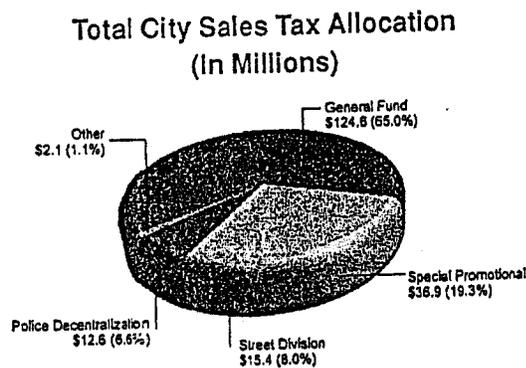
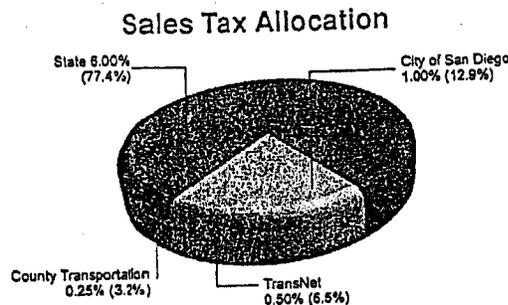


## Financial Summary

### General Fund Revenue



economic recovery. Sales Tax revenue is highly sensitive to economic conditions, and reflects the levels of unemployment, consumer confidence, per-capita income, and business investment. These factors have a positive relationship with taxable sales, which is the main determinant of Sales Tax revenue.

San Diego County's unemployment rate climbed to an unadjusted rate of 4.5 percent in June, according to the California Employment Development Department, up from 4.2 percent in May. Although the rate has held steady at 4.5 percent in July, the region lost 10,100 jobs in the past month, and has lost jobs on a year-over-year basis in three of the last four months. Still, the local unemployment rate compares favorably to that of the State and the nation. In July, the nation's non-seasonally adjusted unemployment rate fell to 6.3 percent from 6.5 percent in June, while California's unemployment rate increased to 6.9 percent in July, up from 6.8 percent in June. Local economists predict the unemployment rate in San Diego to remain in the mid-four percent range in throughout calendar year 2003.

Despite the struggling labor market, Nationwide retail sales surged in July, rising 1.4 percent to \$317.2 billion, compared to a revised increase of 0.9 percent in June. Sales of automobiles and auto parts led the gain, rising 3.2 percent. Sales of electronics and appliances increased 1.2 percent. Still, many economists worry that a prolonged labor market slump, combined with rising mortgage rates, may curtail consumer spending. On the positive side, it is hoped that the recent tax cuts will free up enough cash to keep consumers spending.

In addition, there are signs that businesses are poised to resume spending. The 1,336 companies in the Dow Jones Total Market Index that had posted second-quarter earnings reported combined net income of \$115.87 billion, up from \$74.12 billion in the same period last year. The Commerce Department reported that businesses increased spending by 6.9 percent in the second quarter, the fastest pace in three years, while a Wall Street Journal survey of over 50 economists revealed that over 90 percent of those polled indicated that they believe the rise in corporate profits will spur companies to increase capital spending and investment in the next six months.

**Total City Budget**  
**\$6.2 million**

**General Fund Budget**  
**\$3.4 million**

**Percent of General Fund**  
**0.5%**

### Safety Sales Tax

Safety Sales Tax revenue is derived from a half-cent Sales Tax, approved by voters on November 2, 1993 with the passage of Proposition 172, which must be utilized solely for local public safety purposes. The State Controller's Office disburses Safety Sales Tax revenue to the County Local Public Safety Fund for distribution. Cities receive five percent of the amount in the Fund based upon their 1993-94 allocation that was derived from their proportionate loss of Property Tax revenue to school districts. Subsequent legislation (Senate Bill 8) changed the allocation system for Proposition 172 revenue and lifted the cap on the share that the City of San Diego and other cities could receive. Total revenues reflect additional funds received by the City as a result of this legislation.

# Financial Summary

## General Fund Revenue

The Annual Fiscal Year 2004 Budget projects a 3 percent growth in Safety Sales Tax receipts, reflecting slow projected growth in the local economy. As with regular Sales Tax revenue, Safety Sales Tax revenue is sensitive to economic conditions, particularly factors that influence taxable sales, such as employment levels, consumer confidence, per-capita income, and corporate spending. These factors indicate that taxable sales will experience a small but positive growth in Fiscal Year 2004.

Of the \$6.2 million included in the Annual Fiscal Year 2004 Budget, approximately \$2.8 million is allocated for the debt service payments on fire and lifeguard facility improvements with the remainder allocated to the General Fund for public safety expenditures. City Council Policy 500-07 directs the use of Proposition 172 funds for new public safety expenditures to ensure an augmentation of existing General Fund public safety expenditure levels. In actuality, increases to public safety expenditures in the Police and San Diego Fire-Rescue departments have far exceeded the revenue growth of Safety Sales Tax, ensuring the City's compliance with Council Policy 500-07.

### Transient Occupancy Tax

Transient Occupancy Tax (TOT) is levied on the daily rental price of a room in a lodging facility when used by visitors staying in San Diego for less than 30 days. A 1.5 percent increase became effective in August 1994, increasing the TOT rate to 10.5 percent. The equivalent of 5.5 percent is allocated directly to the General Fund for general government purposes, while the balance is allocated for various promotional and other purposes as designated by City Council policy and through the Special Promotional Programs budget.

The Annual Fiscal Year 2004 General Fund Budget for TOT revenue is \$58.0 million, reflecting 5.5 percent economic growth over Fiscal Year 2003 year-end estimates. This somewhat conservative estimate reflects moderate growth in San Diego's tourism industry. The estimate is based on Fiscal Year 2003 year-end estimates, adjusted to remove the one-time revenues associated with Super Bowl XXXVII and new hotels. Among the new hotels that will contribute TOT revenue to the City of San Diego in Fiscal Year 2004 is the 33-story, 750-room expansion tower of the Manchester Grand Hyatt, and the 261-room W San Diego hotel in the heart of downtown, both currently open for business. In addition, the 512-room Omni hotel, which will be connected to the new PETCO Park's main concourse by a sky bridge, is under construction and expected to open in spring 2004.

San Diego's tourism market continues to be one of the strongest in the nation. Over the July 4<sup>th</sup> weekend, San Diego County's occupancy rate reached 98 percent, the highest of any major tourism market in the country. San Diego maintained the top ranking throughout the month of July, posting an occupancy rate of 86.1 percent for the month, up from 81.4 percent in July 2002. Since January 1, San Diego has an occupancy rate of 70.7 percent, up one-tenth of a percent from the same period last year, ranking behind only Oahu, Hawaii and New York City. San Diego's Average Daily Room Rate (ADR) has also increased 2.6 percent from 2002.

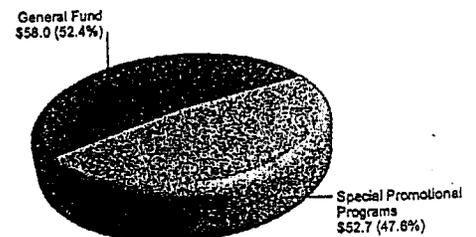
Approximately 70 percent of San Diego's hotel guests are leisure travelers, most of whom reside within driving distance. As a result, San Diego's lodging industry had been less affected than

**Total City Budget**  
\$110.7 million

**General Fund Budget**  
\$58.0 million

**Percent of General Fund**  
7.8%

### Total City Transient Occupancy Tax Allocation (In Millions)



# Financial Summary

## General Fund Revenue

**Total City Budget**  
\$6.2 million

**General Fund Budget**  
\$4.2 million

**Percent of General Fund**  
0.6%

### Safety Sales Tax

The City receives a portion of the monies derived from the one half-cent Sales Tax, which was approved by voters on November 2, 1993 with the passage of Proposition 172 and became effective January 1, 1994. Otherwise known as Safety Sales Tax, this revenue must be utilized solely for local public safety purposes. The State imposes the levy and the State Controller's Office disburses these receipts to the County Local Public Safety Fund for distribution. Cities receive five percent of the amount in the Fund based upon their 1993-94 allocation that was derived from their proportionate loss of Property Tax revenue to school districts.

Subsequent legislation (Senate Bill 8) changed the allocation system for Proposition 172 revenue and lifted the cap on the share that the City of San Diego and other cities could receive. Total revenues reflect additional funds received by the City as a result of this legislation.

City Council Policy 500-07, which directs the use of Proposition 172 funds for new public safety expenditures thereby ensuring an augmentation of existing General Fund public safety expenditure levels, was adopted in June 1994. In actuality, increases to public safety expenditures in the Police and Fire and Life Safety Services departments have far exceeded the revenue growth of Safety Sales Tax, ensuring the City's compliance with Council Policy 500-07.

The Annual Fiscal Year 2003 Budget assumes a 3 percent growth in Safety Sales Tax receipts over the Fiscal Year 2002 year-end estimate, reflecting projected growth in the local economy. Of the \$6.2 million included in the Annual Fiscal Year 2003 Budget, approximately \$2.0 million is allocated for the debt service payments on fire and life-guard facility improvements with the remainder allocated to the General Fund.

**Total City Budget**  
\$108.2 million

**General Fund Budget**  
\$56.7 million

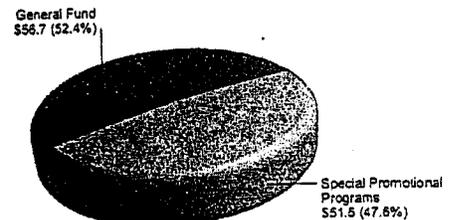
**Percent of General Fund**  
7.8%

### Transient Occupancy Tax

Transient Occupancy Tax (TOT) is a tax levied on the hotel/motel room rent of visitors staying in San Diego for less than one month. A one and one-half cent rate increase became effective in August 1994, which increased the TOT rate to ten and one-half cents. The equivalent of five and one-half cents of the ten and one-half cents per dollar of TOT collected is allocated directly to the General Fund for general government purposes. An amount equivalent to five cents per dollar of TOT is allocated for various promotional and other purposes as designated by City Council policy and through the Special Promotional Programs Budget. Eligible organizations may submit TOT funding requests annually.

San Diego enjoys a tremendous national and international reputation as a unique travel and leisure destination. The events of September 11, 2001 and subsequent developments struck a severe blow to the tourism industry nationwide. As a result of these events, the Fiscal Year 2002 Budget experienced a shortfall in TOT revenues. However, San Diego's hotel market, with a large leisure travel market accounting for approximately 70 percent of hotel guests, most of whom reside within driving distance, is expected to

### Total City Transient Occupancy Tax Allocation (In Millions)



**FINANCIAL SUMMARY**  
**GENERAL FUND REVENUE**

**OTHER LOCAL TAXES – SAFETY SALES TAX**

Total City Budget  
 \$6,331,417

**SAFETY SALES TAX BACKGROUND:**

The City receives a portion of the monies derived from the half-cent sales tax approved by voters on November 2, 1993. This tax must be utilized solely for public safety services. The State Controller allocates these collected taxes back to the County Local Public Safety Fund for distribution. Cities receive five percent of the amount in the fund based upon their 1993-94 allocation that was derived from their proportional loss of property tax revenue to County school districts.

General Fund Budget  
 \$6,331,417

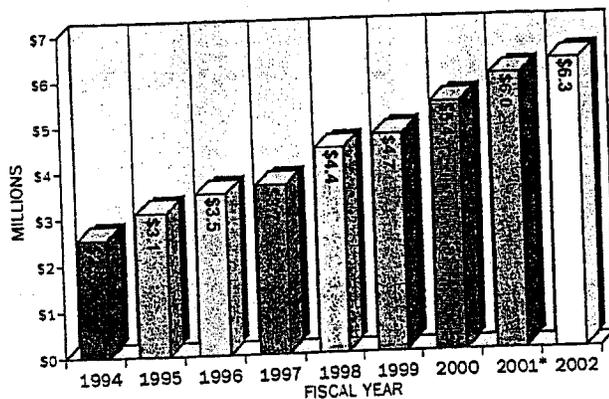
Percent of General Fund  
 0.9%

Subsequent legislation (Senate Bill 8) changed the allocation system for Proposition 172 revenues and lifted the cap on the share that the City of San Diego can receive. Total revenues reflect additional funds received by the City as a result of this legislation.

**SAFETY SALES TAX TREND:**

The Safety Sales Tax receipts historically follows the same trends as Sales Tax which is projected to experience a slower rate of growth.

**SAFETY SALES TAX**



\*Fiscal Year 2001 figure is unaudited.

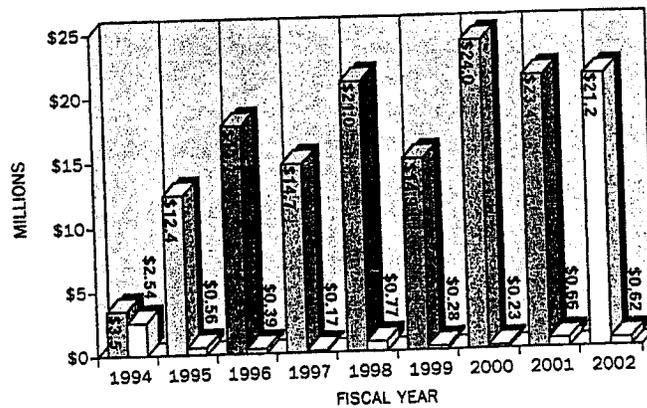
**FINANCIAL SUMMARY**  
**GENERAL FUND REVENUE**

**SAFETY SALES TAX COUNCIL POLICY COMPLIANCE:**

In June 1994, City Council Policy 500-07 was adopted which directs the use of Proposition 172 funds to new public safety expenditures, insuring an increase to existing public safety expenditure levels. Through this policy, these sales tax funds are used to augment, not supplant, existing General Fund expenditures for public safety purposes.

For Fiscal Year 2002, Safety Sales Tax growth is estimated at 5% over Fiscal Year 2001 projected receipts. The following chart depicts revenues received due to the sales tax increase and the related public safety expenditure increases since Proposition 172 was enacted. Increases to public safety expenditures in the Police and Fire and Life Safety Services Departments continue to far exceed the revenue increases received, insuring the City's compliance with Council Policy 500-07.

**ANNUAL INCREASES IN SAFETY EXPENDITURES**



Left Bars Identify Expenditure Increase

Right Bars Identify Safety Sales Tax Revenue Increase

### OTHER LOCAL TAXES – SAFETY SALES TAX

- Total City Budget  
\$5,710,459
- General Fund Budget  
\$5,710,459
- Percent of General Fund 0.8%
- Economic Growth Rate 6.0%

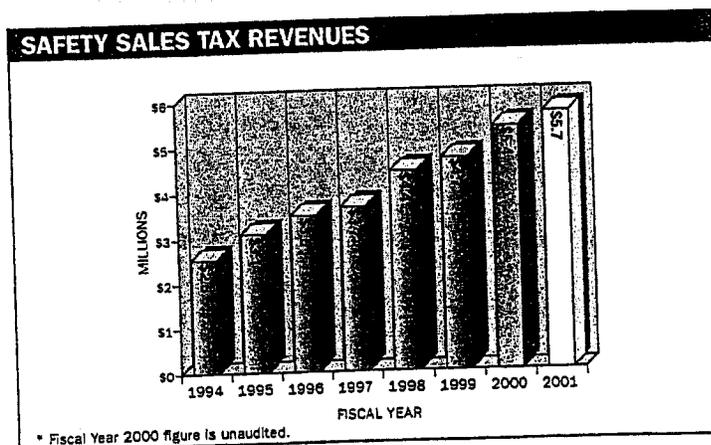
#### Safety Sales Tax Background:

The City receives a portion of the monies derived from the half-cent sales tax approved by voters on November 2, 1993. This tax must be utilized solely for public safety services. The State Controller allocates these collected taxes back to the County Local Public Safety Fund for distribution. Cities receive five percent of the amount in the fund based upon their 1993-94 allocation that was derived from their proportional loss of property tax revenue to County school districts.

Senate Bill 8 changed the allocation system for Proposition 172 revenues and lifted the cap on the share that the City of San Diego can receive. These funds are included in the total amount reported for sales tax, and are allocated in the same fashion.

#### Safety Sales Tax Trend:

In June 1994, City Council Policy 500-07 was adopted which directs the use of Proposition 172 funds to new public safety expenditures, insuring an increase to existing public safety expenditure levels. Through this policy, these sales tax funds are used to augment, not supplant, existing General Fund expenditures for public safety purposes.

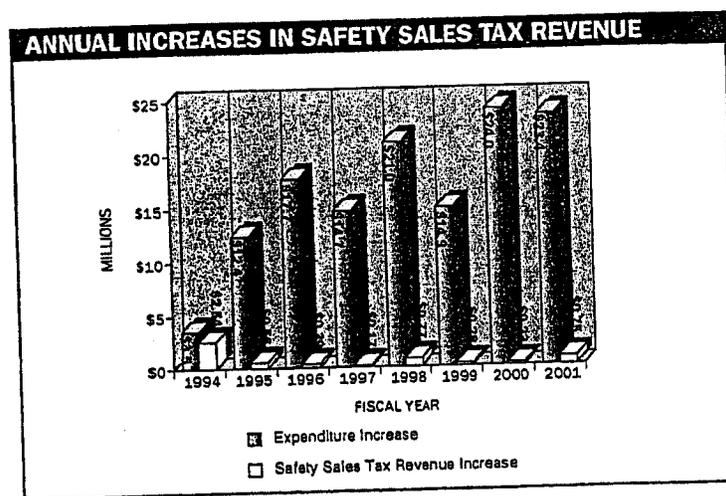


# Final Budget Executive Summary

## General Fund Revenue

### Safety Sales Tax Future Outlook:

The following chart depicts revenues received due to the sales tax increase and the related public safety expenditure increases since Proposition 172 was enacted. Increases to public safety expenditures in the Police, and Fire and Life Safety Services Departments continue to far exceed the revenue increases received, insuring the City's compliance with Council Policy 500-07.



# Final Budget Executive Summary

## General Fund Revenue

OTHER LOCAL TAXES	
SAFETY SALES TAX	
Total City Budget	\$4,956,210
General Fund Budget	\$4,956,210
Percent of General Fund	0.8%
Economic Growth Rate	6.0%

### Allocation:

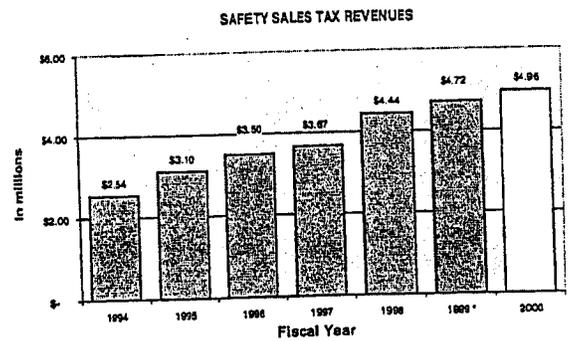
The City receives a portion of the Proposition 172 half-cent sales tax approved by voters on November 2, 1993. Monies derived from this tax must be utilized solely for public safety services. The State Controller allocates these collected taxes back to the County Local Public Safety Fund for distribution. Cities receive five percent of the amount in the fund based upon their 1993-94 allocation that was derived from their proportional loss of property tax revenue to County school districts.

Senate Bill 8 changed the allocation system for Proposition 172 revenues and lifted the cap on the share that the City of San Diego can receive.

These funds are included in the total amount reported for sales tax, and are allocated in the same fashion.

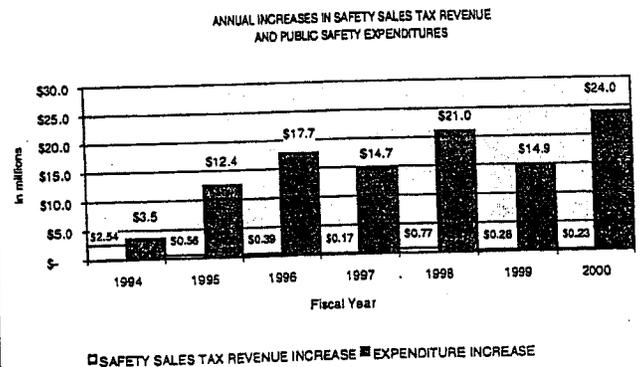
### Trend:

In June 1994, City Council Policy 500-07 was adopted which directs the use of Proposition 172 funds to new public safety expenditures, insuring an increase to existing public safety expenditure levels. Through this policy, these sales tax funds are used to augment, not supplant, existing General Fund expenditures for public safety purposes.



\*Fiscal Year 1999 figure is unaudited

The following chart depicts revenues received due to the sales tax increase and the related public safety expenditure increases since Proposition 172 was enacted. Increases to public safety expenditures in the Police, and Fire and Life Safety Services Departments far exceed the revenue increases received, insuring the City's compliance with Council Policy 500-07.



# Final Budget Executive Summary

## General Fund Revenue

### SAFETY SALES TAX

Total City Budget	\$4,533,598
General Fund Budget	\$4,533,598
Economic Growth Rate	6.0%
Percent of General Fund	N/A

#### Allocation:

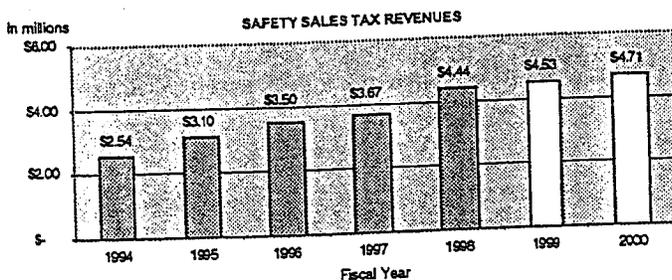
The City receives a portion of the Proposition 172 half-cent sales tax approved by voters on November 2, 1993. Monies derived from this tax must be utilized solely for public safety services. The State Controller allocates these collected taxes back to the County Local Public Safety Fund for distribution. Cities receive five percent of the amount in the fund based upon their 1993-94 allocation that was derived from their proportional loss of property tax revenue to County school districts.

Senate Bill 8 changed the allocation system for Proposition 172 revenues and lifted the cap on the share that the City of San Diego can receive.

These funds are included in the total amount reported for sales tax, and are allocated in the same fashion.

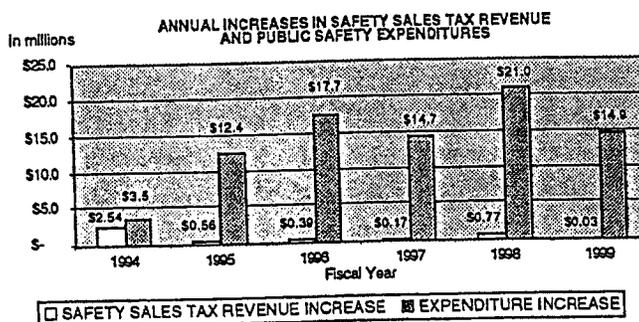
#### Trend:

In June 1994, City Council Policy 500-07 was adopted which directs the use of Proposition 172 funds to new public safety expenditures, ensuring an increase to existing public safety expenditure levels.



Through this policy, these sales tax funds are used to augment, not supplant, existing General Fund expenditures for public safety purposes.

The following chart depicts revenues received due to the sales tax increase and the related public safety expenditure increases since Proposition 172 was enacted.



Increases to public safety expenditures in the Police and Fire and Life Safety Services Departments far exceed the revenue increases received, ensuring the City's compliance with Council Policy 500-07.

# SALES TAX/PROPOSITION 172

General Fund Budget: \$4.5 million

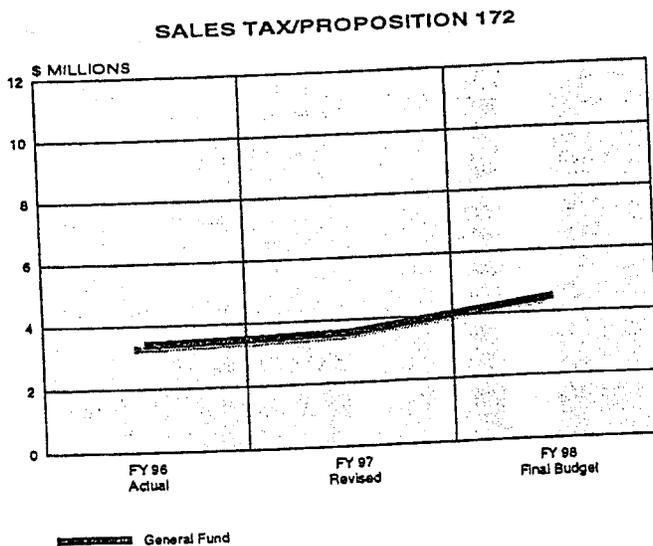
## Allocation:

The City receives a portion of the Proposition 172 half-cent sales tax approved by the voters on November 2, 1993. Monies derived from this tax must be utilized for public safety services. The proceeds from this tax are placed in the County Local Public Safety Augmentation Fund and allocated to cities and counties based on a formula of each county's proportionate share of statewide taxable sales. Senate Bill 8 changed the allocation system for Proposition 172 revenues and lifted the cap on the share that the City of San Diego can receive.

## Trend:

The Fiscal Year 1998 Sales Tax budget includes \$4.5 million attributable to Proposition 172. This represents an increase of 25% over the prior year.

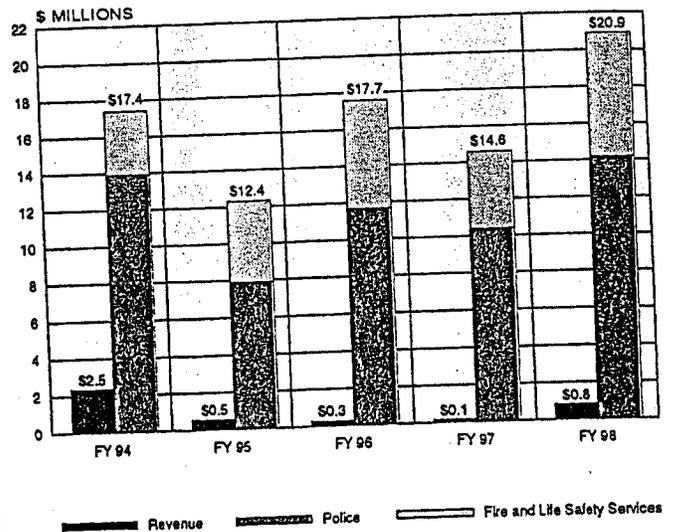
In June 1994, Council Policy 500-07 was adopted which directs the use of Proposition 172 funds to new public safety expenditures, ensuring an increase to existing public safety expenditure levels. Through this policy, Proposition 172 funds are used to augment, not to supplant existing General Fund expenditures for public safety purposes.



The following chart depicts revenues received due to Proposition 172 and the increases to Public Safety expenditures since Proposition 172 was enacted.

Increases to public safety expenditures in the Police and Fire and Life Safety Services Departments far exceed the revenue increases received, ensuring the City's compliance with Council Policy 500-07.

**ANNUAL INCREASES IN PROPOSITION 172 SALES TAX/  
PUBLIC SAFETY EXPENDITURES**



## SALES TAX

Total City Budget:	\$128.4 million
General Fund Budget:	\$102.9 million
Economic Growth Rate:	4.8%
% of General Fund:	20.2%

### Allocation:

Sales tax is the City General Fund's largest source of non-property tax revenue. The City receives one cent of the total sales tax levied on each dollar of taxable sales within the City of San Diego. Currently, the total sales tax rate is 7 3/4%.

Sales tax is collected at the point of sale and forwarded to the State under the administration of the State Board of Equalization. The tax revenue owed to the City is returned in the form of monthly payments. The City utilizes sales tax revenues within the General Fund as well as other funds that include the Police Decentralization Fund, Special Promotional Programs, and Capital Improvements.

The City also receives a portion of the Proposition 172 half-cent sales tax approved by voters on November 2, 1993. Monies derived from this tax must be utilized solely for public safety services. The State Controller allocates these collected taxes back to the County Local Public Safety Fund for distribution. Cities within San Diego County receive five percent of the amount in the fund based upon their 1993-94 allocation which was derived from their proportional loss of property tax revenue to County school districts.

### Trend:

Sales tax growth in Fiscal Years 1993 and 1994 was slight to moderate due to the lingering recession. Beginning in Fiscal Year 1995, however, sales tax began to exhibit a more vigorous growth pattern. This pattern was consistent with signs of a recovering economy and with consumer release of pent up demand. Despite a deceleration in Fiscal Year 1996 Third Quarter growth, Fiscal Year 1996 receipts are trending 4.7% higher than the previous fiscal year.

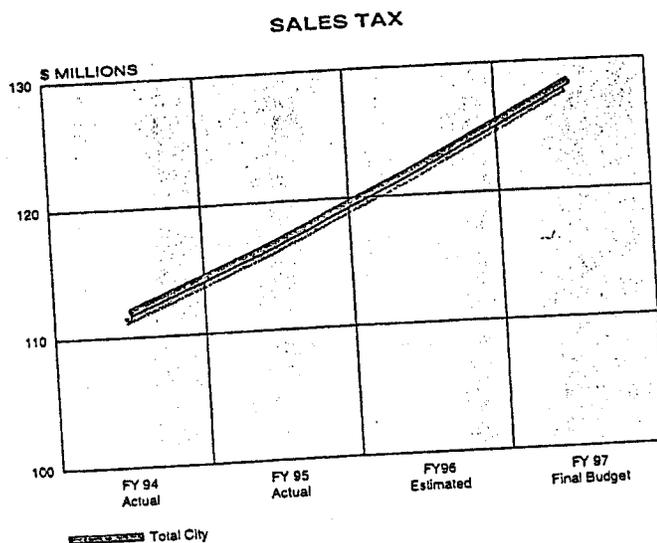
The Fiscal Year 1996 year to date growth is especially impressive in that receipts were reduced by approximately \$0.5 million for non-settlement aerospace related refunds. Aerospace refunds represent the return, by California governmental agencies, of sales tax received from overhead items purchased under United States government cost

reimbursement contracts. In June of 1990, the California Court of Appeals ruled that these items are exempt from sales taxation.

The State Board of Equalization has estimated that there will be virtually no future impact to City revenues from non-settlement related refunds. The impact to City revenues from the aerospace settlement agreement is estimated to total \$240,000 per fiscal year through June 1999.

Taxable sales are projected to continue to expand in Fiscal Year 1997, albeit at a stabilizing rate. Local job formation and income growth are expected to positively impact local taxable sales. However, the ratio of installment debt to disposable income has risen to levels that may lead consumers to be more cautious about spending.

Overall, a strong, but stabilizing, 4.8% growth rate is projected for Fiscal Year 1997 sales tax receipts. The total Annual Fiscal Year 1997 sales tax budget is \$128.4 million. This figure includes \$3.6 million in projected receipts from the Proposition 172 half-cent sales tax for public safety purposes.



## SALES TAX

Total City Budget:	\$119.3 million
General Fund Budget:	\$94.3 million
Growth Rate:	3.3%
% of General Fund:	19.3%

### Allocation:

Sales tax is the City General Fund's largest source of non-property tax revenue. The City receives one cent of the total sales tax levied on each dollar of taxable sales within the City of San Diego. Currently, the total sales tax rate is 7% due to a 3/4% rollback effective April 1, 1994. City sales tax receipts are not impacted by this rollback nor will they be impacted when the total local sales tax is restored to 7 3/4%.

Sales tax is collected at the point of sale and forwarded to the State under the administration of the State Board of Equalization. The tax revenue owed to the City is returned in the form of monthly payments. The City utilizes sales tax revenues within the General Fund as well as other funds that include the Police Decentralization Fund, Special Promotional Programs, and Capital Improvements.

The City also receives a portion of the Proposition 172 half-cent sales tax approved by voters on November 2, 1993. Monies derived from this tax must be utilized solely for public safety services. The State Controller allocates these collected taxes back to the County Local Public Safety Fund for distribution. Cities receive five percent of the amount in the fund based upon their 1993-94 allocation which was derived from their proportional loss of property tax revenue to County school districts.

### Trend:

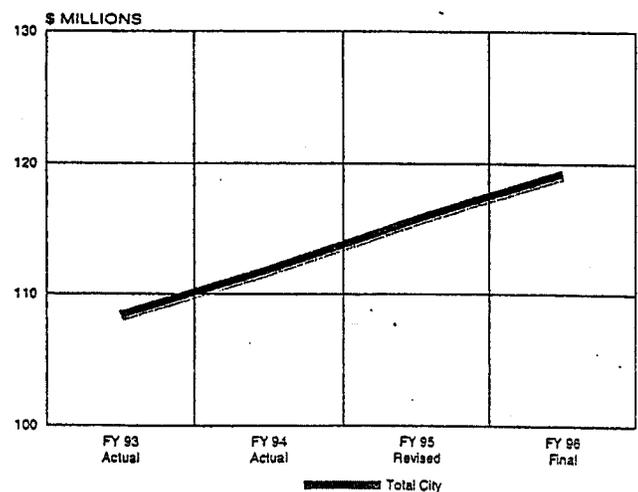
Sales tax growth in Fiscal Years 1993 and 1994 was slight to moderate due to the lingering recession. The strong growth in Fiscal Year 1995 sales tax revenue through the Third Quarter, however, was consistent with signs of a recovering economy. A moderate Fiscal Year 1996 sales tax growth rate of 3.3% is forecasted. The moderate forecast stems from anticipated effects of the Federal Reserve's actions to influence the economy and to the uncertainty posed to regional sales tax receipts as a result of the December 1994 peso devaluation. Fiscal Year 1995 Fourth Quarter sales tax receipts were flat when compared to the same quarter of the prior fiscal year.

San Diego, along with the rest of the State, has generally lagged the rest of the nation in its recovery from the recession. The robust growth experienced by the rest of the nation spurred the Federal Reserve to begin efforts to slow growth through several rounds of interest rate increases throughout most of Fiscal Year 1995. Toward the end of Fiscal Year 1995, economic indicators signified that economic growth had been curtailed as a result of the Federal Reserve actions; consequently, the Federal Reserve slightly reduced interest rates. Due to the fiscal year-end slowdown in economic growth, some uncertainty exists regarding whether the Fiscal Year 1996 economy will expand at a pace similar to Fiscal Year 1995. This uncertainty may lead to a slowdown in Fiscal Year 1996 consumer sales growth in terms of deferred or lower priced auto and durable goods purchases.

According to a 1994 study by UCSD Dialogue, approximately \$7 million (6%) of City sales tax receipts are derived from cross-border shoppers. The devaluation of the peso has decreased the purchasing power of these shoppers in dollar terms. Tangible impacts to City revenues will not be known until early Fiscal Year 1996. Impacts may be tempered by an increased percentage of cross-border shoppers who earn wages in dollars and by higher inflation and sales tax rates on the Mexican side of the border.

The total projected Fiscal Year 1996 Sales Tax Budget is \$119.3 million. This figure includes \$3.3 million in projected receipts from the Proposition 172 half-cent sales tax for public safety purposes.

SALES TAX



## PROPERTY TAX

Total City Budget:	\$118.6 million
General Fund Budget:	\$113.8 million
Growth Rate:	0.7%
% of General Fund:	23.5%

### Allocation:

Property Tax revenues result from a 1% levy on the fair market value of all real property. The assessed value may increase at a rate not greater than 2% per year based on the 1979 value, unless the property is improved or sold to establish a new market value.

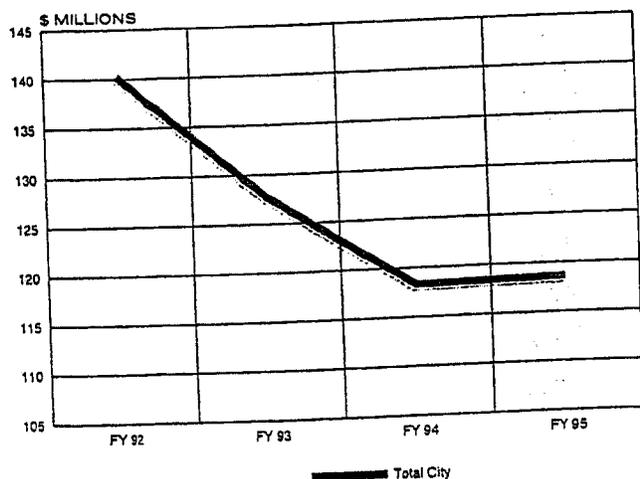
The 1% property tax levy is collected by the County Tax Collector and distributed to a number of agencies within the City's geographic boundaries, such as the County, school districts and special districts.

Property Tax revenue is also collected for purposes other than the General Fund. An additional levy over the 1% rate is collected to pay debt service on voter-approved bond issuances. A special tax levy of \$5.00 per \$100,000 assessed valuation is used to fund zoological exhibits.

### Trend:

State legislation diverted \$12 million in property tax revenues from the City to the school districts in both Fiscal Year 1993 and 1994. Minimal growth of 0.7% in the assessed valuation is estimated for Fiscal Year 1995, partly attributable to the continued effect of reassessment appeals.

PROPERTY TAX



## SALES TAX

Total City Budget:	\$115.8 million
General Fund Budget:	\$91.0 million
Growth Rate:	3.0%
% of General Fund:	18.8%

### Allocation:

Sales tax is the City's largest source of non-property tax revenue. The City receives one cent of the seven cents levied on each dollar of taxable sales within the City of San Diego. The tax is collected at the point of sale and forwarded to the state under the administration of the Board of Equalization. The tax revenue owed to the City is returned in the form of monthly payments.

Sales tax revenues are utilized in the General Fund as well as other funds, such as Police Decentralization, Special Promotional Programs, and Capital Improvements.

### Trend:

Although sales tax revenues have been impacted by the recession and have reflected no growth between Fiscal Year 1990 and Fiscal Year 1992; moderate growth was experienced in Fiscal Year 1993. Fiscal Year 1994 sales tax receipts reflected slight growth. Proposition 172, passed on November 2, 1993, resulted in the extension of the half-cent sales tax, effective January 1, 1994. Revenues from this can be used only for local public safety activities. In Fiscal Year 1995, Proposition 172 revenue is estimated to be \$3.2 million, which will provide for additional police officers, in accordance with the Public Safety Ordinance. Slight increases are expected in Fiscal Year 1995 with growth for total sales tax estimated at 3% over the prior year.

SALES TAX

