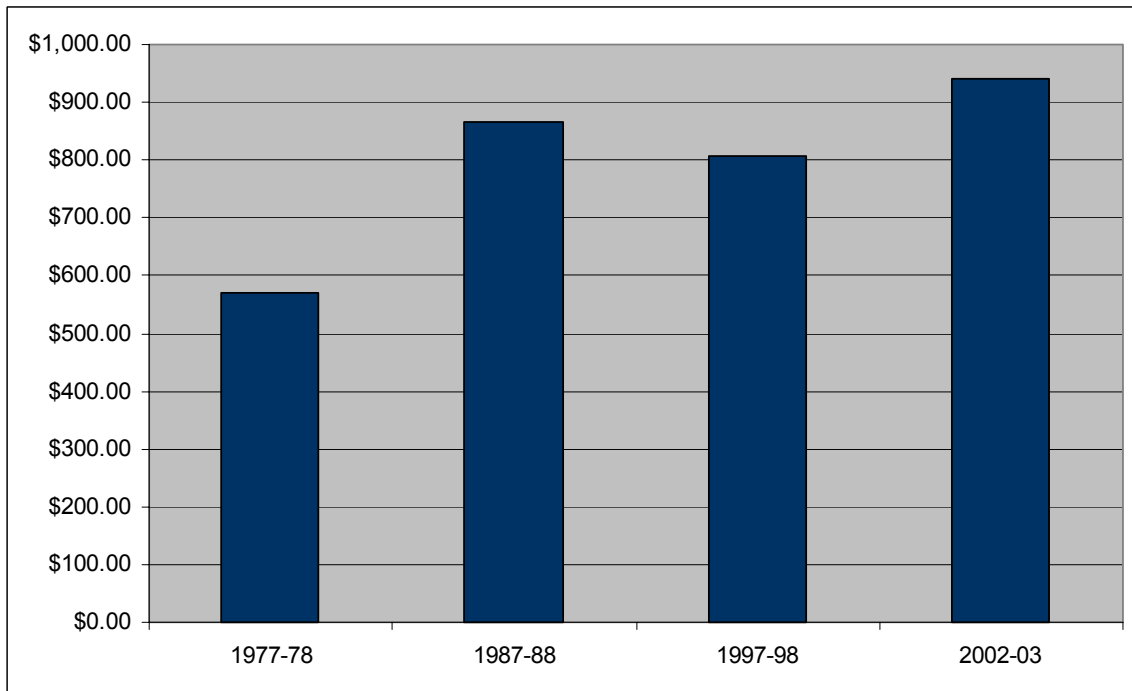


Table 8-2 shows special district enterprise revenue from FY 1977-78 to FY 2002-03 in constant 2003 dollars. There has been an increase of over 107 percent in such revenues, as measured in constant 2003 dollars, during this time period. In per capita constant 2003 dollars, the revenues have also increased substantially from FY 1977-78 to FY 2002-03. This per capita increase in total special district enterprise revenue was over 31 percent.

Graph 8-2a shows the change in special district enterprise revenue over this period, and Graph 8-2b shows the per capita change in such revenue, as measured in constant 2003 dollars.

Table 8-2: Special District Enterprise Revenue

Enterprise Revenue	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Revenue, Real Dollars	\$8,544,249,285	\$14,259,400,970	\$15,620,774,220	\$17,767,394,000	107.95%
Per Capita Revenue, Real Dollars	\$378.58	\$507.18	\$477.38	\$497.81	31.49%

Chart 8-2a: Special District Enterprise Revenue, Real Dollars

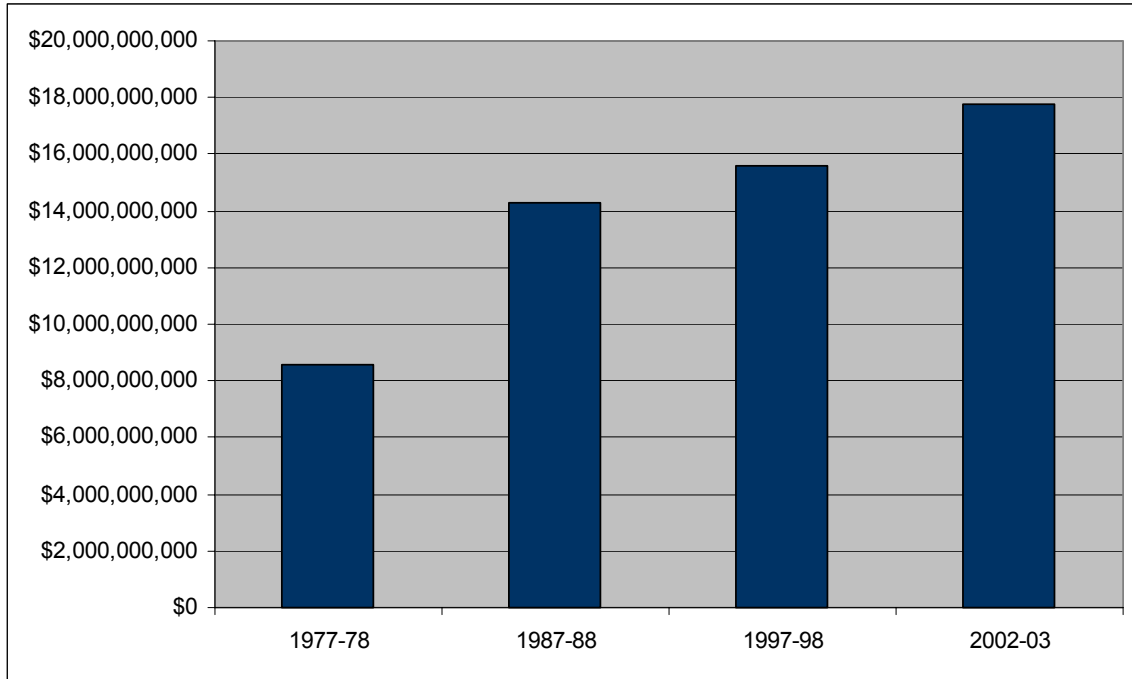


Chart 8-2b: Special District Enterprise Revenue per Capita, Real Dollars

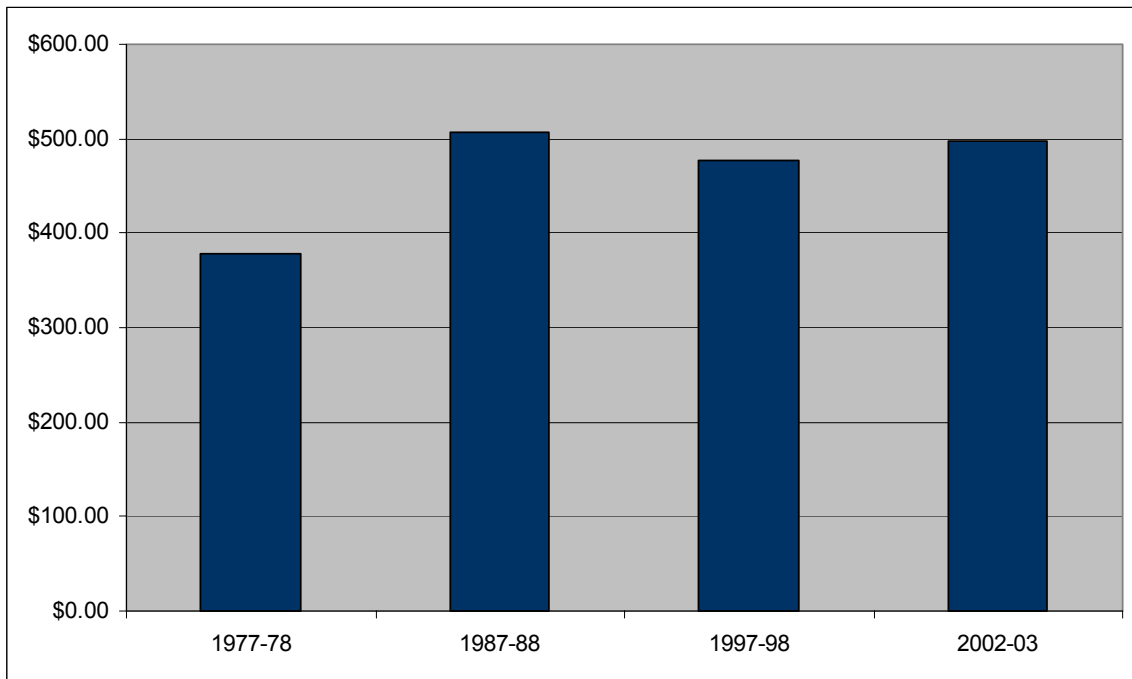


Table 8-3 shows special district non-enterprise general purpose revenues from FY 1977-78 to FY 2002-03 in constant 2003 dollars. There has been a 175 percent increase in such revenues, as measured in constant 2003 dollars, during this time period. In per capita constant 2003 dollars, the revenues have also increased substantially from FY 1977-78 to FY 2002-03. This per capita increase in total special district non-enterprise general purpose revenues was almost 74 percent.

Graph 8-3a shows the change in total special district non-enterprise general purpose revenues over this period, and Graph 8-3b shows the change in per capita special district non-enterprise general purpose revenues, as measured in constant 2003 dollars.

Table 8-3: Special District Non-Enterprise General Purpose Revenue

General Purpose	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$2,768,101,589	\$3,799,463,296	\$5,320,140,570	\$7,622,565,000	175.37%
Per Capita Revenue, Real Dollars	\$122.65	\$135.14	\$162.59	\$213.57	74.13%

Chart 8-3a: Special District Non-Enterprise General Purpose Revenue, Real Dollars

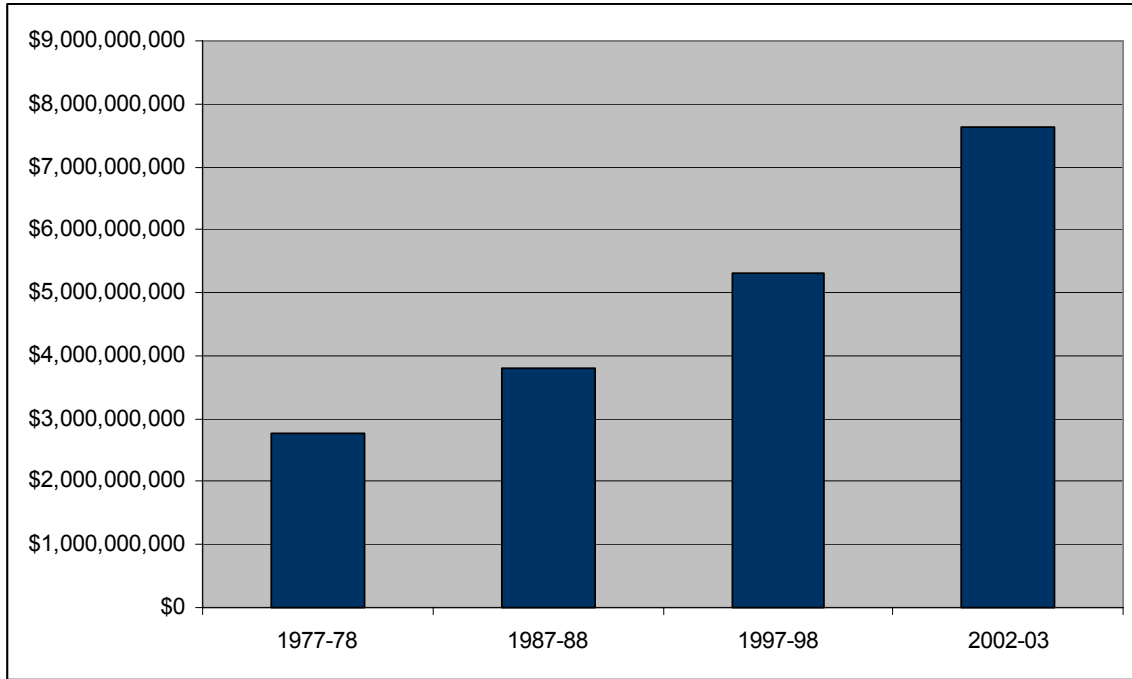


Chart 8-3b: Special District Non-Enterprise General Purpose Revenue per Capita, Real Dollars

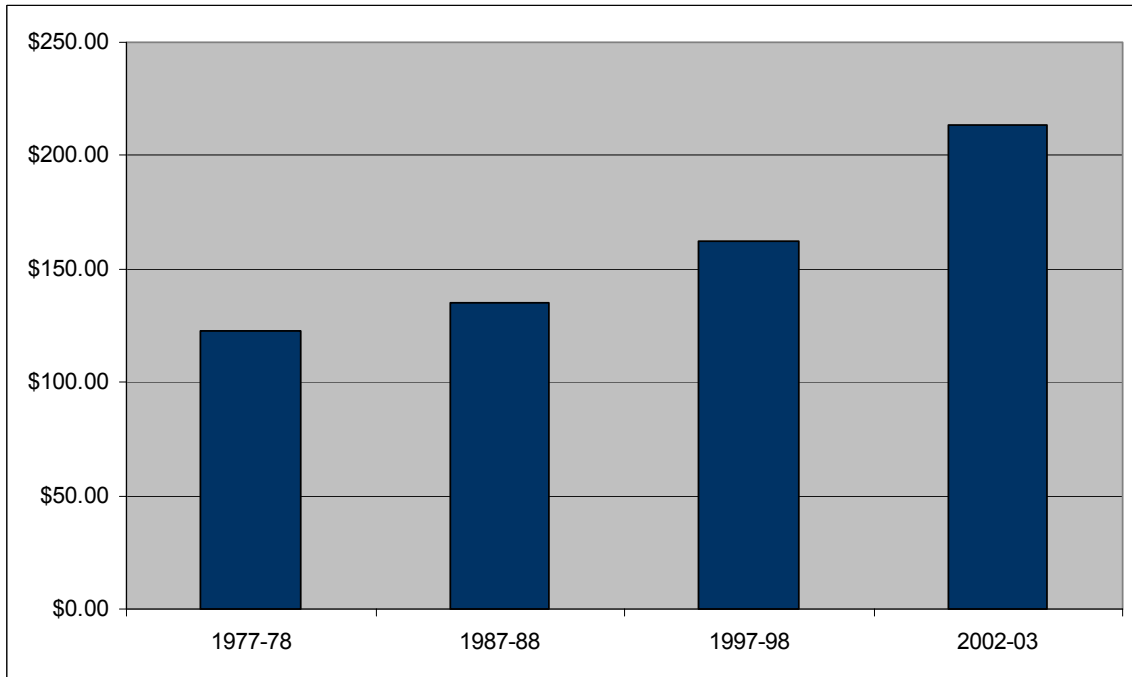


Table 8-4 shows special district non-enterprise long-term indebtedness revenues from FY 1977-78 to FY 2002-03 in constant 2003 dollars. There has been an 84 percent decrease in such revenues, as measured in constant 2003 dollars, during this time period. In per capita constant 2003 dollars, the revenues have also decreased substantially from FY 1977-78 to FY 2002-03. This per capita decrease in total special district non-enterprise long-term indebtedness revenues was almost 90 percent.

Graph 8-4a shows the change in total special non-enterprise district long-term indebtedness revenues over this period, and Graph 8-4b shows the change in per capita special district non-enterprise long-term indebtedness revenues, as measured in constant 2003 dollars.

Table 8-4: Special District Non-Enterprise Long-Term Indebtedness Revenue

Long-Term Indebtedness	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$1,080,075,797	\$2,378,706,052	\$54,999,360	\$176,941,000	-83.62%
Per Capita Revenue, Real Dollars	\$47.86	\$84.61	\$1.68	\$4.96	-89.64%

Chart 8-4a: Special District Non-Enterprise Long-Term Indebtedness Revenue, Real Dollars

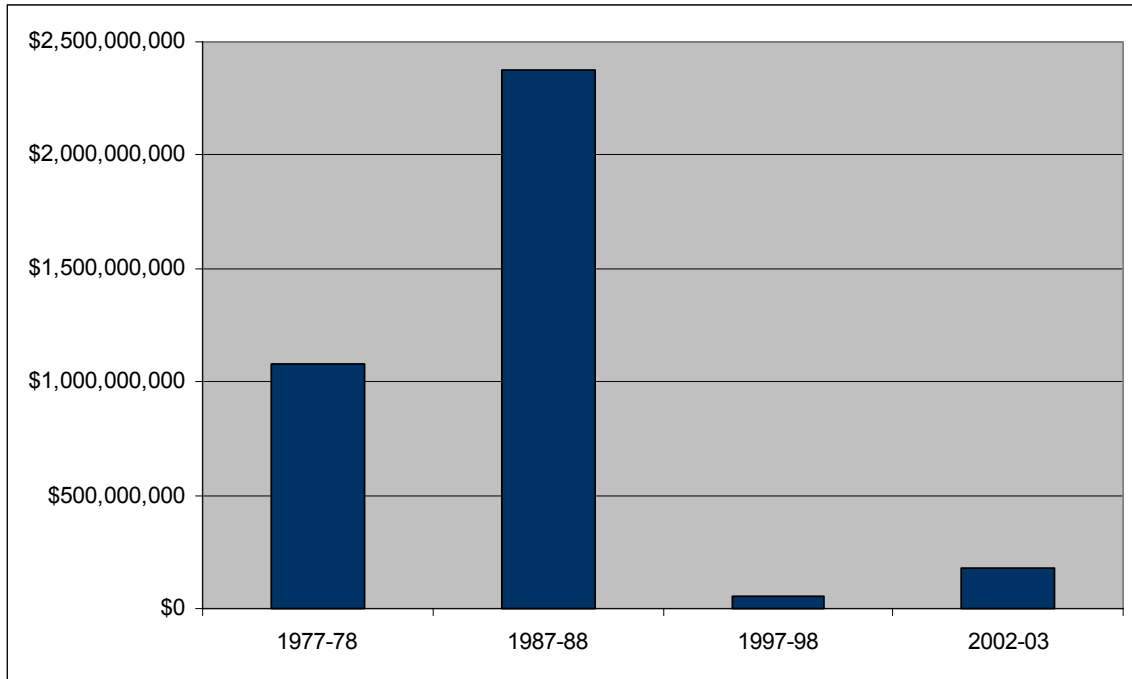


Chart 8-4b: Special District Non-Enterprise Long-Term Indebtedness Revenue, Real Dollars

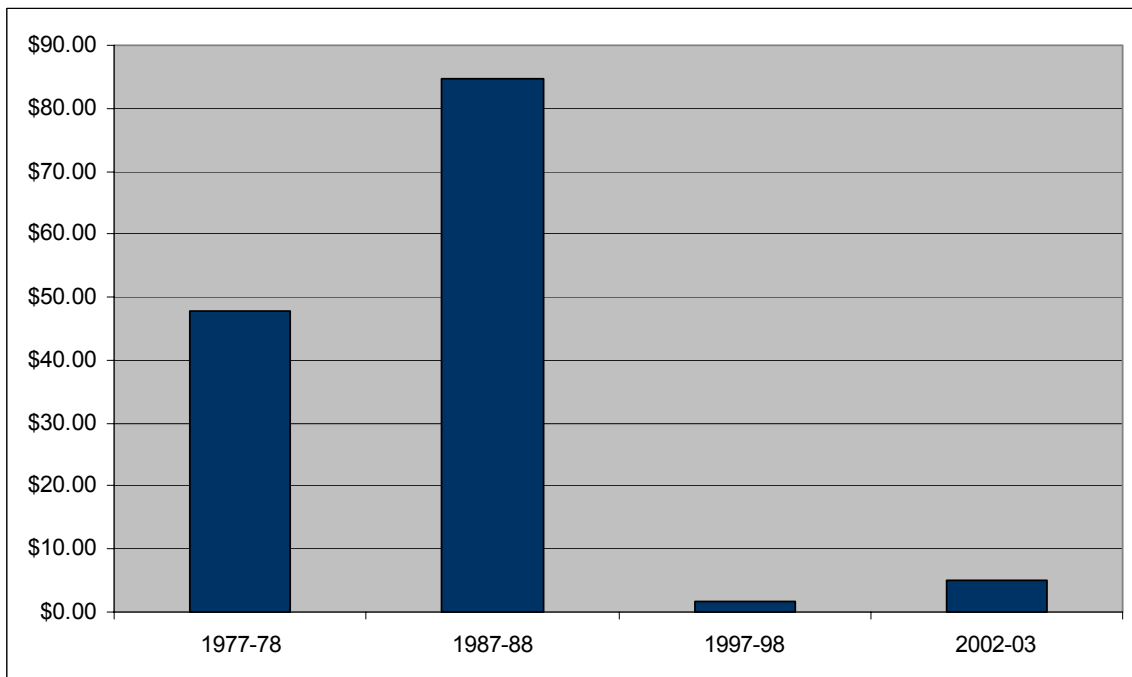


Table 8-5 shows special district non-enterprise debt service revenues from FY 1977-78 to FY 2002-03 in constant 2003 dollars. There has been a 252 percent increase in such revenues, as measured in constant 2003 dollars, during this time period. In per capita constant 2003 dollars, the revenues have also increased substantially from FY 1977-78 to FY 2002-03. This per capita increase in total special district non-enterprise debt service revenues was over 120 percent.

Graph 8-5a shows the change in total special district debt service revenues over this period, and Graph 8-5b shows the change in per capita special district non enterprise revenues, as measured in constant 2003 dollars.

Table 8-5: Special District Non-Enterprise Debt Service Revenue

Debt Service	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$489,335,714	\$1,627,111,500	\$93,454,390	\$1,721,242,000	251.75%
Per Capita Revenue, Real Dollars	\$21.68	\$57.87	\$2.86	\$48.23	122.42%

Chart 8-5a: Special District Non-Enterprise Debt Service Revenue, Real Dollars

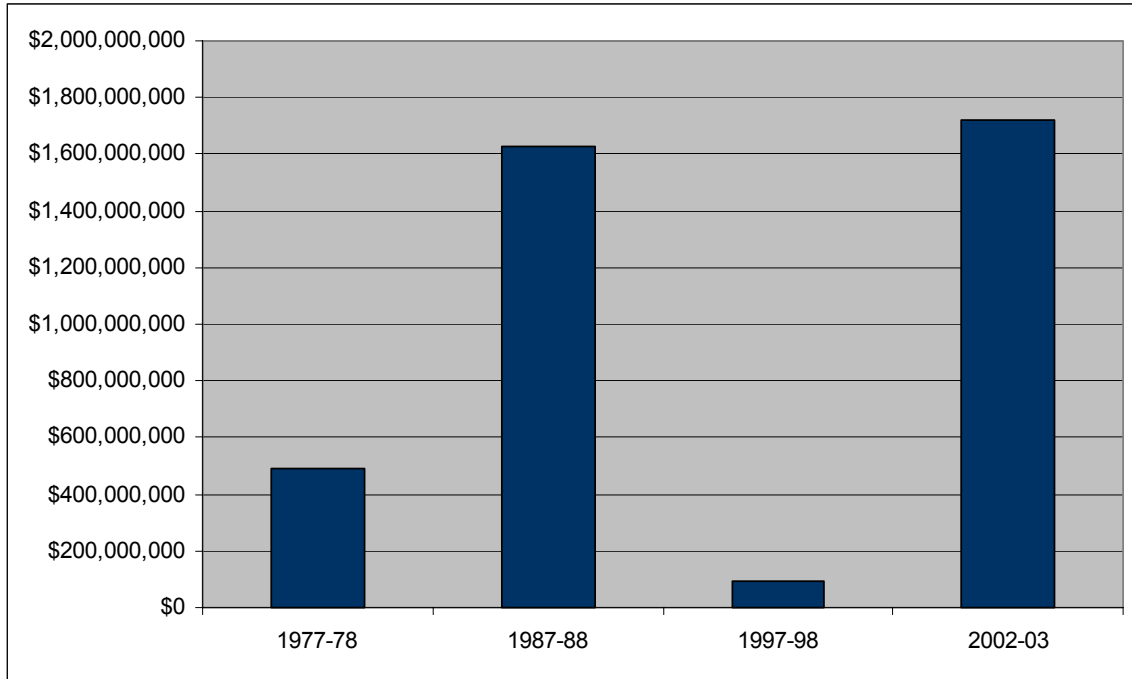


Chart 8-5b: Special District Non-Enterprise Debt Service Revenue per Capita, Real Dollars

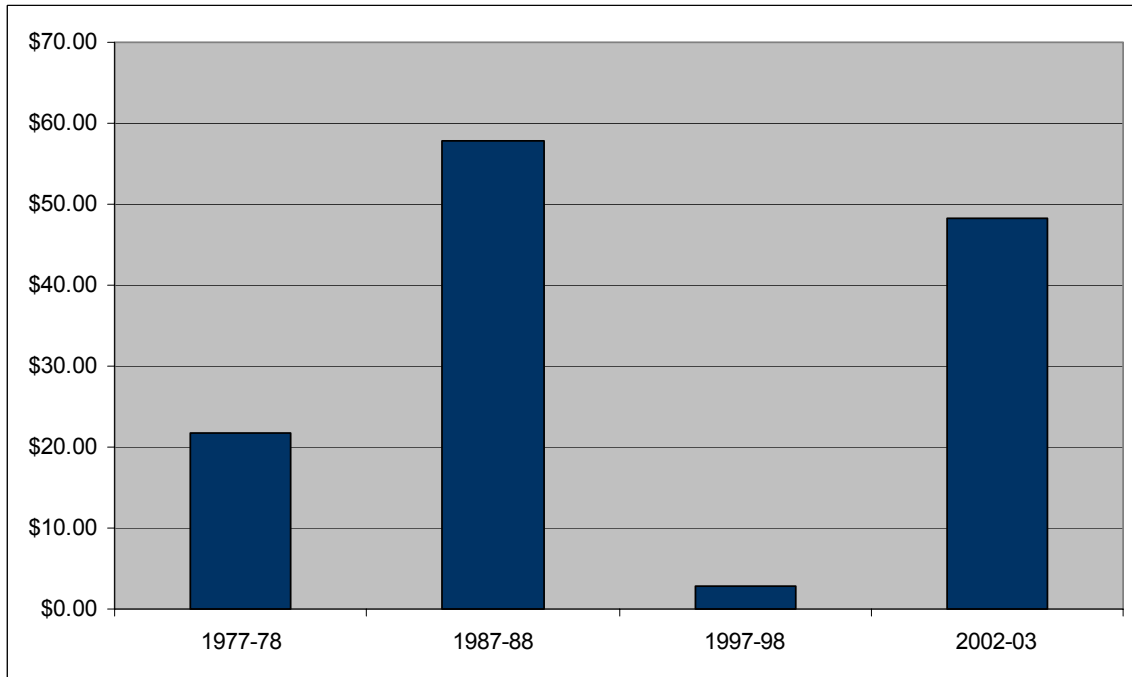


Table 8-6 shows special district total expenditures from FY 1977-78 to FY 2002-03 in constant 2003 dollars. There has been a 180 percent increase in such revenues, as measured in constant 2003 dollars, during this time period. In per capita constant 2003 dollars, the expenditures have also increased substantially from FY 1977-78 to FY 2002-03. This per capita increase in total special district expenditures was over 77 percent.

Graph 8-6a shows the change in special district total expenditures over this period, and Graph 8-6b shows the change in per capita special district total expenditures, as measured in constant 2003 dollars.

Table 8-6: Special District Total Expenditure

Total Expenditure	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Expenditure, Real Dollars	\$10,034,173,217	\$21,037,432,576	\$24,410,178,640	\$33,592,075,000	234.78%
Per Capita Expenditure, Real Dollars	\$444.60	\$748.26	\$745.99	\$941.18	111.69%

Chart 8-6a: Special District Total Expenditure, Real Dollars

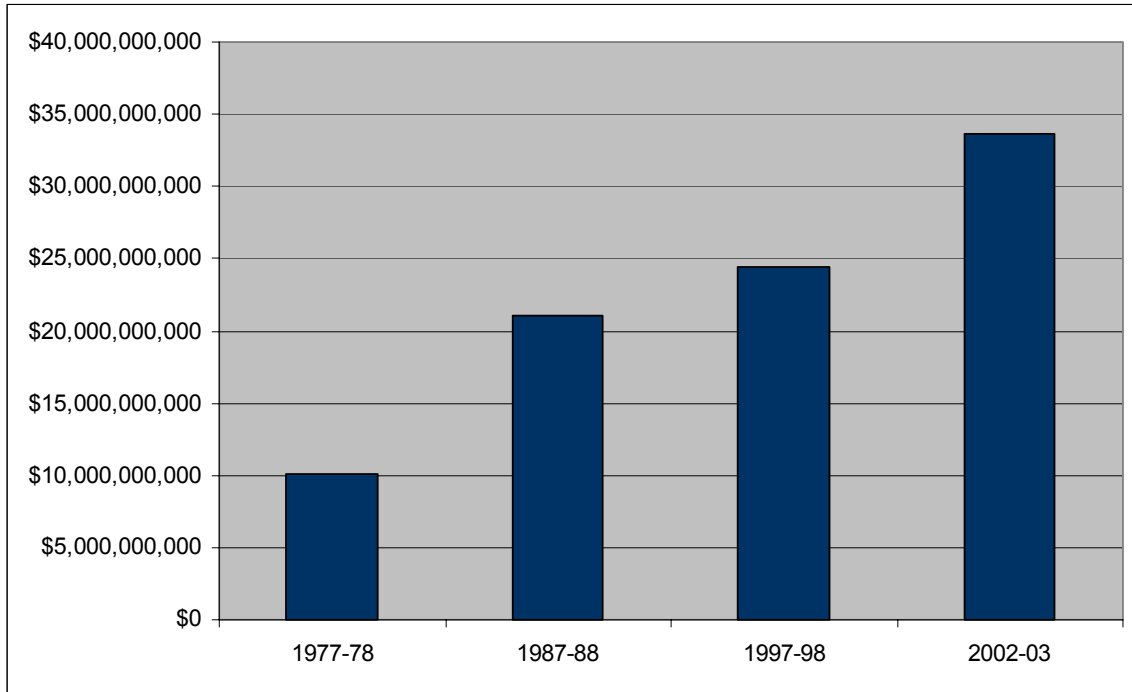


Chart 8-6b: Special District Total Expenditure per Capita, Real Dollars

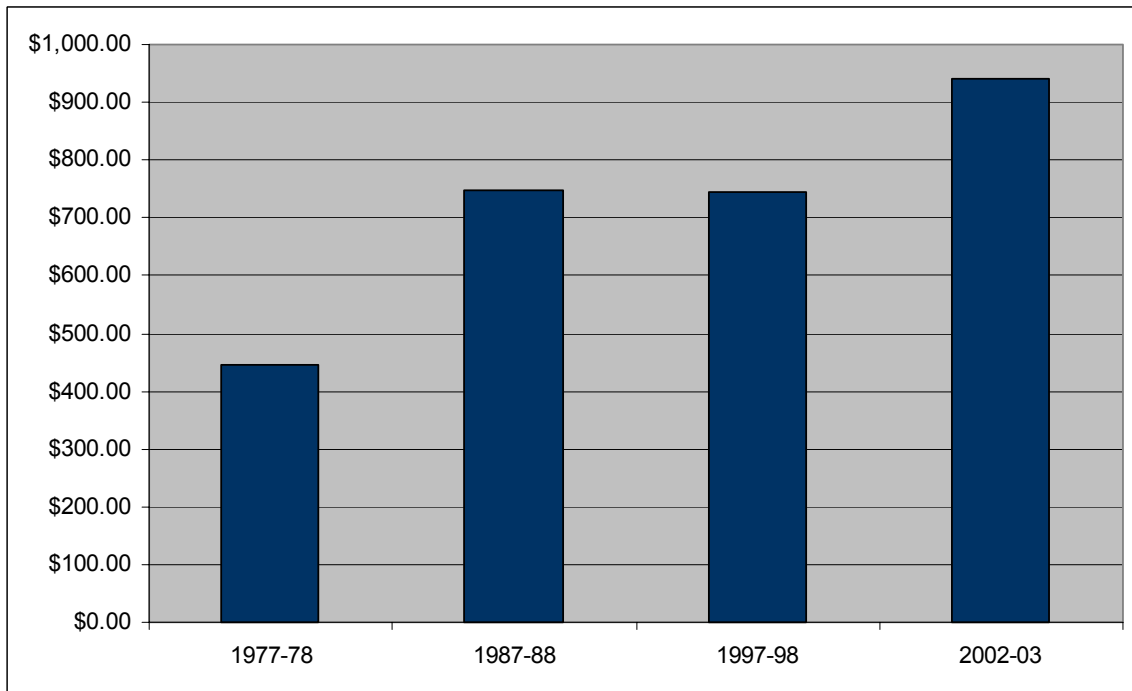


Table 8-7 shows special district enterprise expenditures from FY 1977-78 to FY 2002-03 in constant 2003 dollars. There has been a 234 percent increase in such revenues, as measured in constant 2003 dollars, during this time period. In per capita constant 2003 dollars, the expenditures have also increased substantially from FY 1977-78 to FY 2002-03. This per capita increase in special district enterprise expenditures was over 111 percent.

Graph 8-7a shows the change in special district enterprise expenditures over this period, and Graph 8-7b shows the change in per capita special district enterprise expenditures, as measured in constant 2003 dollars.

Table 8-7: Special District Enterprise Expenditure

Total Expenditure	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Total Revenue, Real Dollars	\$10,034,173,217	\$21,037,432,576	\$24,410,178,640	\$33,592,075,000	234.78%
Per Capita Revenue, Real Dollars	\$444.60	\$748.26	\$745.99	\$941.18	111.69%

Chart 8-7a: Special District Enterprise Expenditure, Real Dollars

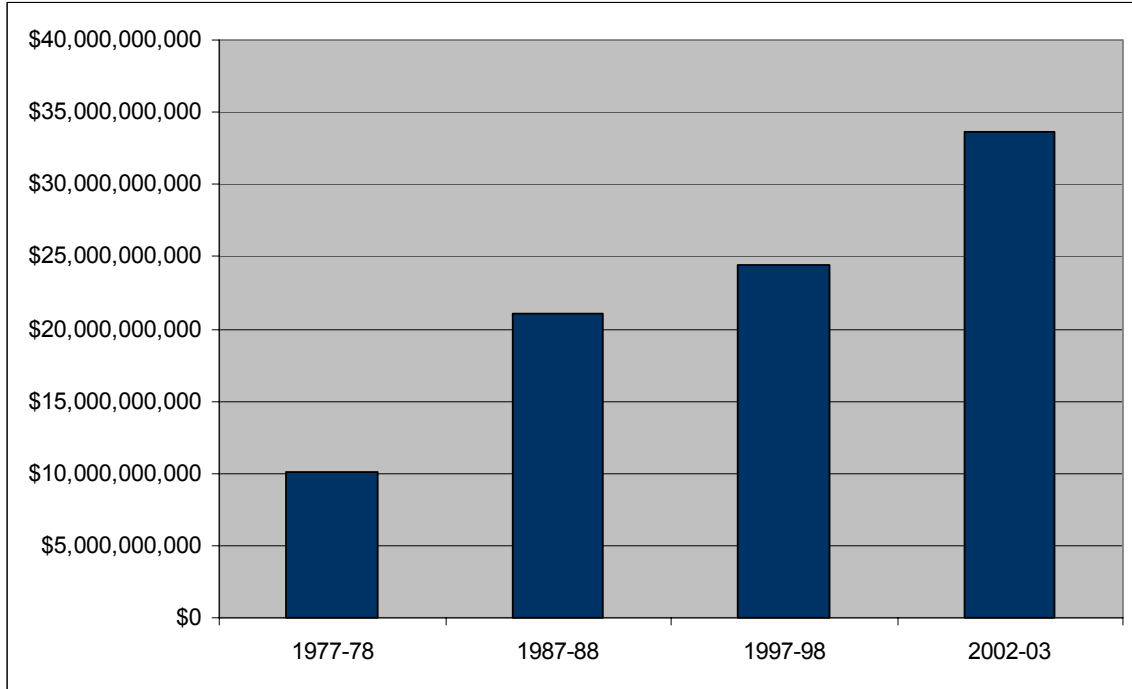


Chart 8-7b: Special District Enterprise Expenditure per Capita, Real Dollars

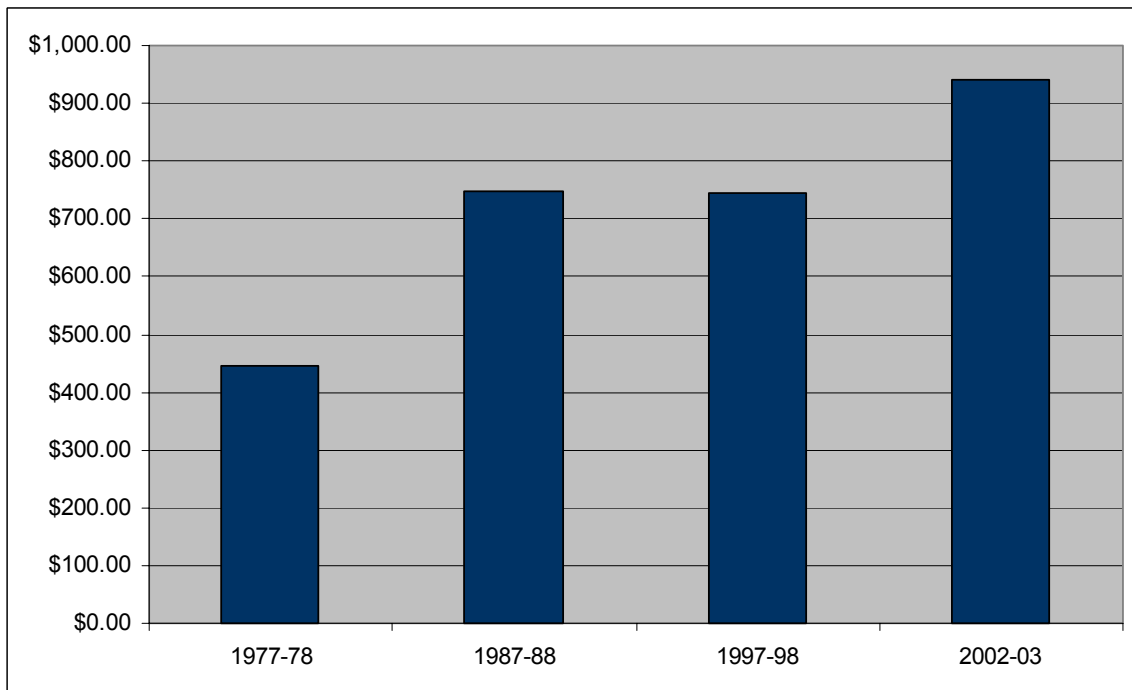


Table 8-8 shows special district non-enterprise general purpose expenditures from FY 1977-78 to FY 2002-03 in constant 2003 dollars. There has been a 191 percent increase in such expenditures, as measured in constant 2003 dollars, during this time period. In per capita constant 2003 dollars, the expenditures have also increased substantially from FY 1977-78 to FY 2002-03. This per capita increase in special district non-enterprise general purpose expenditures was over 83 percent.

Graph 8-8a shows the change in special district non-enterprise general purpose expenditures over this period, and Graph 8-8b shows the change in per capita special district non-enterprise general purpose expenditures, as measured in constant 2003 dollars.

Table 8-8: Special District Non-Enterprise General Purpose Expenditure

	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Expenditure, Real Dollars	\$2,599,022,402	\$3,368,730,938	\$4,985,450,390	\$7,557,981,000	190.80%
Per Capita Expenditure, Real Dollars	\$115.16	\$119.82	\$152.36	\$211.76	83.88%

Chart 8-8a: Special District Non-Enterprise General Purpose Expenditure, Real Dollars

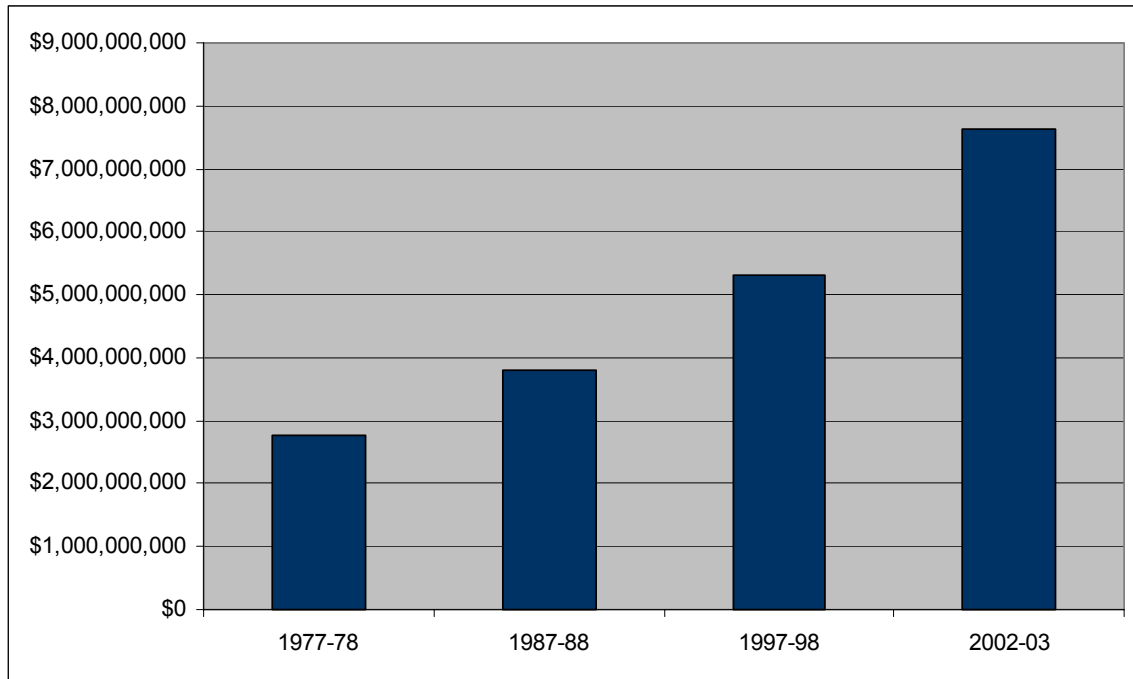


Chart 8-8b: Special District Non-Enterprise General Purpose Expenditure per Capita, Real Dollars

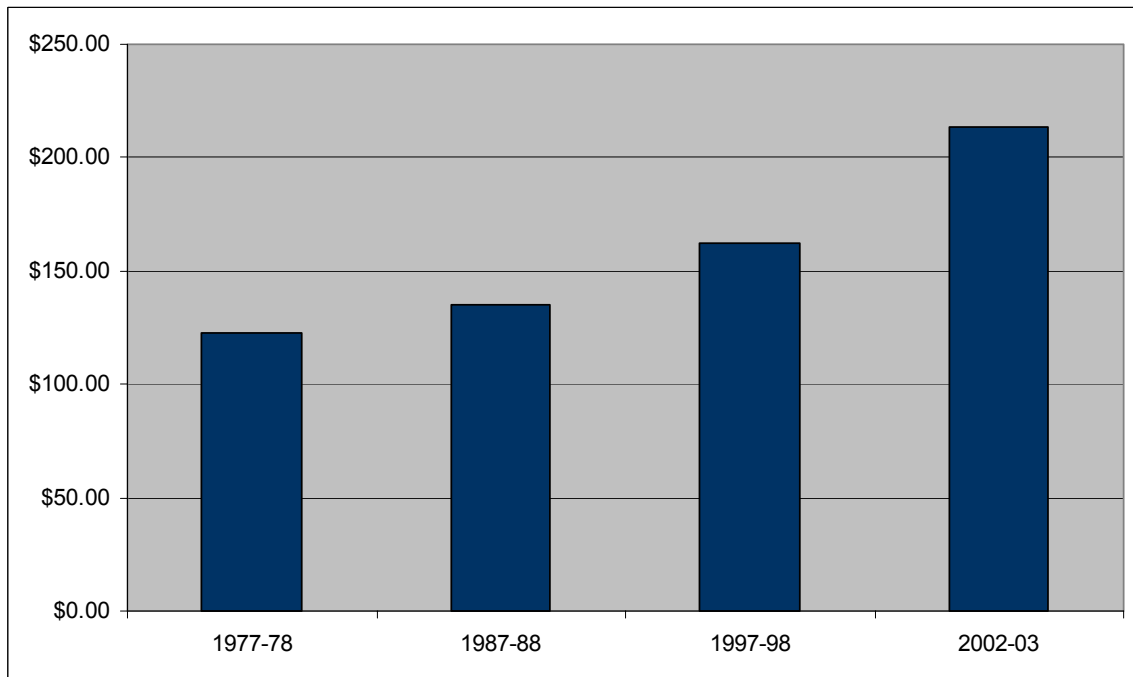


Table 8-9 shows special district non-enterprise long-term indebtedness expenditures from FY 1977-78 to FY 2002-03 in constant 2003 dollars. There has been a 5.61 percent increase in such expenditures, as measured in constant 2003 dollars, during this time period. In per capita constant 2003 dollars, the expenditures actually decreased significantly from FY 1977-78 to FY 2002-03. This per capita decrease in special district non-enterprise long-term indebtedness expenditures was over 33 percent.

Graph 8-9a shows the change in special district non-enterprise long-term indebtedness expenditures over this period, and Graph 8-9b shows the change in per capita special district non-enterprise long-term indebtedness expenditures, as measured in constant 2003 dollars.

Table 8-9: Special District Non-Enterprise Long-Term Indebtedness Expenditure

	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Expenditure, Real Dollars	\$463,943,900	\$819,496,897	\$94,153,860	\$489,981,000	5.61%
Per Capita Expenditure, Real Dollars	\$20.56	\$29.15	\$2.88	\$13.73	-33.22%

Chart 8-9a: Special District Non-Enterprise Long-Term Indebtedness Expenditure, Real Dollars

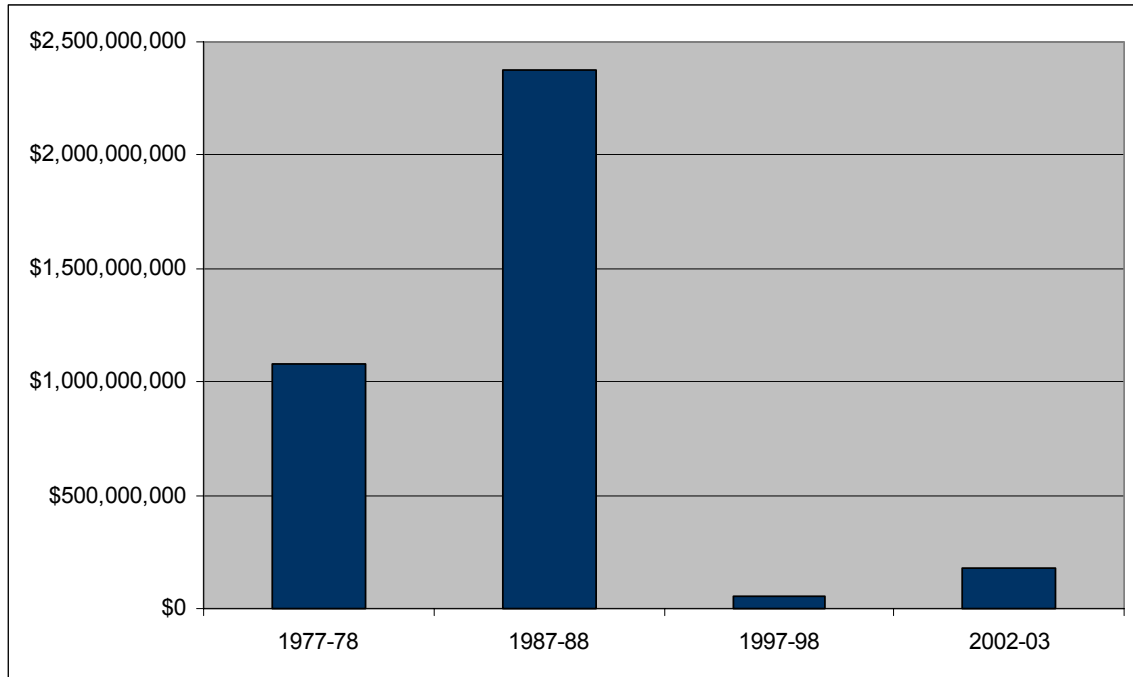


Chart 8-9b: Special District Non-Enterprise Long-Term Indebtedness Expenditure per Capita, Real Dollars

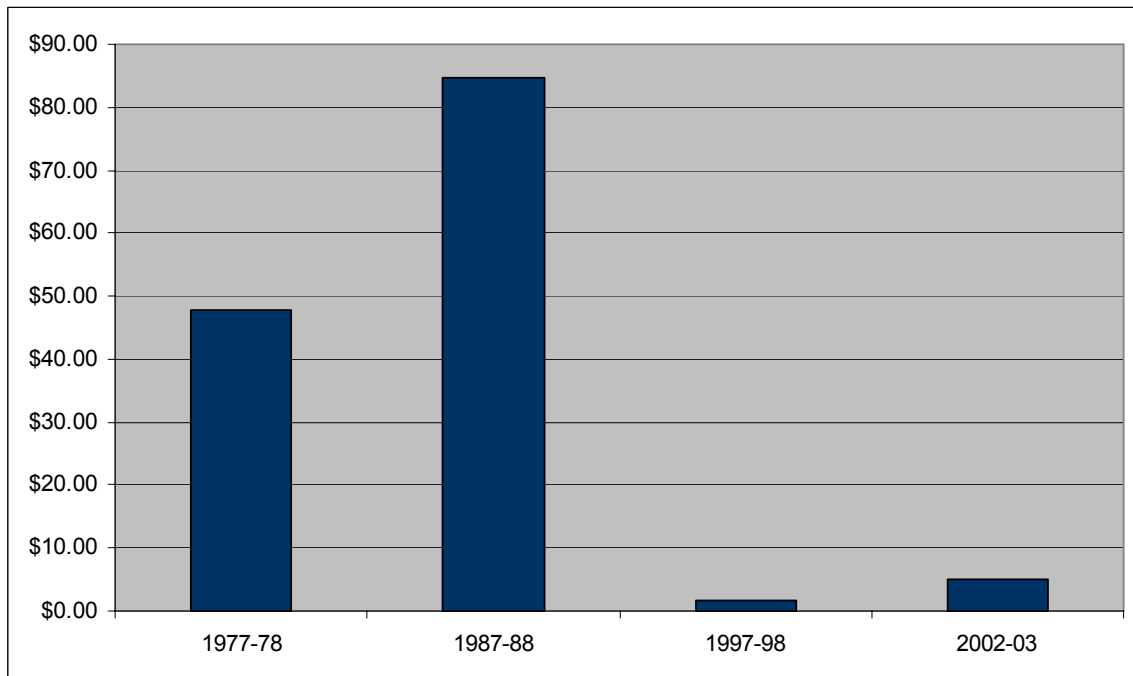


Table 8-10 shows special district non-enterprise debt service expenditures from FY 1977-78 to FY 2002-03 in constant 2003 dollars. There has been a 333 percent increase in such expenditures, as measured in constant 2003 dollars, during this time period. In per capita constant 2003 dollars, the expenditures have also increased substantially from FY 1977-78 to FY 2002-03. This per capita increase in special district non-enterprise debt service expenditures was nearly 174 percent.

Graph 8-10a shows the change in special district special district non-enterprise debt service expenditures over this period, and Graph 8-10b shows the change in per capita special district non-enterprise debt service expenditures, as measured in constant 2003 dollars.

Table 8-10: Special District Non-Enterprise Debt Service Expenditure

	FY 1977-78	FY 1987-88	FY 1997-98	FY 2002-03	Percent Change
Expenditure, Real Dollars	\$604,817,308	\$1,755,753,716	\$189,592,530	\$2,620,261,000	333.23%
Per Capita Expenditure, Real Dollars	\$26.80	\$62.45	\$5.79	\$73.41	173.95%

Chart 8-10a: Special District Non-Enterprise Debt Service Expenditure, Real Dollars

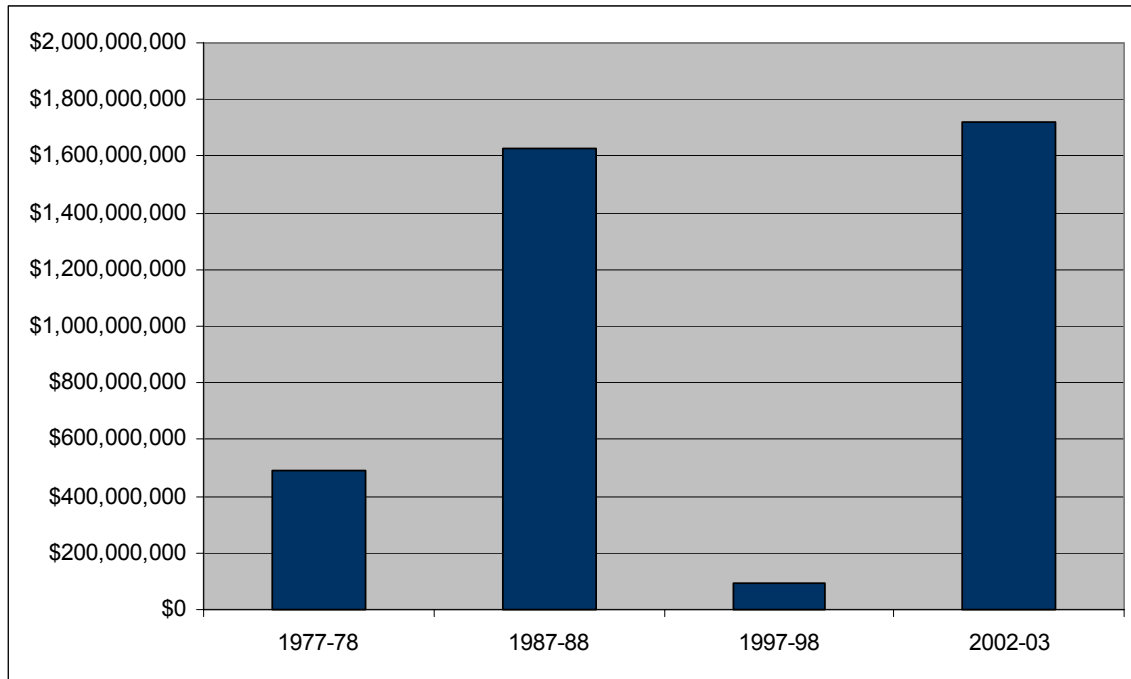
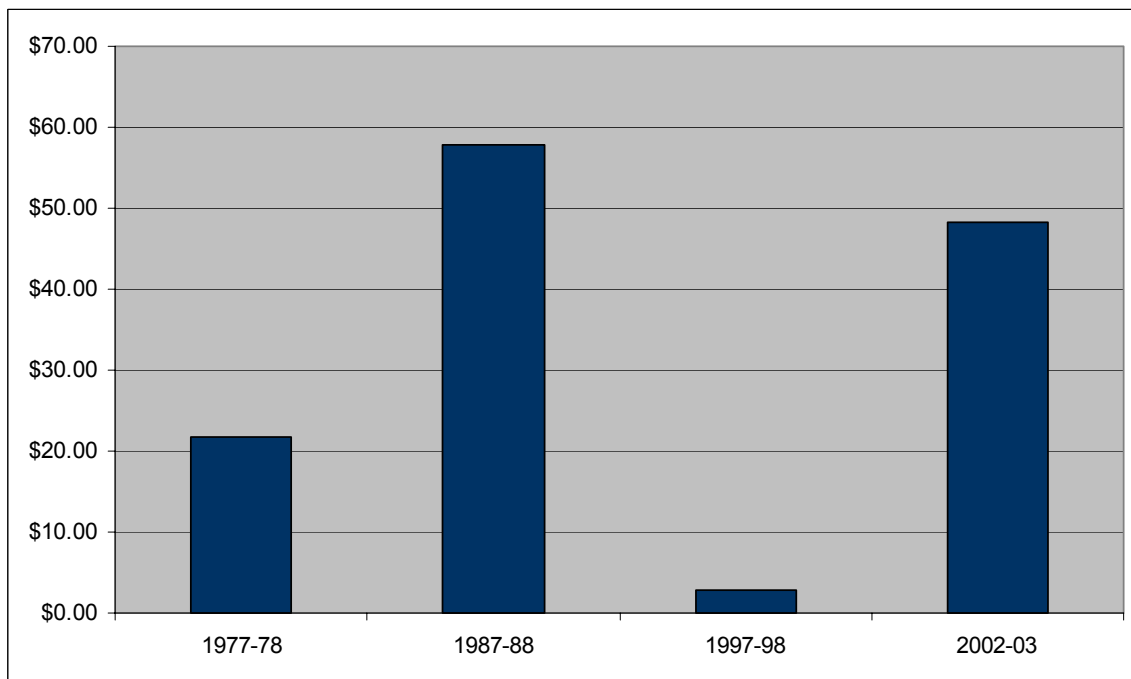


Chart 8-10b: Special District Non-Enterprise Debt Service Expenditure per Capita, Real Dollars



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About the Center

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