

# CITY BUDGET

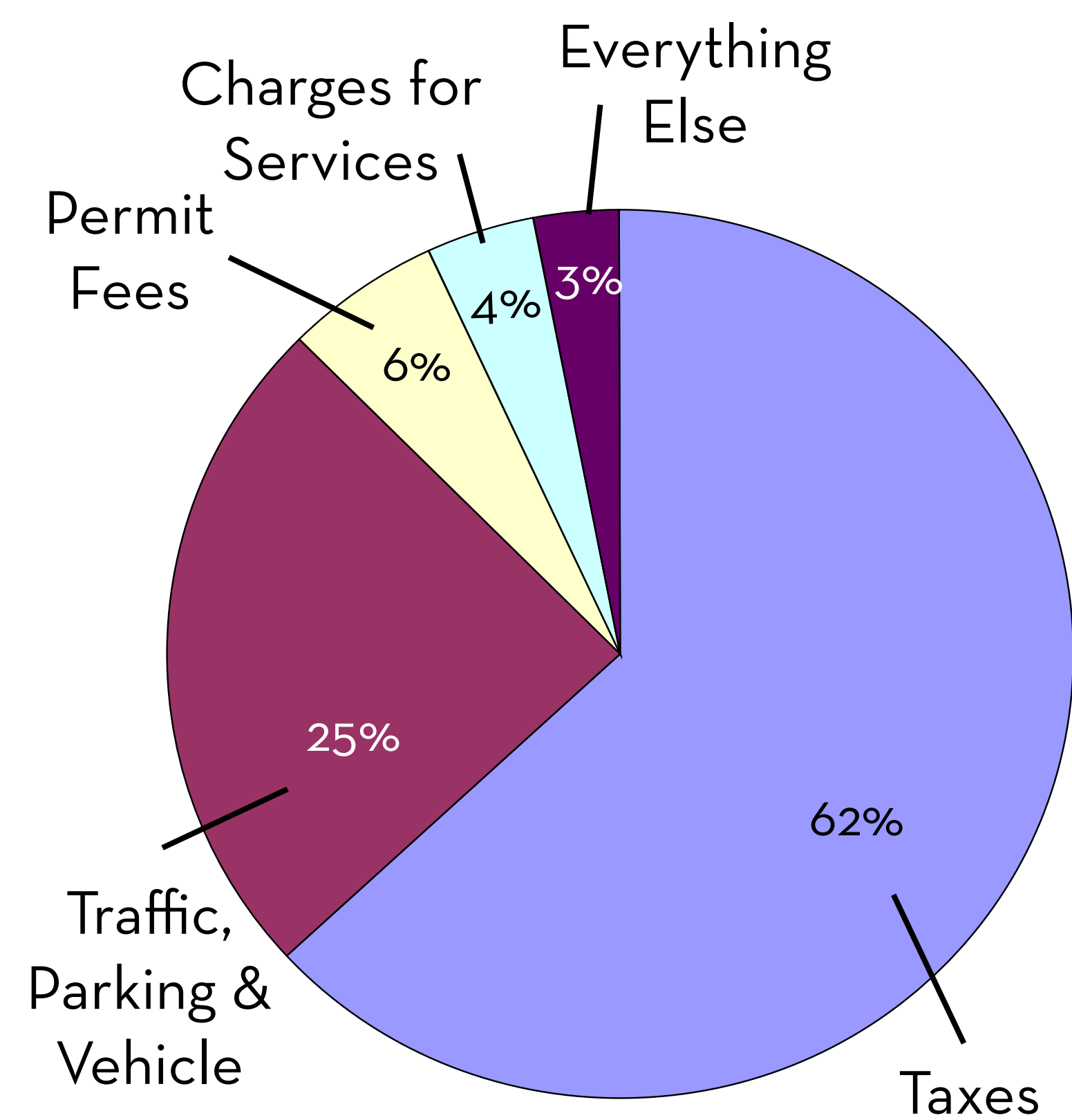
West Hollywood maintains a 2-year budget that explains how funds will be allocated to meet primary goals and policies.

Community members are involved in identifying priority programs for each 2-year update.

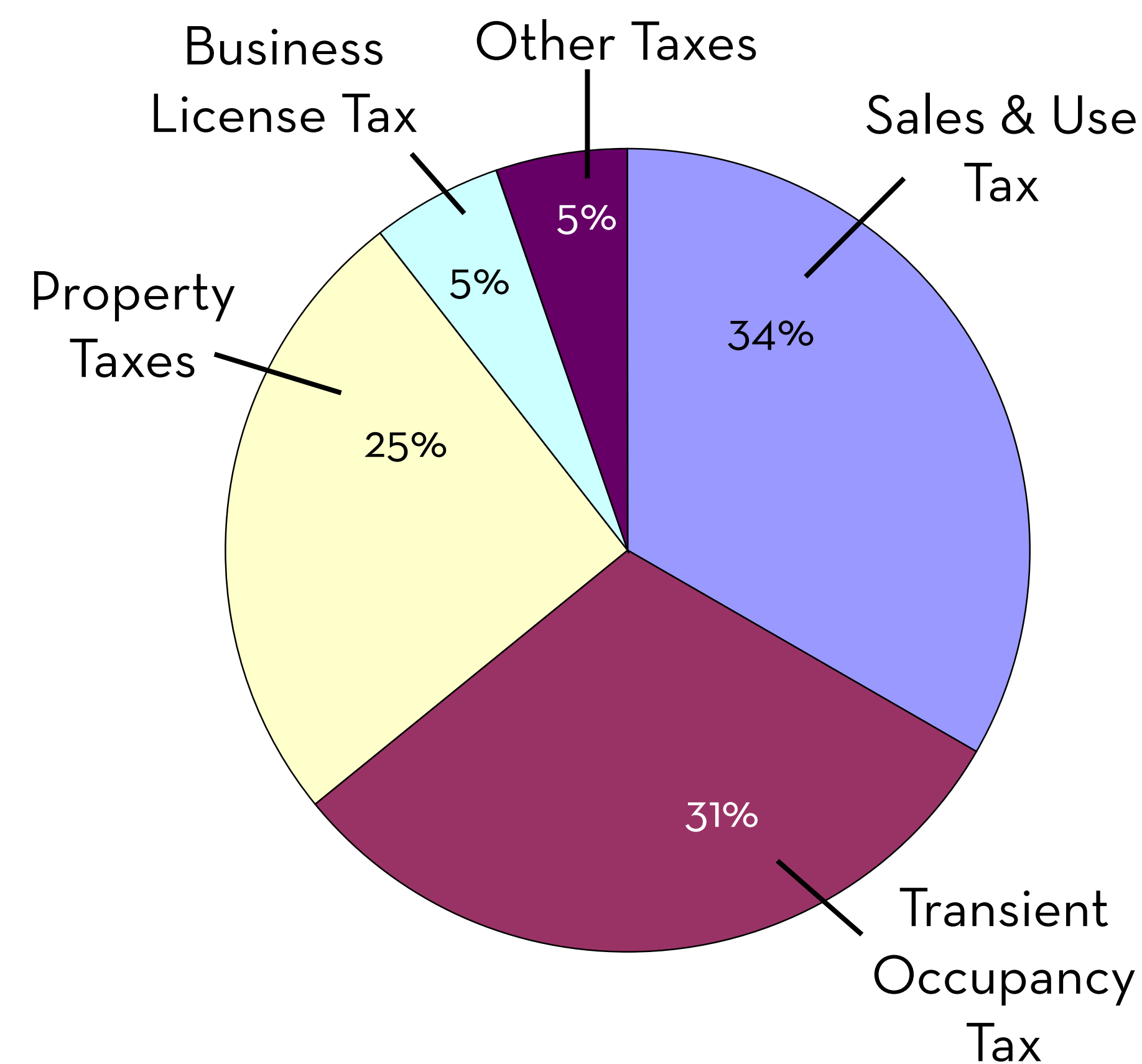
The budget includes revenues, expenditures (on-going costs), and capital projects (infrastructure improvements).

- ◆ Like other cities, West Hollywood maintains different funds to pay for different costs. The biggest of these is the General Fund.
- ◆ The General Fund is an “unrestricted” fund that can be spent on anything. Typically it is used to pay for most government services including Police/Fire Service, Public Works, Parks & Recreation, and City Administration.
- ◆ West Hollywood’s tourism economy plays a major role in generating local General Fund revenue.

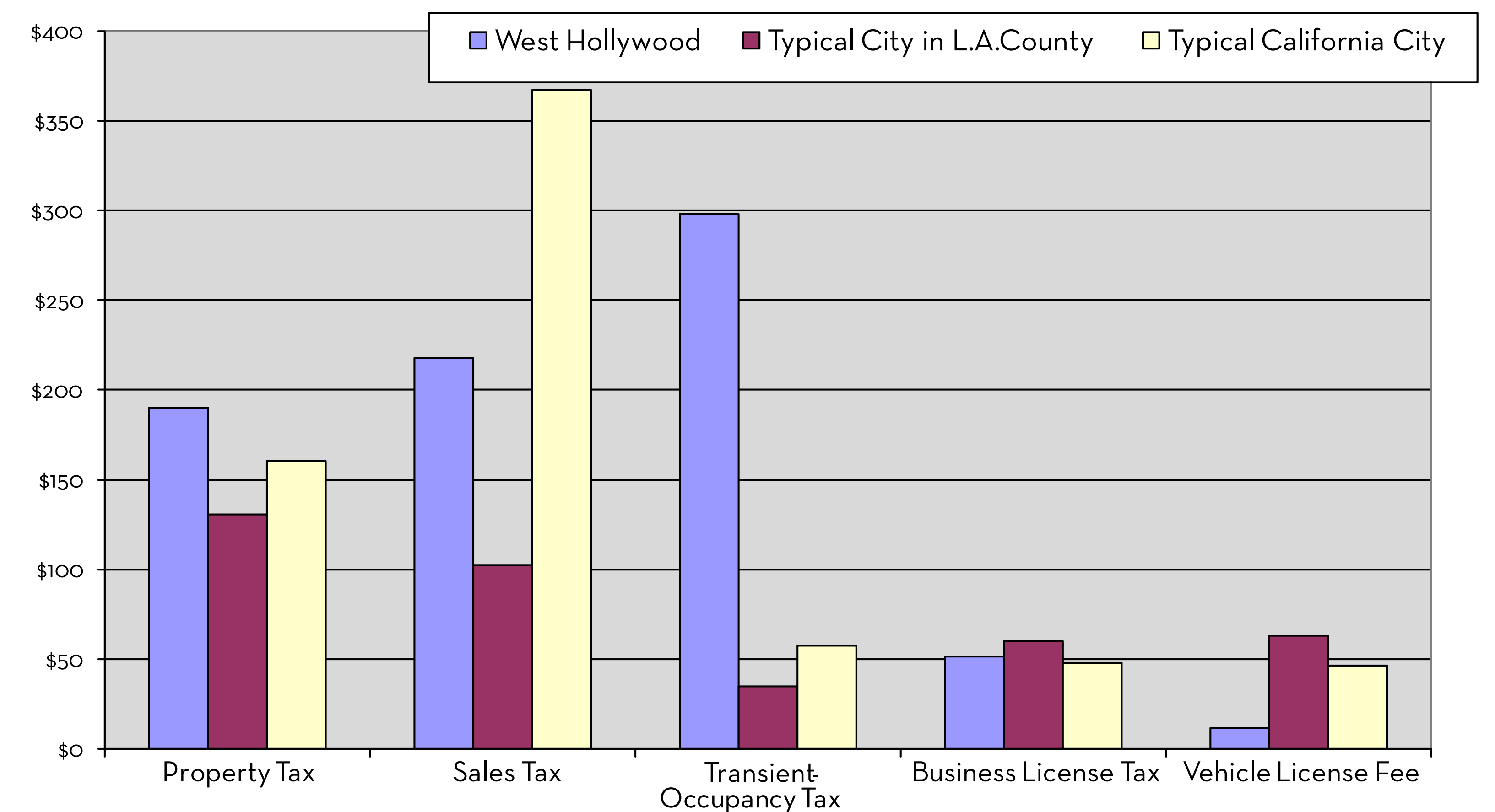
## GENERAL FUND REVENUES



## TAXES



## WEST HOLLYWOOD PER CAPITA GENERAL FUND REVENUES, 2005



**Property Tax:** Cities receive a portion of the 1% property tax that property owners pay. West Hollywood receives 17% of property taxes collected.

**Sales Tax:** Cities receive 1% of every taxable dollar spent at city businesses. Approximately \$2 billion in gross annual retail sales is generated by businesses in West Hollywood.

**Vehicle License Fee:** Of these fees paid to the DMV, the State allocates a portion back to cities and counties based on their total population.

**Transient-Occupancy Tax (TOT):** Cities can levy transient-occupancy taxes on people staying in a hotel. In West Hollywood, the TOT rate is 11.5%, and it is a major source of funding.

**Business License Tax (BLT):** Cities can levy business license taxes on business owners, generally based on gross receipts or gross operating costs. Tax rates in West Hollywood vary on the category of business.