

**E50C**  
**State Department of Assessments and Taxation**

***Operating Budget Data***

(\$ in Thousands)

	<b><u>FY 06</u></b> <b><u>Actual</u></b>	<b><u>FY 07</u></b> <b><u>Working</u></b>	<b><u>FY 08</u></b> <b><u>Allowance</u></b>	<b><u>FY 07-08</u></b> <b><u>Change</u></b>	<b><u>% Change</u></b> <b><u>Prior Year</u></b>
General Fund	\$92,281	\$115,737	\$107,519	-\$8,219	-7.1%
Special Fund	<u>3,955</u>	<u>4,273</u>	<u>4,253</u>	<u>-20</u>	<u>-0.5%</u>
<b>Total Funds</b>	<b>\$96,235</b>	<b>\$120,011</b>	<b>\$111,772</b>	<b>-\$8,239</b>	<b>-6.9%</b>

- The allowance provides a fiscal 2007 special fund deficiency of \$32,500 for the administration of local subdivision supplemental property tax programs and a fiscal 2007 special fund deficiency of \$80,000 to upgrade the Charter Unit Imaging System.
- The fiscal 2008 allowance declines by \$8,239,000, or 6.9%. This decline is overstated due to the one-time use of the health insurance surplus for retiree benefits. Absent this, the budget actually declines by approximately \$5.7 million, or 4.9%.
- The decline in the allowance is attributable to a reduction in the estimated number of credits to be claimed under the Homeowners' Tax Credit Program.

***Personnel Data***

	<b><u>FY 06</u></b> <b><u>Actual</u></b>	<b><u>FY 07</u></b> <b><u>Working</u></b>	<b><u>FY 08</u></b> <b><u>Allowance</u></b>	<b><u>FY 07-08</u></b> <b><u>Change</u></b>
Regular Positions	677.50	677.50	676.00	-1.50
Contractual FTEs	<u>0.00</u>	<u>0.10</u>	<u>0.00</u>	<u>-0.10</u>
<b>Total Personnel</b>	<b>677.50</b>	<b>677.60</b>	<b>676.00</b>	<b>-1.60</b>

***Vacancy Data: Regular Positions***

Turnover, Excluding New Positions	27.04	4.00%
Positions Vacant as of 12/31/06	49.50	7.31%

- The allowance includes 2 new positions within the Charter Unit. Additionally, 3.5 positions are abolished within the Real Property Valuation Unit due to long-term vacancy issues.

Note: Numbers may not sum to total due to rounding.

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## ***Analysis in Brief***

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### **Major Trends**

***Assessment Values Lower Compared to Sale Prices:*** In one measure of assessment accuracy, it appears that the department is underperforming. However, in other measures of accuracy, the State Department of Assessments and Taxation is performing well.

***Greater Efficiency in Processing Real Property Transfers:*** Even as the number of real property transfers increase, the department is significantly lowering the time it takes to process such transfers.

### **Issues**

***Homeowners' Tax Credit Estimates Lower Than Expected:*** The department has revised downward its estimates of the impact of the legislative changes to the Homeowners' Tax Credit Program enacted in 2006. **The department should be prepared to explain the differences between the original estimate and actual experience for fiscal 2007 and what can be expected of the Homeowners' Tax Credit Program in the future.**

***Power Plant Valuation:*** The department has issued a report on whether the current valuation of power plants provides an adequate and equitable determination of the value of power plants in a restructured electric industry. **The department should brief the committees on its findings regarding power plant valuation and what it anticipates from the forthcoming independent analysis.**

### **Recommended Actions**

	<b><u>Funds</u></b>	<b><u>Positions</u></b>
1. Reduce funds for in-state travel.	\$ 4,875	
2. Delete three long-term vacant positions.	129,592	3.0
<b>Total Reductions</b>	<b>\$ 134,467</b>	<b>3.0</b>

### **Updates**

***Web-based Services:*** Spurred by legislation, the department is in the process of updating its web site in order to provide more services on-line.

**E50C**  
**State Department of Assessments and Taxation**

***Operating Budget Analysis***

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**Program Description**

The State Department of Assessments and Taxation (SDAT) supervises the assessment of all property in the State. The department performs assessments on one-third of all real property and all personal property in the State every year and certifies to the local taxing authorities the assessment of every piece of property. The department also administers three tax credit programs: the Homeowners' Tax Credit Program, the Renters' Tax Credit Program, and the Urban Enterprise Zone Tax Credit Program. The homeowners' and renters' programs provide property tax relief to all eligible homeowners and renters. The enterprise zone program reimburses local governments for property tax credits given to businesses, which are located in, or expand into, enterprise zones. The department collects public service franchise taxes and assesses all public utility companies in the State. It also serves as the filing place for businesses operating in the State. The department registers companies, corporations, and partnerships in Maryland and generates certificates and certified documents. The various forms that businesses must file with the department are available to the public for inspection.

The goals of the department are to:

- provide a consistently accurate property valuation system;
- run efficient and effective programs for property tax relief and business services; and
- operate convenient and professional facilities.

**Performance Analysis: Managing for Results**

**Assessment Values Lower Compared to Sale Prices**

Property assessments are a sensitive and sometimes volatile issue for property owners. SDAT strives to provide accurate and fair assessments. SDAT measures appraisal accuracy as the degree to which properties are appraised at market value, as defined by professional standards published by the International Association of Assessing Officers (IAAO). There are three measures as detailed below.

The *assessment-to-sales ratio* (ASR) is a ratio of the assessed value to the sales price of the property. The closer the ratio is to 100%, the closer the assessment is to the sales price. A ratio over 100% indicates the assessment was too high, and a ratio under 100% indicates the assessment was too low. The IAAO range for acceptable performance for ASR is 90 to 110%. In recent years, the department has fallen short of this goal, as shown in **Exhibit 1**. The increases in actual sale prices of properties have been outpacing the assessed values. The department is, however, performing within its goals for the remaining two measures. The *coefficient of dispersion* (COD) measures how close

individual ASRs are to the median ASR for an area. A large COD indicates a wide range of assessment values in a particular area. The lower the COD, the more closely the ASRs are to the median ASR value; a COD under 15 is considered reasonable. The third measure is the *price related differential* (PRD). The PRD measures bias in the ASR. A bias is when the assessments for the assessed properties are higher or lower than they should be, based on the ASR. The ideal PRD is 1, indicating perfectly unbiased assessments. A PRD in excess of 1 indicates underestimated appraisals for high dollar properties, and a PRD less than 1 indicates underestimated appraisals for low dollar properties. Exhibit 1 presents the details for SDAT's accuracy measures.

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**Exhibit 1**  
**Accuracy Measures**  
**State Department of Assessments and Taxation**  
**Fiscal 2003-2008**

<u>Measure</u>	<u>Goal</u>	<u>Actual</u> <u>2003</u>	<u>Actual</u> <u>2004</u>	<u>Actual</u> <u>2005</u>	<u>Actual</u> <u>2006</u>	<u>Est.</u> <u>2007</u>	<u>Est.</u> <u>2008</u>	<u>Ann. Chg.</u> <u>03-06</u>
Assessment-to-sales ratio	90-110%	90%	87%	86%	86%	90%	90%	-2.42%
Coefficient of dispersion	Less than 15.00	10.80	11.25	13.25	10.00	10.00	10.00	-3.77%
Price-related differential	.98-1.03	1.02	1.01	1.00	1.00	1.00	1.00	-0.99%

Source: State Department of Assessments and Taxation

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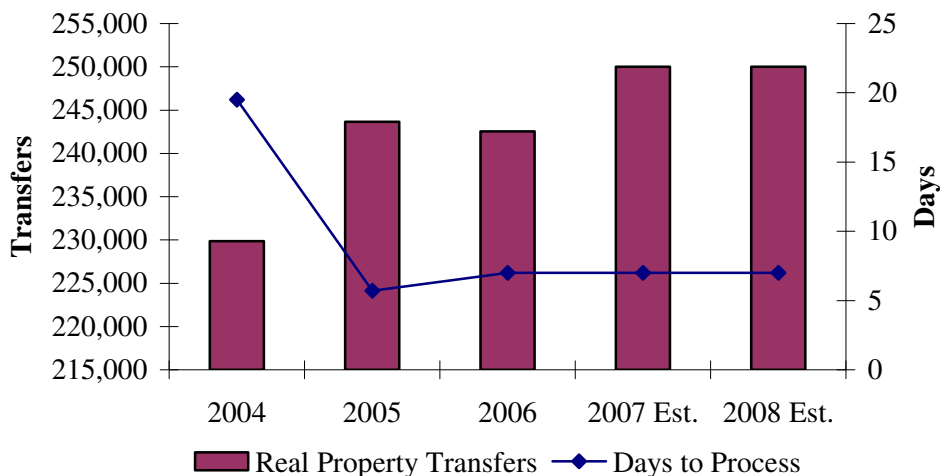
Despite a slide in the ASR measurement, SDAT's assessors have been generally accurate and are expected to reach performance goals in fiscal 2007 and 2008.

**The department should discuss the ramifications of falling below the ASR goal and the impact of an increasingly volatile housing market.**

### **Greater Efficiency in Processing Real Property Transfers**

The Real Property Valuation division is responsible for the processing of all real property transfers in the State. The division's goal is to process each transfer within seven days. Over the last several years, the division has made significant progress toward this goal. Even as real property transfers are increasing due to the recent robust housing market, the division is becoming more efficient. As shown in **Exhibit 2**, in 2004 the division took an average of 19.5 days to process each of the almost 230,000 transfers. Conversely, in 2005, the division took only an average of 5.7 days to process 6% more transfers.

**Exhibit 2**  
**Real Property Transfers**  
**Fiscal 2004-2008**



Source: State Department of Assessments and Taxation

**The department should discuss the factors that led to this efficiency and whether it can be sustained in the out-years.**

### **Proposed Deficiency**

The fiscal 2008 allowance includes a 2007 deficiency of \$32,500 for the administration of local tax credits. Counties and municipalities are authorized to enact local supplements to the Homeowners' Tax Credit Program. However, they must reimburse the department for the costs of administering the supplement. The amounts charged are based on the number of applications actually received for the credit and the department's costs for postage, printing, data system charges, and employee processing time. This deficiency represents additional reimbursement funds from the localities for this purpose.

The allowance also includes an \$80,000 deficiency within the Charter Unit. The special funds are from expedited services fees and will be used to upgrade the Charter Unit Imaging System.

### **Governor's Proposed Budget**

As shown in **Exhibit 3**, the fiscal 2008 allowance is \$111.8 million, a decrease of \$8.2 million from the fiscal 2007 working appropriation. However, this decline is exaggerated somewhat by the one-time use of the health insurance surplus for retiree benefits. Absent this action, the budget actually declines by \$5.7 million, or 4.9%. The decline is attributable to lowered estimates of the usage of the Homeowners' Tax Credit Program.

**Exhibit 3**  
**Governor's Proposed Budget**  
**State Department of Assessments and Taxation**  
**(\$ in Thousands)**

<b>How Much It Grows:</b>	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Total</u></b>
2007 Working Appropriation	\$115,737	\$4,273	\$120,011
2008 Governor's Allowance	<u>107,519</u>	<u>4,253</u>	<u>111,772</u>
Amount Change	-\$8,219	-\$20	-\$8,239
Percent Change	-7.1%	-0.5%	-6.9%

**Where It Goes:****Personnel Expenses**

New positions .....	\$64
Abolished/transferred positions .....	-146
Increments and other compensation .....	867
One-time health insurance savings .....	-2,110
Employee retirement system.....	729
Workers' compensation premium assessment .....	75
Turnover adjustments .....	77
Other fringe benefit adjustments .....	188

**Other Changes****Office of the Director**

Reduction due to one-time use of a consultant for power plant valuation study .....	-250
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**Real Property Valuation**

Reduction due to one-time purchase of mobile devices for assessors .....	-200
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**Office of Information Technology**

Increase in expenses related to new assessment software .....	78
Increase in in-state computer usage based on statewide allocation .....	100

**Tax Credit Payments**

Reduction to Homeowners' tax credit .....	-6,400
Reduction to Urban Enterprise Zone tax credit .....	-1,264

**Charter Unit**

Increase in banking fees.....	137
Elimination of Uniform Commercial Code Internet Filing Project.....	-175

**Other Changes**

Miscellaneous .....	-9
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<b>Total</b>	<b>-\$8,239</b>
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Note: Numbers may not sum to total due to rounding.

## **Personnel**

The Charter Unit is adding two additional positions in the fiscal 2008 allowance. The new paralegal positions will be trained as “charter specialists” and will have the legal expertise required to process certain types of documents, such as new incorporations, limited liability entities formations and dissolutions. The department advises that the positions are necessary to meet performance goals within the unit. For example, the increase in documents received has led to an increase in the time it takes for processing. The additional positions will assist in reversing this trend. The allowance includes an additional \$64,258 in special funds for the new positions.

The department has abolished 3.5 positions within the Real Property Valuation division. The positions had been vacant for a considerable time. Further, the division was meeting its performance goals without the filled positions. This action saves the department \$145,801 in general funds.

## **Tax Credit Programs**

The Homeowners’ (Circuit Breaker) Tax Credit Program provides credits against State and local real property taxes for homeowners who qualify based on a sliding scale of property tax liability and income. After many years of declining usage, legislation was enacted in 2006 to expand the credit. Therefore, the fiscal 2007 appropriation included a significant increase in the program. However, the department has now indicated that fewer individuals are requesting the credit than it had anticipated. As such, the fiscal 2008 allowance for the tax credit program is reduced by \$6.4 million. This is discussed in further detail under the Issues section of this analysis.

The department also administers the Urban Enterprise Zone Tax Credit Program. The program provides property and income tax credits for businesses that locate or expand within designated areas. SDAT reimburses local governments for 50% of the property tax credit. The credit is based on the increased assessment from a base year either from rising assessments or from increases in value from renovations or capital improvements. Driven by rapidly increasing assessments and a robust economy that encourages capital investments from businesses, the tax credits associated with this program increased dramatically in fiscal 2007. However, in the fiscal 2008 allowance, the program declines by almost \$1.3 million. **Exhibit 4** details the changes county by county.

Two factors contribute in large part to this decline. First, as a result of rising assessments, many business located in enterprise zones have requested assessment appeals on their commercial properties. To the extent that appeals result in reduced assessments, enterprise zone credits will fall commensurately. Secondly, a few prominent properties have been exempted from all property tax at the county level for local economic development purposes. Consequently, such properties are no longer eligible for the enterprise zone tax credit.

**Exhibit 4**  
**Urban Enterprise Zone Tax Credit**  
**Fiscal 2007-2008**

<u>Enterprise Zones</u>	2007		2008	
	<u>Number of Businesses</u>	<u>State's Share of Credit</u>	<u>Number of Businesses</u>	<u>State's Share of Credit</u>
Allegany	30	\$313,684	27	\$152,313
Baltimore City	184	2,795,071	186	2,889,067
Baltimore	36	478,523	44	534,168
Calvert	15	39,522	17	45,574
Cecil	11	1,130,239	13	910,505
Dorchester	19	812,770	19	114,640
Garrett	20	43,433	22	40,901
Harford	156	1,980,520	165	1,852,791
Montgomery	92	1,546,138	97	1,380,316
Prince George's	15	490,270	20	507,845
St. Mary's	15	21,712	18	27,261
Somerset	6	2,655	6	2,953
Washington	45	560,195	48	517,633
Wicomico	37	70,143	40	58,618
Worcester	12	33,481	7	19,974
<b>Total</b>	<b>693</b>	<b>\$10,318,356</b>	<b>729</b>	<b>\$9,054,559</b>

Source: State Department of Assessments and Taxation

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## ***Issues***

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### **1. Homeowners' Tax Credit Estimates Lower Than Expected**

The Homeowners' (Circuit Breaker) Tax Credit Program provides credits against State and local real property taxes for homeowners who qualify based on a sliding scale of property tax liability and income. The Homeowners' Tax Credit is a State-funded program, with the State reimbursing local governments for the cost of the credit against local property taxes. This program, initiated in 1975, was originally limited to homeowners age 60 and older and homeowners with disabilities, but was expanded to homeowners of all ages in 1978.

The program had not been significantly altered in several years; the maximum assessment against which the credit may be calculated had not increased since 1990, and the income brackets were last changed in 1998. This combined with an increase in home values and an increase in homeowner incomes led to a decline in the program's usage.

Chapter 27 of 2006 addressed these issues and made several changes to the program. **Exhibit 5** details the program's new parameters.

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#### **Exhibit 5**

#### **Changes to Homeowners' Tax Credit Program**

	<u><b>Previous Law</b></u>	<u><b>Chapter 27 of 2006</b></u>
<b>Definition of Assets</b>	n/a	Excludes the cash value of IRAs or qualified retirement savings plans
<b>Definition of Gross Income</b>	n/a	Includes any withdrawal, payment, or distribution from IRAs or qualified retirement savings plans
<b>Maximum Assessment</b>	\$150,000	\$300,000
<b>Calculation Formula</b>	<ul style="list-style-type: none"> <li>• 0% of the first \$4,000 of combined income</li> <li>• 1% of the second \$4,000 of combined income</li> <li>• 4.5% of the third \$4,000 of combined income</li> <li>• 6.5% of the fourth \$4,000 of combined income</li> <li>• 9% of combined income over \$16,000</li> </ul>	<ul style="list-style-type: none"> <li>• 0% of the first \$8,000 of combined income</li> <li>• 4% of the next \$4,000 of combined income</li> <li>• 6.5% of the next \$4,000 of combined income</li> <li>• 9% of combined income over \$16,000</li> </ul>
<b>Income Limitation</b>	n/a	\$60,000

Source: State Department of Assessments and Taxation

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The fiscal 2007 appropriation included \$56.7 million for the program. This figure included \$16.7 million based on the anticipated increase in the program resulting from the legislation. However, after reviewing fiscal 2007 applications for the program to date, the department expects that the actual 2007 program costs will be \$47.8 million, \$8.9 million less than expected. The fiscal 2008 allowance has a similarly modest estimate of \$50.2 million. **Exhibit 6** shows the revised estimates.

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**Exhibit 6**  
**Trends in the Homeowner's Tax Credit Program**  
**(\$ in Thousands)**

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>Original Estimate 2007</u>	<u>Revised Estimate 2007</u>	<u>Allowance 2008</u>
<b>Homeowners's Budgeted Amount</b>	\$39,401	\$39,533	\$41,655	\$56,701	\$47,782	\$50,243
<b>Number of Homeowner's Credits Issued</b>	50,524	48,200	47,206	50,222	47,327	48,747
<b>Avg \$ Amount of a Homeowner's Credit</b>	\$776	\$822	\$822	\$1,146	\$978	\$1,000

Source: State Department of Assessments and Taxation

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The department has indicated that fewer individuals are requesting the credit than it had anticipated. This could be due, in part, to the need for additional outreach; although the department has provided speakers for community groups, issued mass mailings to previous applicants and have provided press releases to newspapers across the State.

**The department should be prepared to explain the differences between the original estimate and actual experience for fiscal 2007 and what can be expected of the Homeowners' Tax Credit Program in the future.**

## **2. Power Plant Valuation**

Chapter 5 of the 2006 Special Session required the department to study whether the current valuation of power plants provides an adequate and equitable determination of the value of power plants in a restructured electric industry. The department reported its findings and recommendations in December 2006.

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The study concluded that the assessments of Maryland's power plants represent a defensible market value. Also, it was concluded that the values of similar plants are comparable; therefore, the valuations are equitable. The report does however, make a number of recommendations.

- The former BGE plants which have been transferred to the subsidiaries of Constellation Energy should be removed from the BGE unit for the tax year beginning July 1, 2007.
- The A&N Electric Cooperative generator on Smith Island and the SMECO generator at Chalk Point should remain in the operating units of these electric cooperatives at the present time.
- Susquehanna Electric Company's power plant and transmission lines associated with Conowingo Dam should remain their own unit.
- The department should continue to monitor market activity to ensure that values are accurate.
- All real property of non-utility generators should continue to be valued by the local commercial and industrial assessors with assistance and oversight from the Real Property Division's headquarters staff. These properties should be valued in a similar fashion to other commercial property and should be valued comparably to each other.
- All personal property of non-utility generators should continue to be valued centrally. Cost less depreciation should continue to be employed in this valuation.

The department has estimated that the reclassification of the plants as recommended will result in a decrease of approximately \$493,000 in State property tax revenue and a decrease of approximately \$2 million in local property tax revenue.

Currently, a national appraisal expert is conducting an independent review of power plant assessments. The expert has provided an initial review of the SDAT report, which has been submitted with the report. The preliminary evaluation shows some disagreement with the department's findings and recommendations.

**The department should brief the committee on its findings regarding power plant valuation and what it anticipates from the forthcoming independent analysis.**

## ***Recommended Actions***

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	<b><u>Amount Reduction</u></b>		<b><u>Position Reduction</u></b>
1. Reduce funds for in-state travel for conferences and seminars within the Office of the Director. This reduction would return funding to fiscal 2007 levels.	\$ 4,875	GF	
2. Delete three positions within Real Property Valuation and Business Property Valuation that have been vacant for over one year: Position #046038 – Office Services Clerk; Position #004302 – Associate Assessor; and Position #003910 – Administrator II. The divisions appear to be reaching performance goals without filling these positions.	129,592	GF	3.0
<b>Total General Fund Reductions</b>	<b>\$ 134,467</b>		<b>3.0</b>

## ***Updates***

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### **1. Web-based Services**

Chapter 363 of 2006 required the department to provide information regarding the calculation of the property assessment and description of the property on the department's web site. The legislation also prohibits the department from charging a fee for providing the information on-line. The department estimated that it would incur a one-time expenditure of \$200,000 in fiscal 2007 to contract with a vendor to provide computer services necessary for updating its web site in order to provide the required information.

Under current law, taxpayers have the right to obtain, at no charge, a brochure explaining the valuation and assessment process; and the record card and assessment worksheet for the property that is the subject of an assessment. Real property is valued and assessed once every three years. Under this process, assessors from SDAT physically inspect each property every three years. The assessor determines the current "full market value" of the property and any increase in value is phased in over a three-year period.

The following information related to real property valuation is currently available through the department's web site: assessment and sales public data, assessment appeal hearings information, and assessment certifications to local governments. In terms of services available on the department's web site, a citizen can currently inspect properties, obtain assessment forms, file assessment appeals, obtain assessment brochures, and email questions.

The department estimates that it will add Real Property Computer Assisted Mass Appraisal worksheets to the list of Internet capable services during the first quarter of fiscal 2009. This will fulfill the requirements of the 2006 legislation.

## ***Current and Prior Year Budgets***

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### **Current and Prior Year Budgets State Department of Assessments and Taxation (\$ in Thousands)**

	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
<b>Fiscal 2006</b>					
Legislative Appropriation	\$89,569	\$3,629	\$0	\$0	\$93,198
Deficiency Appropriation	2,100	0	0	0	2,100
Budget Amendments	745	326	0	0	1,071
Reversions and Cancellations	-133	0	0	0	-133
<b>Actual Expenditures</b>	<b>\$92,281</b>	<b>\$3,955</b>	<b>\$0</b>	<b>\$0</b>	<b>\$96,236</b>
<b>Fiscal 2007</b>					
Legislative Appropriation	\$115,149	\$4,214	\$0	\$0	\$119,363
Budget Amendments	588	59	0	0	647
<b>Working Appropriation</b>	<b>\$115,737</b>	<b>\$4,273</b>	<b>\$0</b>	<b>\$0</b>	<b>\$120,010</b>

Note: Numbers may not sum to total due to rounding.

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## **Fiscal 2006**

A deficiency appropriation approved in the 2006 legislative session provided \$2.1 million in general funds for the Homeowners' Tax Credit Program, the Renters' Tax Credit Program, and the Urban Enterprise Zone Tax Credit Program. An additional \$744,251 was added to the department's original appropriation from budget amendments for the cost-of-living adjustment and the statewide reallocation of health insurance costs.

Special fund expenditures increased over the original fiscal 2006 appropriation due to budget amendments that appropriated additional revenue received from the Tax Credit Administration and the Charter Unit. The supplementary funds in the amount of \$325,500 were used for personnel, equipment, and computer replacement.

## **Fiscal 2007**

The fiscal 2007 general funds and special fund appropriation was increased by \$597,840 and \$59,470 respectively, due to the cost-of-living adjustment. General funds are offset by -\$9,642 for a comprehensive salary study.

**Object/Fund Difference Report**  
**State Department of Assessments and Taxation**

<u>Object/Fund</u>	<u>FY06 Actual</u>	<u>FY07 Working Appropriation</u>	<u>FY08 Allowance</u>	<u>FY07-FY08 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	677.50	677.50	676.00	-1.50	-0.2%
02 Contractual	0	0.10	0	-0.10	-100.0%
<b>Total Positions</b>	<b>677.50</b>	<b>677.60</b>	<b>676.00</b>	<b>-1.60</b>	<b>-0.2%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 39,135,343	\$ 42,283,834	\$ 42,027,395	-\$ 256,439	-0.6%
02 Technical and Spec Fees	4,617	7,926	500	-7,426	-93.7%
03 Communication	1,282,720	1,445,424	1,502,539	57,115	4.0%
04 Travel	439,843	393,922	413,893	19,971	5.1%
06 Fuel and Utilities	17,934	19,710	19,549	-161	-0.8%
07 Motor Vehicles	105,106	104,852	124,962	20,110	19.2%
08 Contractual Services	2,801,969	3,267,888	3,116,100	-151,788	-4.6%
09 Supplies and Materials	261,894	285,995	256,880	-29,115	-10.2%
10 Equip – Replacement	347,537	347,280	145,866	-201,414	-58.0%
12 Grants, Subsidies, and Contributions	50,148,814	70,019,760	62,355,963	-7,663,797	-10.9%
13 Fixed Charges	1,689,587	1,834,011	1,808,198	-25,813	-1.4%
<b>Total Objects</b>	<b>\$ 96,235,364</b>	<b>\$ 120,010,602</b>	<b>\$ 111,771,845</b>	<b>-\$ 8,238,757</b>	<b>-6.9%</b>
<b>Funds</b>					
01 General Fund	\$ 92,280,852	\$ 115,737,257	\$ 107,518,750	-\$ 8,218,507	-7.1%
03 Special Fund	3,954,512	4,273,345	4,253,095	-20,250	-0.5%
<b>Total Funds</b>	<b>\$ 96,235,364</b>	<b>\$ 120,010,602</b>	<b>\$ 111,771,845</b>	<b>-\$ 8,238,757</b>	<b>-6.9%</b>

Note: The fiscal 2007 appropriation does not include deficiencies, and the fiscal 2008 allowance does not reflect contingent reductions.