

General Overview

This section of the Budget Document provides a variety of information about Pierce County itself as well as fiscal information and overall staffing and budget summaries. A brief description of the information that can be found in this section is discussed below.

The **Organizational Overview** and the **Mission, Goals and Performance Measures** present the County's governing structure, mission and goals.

Pierce County Facts provides current and historical information about our region, economy, and population.

Information regarding Property Taxes, one of the County's largest revenue sources, can be found in **Property Taxes and Assessed Valuation**.

The basic framework for the overall fiscal management of the County is presented in the **Budget and Finance Department Fiscal Policies**.

The County's Debt Management policies and our prospective debt capacity for fiscal year 2006 are presented in **Debt Management**.

The **Summary of Unreserved Fund Balance** presents the anticipated fund balances available in 2006 for the governmental funds, and also indicates any proposed amount to be used in 2006 to balance the appropriate fund's budget.

The **Capital Improvement Program Summary** includes those projects from the County's six-year Capital Facilities Plan for which activity is budgeted in 2006.

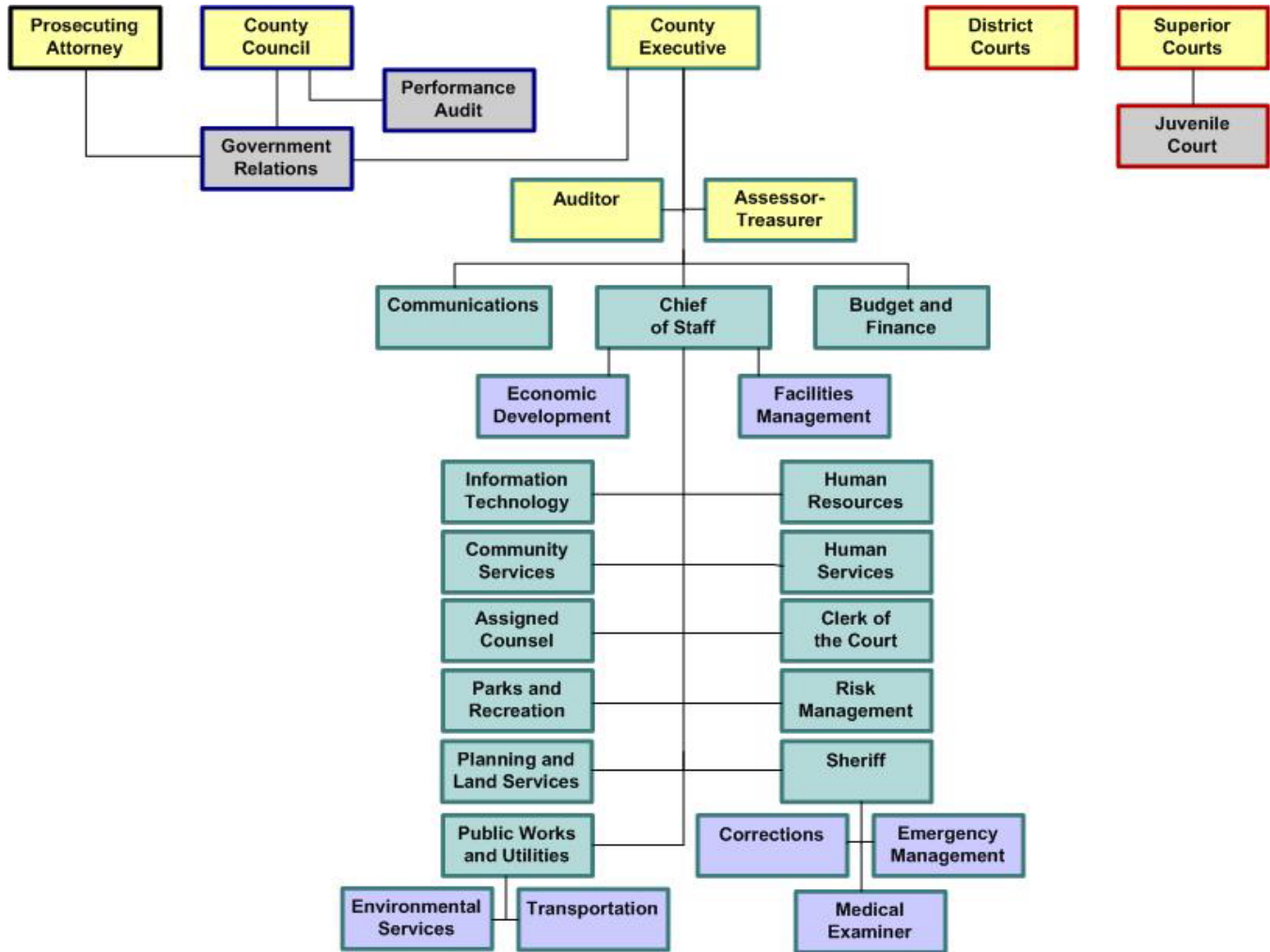
Current and historical staffing information is shown in **Staffing Information**.

The **Revenue and Expenditure Summaries** includes several tables and charts which provide a variety of different views of the activities funded in the budget and their related revenue sources.

Section Contents	
Organizational Overview.....	14
Mission, Goals and Performance Measures	17
Pierce County Facts	18
Property Taxes and Assessed Valuation	22
Budget and Finance Department Fiscal Policies.....	24
Debt Management.....	25
Summary of Unreserved Fund Balance	28
Capital Improvement Program Summary.....	29
Staffing Information	34
Revenue and Expenditure Summaries.....	38
General Fund Revenue	39
Historical Review of General Fund Revenues	40
General Fund Revenue & Expenditure Overview.....	42
General Fund Expenditures Versus Revenue Summary.....	43
General Fund Departmental Program Budgets.....	44
Total Pierce County Revenue & Expenditure Overview.....	48
All Funds Comparison of 2006 Revenues & Expenditures.....	49
Historical Review of Countywide Revenues	50
Departmental Expenditures/Expenses by Function	52
Total Estimated Revenues & Other Funding Sources.....	54
Total Expenditures/Expenses.....	56

Organizational Overview

Pierce County's home-rule charter was approved by the voters in November 1980 and became effective on May 1, 1981. The charter separated executive and legislative responsibilities by establishing the position of County Executive to serve as the chief executive officer and a seven-member Council to serve as the legislative branch.



The Council is the policy setting body of the County and has all the powers of the County which are not otherwise reserved to the People, the Executive, and general law. The Council members are nominated and elected by the voters of seven districts in Pierce County. Legislative authority is exercised by the adoption and enactment of ordinances or resolutions.

The executive branch is comprised of the Executive and all executive departments established by the Charter or by ordinance. Executive departments include two elected positions (Assessor-Treasurer and Auditor) with the other department directors recommended by the Executive and approved by the Council.

According to the charter, all executive departments are subject to the personnel, budgeting, expenditure and any other policies of general application established by the Executive. Control of County finances is under the authority of the Executive and is delegated to the Department of Budget and Finance.

Legislative Branch

Executive Branch

County Council:

- ◆ Government Relations - *in Special Projects*
- ◆ Hearing Examiner - *in Special Projects*
- ◆ Performance Audit - *in Special Projects*

County Executive (elected official):

- ◆ Assessor-Treasurer (elected official)
- ◆ Assigned Counsel
- ◆ Assigned Counsel Conflict Office
- ◆ Auditor (elected official)
- ◆ Budget & Finance
 - Fleet Rental
 - General Services
- ◆ Clerk of the Superior Court
 - Family Justice Center
- ◆ Communications
 - Rainier Communication Commission
- ◆ Community Services
 - 1% for Arts Construction
 - Arts & Cultural Services
 - Community Action
 - Community Development
 - Community Contracts Admin. - *in Special Projects*
 - Dispute Resolution Center
 - Homeless Housing Fund
 - Housing Repair Program
 - Low Income Housing Fee Fund
 - Prevention Services and Programs
 - Tourism, Promotion, & Capital Facilities Fund
 - WSU PC Extension
- ◆ Criminal Justice Fund
- ◆ Limited G.O. Bond Redemption
- ◆ Economic Development
- ◆ Emergency Management
 - Emergency Medical Services
 - Emergency Management Grants Fund
 - Fire Prevention Services
 - Radio Communications Fund
 - 911 System
- ◆ Endangered Species Act Fund
- ◆ Facilities Management
 - Building Remodel Projects
 - Permanent Jail Construction Fund
 - Real Estate Excise Tax Capital Improvement Fund
 - Property Management Services - *in Special Projects*
 - 2501 Corporate Express Building
- ◆ Federal Forest Services Fund
- ◆ Health Services
- ◆ Human Resources
 - Employee Assistance Program
- ◆ Human Services
 - Human Services Construction Fund
 - Puget Sound Behavioral Health
- ◆ Information Technology Fund
 - Auditor's M & O Fund (Imaging Fund)
 - Geographical Information Services
 - REET Electronic Technology

Organizational Overview

Executive Branch (con't)

- ◆ Medical Examiner
- ◆ Miscellaneous Current Expense
- ◆ Parks and Recreation Services
 - Conservation Futures Fund
 - Golf Courses
 - Parks Bond Construction Fund
 - Parks Construction Fund
 - Parks Impact Fee Fund
 - Parks Sales Tax Fund
 - Paths and Trails
 - Second REET Fund-Parks
- ◆ Pierce County Fair
- ◆ Planning and Land Services
- ◆ Public Works and Utilities
 - Environmental Services:
 - *Chambers Bay Golf Course*
 - *Sewer Utility Fund*
 - *Sewer Revenue Bonds*
 - *Sewer Utility Construction*
 - *Solid Waste Management Fund*
 - *Sewer Facility Restricted Reserve*
 - Transportation Services
 - *Airport*
 - *County Road Fund*
 - *Equipment Rental and Revolving*
 - *Pierce County Ferry Services*
 - *Public Works Construction Fund*
 - *Second REET Fund – Roads*
 - *Transportation Facilities*
 - Water Programs:
 - *Drinking Water Supply Program - in Special Projects*
 - *Real Estate Excise Tax - River*
 - *Surface Water Management Fund*
 - *Water Utility*
- ◆ Self Insurance Fund
 - Workers Compensation
- ◆ Sheriff
 - Corrections
 - Detention Center Commissary
 - Drug Investigation Fund
 - Marine Services Fund
- ◆ Special Projects
 - ESA – Habitat Protection & Restoration
 - Family Services – Domestic Violence programs
 - Farmlands Advisory Commission
 - Law & Justice Commission
 - Pierce County Board of Equalization
- ◆ State Auditor
- ◆ Veterans' Relief Fund

Judicial Branch

District Court

- ◆ District Court Probation

Superior Court

- ◆ Juvenile Court

Prosecuting Attorney

Prosecuting Attorney

Mission, Goals and Performance Measures

In 1993, the County began a process to redefine or clarify the mission and goals for Pierce County government. Based on input from department directors and employee focus groups, the Mission Statement and Goals were developed. Subsequent development resulted in a hierarchical pyramid which contains the following elements:

I.

The Mission Statement

"Pierce County government, in partnership with the citizens, will enhance the livability of our community through responsive services which address our current and future needs."

II. **Executive Goals** (listed at the bottom of this page) guide the County in the development of appropriate policies and procedures, and form the basis of each year's Budget and Performance Measures.

III. **Performance Measures** are developed for each departmental budget. These measures are specific and quantifiable statements of what major items will be accomplished in this fiscal year and are listed in each department's section of the 2006 Budget Document.



Executive Goals

- A – Plan and implement necessary transportation system improvements to meet existing and future requirements.
- B – Promote economic development and diversification.
- C – Enhance public safety through crime prevention, apprehension, prosecution and judicial resolution.
- D – Strengthen community programs that provide recreational, health, and social services.
- E – Work cooperatively with other governmental units in the County to address issues of mutual concern.
- F – Enhance the effectiveness of the development review process and related code enforcement efforts.
- G – Encourage a more positive image for Pierce County Government through an enhanced communications program.
- H – Improve the cost efficiency of County services.
- I – Promote a balanced response to environmental matters dealing with site clean-up issues, water concerns, and endangered species act requirements.
- J – Build a more effective work force through an emphasis on diversity, training, incentives, recognition, and innovation.
- K – Implement infrastructure improvements in County buildings which will address employee safety, morale, workspace needs, and environmental issues.
- L – Improve the quality or effectiveness of, or citizen access to, County services.

Pierce County Facts

General Information

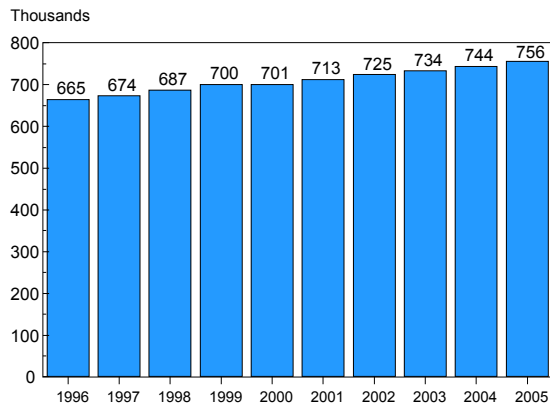
Pierce County was established in 1852 and became a Home Rule County by a vote of the people in 1981. The County is governed by an elected County Executive and seven elected Council Members. The Prosecutor, Assessor-Treasurer, Auditor, Superior Court Judges, and District Court Judges are also elected by the people.

The County is located on scenic Puget Sound and covers 1,794 square miles (1,676 square miles of land and 118 square miles of water). Pierce County boasts of 10 hospitals, 15 public school districts, a large number of private schools, two vocational technical colleges, two community colleges, and six four-year colleges or universities.

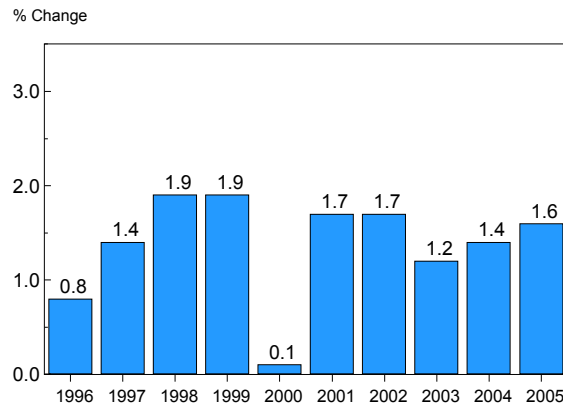
The third largest army post in the United States, Fort Lewis, is located in the County as are McChord Air Force Base, Madigan Army Medical Center, and Camp Murray National Guard post. Altogether these military installations contribute over 42,000 military and civilian jobs to the local economy.

Pierce County is home to an estimated 755,900 people, making it the second largest county in the state. Its five largest cities are Tacoma (198,100), Lakewood (58,850), Puyallup (35,830), University Place (30,980), and Bonney Lake (14,370). As shown in the charts below, population growth has been steady, averaging about 1.5% per year over the last 10 years. The only notable exception was 2000 when the U.S. Census figures were used to establish the new population base.

Pierce County Population History



Pierce County Population Percent Change



Transportation

Pierce County is served by Sea-Tac Airport 16 miles to the north and the Tacoma Narrows Airport between Gig Harbor and the City of Tacoma. There are also three general aviation airports. Interstates 5 and 705 run through the County as do numerous state highways. Pierce Transit provides excellent bus service extending from the state capital, Olympia, to the City of Seattle. Sound Transit, the regional transit authority, recently completed a light rail line that connects downtown Tacoma to a major transit hub near the Tacoma Dome. Two transcontinental railroad systems connect the County with the rest of the nation as do 30 interstate trucking companies.

Economic Conditions

Pierce County continues to benefit from the economic recovery that began in the third quarter of 2002. A rebounding airline industry, activity and expansion at the Port of Tacoma, investment in public infrastructure (museums, convention center, Foss Waterway development, and light rail construction), and the stabilizing influence of the large federal workforce at the local military bases have fueled the expansion. Accordingly, *Pierce County* continues to play a vital role in the regional economy. In explaining some of the economic advantages enjoyed by *Pierce County*, the State of Washington labor market and economic analysis stated, “In Pierce County, those advantages include (1) a major port with the potential for future expansion, (2) relatively low property costs in rural areas, (3) available and competitively priced office and commercial space, and (4) its situation as the geographic anchor for the central Puget Sound.” Some specific sectors are highlighted in the following paragraphs.

Manufacturing

Products manufactured in Pierce County include aerospace parts, chemicals, machinery, hardware, food products, and electronics. Among the major manufacturers are Intel (1,300 jobs), Milgard Glass (1,126), Boeing (958), and Simpson Tacoma Kraft wood products (464). Renewed strength in computer sales bodes well for further expansion at Intel and, as orders for the 777 jetliner increase, Boeing will add capacity at their Fredrickson site.

Port Facilities

In describing the Port of Tacoma, the Economic Development Board of Pierce County says, “The Port of Tacoma has become one of the fastest growing ports in the United States. It is strategically located ... and offers efficient connections to sea, rail, highway, and air transportation networks. It enjoys strong international ties with nations on the Pacific Rim and around the world.” In 2004, the Port of Tacoma began its largest capital improvement program ever, investing \$194 million in projects to increase capacity and expedite the movement of cargo; that expansion is continuing.

The Port is already the sixth busiest container port in North America, and one of the 25 busiest in the world, and it plays an important part in the local economy. This deep-water port covers 2,400 acres and offers a combination of facilities and services including 34 deepwater berths, two million square feet of warehouse and office space, and 131 acres of industrial yard. One economic impact study showed that more the 28,000 jobs in Pierce County are related to the Port activities.

Service/Government

One of the largest components of the service sector is health care. The largest employers include Multicare Medical Center (3,748), the Franciscan Health System (3,521), and Good Samaritan Hospital (1,610). In addition, DaVita, the nation’s second largest provider of dialysis services, employees 688 people in a renovated downtown Tacoma facility.

Fort Lewis Army Base and Madigan Army Medical Center occupy 86,000 acres in southwest Pierce County while the adjacent McChord Air Force Base includes 5,000 acres. Together, these facilities employ over 42,000 military and civilian personnel. Unlike many military installations across the country, Fort Lewis and McChord have expanded as people are transferred from closed facilities to the northwest. In addition, recent federal budgets have included significant pay raises for military members and money for major construction projects at both Fort Lewis and McChord.

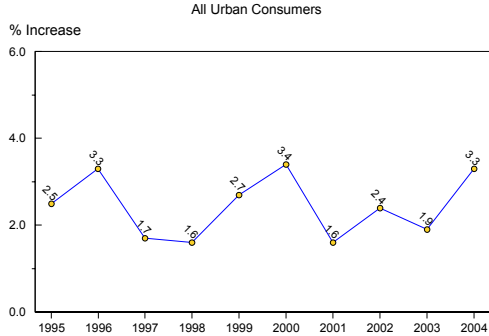
Other government employment includes the local Public School Districts (12,467), the State of Washington (7,857), the City of Tacoma (3,182), Pierce County (3,173), Washington State Higher Education (2,491), and the United States Postal Service (1,597).

Economic Indicators

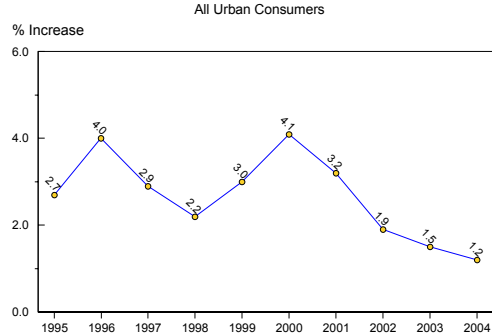
The following indicators are key elements in the evaluation of current economic conditions and are useful when developing projections or economic forecasts:

- ❖ **Inflation:** Inflation as measured by the Seattle-Tacoma-Everett Consumer Price Index for all urban consumers decreased from 1.5% in 2003 to 1.2% in 2004. During the same period, the U. S. average (CPI-U) increased from 1.9% in 2003 to 3.3%.

U. S. Consumer Price Index

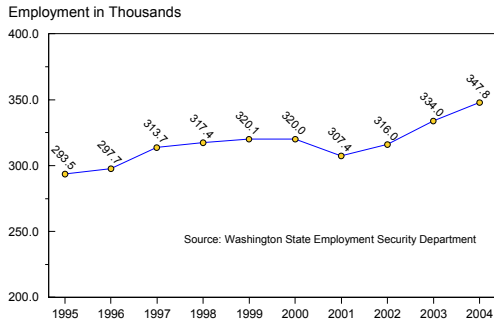


Tacoma-Seattle Consumer Price Index

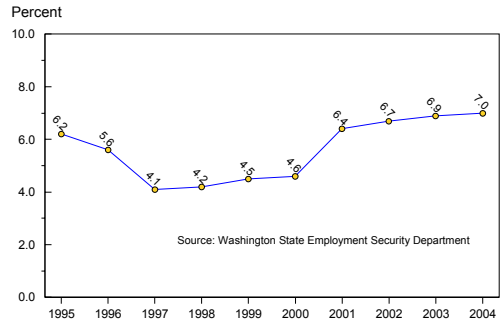


- ❖ **Employment:** In 2004, total employment increased to 347,800, while the rate of unemployment increased to 7.0%. Pierce County unemployment is higher than the statewide average of 6.2% and the U.S. average of 5.4%.

Pierce County Employment

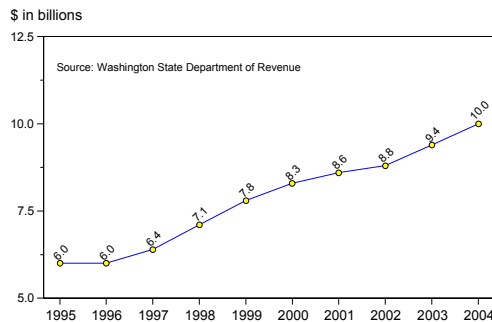


Pierce County Percent Unemployment

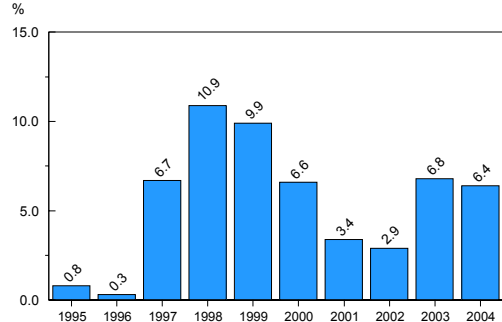


- ❖ **Taxable Retail Sales:** Taxable retail sales continued strong in 2004 increasing 6.4% compared to 2003. Based on current forecasts, we expect sales growth to continue in 2005 and 2006, albeit at a more moderate pace.

Pierce County Taxable Retail Sales

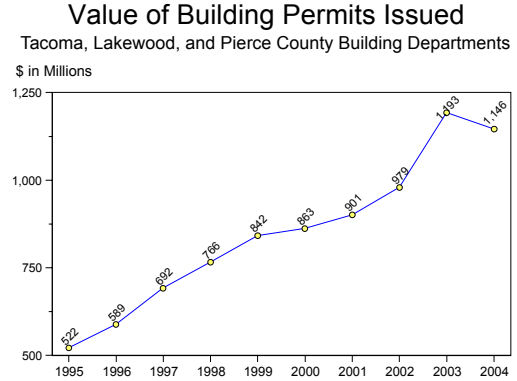
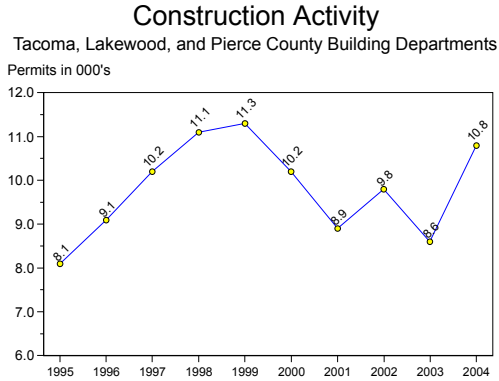


Percent Change Taxable Retail Sales



Pierce County Facts

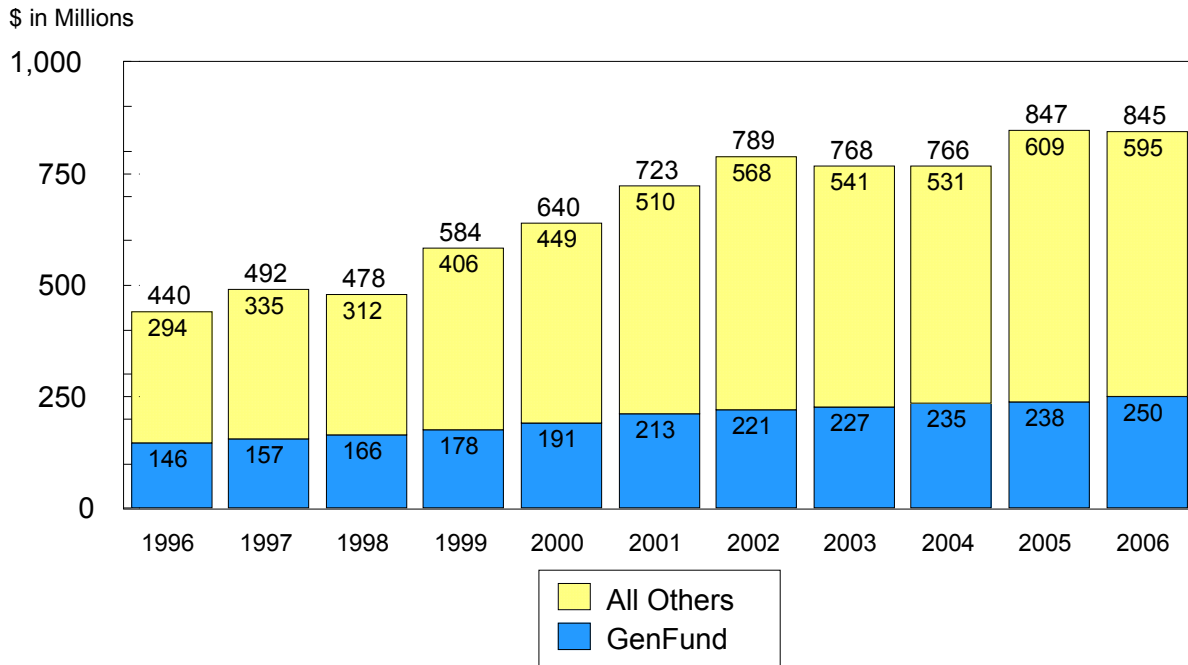
Construction: New construction activity is an important economic indicator since it greatly impacts County operations and workload in areas such as planning, permits, land services, public works, and public construction. Property tax revenues are also affected by fluctuations in new construction activity. The number and value of permits issued is one way to determine future growth in the County's property tax base. The figures below show that the number of permits issued increased in 2004 while the total value of new construction decreased slightly.



Budget History

Pierce County's budget history over the past ten years for both the General Fund and the Total County are shown in the accompanying table. While the General Fund pattern shows a gradual upward trend, the Total Budget varies considerably from year to year, usually due to the level of major construction activity, the issuances of bonds (or bond refunding), and the initiation of major new services responsibilities.

Total Budget



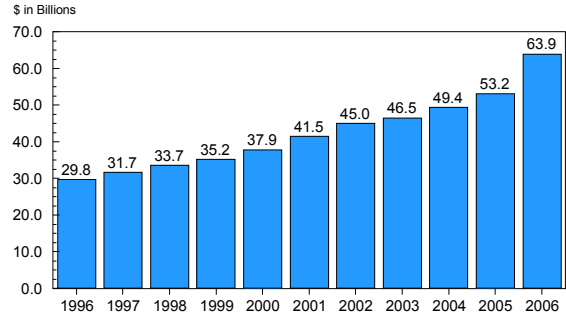
Property Taxes and Assessed Valuation

Property Taxes Assessed Valuation

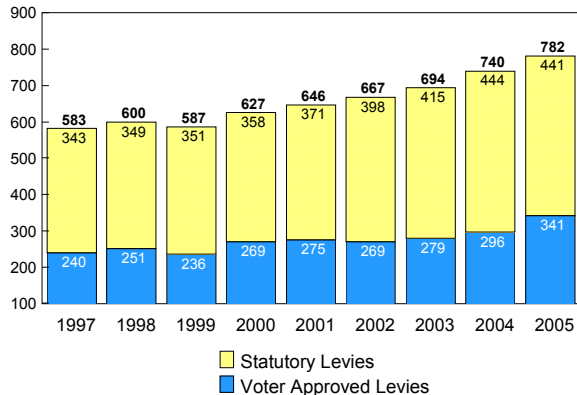
Property tax is the largest source of revenue in the General Fund and is a major source of revenue for the Road Fund. The Assessor-Treasurer values and provides information on approximately 1,080,000 acres of land in Pierce County. Of this total, 51% is taxable acreage, the remaining being exempt under State law. In addition to the statutory levies implemented through State legislation, local levies are imposed through a vote of the people. These are typically for school and fire districts. On average 41% of the total taxes levied over the last nine years have been voter approved.

Total Assessed Valuation

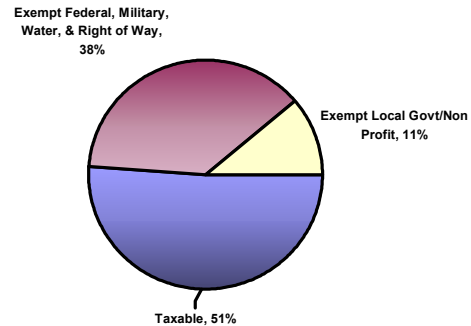
The growth in Property Tax revenue is dependent upon both the actual growth in assessed valuation and the tax rate. The growth in assessed valuation from 2005 to 2006 was approximately \$10.7 billion (20.1%). Approximately 20% of the growth is due to new construction, and 80% is due to the revaluation of existing properties.



Voter Approved and Statutory Property Taxes



Pierce County Acreage Exemption Status



Of the total tax levies for 2004 (collected in 2005), 44% are voter approved and 56% are statutory levies. These percentages will not be known for the 2005 tax levies (collected in 2006) until January of 2006 when the final certification figures are available.

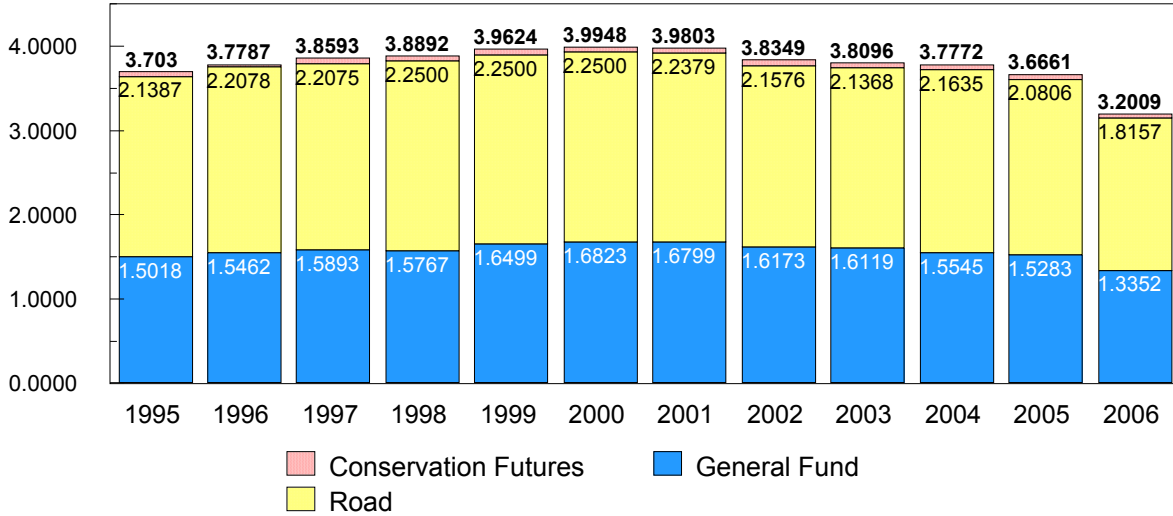
Of the total Pierce County acreage 49% is tax exempt. Federal and Military lands, major lakes, and local Right-of-Way make up 38% of the exempted properties. Eleven percent is local governments and non-profits (mostly schools and churches).

Property Tax Levy Rates

Levy rates determine the amount of tax that a property owner pays per thousand dollars of assessed value. The November 2001 passage of Initiative 747 limits the maximum growth in property tax revenues from existing property to the lesser of 1% or the percentage increase in the Implicit Price Deflator (IPD), which is 2.54% in 2006 (based upon last year's actual figures). This limitation on property tax revenue growth coupled with an inflationary increase in existing property revaluations has resulted in a 13% reduction in the 2006 County Levy tax rate from 2005; and over 20% since the initiative was enacted. The Road Levy tax rate has decreased by 13% from the 2005 rate and the Conservation Futures tax is down 12.6% from 2005. The charts on the following page present historical and comparative detailed rate information.

Combined Property Tax Millages

Rate per \$1,000



Property Tax Levies				
	2005		2006	
	Tax Rate ¹	Revenue	Tax Rate ¹	Revenue
	Assessed Value: \$53,192,230,601		Assessed Value: \$63,896,092,639	
A. County Levy (\$1.80 maximum)				
General Fund	\$ 1.4949	\$ 79,515,608	\$ 1.3062	\$ 83,462,690
Administrative Refund RCW 84.69	0.0022	120,505	0.0022	138,350
Sub Total General Fund	1.4971	79,636,113	1.3084	83,601,040
Veteran's Relief	0.0097	515,965	0.0083	532,360
Social Services	0.0215	1,143,633	0.0185	1,182,080
Total County Levy	1.5283	81,295,711	1.3352	85,315,480
B. Conservation Futures (\$.0625 Maximum)	0.0572	3,042,984	0.0500	3,193,470
	Assessed Value: \$22,974,924,920		Assessed Value: \$27,713,628,684	
C. Road District Levy (\$2.25 Maximum)				
Allocated to Road Fund	1.6713	38,398,466	1.4602	40,466,590
Law Enforcement Levy	0.4069	9,348,942	0.3555	9,852,470
Administrative Refund RCW 84.69	0.0023	53,488	-	-
Total Road District Levy	2.0806	47,800,896	1.8157	50,319,060
TOTAL COUNTY TAX LEVIES	\$ 3.6661	\$ 132,139,591	\$ 3.2009	\$ 138,828,010

¹Tax rates are applied to each \$1,000 of assessed value.

Budget and Finance Department Fiscal Policies

The Pierce County Budget and Finance Department fiscal and budget policies, compiled below, set forth the basic framework for the overall fiscal management of the County. Operating independently of changing circumstances and conditions, these policies assist the decision-making process of the County Executive and the County Council. Most of the policies represent principles, traditions, and practices which have guided the County in the past, have helped maintain financial stability, and provide criteria for evaluating both current activities and proposals for future programs.

Budgetary Policies – the Budget for the County shall:

- present a complete financial plan for the budget year. The Budget will be prepared as one comprehensive management and balanced financial plan, including operating requirements, financing requirements, and debt service funding.
- provide estimates of all taxes to be collected for the budget year as well as all revenues derived from other sources.
- be prepared and presented in such a manner that it serves as a policy document, a financial plan, an operations guide, and a communication device to its staff, public officials, and to the citizenry.
- estimate measurable program objectives (performance measures) to be achieved within a defined time frame.
- be balanced at time of adoption in accordance with State law and be reviewed regularly to identify changes in revenue streams and expenditure issues so that balancing corrections can be made.

Fund Balance Policies:

- The County shall retain a fund balance in the General Fund which is between 5% and 8% of the fund's budget for emergency and working capital purposes.
- Fund Balance in the General Fund will be utilized to fund one-time activities such as, but not limited to, equipment outlay, capital construction, and one-time operational projects.
- The County shall retain reserves in all other funds (non General Fund) to allow for adequate cash flow, support designated mandates, finance infrastructure needs, meet equipment replacement schedules, and comply with other minimum requirements as may be established specifically for each fund.

Revenue Policies:

- The County shall seek to maintain a diversified and stable revenue structure.
- The County shall calculate and consider the full cost of services provided when establishing user charges and service rates. Such charges and rates will be reviewed regularly.
- Grants and contracts shall be pursued only for those programs and activities that address recognized needs and are consistent with the County's policies and scope of services.
- Billable revenues shall be processed in a timely manner to minimize negative cash flow impacts.
- One time non-recurring revenues (from such items as asset sales, court settlements, tax collection, and windfalls) should only be allocated for one time projects or expenses.
- Revenues which are difficult to accurately predict shall be conservatively estimated in order to avoid serious budget adjustments later in the year if the budgeted revenues do not materialize.

Expenditure Policies:

- The County shall strive to maintain current service delivery levels, (especially for essential services), and improve priority services as finances permit.
- The County shall make every effort to minimize budgetary growth through the use of sound management techniques, and the encouragement of technology or process improvements which will reduce service costs without reducing service quality.
- Expenditure budget increases and reductions will be considered on a case by case basis.
- Expenditures shall be accounted for as necessary and appropriate to ensure adequate documentation for related revenue collections such as grant reimbursements, fee calculations, etc.
- Expenditure payments shall be processed within necessary timelines to avoid late fees and still maximize positive cash flow.
- Capital budgets will be developed with the consideration of, and pro-active planning for, the impact of capital spending upon the annual operating budget.
- The County shall pursue partnerships with other entities to increase the quality and/or quantity of services, and eliminate redundancies.
- Capital assets will be replaced on a cost effective and scheduled basis.

Debt Management

Pierce County Debt Management Policies

The following debt management policies were adopted by the County Council Resolution No. R95-133 and should be used to provide the general framework for planning, reviewing, and structuring debt proposals. The County recognizes that there are no absolute rules that can substitute for a thorough review of all information affecting the issuance of debt. Debt decisions should result from a balanced consideration of all relevant factors.

- The County shall seek to maintain and, if possible, improve our current A+ bond rating so our borrowing costs are minimized and our access to credit is assured.
- The County will issue long-term debt only for the purpose of:

Acquiring land, acquiring or constructing capital assets or improvements, making major repairs or renovations to existing capital assets, acquiring capital equipment/systems whose life extends beyond 1 year or refunding existing long term debt.

- The County may issue short-term debt in anticipation of a subsequent definite source of revenues. Such definite revenue sources could include, but would not be limited to:

Approved grants, authorized but unsold long term debt, taxes anticipated to be received later in the current fiscal year, asset sales.

- Short-term debt should not have maturities greater than 3 years, should not be rolled over for a period greater than 1 year, and should not be issued solely upon speculation that interest rates will rise in the near future.
- If long-term debt is issued to finance capital improvement projects, to the maximum extent possible, it shall be only for those projects referenced in the County's Capital Facilities Plan.
- Long-term debt will be issued for a period not to exceed the useful life of the projects or improvements financed, but in no event beyond thirty (30) years.

- The amount of non-voter approved General Obligation debt principal outstanding to be retired by the General Fund shall not exceed 1% of the County's total assessed valuation.
- The ratio of annual non-voter approved General Fund Debt Service to the total General Fund budget should not exceed 5% in any fiscal year.
- Bond maturity schedules should be structured to achieve total debt service payments which are level or only slightly increasing over time.
- To the extent possible given the unique nature of each bond issue, the County will attempt to issue bonds through a competitive bid sale.
- The County shall, as a target, maintain an average life of 10 years or less for all outstanding debt. In no event shall the total average life exceed 14 years.
- The County shall attempt to maintain a general obligation direct net debt per capita ratio which is 90% or less of Moody's Investor's Service published median for counties of comparable size.

Debt Capacity

Under Washington State Law, a county may issue general obligation debt for general county purposes in an amount not to exceed 2½% of all actual value of all taxable property. Unlimited tax debt requires an approving vote of the people, and any election to validate General Obligation Debt must have a voter turnout of at least 40% of those who voted in the last state general election, and 60% of those voting must be in the affirmative. The County Council may, by ordinance, authorize the issuance of limited tax General Obligation Debt in an amount up to 1½% of the actual valuation within the County without a vote of the people. No combination of limited or unlimited tax debt may exceed 2½% of the actual valuation. The debt service on unlimited tax debt is secured by excess tax levies, whereas the debt service on limited tax debt is secured by taxes collected within the \$1.80 per \$1,000 of assessed value county operating levy.

Debt Management

As indicated in the following table, we have a significant debt issuance capacity for both limited and unlimited debt. The County currently has no voter approved debt outstanding.

Debt Capacity as of September 30, 2005

2005 Assessed Valuation for 2006 Tax Collections		\$ 63,896,092,639
 A. Inside Levy (issued without vote of the people)		
Legal Limit (1.5% of property value)		\$ 958,441,390
<i>Amount of Debt Applicable to Debt Limit:</i>		
Net Limited General Obligation Bonds	\$ 49,082,596	
Net Limited General Obligation Bonds - Proprietary Type	\$ 26,235,000	
Estimated Compensated Absences (12/31/2004)	16,443,000	
Installment Contracts - Ferry	4,472,737	
Total Limited Tax General Obligation Debt		96,233,333
Limited Tax General Obligation Debt Margin Available		\$ 862,208,057
 B. Outside Levy (issued with vote of the people)		
Legal Limit (2.5% of property value)		\$ 1,597,402,316
<i>Amount of Debt Applicable to Debt Limit:</i>		
Net Limited General Obligation Debt		\$ 96,233,333
Total General Obligation Debt Margin Available		\$ 1,501,168,983

Pierce County Bonded Debt Ratios Estimated at September 30, 2005

General Obligation Bonded Debt per Capita (excluding Proprietary GO/Debt, Compensated Absences, & Installment Contract)	\$ 64.93
Assessed Valuation per Capita	\$ 84,530
Ratio of direct G.O. Bonded Debt to Assessed Value (including Proprietary GO/Debt)	0.0008

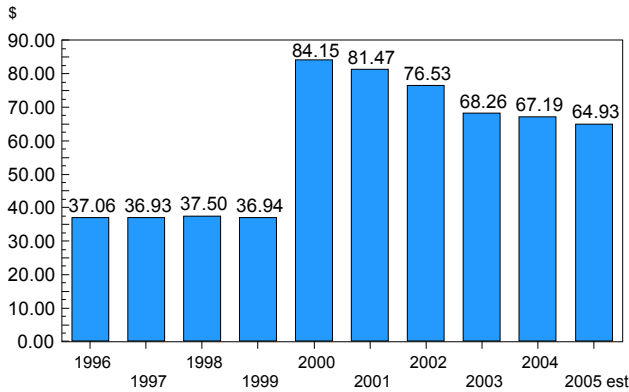
Pierce County Bond Ratings

	General Obligation	Sewer Revenue (Uninsured)
Moody's	Aa3	A-1
Standard and Poor's	AA-	A+

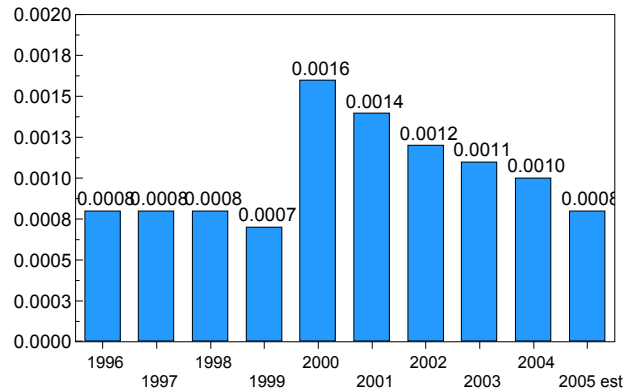
Debt Management

Pierce County has historically maintained consistently low bonded debt obligations, as shown in the tables below. The Net Bonded Debt per Capita and Ratio of Net Bonded Debt to Assessed Valuation have not changed appreciably in the last five years and are well below national averages. We consequently have both a large legal margin available if needed, and an existing debt structure which does not have a major negative impact upon the annual budget. The sale of \$37 million debt for the new Detention Center (in late 2000) significantly affected the ratios, although we still remain well below national averages.

Net Bonded Debt per Capita (G.O. Bonds Only)



Ratio of Net Bonded Debt to Assessed Value (G.O. Bonds Only)



The table below presents the Debt Service schedule for the bonds payable from general County revenues (excluding proprietary fund debt). As the table indicates, we will retire 30% of the outstanding principal by the end of 2009, and 57% by the end of 2014. The source for this table is the 2004 CAFR. These figures have not been adjusted for any refinancing done in 2005.

GOB DEBT SERVICE SCHEDULE as of 12/31/2004 (amounts in thousands)

Year	Principal	Interest	Total Debt Service
2005	2,521	2,566	5,087
2006	2,908	2,436	5,344
2007	2,388	2,290	4,678
2008	2,207	2,188	4,395
2009	2,319	2,089	4,408
2010-2014	12,975	8,724	21,699
2015-2019	10,640	5,744	16,384
2020-2024	11,800	2,743	14,543
2025-2029	2,815	151	2,966
Total	\$ 50,573	\$ 28,931	\$ 79,504

Summary of Unreserved Fund Balance

The following table summarizes the unreserved fund balances for the General Fund and Special Revenue Funds. The estimated 2005 revenues minus expenditures yields a net projected change due to 2005 activity; and yields an estimated ending funding balance for fiscal year 2005. The table then shows the budgeted Use of Fund Balance in 2006, and a resulting Estimated Fund Balance at the end of 2006. Further detailed information on the various sources and uses that net to the 2006 budgeted use of fund balance can be found in the "All Funds Comparison of 2006 Revenues and Expenditures" table and the other summary revenue and expenditure tables presented later in this section.

As a general policy, the County normally budgets "use of prior fund balance" in the General Fund for one time projects or activities. In 2006, we are proposing the use of \$4,500,000 in fund balance for such purposes. Additional discussion on the use of the prior fund balance in the General Fund can be found in the Executive's Message. The level of use of prior fund balance in the various Special Revenue Funds fluctuates with each fund, and is usually allocated for previously planned activities.

2006 FUND BALANCE ESTIMATE

	2004CAFR Unreserved Fund Balance	Estimated 2005 Revenues minus Expenditures	2005 Estimated Year-End Unreserved Fund Balance	2006 Budgeted Use of Fund Balance	2006 Estimated Year-End Unreserved Fund Balance
General Fund	\$ 25,081,357	\$ (2,863,218)	\$ 22,218,139	\$ (5,631,693)	\$ 16,586,446
Special Revenue Funds					
Arts and Cultural Services	88,843	(54,240)	34,603	(25,000)	9,603
Auditor's Maint & Operation	887,284	155,620	1,042,904	(650,000)	392,904
Community Action	1,124,084	(127,630)	996,454	(119,000)	877,454
Community Development Fund	—	21,110	21,110	—	21,110
Conservation Futures Fund	2,554,932	2,060	2,556,992	(1,380,430)	1,176,562
County Road Fund	12,713,549	(6,950,674)	5,762,875	(132,070)	5,630,805
Criminal Justice Fund	2,790,831	(596,476)	2,194,355	(787,480)	1,406,875
Detention Center Commissary	362,063	870	362,933	—	362,933
Dispute Resolution Center Fund	11,462	22,980	34,442	—	34,442
Drug Investigation Fund	463,337	1,344,113	1,807,450	(640,290)	1,167,160
Emergency Managemt Grants Fd	44,562	40,500	85,062	(11,190)	73,872
Employee Assistance Program	159,685	(64,890)	94,795	(66,260)	28,535
Endangered Species Act	363,977	(106,020)	257,957	(204,400)	53,557
Family Justice Center Admin	—	43,110	43,110	(20,890)	22,220
Federal Forest Services Fund	—	—	—	—	—
Geographic Information System Fd	2,010,807	(969,500)	1,041,307	(876,610)	164,697
Homeless Housing Fund	—	—	—	—	—
Housing Repair Program	50,259	—	50,259	(30,000)	20,259
Human Services Fund	9,007,654	(3,469,770)	5,537,884	(2,353,550)	3,184,334
Low Income Housing Fee Fund	3,099,848	568,954	3,668,802	(3,668,800)	2
Marine Services Fund	156,629	(34,980)	121,649	(10,000)	111,649
Parks Impact Fee Fund	2,144,399	176,870	2,321,269	(2,059,310)	261,959
Parks Sales Tax Fund	3,663,290	294,720	3,958,010	(3,346,030)	611,980
Paths and Trails Fund	520,938	104,780	625,718	(301,790)	323,928
Peninsula Recreation Program	53,805	(53,805)	—	—	—
Pierce County Fair	119,350	(24,440)	94,910	(12,320)	82,590
Puget Sound Behavioral Health	1,306,142	57,936	1,364,078	—	1,364,078
Rainier Communications Commiss	707,911	(50,510)	657,401	(87,000)	570,401
Real Estate Excise Tax - River	2,602,376	589,800	3,192,176	(958,720)	2,233,456
REET Electronic Technology	—	56,000	56,000	—	56,000
Second REET Fund - Parks	2,951,333	(1,158,570)	1,792,763	(820,000)	972,763
Second REET Fund - Roads	12,636,087	(5,636,680)	6,999,407	(671,820)	6,327,587
Surface Water Management Fund	21,606,474	(2,540,640)	19,065,834	(11,827,580)	7,238,254
Tourism, Promotion, & Facilities Fd	889,291	20,340	909,631	(586,060)	323,571
Veteran's Relief Fund	194,487	(14,350)	180,137	(48,230)	131,907
911 System	867,958	(207,270)	660,688	(576,640)	84,048

Capital Improvement Program Summary

Capital Improvement Program Summary

On November 29, 1994, the Pierce County Council adopted the Pierce County Comprehensive Plan to comply with the provisions of the Growth Management Act (ESHB 2929). The plan includes a six-year Capital Facilities Plan (CFP) for financing capital improvements that supports the County's current and future population and economy. This plan is amended annually. The plan amendment reflecting projects for 2007 through 2012 will be addressed by the County Council in the fall of 2006. State legislation requires the County's Capital Facilities Plan to include certain public facilities which are not governed, owned, financed or constructed by Pierce County, such as school districts, water districts, fire districts, library districts, and public transportation systems.

One of the principal criteria for identifying needed capital improvements is standards for level of service (LOS). The CFP specifies the LOS standards for each public facility and requires that new development be served by adequate facilities. The document also includes the designation of facilities required to be concurrent which means "...that adequate public facilities are available when the impacts of development occur". Objectives, principles, and standards that guide and implement the provision of adequate public facilities are contained in the CFP.

For each category of public facility, the Plan includes a current facilities inventory, LOS capacity analysis and projected facility requirements, proposed projects, and related financing plans and operating impacts. The overall purpose of the CFP is to use sound fiscal policies to provide adequate public facilities consistent with the Land Use Element of the Comprehensive Plan on a schedule concurrent with, or prior to, the impacts of development. This will allow the County to achieve and maintain adopted standards for LOS, and to exceed the adopted standards, when possible.

In many instances, the CFP reflects other long-range or master plans which have been adopted by the County Council for certain types of facilities, such as the Transportation Improvement Plan, 14-year Ferry Plan, Comprehensive Solid Waste Plan, Comprehensive Flood Control Management Plan, Surface Water

Management Plan, Parks and Recreation Master Plan, etc. The Capital Facilities Plan does not authorize the expenditure of funds over the six-year time frame of the plan. Rather, the funds for capital projects are appropriated annually in the County's Budget.

Definition of Capital Improvement

In order to be considered a "capital improvement" for the CFP, the expenditure must be for the acquisition of a physical asset which has a useful life in excess of one year and which has a value/cost of at least \$50,000. Excluded from the definition are such items as vehicles, office and data processing equipment, other equipment items (unless they are an integral part of the larger physical improvement), and normal repairs and maintenance. Capital projects and expenditures reflected in the CFP include the cost of design/engineering, land acquisition, construction and acquisition of related equipment, debt service on bond issues, etc.

Impact on the 2006 Operating Budget

The 2006 budget includes capital improvement projects related to roads, the ferry system, utilities, parks, general government buildings, and river and surface water systems as shown in the following summary. When completed, these capital projects will impact 2006 operating budgets to varying degrees, and those impacts have been included in the appropriate budgets.

Minimal maintenance and operating costs are anticipated due to the land acquisitions in Conservation Futures. Several of the regional park projects are through partnerships with other entities who will participate in future maintenance costs. Continued flood plain purchases with REET-River funds is expected to reduce future maintenance costs associated with river control.

Existing County maintenance programs will absorb costs resulting from the completion of the Foothills Trail, capital improvements to the airport, county-owned facilities, and additional infrastructure projects (road/transportation, storm drainage, and sewer utility).

Capital Improvement Program Summary

The following summary discusses the projects in the Capital Facilities Plan which is proposed in the 2006 Budget. All 2006 activity is funded with cash unless otherwise noted in the following summary or in the budget section detail. Project details, including funding sources, can be found in the individual budget sections of this document, and in the Capital Facilities Plan which is part of the Pierce County Comprehensive Plan.

Airport

The Pierce County airport provides for an FAA recognized level of service for airport facilities of 150,000 aircraft operations per year. Projects planned for 2006 include procurement of aviation rights, miscellaneous infrastructure enhancements, and the purchase and installation of an Automated Weather Observing System (AWOS). Activity beyond 2006 reflects anticipated grant funding as well as Airport fund resources.

Capital Project	LOS	Expense	2006	2007	2008	2009	2010
Various improvements and enhancements	150,000 annual aircraft operations	Capital Costs	141,000	1,766,500	2,850,000	450,000	80,000
		Operating Costs	No net change in operating costs is projected due to these capital improvements.				

Adult Detention Facilities

The Capital Facilities Plan (CFP) proposes a level of service for adult detention facilities of 1.85 beds per thousand residents. With an estimated population of 753,372, this translates into the need for 1,394 beds which is within the capacity currently available. With the opening of the new jail in 2003 and a major remodel of the main jail in 2004, the capital projects planned for 2006 and beyond are facility maintenance and improvement projects.

Capital Project	LOS	Expense	2006	2007	2008	2009	2010
Add "Timeout" cells, Phase 1 chiller replacement, fire alarm upgrade, and various repairs, maintenance, and upgrades	1.85 beds per 1,000 residents	Capital Costs	854,400	430,000	579,500	300,000	360,000
		Operating Costs	No net change in operating costs is projected due to these capital improvements.				

General Administration Buildings

Capital projects include various improvements to County-owned buildings. Refer to the Facilities Management section of this document for additional project information.

Capital Project	LOS	Expense	2006	2007	2008	2009	2010
2006 projects include County-City Building remodel of Prosecuting Attorney offices, "A" wing HVAC upgrade and re-roof, and asbestos abatement. Other projects include remodel work at the 2501 Building for Auditor and General Services and landscaping and facility improvements at the Annex.	0.67 square feet per capita	Capital Costs	5,510,400	2,905,700	3,251,600	6,056,600	5,528,500
		Operating Costs associated with additional office space	251,000	182,000	182,000	182,000	182,000

Capital Improvement Program Summary

Human Services Buildings

The Human Services buildings were obtained as a part of the acquisition of the Puget Sound Hospital in 2000. The primary occupants are the Puget Sound Behavioral Health inpatient program and Human Services and Community Services department staff. Refer to the Human Services Construction section of this document for additional project information. Grant funds are being sought for major remodeling activity beyond 2006.

Capital Project	LOS	Expense	2006	2007	2008	2009	2010
2006 Projects include: Patient safety project, central cooling system upgrade, parking lot and sidewalk upgrade, and electrical panel replacement.	0.21 square feet per 1,000 population	Capital Costs	3,025,200	3,759,100	—	—	—
		Operating Costs	No net change in operating costs is projected due to these capital improvements.				

Juvenile Detention Facilities

Capital projects include various remodels, repairs, and maintenance at Remann Hall.

Capital Project	LOS	Expense	2006	2007	2008	2009	2010
2006 projects include floor replacements, lighting upgrades, water pipe replacement, upgrading the old court wing, and roof cleaning and treatment.	0.142 beds per 1,000 population	Capital Costs	370,700	977,000	1,844,000	2,068,000	389,000
		Operating Costs	No net change in operating costs is projected due to these capital improvements.				

Law Enforcement - Sheriff Facilities

Current Sheriff facilities outside of the CC Building campus include the East Precinct plus three substations, Peninsula, Mountain and Foothills. In 2006 the County will continue preliminary work on the construction of a new precinct building in the Parkland-Spanaway area. Also in 2006 the existing EOC and Property Room will move from the CC Building to the former Corporate Express Building.

Capital Project	LOS	Expense	2006	2007	2008	2009	2010
2006 Projects include: the new EOC and Property Room, Parkland-Spanaway precinct, and space development in the Radio Communications Building	0.58 square feet per 1,000 population	Capital Costs	10,558,100	9,934,100	9,885,900	9,885,900	—
		Operating Costs	—	65,000	110,000	110,000	110,000

Parks and Recreation

There are ten level of service categories in the Capital Facilities Plan for Parks and Recreation. Four relate to land and six relate to facilities, all based on per thousand population. Numerous projects are planned for regional parks/paths & trails as well as for open spaces (Conservation Futures). The table below summarizes the proposed capital projects. Refer to the Parks & Recreation section for additional information on Parks related projects. The funding sources reflect a mix of anticipated bond proceeds and current resources.

Capital Improvement Program Summary

Capital Project	LOS	Expense	2006	2007	2008	2009	2010
Regional Parks	Land: Conservation 2.1664 acres/1000; Activity 2.651 acres/1000; Linear Trails 0.7646 acres/1000; Special Use 0.8999 acres/1000 Facilities: Courts/Fields/Play Areas 0.1524 units/1000; Multi-use Trails 0.099 miles/1000; Picnic/Camping 1.0328 area/1000; Water access-parking 2.3420 spcs/1000; Water access 88.101 sq ft/1000; Boat Launch Ramps 0.01243 ramps/1000	Capital Costs	26,877,000	14,633,600	3,721,400	314,000	1,736,000
Paths & Trails Open Space		Operating Costs	136,500	2,423,200	4,067,000	4,208,100	4,286,700

Courts

Both the District and Superior courts have major projects associated with expanded occupancy in the County-City Building beginning in 2006.

Capital Project	LOS	Expense	2006	2007	2008	2009	2010
District Court remodeling, new Superior Court courtrooms, new Criminal Division hearing rooms, and "Court Smart" purchase and installation	1 courtroom per full time judicial officer	Capital Costs:	4,650,000	6,016,500	1,548,800	1,345,300	100,000
		Operating Costs	751,300	2,930,000	3,305,700	3,305,700	3,305,700

River Improvement

River Improvement maintains an aggressive capital improvement plan to meet the "Storm Recurrence Year Protection Level Standard" for each of the five river systems within the County. Refer to the Environmental Services & Water Programs section for additional information on River Improvement projects.

Capital Project	LOS	Expense	2006	2007	2008	2009	2010
Basin Plan Implementation and Land Acquisition	Varies by river 45.8 river miles; 91.6 levee miles	Capital Costs	5,918,220	1,100,000	1,100,000	1,100,000	1,100,000
		Operating Costs	No net change in operating costs is projected due to these capital improvements.				

Ferry System

Based upon the recommendations in the Waterborne Transportation Study completed in July of 2003, a new 54 car ferry will be added to the fleet with the potential of providing additional runs. Other improvements include reconstruction of the dolphins, pontoon guidance system and apron lifting system on Anderson Island. Refer to the Transportation section for additional information on the Ferry System projects. The funding for the new Ferry includes a State loan.

Capital Project	LOS	Expense	2006	2007	2008	2009	2010
54 car ferry, dock and other improvements	100% peak winter weekday demand	Capital Costs	9,330,000	500,000	—	—	45,000
		Operating Costs	No net change in operating costs is projected due to these capital improvements.				

Capital Improvement Program Summary

Sewer Utilities

The Sewer Utilities Department develops and maintains an aggressive capital improvement program to meet current and future demands on the system. Refer to the Environmental Services & Water Programs section for additional information on Sewer projects.

Capital Project	LOS	Expense	2006	2007	2008	2009	2010
Capital Improvement Program	29.3 MGD capacity	Capital Costs	27,732,290	13,398,500	11,108,000	19,169,700	13,609,300
		Operating Costs	—	180,000	182,000	267,800	267,800

County Roads

The Roads Department develops and maintains a detailed six-year Transportation Improvement Plan (TIP). Refer to the Transportation section for additional information on Road projects. Further specifics are detailed in the TIP. Non-capacity projects planned for 2006-2008 include two new facilities which may require a long term funding arrangement.

Capital Project	LOS	Expense	2006	2007	2008	2009	2010*
Transportation Improvement Plan Projects. *Years 2010-2011 are combined & presented in 2010	Varies by road type and location	Capital Costs	33,357,000	44,000,000	29,520,000	36,456,000	143,333,000
		Operating Costs	No net change in operating costs is projected due to these capital improvements.				
New Combined Road Maintenance Facility & new Transportation Services Bldg, new Rhodes Lake Maintenance Facility, and new equipment bay and truck barn at Purdy road shop.		Capital Costs	26,838,900	20,762,100	27,093,300	250,000	—
		Operating Costs	No net change in operating costs is projected due to these capital improvements.				

Solid Waste

All non-recycled municipal solid waste from the Pierce County waste management system is being disposed under contract. Planned capital projects include an environmental education center at Chambers Creek, improvements and expansion of transfer stations, and land acquisition and construction for a new transfer station.

Capital Project	LOS	Expense	2006	2007	2008	2009	2010
Various capacity projects	4.5 pounds per person	Capital Costs	335,000	1,220,000	2,375,000	375,000	375,000
		Operating Costs	No net change in operating costs is projected due to these capital improvements.				

Surface Water Management

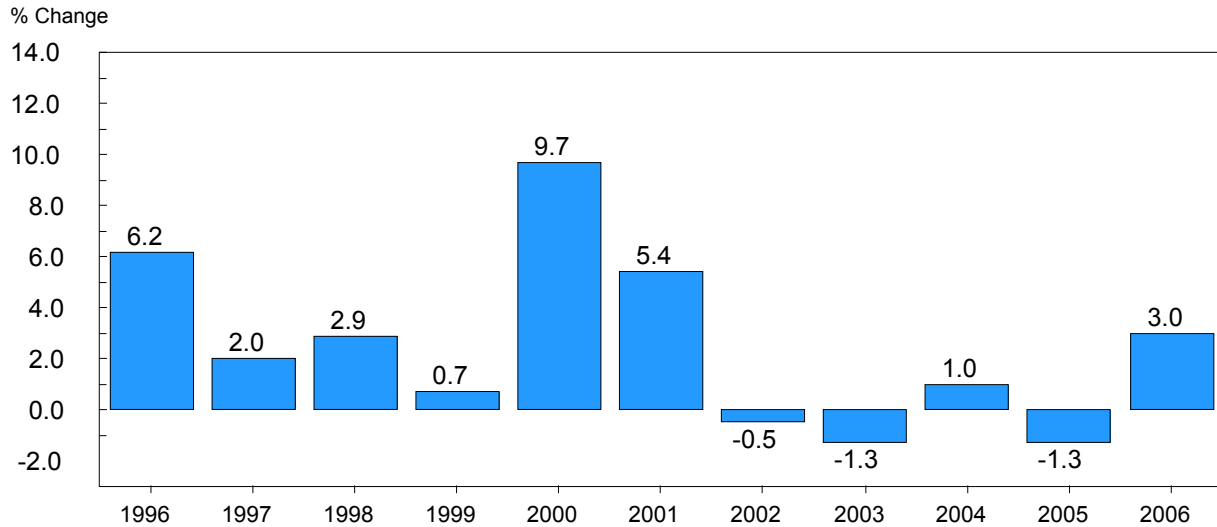
The Surface Water Capital Facilities Plan includes 69 different capital projects intended to accommodate a 100 year, 24 hour design storm. Refer to the Environmental Services & Water Programs section for additional information on Surface Water Management projects.

Capital Project	LOS	Expense	2006	2007	2008	2009	2010
Stormwater Systems	100 year, 24 hour design	Capital Costs	12,159,400	8,908,800	9,613,100	9,946,800	5,191,500
		Operating Costs	1,209,000	1,245,000	1,283,000	1,321,000	1,361,100

Staffing Information

As the population of Pierce County has increased, the demand for county services has risen correspondingly. General Fund staffing (authorized positions) has increased by 258 FTEs (15%) since 1996 while staffing in all other funds (special revenue, enterprise, and internal services) has increased by 348 FTEs (38%). Overall, 606 FTEs have been added since 1996, an increase of 23%.

Percent Change in County-wide Staffing



A significant upsurge in new staffing occurred in 1996 due to a new local option .1% sales tax in the General Fund, and additional Road Fund revenues. Changes over the next three years reflect staffing of the new Jail Annex, an expanded juvenile detention facility, additional staff to address judicial system caseload issues, public safety enhancements, and an increase in Human Services staff.

In August of 2000, the County took over Inpatient Services at Puget Sound Behavioral Health (PSBH), eventually adding 239 new staff positions in 2000 and 2001. This accounts for the large increase in those years.

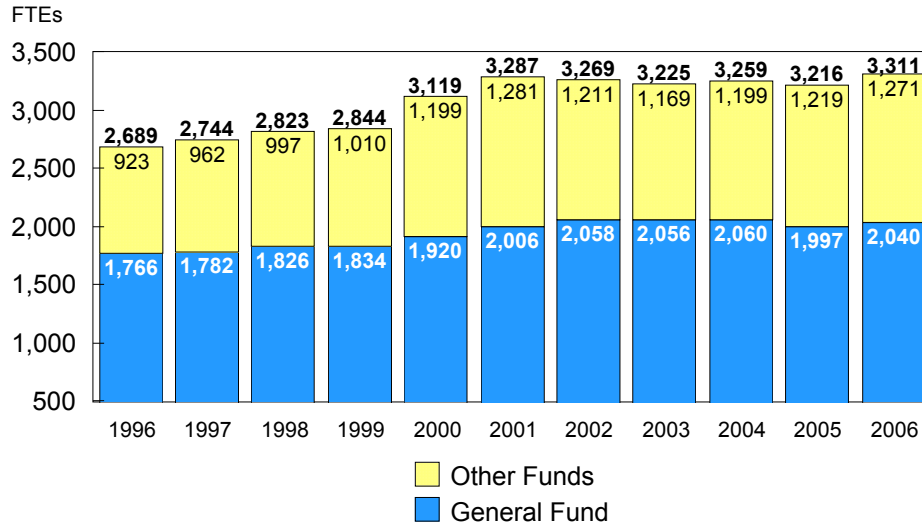
The percentage changes in 2002-2005 reflect either only a small increase or an actual decrease due to the following factors:

- a) The P.S.B.H. staff count subsequently declined over these years to 98 positions in 2005 as service responsibilities were restructured or eliminated,
- b) Initiative 747 (1% property tax limitation) resulted in far less revenue being available to fund new positions or even to support existing positions, and
- c) The Sheriff's contract with the City of Lakewood for police services was terminated at the end of 2004, which resulted in a loss of 103 positions in the Sheriff's department in 2005.

The 2006 budget again reflects new positions throughout the County to enhance service levels, including staff in PALS, Sheriff, Corrections, Prosecuting Attorney, Assigned Counsel, Superior Court, Juvenile, Human Resources, Medical Examiner, Clerk, Emergency Management, Economic Development, Special Projects, Transportation and Environmental Services, and the Auditor's office for animal control services.

Staffing Information

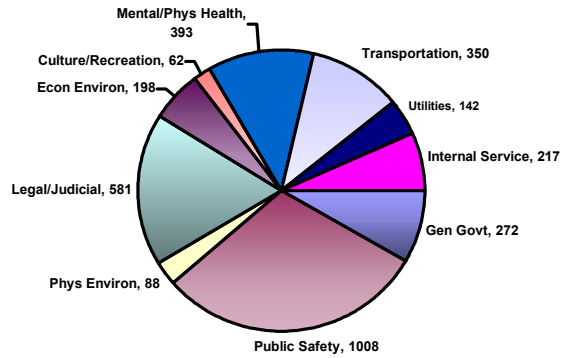
County-wide Staffing Summary



2006 Total County Staffing

Summarized by Function

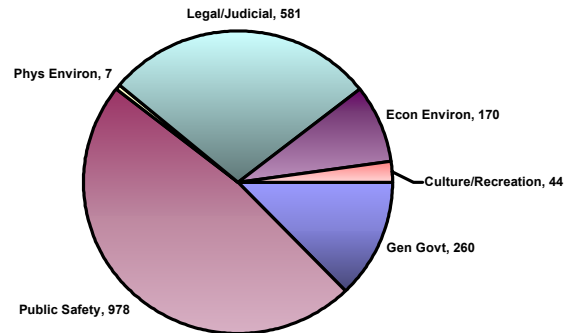
The Public Safety and Legal/Judicial systems combined accounts for almost 48% of the total County staff, with the Mental and Physical Health system at almost 12%. Almost 18% of the total staff provides Transportation, Utilities, and the Physical Environment services. Two percent of the total staff is related to Culture and Recreation. Almost six percent are involved in Economic Environment activity and 14% staffing provide general government functions (including internal service funds).



2006 General Fund Staffing

Summarized by Function

The Public Safety and Legal/Judicial systems combined accounts for just almost 77% of all General Fund staff. Thirteen percent provide General Governmental services. Over 8% of the General Fund staff support Economic Environment activities and just over 2% are involved in Culture and Recreation, and Physical Environment activities.



The table on the following two pages contains detailed staffing information.

Staffing Information

STAFFING SUMMARY									
	1996 FTE	1998 FTE	2000 FTE	2002 FTE	2003 FTE	2004 FTE	2005 FTE	2006 FTE	Change from 1996
General Fund:									
Assessor/Treasurer	96.50	97.80	98.80	98.30	90.30	90.10	90.60	90.60	(5.90)
Assigned Counsel	87.77	92.70	89.50	83.20	85.00	85.60	89.30	90.30	2.53
Assigned Counsel Conflict Off	-	-	-	-	-	-	-	4.00	4.00
Auditor	41.00	41.00	41.00	43.00	43.00	43.00	45.00	51.00	10.00
Budget & Finance	42.65	42.85	43.95	43.45	43.20	44.20	44.15	44.15	1.50
Clerk of the Superior Court	49.50	50.00	52.50	53.50	57.00	58.00	57.00	57.00	7.50
Communications	-	-	-	5.00	5.00	5.00	5.00	4.00	4.00
Corrections	331.60	341.30	347.80	393.80	377.70	377.80	375.70	377.70	46.10
County Council	31.00	32.00	31.00	29.50	29.00	29.00	29.00	29.00	(2.00)
County Executive	8.75	6.75	6.75	8.00	8.00	8.00	8.00	8.00	(0.75)
District Court	69.10	68.20	65.50	64.50	70.00	74.00	74.00	74.00	4.90
District Court 2 - Gig Harbor	6.00	6.77	6.00	6.00	-	-	-	-	(6.00)
District Court 3 - Eatonville	3.75	3.75	3.75	2.25	-	-	-	-	(3.75)
District Court 4 - Buckley	1.10	1.25	1.30	1.30	-	-	-	-	(1.10)
District Court Probation	22.00	29.00	35.00	37.00	36.00	36.00	35.50	35.50	13.50
Economic Development	2.15	3.58	3.80	4.80	6.15	7.15	7.00	8.00	5.85
Emergency Management	23.30	21.30	21.40	22.12	22.07	23.03	28.00	31.00	7.70
Facilities Management Fund	-	-	-	-	-	-	-	-	-
Human Resources	22.00	22.00	24.00	24.60	24.60	26.60	27.60	28.60	6.60
Juvenile	167.20	173.22	174.52	179.12	186.62	176.12	173.12	174.62	7.42
Medical Examiner	14.00	12.00	13.00	14.00	14.00	14.50	14.50	15.00	1.00
Parks & Recreation Services	47.23	47.95	49.68	50.63	50.65	49.52	43.05	40.03	(7.20)
Planning & Land Services	123.00	121.50	127.75	124.50	131.50	131.62	150.62	161.62	38.62
Prevention Services & Pgms	-	-	.80	.41	.64	1.22	-	-	-
Prosecuting Attorney	207.00	215.60	219.07	231.72	232.22	227.22	228.50	230.50	23.50
River Improvement	-	-	-	-	-	-	-	-	-
Sheriff	273.00	293.50	357.00	434.00	440.00	449.00	364.00	374.00	101.00
Special Projects	11.54	14.63	14.99	10.60	10.49	10.92	11.00	11.77	.23
Superior Court	81.40	83.38	87.38	88.88	88.88	88.88	92.88	95.88	14.48
WSU PC Extension	3.60	3.60	3.60	3.60	3.62	3.62	3.60	3.60	-
Total General Fund	1,766.14	1,825.63	1,919.84	2,057.78	2,055.64	2,060.10	1,997.12	2,039.87	273.73
Special Revenue Funds:									
Anti-profiteering Revolv. Fd	1.00	-	-	-	-	-	-	-	(1.00)
Arts & Cultural Services	3.10	3.10	1.79	1.64	1.51	1.66	1.59	1.59	(1.51)
Auditor Maint. & Operations	1.00	1.00	2.00	.50	.50	.50	.50	2.50	1.50
Community Action	35.82	47.88	59.31	52.21	49.30	50.77	49.77	49.66	13.84
Community Development	12.75	13.32	9.96	10.22	9.92	8.66	11.31	11.31	(1.44)
Conservation Futures Fund	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-
County Road Fund	329.00	329.20	326.35	327.03	330.28	335.70	337.33	346.04	17.04
Criminal Justice Fund	-	1.00	-	1.00	2.00	2.00	2.00	3.00	3.00
Detention Center Commissary	-	-	-	2.40	3.00	3.90	3.00	3.00	3.00
Drug Investigation Fund	2.00	-	-	-	-	2.00	4.00	7.00	5.00
Emergency Mgmt Grant Fd	-	-	-	3.88	8.88	10.87	12.88	11.00	11.00
Endangered Species Act	-	-	-	.62	.62	-	-	-	-
Family Justice Center	-	-	-	-	-	-	1.50	2.80	2.80
Geographical Info.System	17.00	18.00	19.00	18.00	17.00	17.00	17.00	18.00	1.00

Staffing Information

STAFFING SUMMARY									
	1996 FTE	1998 FTE	2000 FTE	2002 FTE	2003 FTE	2004 FTE	2005 FTE	2006 FTE	Change from 1995
Human Services	116.30	134.12	143.74	202.11	220.20	220.37	224.47	248.36	132.06
Law Enforcement Fund	71.50	72.00	47.00	-	-	-	-	-	(71.50)
Park Impack Fees	-	-	-	-	-	-	.05	.05	.05
Parks Sales Tax	-	-	-	-	-	.64	1.00	4.56	4.56
Paths and Trails	1.25	2.05	1.47	1.52	2.11	2.02	1.02	1.02	(0.23)
Peninsula Recreation Program	-	-	-	1.00	2.00	2.00	2.00	-	-
Puget Sound Behavioral Health	-	-	183.29	170.05	108.40	106.04	97.86	92.42	92.42
Rainier Communications Comm	2.00	5.00	5.00	6.00	6.00	6.00	6.00	7.00	5.00
Real Est Exc Tax Rvr	3.73	3.91	2.02	1.79	1.95	1.71	1.57	1.39	(2.34)
Safe Streets Fund	-	-	-	-	-	-	-	-	-
Second REET Fund - Park	-	-	-	-	.25	.89	1.15	1.15	1.15
Surface Water Mgmt. Fd.	30.15	35.05	43.15	46.11	46.15	52.06	55.27	60.29	30.14
Tourism, Promo., Cap. Fac.	-	-	.13	.10	.43	.42	-	-	-
Veterans Relief Fund	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	-
Wellness Program	1.00	1.00	1.00	-	-	-	-	-	(1.00)
911 System	3.70	4.35	4.50	4.78	4.88	4.96	4.00	4.00	.30
Total Spc Rev Funds	645.30	684.98	865.71	866.46	831.64	846.83	851.27	894.14	248.84
Capital Projects:									
Admin Bldg & Fac. Fund	.10	.13	.17	.16	.16	-	-	-	(0.10)
Interim Jail Construction-308	.78	-	-	-	-	-	-	-	(0.78)
Parking Facility Fund	-	.64	.56	-	-	-	-	-	-
Permanent Jail Const.	-	1.43	8.51	4.90	4.92	.89	.50	.09	.09
REET-Capital Projects	1.27	1.07	1.07	2.69	2.74	3.47	2.85	3.02	1.75
Remann Hall Improv. Fund	1.10	-	-	-	-	-	-	-	(1.10)
1% for Arts Construction	-	-	-	.15	.25	.10	.10	.10	.10
2501 Corporate Express Bldg	-	-	-	-	-	-	1.29	1.41	1.41
Total Capital Proj	3.25	3.27	10.31	7.90	8.07	4.46	4.74	4.62	1.37
Enterprise Funds:									
Airport	1.00	2.02	1.50	1.60	1.60	1.60	1.60	1.63	.63
Chambers Bay Golf Course	-	-	-	-	-	-	.80	.75	.75
Golf Courses	8.65	8.45	8.45	8.45	8.84	8.78	8.78	8.74	.09
P.C. Ferry Services	-	-	.67	1.32	1.07	1.61	1.89	1.80	1.80
Sewer Utilities Fund	86.02	98.65	103.26	104.66	104.66	111.76	118.39	126.38	40.36
Sewer Utility Construction	2.00	1.10	-	-	-	-	-	-	(2.00)
Solid Waste Mgmt. Fund	12.35	12.61	11.11	13.71	13.71	14.44	16.02	16.11	3.76
Water Utility Fund	-	-	.90	.30	.30	.31	.09	.01	.01
Total Enterp Funds	110.02	122.83	125.89	130.04	130.18	138.50	147.57	155.42	45.40
Internal Srv Funds:									
Equipment Rental & Rev.	24.00	24.12	24.10	24.43	24.43	24.47	24.46	24.62	.62
Facilities Management	27.40	36.45	41.86	44.62	44.75	45.99	52.21	52.71	25.31
Fleet Rental	3.15	3.15	3.15	3.15	3.40	3.40	3.45	3.45	.30
General Services	7.20	7.20	8.20	8.20	8.20	8.20	8.20	8.20	1.00
Information Technology Fund	89.04	99.64	104.00	108.00	102.00	110.00	111.00	112.00	22.96
Radio Communication Fund	5.50	6.35	7.10	9.10	8.05	8.02	7.00	7.00	1.50
Self Insurance Fund	5.80	6.30	6.30	6.30	6.30	6.30	6.30	6.30	.50
Workers Compensation	2.20	2.70	2.70	2.70	2.70	2.70	2.70	2.70	.50
Total Int Serv Fnds	164.29	185.91	197.41	206.50	199.83	209.08	215.32	216.98	52.69
TOTAL FUNDS	2,689.00	2,822.62	3,119.16	3,268.68	3,225.36	3,258.97	3,216.02	3,311.03	622.03

Revenue and Expenditure Summaries

The following revenue and expenditure summaries are included in the budget document to present a variety of views of the funding sources available to the County, and the services and activities provided with these resources. The information is broken into two groups. The first group of charts and tables shows information for just the General Fund. The second reflects the entire County budget which includes the General Fund, as well as the Special Revenue Funds, Debt Service Funds, Enterprise Funds, and Internal Service Funds. The Tacoma-Pierce County Health Department is also included in the Total County summaries. Narrative for the charts is embodied in the section. A brief description of each of the tables in this section is given below.

General Fund

The **2006 General Fund Revenue** table details the revenue sources for this fund, including prior year actuals as well as current year budget and estimate. Narrative and graphs present the changes in these sources over time.

The **General Fund Revenue & Expenditure Overview** includes narrative and graphs presenting the 2006 General Fund budget by revenue source, expenditure function and object classification.

As discussed in the accompanying narrative, the **General Fund Expenditures Versus Revenue Summary** presents a more unusual view of this fund.

The multitude and variety of services provided by the departments in General Fund is clearly visible in the **General Fund Departmental Program Budgets** table.

Total County

The **Total Pierce County Revenue & Expenditure Overview** includes narrative and graphs presenting the total 2006 budget by revenue source, expenditure function and object classification.

The most comprehensive presentation of the functional expenditures and their related funding sources can be found in the **All Funds Comparison of 2006 Revenues and Expenditures** which displays this information by fund type.

The **2006 Countywide Revenue** presentation includes narrative and graphs which present the changes in these sources over time.

The **Departmental Expenditures/Expenses By Function** table organizes the various Fund budgets and department budgets of the General Fund by functional category. The functional categories presented comply with the Budgeting, Accounting and Reporting System maintained by the State Auditor's Office.

The **Total Estimated Revenues and Other Funding Sources** table presents the major revenue categories by Fund type.

The total 2006 budget for each Fund, or each department in the General Fund, can be found in the **Total Expenditures/Expenses** table.

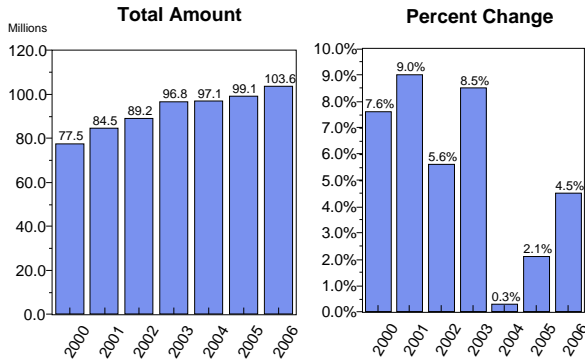
Revenue and Expenditure Summaries

2006 GENERAL FUND REVENUE							
	2003 Actual	2004 Actual	2005 Budget	2005 Estimate	2006 Budget	Absolute Change	Percent Change
I. Taxes							
General Property Taxes	\$ 70,818,407	\$ 74,365,712	\$ 79,637,210	\$ 79,537,210	\$ 83,601,040	\$ 3,963,830	5.0 %
Law Enforcement Property Tax	8,927,636	8,970,870	9,347,070	9,347,070	9,852,470	505,400	5.4
Sales Taxes	43,694,836	44,722,065	47,415,000	48,015,000	50,740,000	3,325,000	7.0
Gambling Tax	680,885	634,263	652,500	578,200	388,000	(264,500)	(40.5)
Penalties/Interest	11,472,884	8,317,500	7,950,000	7,850,000	7,920,970	(29,030)	(0.4)
All Other Taxes	4,939,891	4,833,116	1,536,570	1,885,690	1,799,150	262,580	17.1
Subtotal	140,534,539	141,843,526	146,538,350	147,213,170	154,301,630	7,763,280	5.3
II. Licenses/Permits							
General Licenses and Permits	308,662	329,446	321,640	343,400	348,520	26,880	8.4
Cable Franchise Fees	1,851,706	2,275,878	2,150,000	2,500,000	2,600,000	450,000	20.9
Animal Licenses	—	—	—	—	720,000	720,000	—
Building Permits	4,400,038	4,503,573	5,170,790	5,279,900	5,296,000	125,210	2.4
Subtotal	6,560,406	7,108,897	7,642,430	8,123,300	8,964,520	1,322,090	17.3
III. Intergovernmental Revenues							
Federal Grants	5,138,520	5,385,798	4,746,315	4,896,350	4,230,970	(515,345)	(10.9)
State Grants	4,942,613	5,372,225	5,202,729	5,198,510	5,285,530	82,801	1.6
State Shared Revenue	3,310,187	3,705,806	4,024,780	3,625,200	4,366,730	341,950	8.5
Hava Grant	—	—	1,903,730	1,903,730	—	(1,903,730)	(100.0)
Jail Reimbursements	4,436,356	5,236,784	5,208,110	5,237,560	5,437,580	229,470	4.4
Sheriff Services Contracts	4,338,715	4,446,153	4,530,000	4,530,000	4,660,300	130,300	2.9
All Other Revenues	15,038,334	12,887,076	3,641,028	3,558,894	3,424,000	(217,028)	(6.0)
Subtotal	37,204,725	37,033,842	29,256,692	28,950,244	27,405,110	(1,851,582)	(6.3)
IV. Charges For Services							
Recording Fees	3,572,181	2,872,089	2,617,400	2,831,230	2,998,500	381,100	14.6
Election/Registration Fees	2,160,829	2,283,264	2,355,710	2,336,730	901,580	(1,454,130)	(61.7)
Vehicle License Fees	3,340,933	3,447,586	3,450,000	3,450,000	3,480,000	30,000	0.9
Planning Fees	6,799,422	6,597,386	8,005,857	8,380,463	8,178,770	172,913	2.2
Recreation Fees	965,749	935,170	1,074,800	994,230	994,950	(79,850)	(7.4)
Indirect Cost Charges	6,917,530	7,152,390	6,517,660	6,517,660	7,207,050	689,390	10.6
Legal Services	1,483,133	1,508,760	2,562,540	2,517,589	2,498,840	(63,700)	(2.5)
All Other Charges	5,962,862	6,650,693	6,811,460	6,574,478	7,799,670	988,210	14.5
Subtotal	31,202,639	31,447,338	33,395,427	33,602,380	34,059,360	663,933	2.0
V. Fines And Forfeitures	5,201,757	5,145,309	4,735,000	4,609,681	4,943,950	208,950	4.4
VI. Interest Revenue	5,566,710	6,970,780	8,390,070	8,890,070	10,611,350	2,221,280	26.5
VII. Miscellaneous Revenue							
Rents and Leases	618,157	564,197	589,000	511,290	483,650	(105,350)	(17.9)
Pay Phones	564,753	685,486	640,100	670,100	690,100	50,000	7.8
Traffic Enforcement Transfer	900,000	1,000,000	1,100,000	1,100,000	1,200,000	100,000	9.1
All Other Miscellaneous	1,853,657	2,324,821	1,729,787	1,643,942	1,518,930	(210,857)	(12.2)
Subtotal	3,936,567	4,574,504	4,058,887	3,925,332	3,892,680	(166,207)	(4.1)
Sub-Total Revenues	230,207,343	234,124,196	234,016,856	235,314,177	244,178,600	10,161,744	4.3
VIII. Use of Fund Balance	—	—	4,408,500	—	5,631,693	1,223,193	27.7
Total Resources	\$ 230,207,343	\$ 234,124,196	\$ 238,425,356	\$ 235,314,177	\$ 249,810,293	\$ 11,384,937	4.8 %

Historical Review of General Fund Revenues

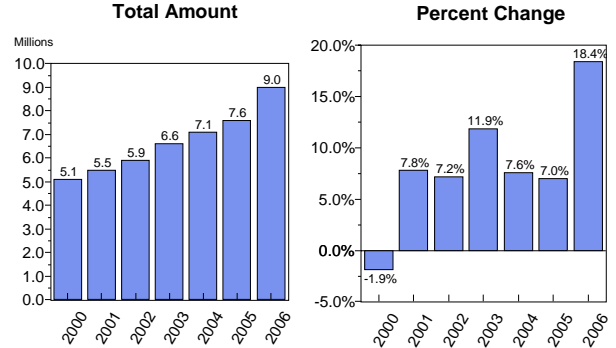
The following graphs and narrative present the historical changes in the General Fund Revenue sources. The 2000-2004 figures are actuals, and the 2005 and 2006 figures are as budgeted.

Property & Other Taxes, 2000–2006 General Fund Revenues



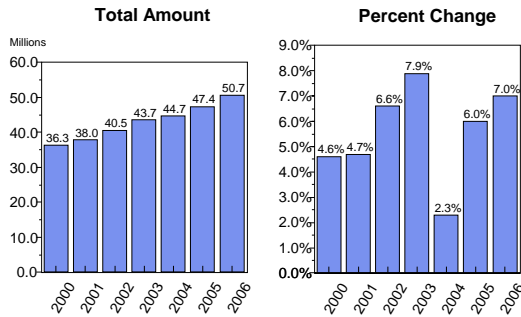
Property and Other Taxes is a major revenue source for the General Fund. Beginning in 2002, this revenue was impacted by the I-747 limit of a 1% increase from existing property – the result of which is becoming very visible. Revenue growth in excess of 1% is due to property taxes from new construction.

Licenses and Permits, 2000–2006 General Fund Revenues



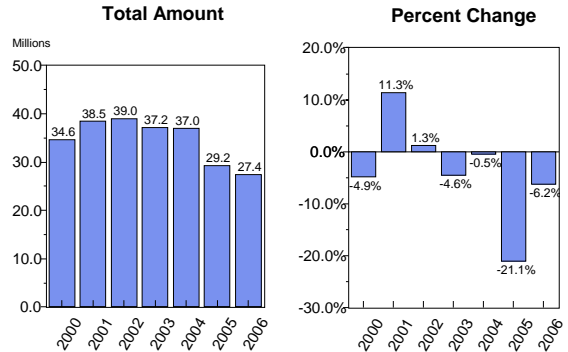
Licenses and Permits have also shown sharp changes in revenue from year to year, due to development activity levels and the enactment of various permit fee increases.

Sales Taxes, 2000–2006 General Fund Revenues



Sales Taxes often show large variances from year to year. Most “normal” years simply grow with a) inflation, b) population increase, c) the strength of the local economy (with an average range of between 4 - 7% increase).

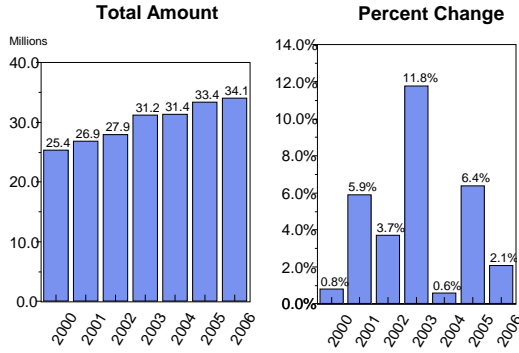
Intergovernmental, 2000–2006 General Fund Revenues



Intergovernmental revenues consist primarily of grants, and city contracts for services. Fluctuation in grant funding is most often the primary cause for change in this revenue source. The huge decline in 2005 reflects the loss of the City of Lakewood contract for Sheriff services.

Charges for Services, 2000–2006

General Fund Revenues

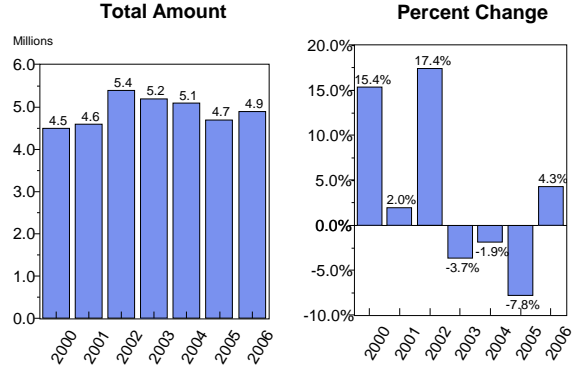


Charges for Services have changed dramatically in the last several years due to a variety of reasons:

- Growth in the local economy,
- the presence or absence of planning and development fee increases such as those implemented in 2003, 2005 and;
- changes in recording fees, indirect cost charges, and election cost reimbursements.

Fines and Forfeits, 2000–2006

General Fund Revenues

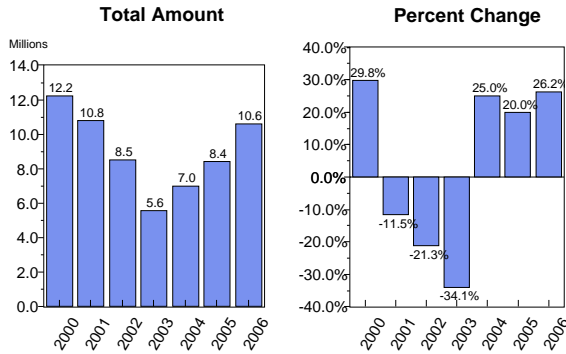


Fines and Forfeits increase or decrease based upon:

- The number of state patrol and county deputies assigned to traffic policing,
- changes in state fine amounts, and;
- the use of collection agencies for delinquent accounts (recent).

Interest Revenue, 2000–2006

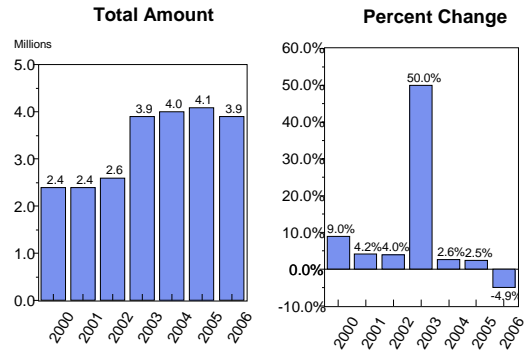
General Fund Revenues



Interest Revenues will vary depending upon interest rates and available cash balances. Available cash balances have shown a steady growth during the last several years. However, interest rates first declined in 2001 resulting in reduced interest revenues. Rates continued to drop until 2004, at which time Federal Reserve rate increases were implemented.

Miscellaneous Other, 2000–2006

General Fund Revenues



Miscellaneous and Other Revenues can show a wide fluctuation from year to year since many of the items are unique, one-time, or very unpredictable. The major causes for wide swings during this period are:

- Sales of fixed assets and timber,
- other fund transfers to support G/F programs, including a new transfer beginning in 2003 from the Roads Fund for Traffic Enforcement, and;
- special contributions.

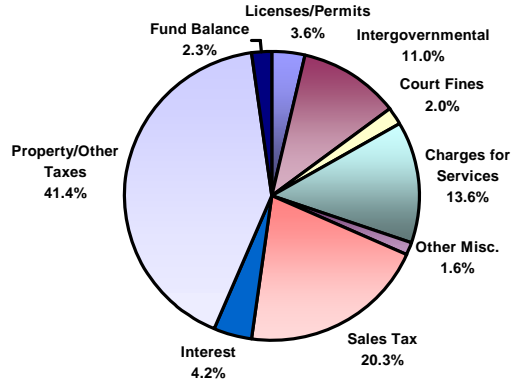
General Fund Revenue & Expenditure Overview

2006 General Fund Revenues

Summarized by Source

The growth in 2006 revenues for the General Fund is expected to be 4.8% over the 2005 Budget. The following pages discuss General Fund Revenues and Expenditures in greater detail and in comparison to prior years.

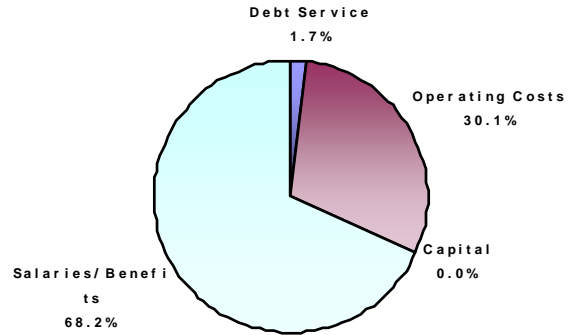
Property/Other Taxes and Sales Taxes are the largest revenue sources in the General Fund, making up almost 62% of the total. The only other significant categories are Intergovernmental Revenue (11%), and Charges for Services (14%).



2006 General Fund Expenditures

Summarized by Object Classification

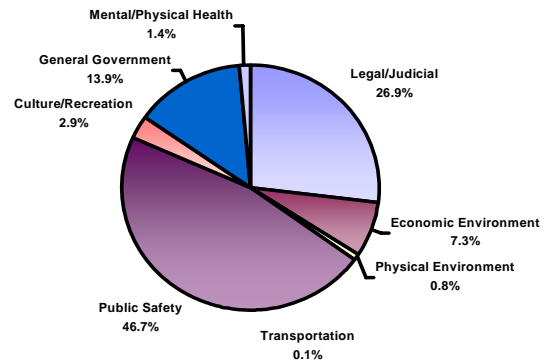
Just over 68% of the General Fund budget by line-item is devoted to salary and benefit costs. Operating costs absorb just over 30%. Debt Service and Capital Outlay expenditures are minimal.



2006 General Fund Expenditures

Summarized by Function

The Public Safety and Legal/Judicial Services combined accounts for almost 74% of all General Fund County expenditures. Almost 14% percent is related to General Governmental services. Just over 7% of the General Fund expenditures are for Economic Environment activities and just under 3% is for Culture and Recreation. Roughly 2% of the General Fund is used to support the Mental and Physical Health systems, Physical Environment activities, and Transportation.



Revenue and Expenditure Summaries

2006 GENERAL FUND EXPENDITURES VERSUS REVENUE SUMMARY

Department	Total Expenditures	Direct Revenue	General Fund Revenue Support
Assessor/Treasurer	\$ 10,585,010	\$ 290,670	\$ 10,294,340
Assigned Counsel Conflict Office	228,840	—	228,840
Assigned Counsel	12,234,930	2,372,710	9,862,220
Auditor	7,389,760	9,931,370	(2,541,610)
Bond Debt Service	1,369,500	—	1,369,500
Budget & Finance	4,801,120	167,660	4,633,460
Building Remodel Projects	4,650,000	—	4,650,000
Clerk of the Superior Court	4,606,080	4,502,750	103,330
Communications	626,920	—	626,920
Corrections	40,752,380	6,577,700	34,174,680
County Council	3,560,870	300	3,560,570
County Executive	1,037,920	200	1,037,720
District Court	7,492,120	5,264,840	2,227,280
District Court Probation	2,750,100	362,460	2,387,640
Economic Development	1,006,380	30,220	976,160
Emergency Management	3,009,950	1,181,950	1,828,000
Health Services	3,041,020	—	3,041,020
Human Resources	3,292,260	295,450	2,996,810
Juvenile	17,606,340	3,950,290	13,656,050
Medical Examiner	1,701,920	103,250	1,598,670
Miscellaneous Current Expense	5,784,738	174,117,563	(168,332,825)
Parks and Recreation Services	5,965,210	1,701,250	4,263,960
Planning and Land Services	16,492,060	13,275,660	3,216,400
Prevention Services & Programs	1,450,000	—	1,450,000
Prosecuting Attorney	22,762,940	6,257,710	16,505,230
Sheriff	50,006,105	18,706,440	31,299,665
Special Projects	2,530,010	383,750	2,146,260
State Auditor	172,100	—	172,100
Superior Court	12,252,390	306,600	11,945,790
WSU PC Extension	651,320	29,500	621,820
Total	249,810,293	249,810,293	—

Displayed above is a comparison of departmental expenditures with the revenues directly generated by that department. We must caution that these figures should be viewed, at best, as gross approximations of the extent to which a department is self-supporting. That caution is needed for the following reasons:

Even though the “credit” for a direct revenue is assigned to one department, in many cases several departments are involved in the generation, administration, billing and collection of revenue.

There are also several instances where the expenditure incurred by one department is actually for the benefit of other departments. Thus a comparison of the expenditures versus revenues in each department is not necessarily straight-forward.

Revenue and Expenditure Summaries

GENERAL FUND DEPARTMENTAL PROGRAM BUDGETS				
Department/Program	2006 Budget	2005 Budget	Absolute Change	Percent Change
Assessor/Treasurer				
Administration	\$ 3,347,500	\$ 3,573,890	\$ (226,390)	(6.3) %
ULID Foreclosures	31,420	29,900	1,520	5.1
Appraisals	3,293,840	3,237,010	56,830	1.8
Geographic Services	511,540	439,020	72,520	16.5
Operation/Technology	1,114,700	1,080,560	34,140	3.2
Accounts Management	2,053,850	1,929,710	124,140	6.4
Appeals	232,160	255,490	(23,330)	(9.1)
Total Assessor/Treasurer	10,585,010	10,545,580	39,430	0.4
Assigned Counsel Conflict Office	228,840	—	228,840	∞
Assigned Counsel				
Civil Commitment	388,660	357,370	31,290	8.8
District Court Misdemeanor	1,465,500	1,482,050	(16,550)	(1.1)
City of Tacoma Municipal Court	882,130	855,380	26,750	3.1
Juvenile Court	3,118,090	2,916,980	201,110	6.9
City of Fife Municipal Court	78,110	86,000	(7,890)	(9.2)
Superior Court Felony	6,302,440	5,794,770	507,670	8.8
Western State Legal Services	—	167,440	(167,440)	(100.0)
Total Assigned Counsel	12,234,930	11,659,990	574,940	4.9
Auditor				
Elections	1,888,410	1,803,480	84,930	4.7
HAVA Grant	—	1,903,730	(1,903,730)	(100.0)
Voter Registration	1,105,650	1,049,930	55,720	5.3
Historical Documents	1,528,450	1,565,120	(36,670)	(2.3)
Licensing	1,718,470	1,463,210	255,260	17.4
Animal Control	823,660	—	823,660	∞
Voter Pamphlet	325,120	292,690	32,430	11.1
Total Auditor	7,389,760	8,078,160	(688,400)	(8.5)
Bond Debt Service	1,369,500	1,126,540	242,960	21.6
Budget & Finance				
Administration	882,540	840,650	41,890	5.0
Treasury Services	1,391,150	1,321,920	69,230	5.2
Payables, Payroll & Gen Acctg	1,379,560	1,310,880	68,680	5.2
Budget & Grant Administration	373,520	356,330	17,190	4.8
Purchasing & Contract Admin	384,140	366,290	17,850	4.9
Internal Audit/Mgmt Services	390,210	371,190	19,020	5.1
Total Budget & Finance	4,801,120	4,567,260	233,860	5.1
Building Remodel Projects	4,650,000	2,869,000	1,781,000	62.1
Clerk of the Superior Court				
Administration	1,088,970	973,350	115,620	11.9
Court House Facilitator	179,540	169,810	9,730	5.7
Civil Commitment	220,140	209,640	10,500	5.0
Arbitration	141,270	139,330	1,940	1.4
Legal Services	1,220,110	1,153,790	66,320	5.7
LFO Collections	228,560	200,580	27,980	13.9
Fiscal Services	398,220	372,800	25,420	6.8
Domestic Violence	264,650	263,400	1,250	0.5
Probate and Court Services	864,620	826,910	37,710	4.6
Total Clerk of the Superior Court	4,606,080	4,309,610	296,470	6.9
Communications				
Communication Service	626,920	625,265	1,655	0.3
Education Services	—	12,775	(12,775)	(100.0)
Total Communications	626,920	638,040	(11,120)	(1.7)

Revenue and Expenditure Summaries

GENERAL FUND DEPARTMENTAL PROGRAM BUDGETS				
Department/Program	2006 Budget	2005 Budget	Absolute Change	Percent Change
Corrections				
Administration	1,398,970	1,343,110	55,860	4.2
Care & Custody of Prisoners	23,533,580	22,765,630	767,950	3.4
Medical Services	5,165,170	4,978,670	186,500	3.7
Court Transportation	2,253,460	2,125,120	128,340	6.0
Release	1,208,130	1,145,060	63,070	5.5
Food Services	1,798,110	1,755,790	42,320	2.4
Mental Health	771,210	742,100	29,110	3.9
Reception	756,430	716,210	40,220	5.6
Pretrial Services	1,194,370	1,261,930	(67,560)	(5.4)
Work Crew Program	84,080	82,240	1,840	2.2
Debt Service	2,588,870	2,840,740	(251,870)	(8.9)
Total Corrections	40,752,380	39,756,600	995,780	2.5
County Council	3,560,870	3,389,440	171,430	5.1
County Executive	1,037,920	995,900	42,020	4.2
District Court				
Administration/Operations	290,470	279,990	10,480	3.7
Technical Support Services	242,930	177,800	65,130	36.6
Civil	1,240,530	1,332,240	(91,710)	(6.9)
Infraction Processing	1,565,750	1,481,490	84,260	5.7
Criminal	4,152,440	3,942,070	210,370	5.3
Total District Court	7,492,120	7,213,590	278,530	3.9
District Court Probation				
District Court Work Crew	604,620	577,370	27,250	4.7
Probation Services	1,937,250	1,863,150	74,100	4.0
Day Reporting Center	208,230	197,690	10,540	5.3
Total District Court Probation	2,750,100	2,638,210	111,890	4.2
Economic Development				
Administration/Planning	838,160	655,950	182,210	27.8
Comm Dev Corp Pgm	30,220	31,340	(1,120)	(3.6)
World Trade Center	20,000	20,000	—	—
Central PS Econ Dev	8,000	7,930	70	0.9
Economic Dev Board	60,000	50,000	10,000	20.0
Seattle Trade Alliance	25,000	25,000	—	—
Economic Development Studies	25,000	160,000	(135,000)	(84.4)
Total Economic Development	1,006,380	950,220	56,160	5.9
Emergency Management				
Fire Inspection Program	199,850	184,460	15,390	8.3
Fire Prevention & Invest	1,481,720	1,308,010	173,710	13.3
Emergency Management/Admin	914,190	843,710	70,480	8.4
Emergency Medical Services	218,870	213,310	5,560	2.6
Training Program	195,320	199,390	(4,070)	(2.0)
Total Emergency Management	3,009,950	2,748,880	261,070	9.5
Health Services	3,041,020	3,082,700	(41,680)	(1.4)

(Table continued on the following page)

Revenue and Expenditure Summaries

GENERAL FUND DEPARTMENTAL PROGRAM BUDGETS				
Department/Program	2006 Budget	2005 Budget	Absolute Change	Percent Change
Human Resources				
Administration	539,310	499,590	39,720	8.0
Employee Incentive/Recog Pgm	22,320	21,320	1,000	4.7
Organizational Development	612,330	570,100	42,230	7.4
Support Services	513,020	445,410	67,610	15.2
Employment & Compensation	636,470	509,500	126,970	24.9
Labor Relations	517,040	473,520	43,520	9.2
Civil Service	451,770	412,190	39,580	9.6
Total Human Resources	3,292,260	2,931,630	360,630	12.3
Juvenile				
Administration	1,593,310	1,557,210	36,100	2.3
Volunteer Services	120,720	117,170	3,550	3.0
Case Supervision	5,404,840	5,288,551	116,289	2.2
Residential Care & Custody	5,775,210	5,577,010	198,200	3.6
Alternative Detention Svcs Pgm	969,530	948,390	21,140	2.2
Facilities Maintenance	1,432,620	1,358,570	74,050	5.5
Family Court	154,820	148,430	6,390	4.3
Juvenile Court Services	2,155,290	2,083,173	72,117	3.5
Total Juvenile	17,606,340	17,078,504	527,836	3.1
Medical Examiner				
Administration	493,120	621,140	(128,020)	(20.6)
Coroner Services	616,840	593,230	23,610	4.0
Inquests & Investigations	591,960	548,280	43,680	8.0
Total Medical Examiner	1,701,920	1,762,650	(60,730)	(3.4)
Miscellaneous Current Expense	5,784,738	5,438,145	346,593	6.4
Parks and Recreation Services				
Administration	1,775,550	1,646,040	129,510	7.9
Recreation Svcs.	1,008,490	997,670	10,820	1.1
Community Centers	283,820	268,390	15,430	5.7
Parks Maintenance	2,897,350	3,043,820	(146,470)	(4.8)
Total Parks and Recreation Svcs.	5,965,210	5,955,920	9,290	0.2
Planning and Land Services				
Development Process	14,320,110	13,211,697	1,108,413	8.4
Advanced Planning	1,507,250	1,471,210	36,040	2.4
Code Enforcement	664,700	644,290	20,410	3.2
Total Planning and Land Services	16,492,060	15,327,197	1,164,863	7.6
Prevention Services & Programs	1,450,000	1,350,000	100,000	7.4
Prosecuting Attorney				
Administration	886,910	837,660	49,250	5.9
Child Support	3,408,040	3,253,500	154,540	4.7
Civil Commitment	188,670	180,830	7,840	4.3
Felony	10,891,470	10,138,845	752,625	7.4
Misdemeanor	2,475,800	2,716,770	(240,970)	(8.9)
Juvenile	1,693,640	1,719,210	(25,570)	(1.5)
Civil	2,975,380	2,813,630	161,750	5.7
El Cid	243,030	215,500	27,530	12.8
Total Prosecuting Attorney	22,762,940	21,875,945	886,995	4.1

Revenue and Expenditure Summaries

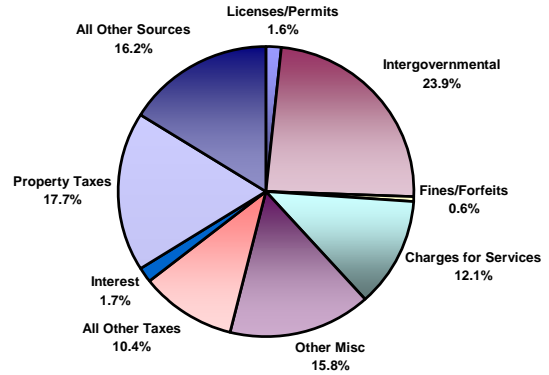
GENERAL FUND DEPARTMENTAL PROGRAM BUDGETS				
Department/Program	2006 Budget	2005 Budget	Absolute Change	Percent Change
Sheriff				
Administration	4,181,350	3,838,820	342,530	8.9
Civil Unit & Court Security	1,499,570	1,441,140	58,430	4.1
Investigation	9,353,120	8,900,250	452,870	5.1
Patrol	24,893,475	22,862,435	2,031,040	8.9
Training	916,370	883,670	32,700	3.7
Traffic Policing	2,427,420	2,320,910	106,510	4.6
Property Room	1,064,710	1,016,160	48,550	4.8
Communications/LESA	5,670,090	5,335,230	334,860	6.3
Total Sheriff	50,006,105	46,598,615	3,407,490	7.3
Sheriff Transition	—	1,280,000	(1,280,000)	(100.0)
Special Projects				
Charter Review Commission	45,000	—	45,000	∞
Endangered Species Act	426,790	431,680	(4,890)	(1.1)
Government Relations	367,260	351,100	16,160	4.6
Performance Audit	481,950	415,140	66,810	16.1
Board of Equalization	168,870	135,710	33,160	24.4
Historical Documents	300,000	—	300,000	∞
Property Management Services	158,920	152,640	6,280	4.1
Law & Justice Commission	2,500	3,000	(500)	(16.7)
Drinking Water Supply Program	99,140	101,410	(2,270)	(2.2)
Animal Control	—	200,000	(200,000)	(100.0)
Hearing Examiner	234,340	234,290	50	—
Farmlands Adv. Comm.	37,540	8,000	29,540	369.2
Community Contracts Admin	42,700	41,110	1,590	3.9
Marriage Lic Family Services	85,000	85,000	—	—
Pierce County Ombudsman	80,000	—	80,000	∞
Total Special Projects	2,530,010	2,159,080	370,930	17.2
State Auditor	172,100	162,710	9,390	5.8
Superior Court				
Administration	2,866,200	2,505,390	360,810	14.4
Breaking the Cycle Program	600,000	600,000	—	—
Civil	2,693,050	2,301,660	391,390	17.0
Criminal	3,020,600	2,892,070	128,530	4.4
Civil Commitment	149,640	140,780	8,860	6.3
Drug Court	775,080	771,500	3,580	0.5
Juvenile	633,720	605,140	28,580	4.7
Protem Pgm - Superior Court	79,760	75,250	4,510	6.0
Interpreter Program	314,350	311,320	3,030	1.0
Jury Management Program	1,119,990	1,103,360	16,630	1.5
Total Superior Court	12,252,390	11,306,470	945,920	8.4
WSU PC Extension				
Administration	216,300	214,560	1,740	0.8
Facilitator Leadership Training	8,000	8,000	—	—
4-H Youth	147,990	140,030	7,960	5.7
Resource Center	800	800	—	—
Agriculture/Master Gardener	94,490	85,340	9,150	10.7
Family Living	175,280	167,040	8,240	4.9
Publications Program	8,460	13,000	(4,540)	(34.9)
Total WSU PC Extension	651,320	628,770	22,550	3.6
Total General Fund	249,810,293	238,425,356	11,384,937	4.8 %

Total Pierce County Revenue & Expenditure Overview

2006 Total County Revenues

Summarized by Source

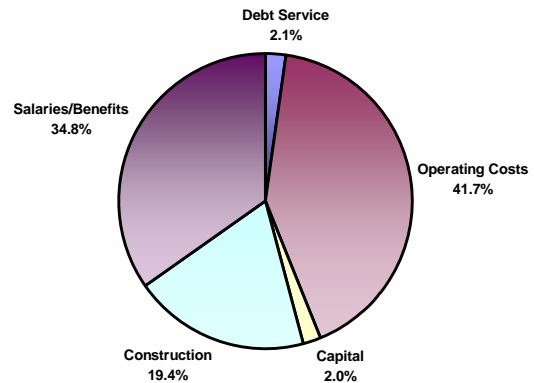
Total revenues and expenditures projected for all 2006 Pierce County operations are summarized and compared to prior years on the following pages and are also discussed throughout the Executive Message. In total, the County's budget will be 0.3% less the 2005 level. Almost 24% of the County's funding comes from Intergovernmental Revenues. Property and Other Taxes equals over 28% of the total revenues. Service Charges, Licenses/Permits, and Fines/Forfeits provide another 14%. The 16% in All Other Sources category is primarily made up of the use of prior fund balance. The almost 16% for Other Miscellaneous includes the sale of fixed assets and transfers from operating funds to construction and debt service funds for those purposes. Interest revenues are just under 2%. The revenues for Internal Service Funds have been excluded from the totals used to calculate the percentages shown on the pie chart.



2006 Total County Expenditures

Summarized by Object Classification

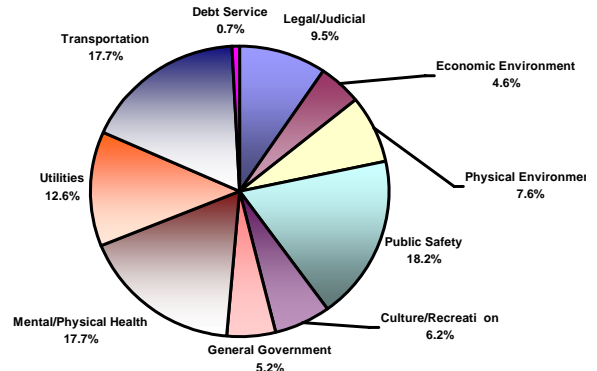
Almost 35% of the County's total budget line-item is allocated to personnel costs. All other operating costs consume approximately 42%. The remaining 23% is for capital construction and debt service.



2006 Total County Expenditures

Summarized by Function

The Public Safety and Legal/Judicial Services combined accounts for almost 28% of the total County expenditures, with the Mental and Physical Health system absorbing almost 18%. Almost 38% of the total expenditures is invested in the support of Transportation, Utilities, and the Physical Environment and just over 6% is related to Culture and Recreation. Just under 5% is expended for Economic Environment activity and just over 5% supports general government functions and debt service. The revenues for Internal Service Funds have been excluded from the totals used to calculate the percentages shown on the pie chart.



Revenue and Expenditure Summaries

ALL FUNDS COMPARISON OF 2006 REVENUES AND EXPENDITURES

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Enterprise Funds	Internal Service Funds	Tacoma/ Pierce County Health Dept	Total All Fund Types
Revenues/Other Financing Sources:								
Charges For Services	\$ 34,059,360	\$ 20,769,290	\$ —	\$ 881,640	\$ 34,291,530	\$ 24,197,310	\$ 5,166,706	\$ 119,365,836
Contributed Capital	—	—	—	—	4,025,000	—	—	4,025,000
Fines and Forfeitures	4,943,950	13,000	—	—	—	—	—	4,956,950
Intergovernmental Rev	27,405,110	123,971,980	—	11,909,950	2,775,430	100	20,503,787	186,566,357
Licenses and Permits	8,964,520	74,000	—	—	—	—	3,778,837	12,817,357
Other Financing Sources	—	—	—	10,539,090	6,801,170	—	—	17,340,260
Other Miscellaneous Rev	14,504,030	32,544,800	4,634,690	47,836,900	31,995,160	31,373,710	1,551,542	164,440,832
Other Taxes	2,187,150	12,978,450	—	4,915,540	180,000	—	—	20,261,140
Property Taxes	101,374,480	45,374,500	—	—	—	—	—	146,748,980
Sales Taxes	50,740,000	2,270,000	—	—	—	—	—	53,010,000
Use of Fund Balance	5,631,693	32,271,470	779,660	18,590,490	49,715,060	5,889,860	2,767,557	115,645,790
Total Revenues	\$ 249,810,293	\$ 270,267,490	\$ 5,414,350	\$ 94,673,610	\$ 129,783,350	\$ 61,460,980	\$ 33,768,429	\$ 845,178,502
Expenditures/Expenses:								
Cultural & Recreation	\$ 7,300,980	\$ 16,423,630	\$ —	\$ 6,667,710	\$ 17,990,900	\$ —	\$ —	\$ 48,383,220
Debt Service	—	—	5,414,350	—	—	—	—	5,414,350
Economic Environment	18,202,270	18,035,700	—	—	—	—	—	36,237,970
General Government	34,676,050	2,812,720	—	3,077,710	—	—	—	40,566,480
Internal Service	—	—	—	—	—	61,460,980	—	61,460,980
Legal & Judicial	67,219,930	993,940	—	5,967,900	—	—	—	74,181,770
Mental/Physical Health	3,509,410	98,144,990	—	3,027,240	—	—	33,768,429	138,450,069
Physical Environment	2,108,840	57,259,760	—	—	—	—	—	59,368,600
Public Safety	116,513,545	11,041,970	—	15,737,170	—	—	—	143,292,685
Transportation	279,268	65,554,780	—	60,195,880	13,063,600	—	—	139,093,528
Utilities	—	—	—	—	98,728,850	—	—	98,728,850
Total Expenditures	\$ 249,810,293	\$ 270,267,490	\$ 5,414,350	\$ 94,673,610	\$ 129,783,350	\$ 61,460,980	\$ 33,768,429	\$ 845,178,502

This table presents a comprehensive view of resources and services provided by fund type. The Executive Message, in the front of this document, includes significant discussion of the highlights of the various budgets within each of these fund types. The individual budget sections, found later in this document, provide additional detail as well. Refer to the Total Expenditures/Expenses summary table in the back of this section for a detailed list of the funds by fund type.

Internal Services are those services provided to ourselves, such as information services,

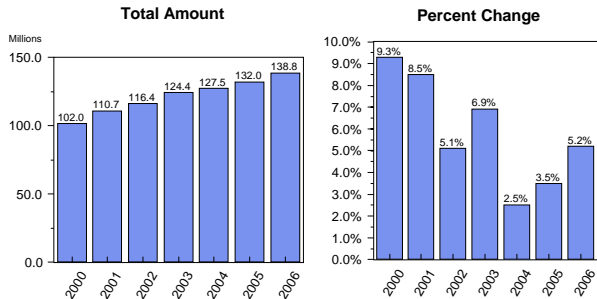
telecommunications, self insurance, vehicle and equipment pools, facilities maintenance, routing, and mail processing. The revenues to these Internal Service Funds are expenditures for the other funds receiving their services. Therefore, to obtain a truer net total budget for the County as a whole, we must remove the budget for the Internal Services (less fund balance and any revenues from non-county sources). The “netted” 2006 Budget for Pierce County is \$789,607,482 (total budget of \$845,178,502 less Internal Service Funds of \$61,460,980 plus \$100 in Intergovernmental Revenue from non-county sources and \$5,889,860 in Internal Service Funds use of fund balance).

Historical Review of Countywide Revenues

The following graphs and narrative present the historical changes in the Countywide Revenue sources. The 2000 - 2004 figures are actuals, and the 2005 and 2006 figures are as budgeted. Internal Service Fund Revenues are not included in this analysis.

Property Taxes, 2000–2006

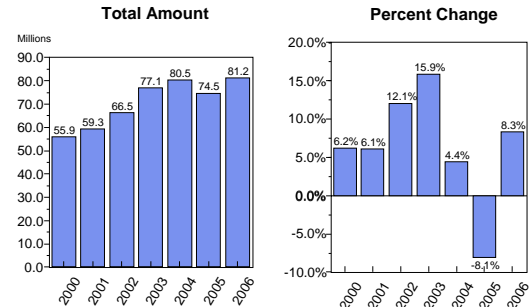
Total Revenues



Property Tax revenues are projected to increase by 5.2% in 2006. This is based upon 4.2% growth in new construction, and the remaining growth generated from existing property at the 1% limit. Years 2000 and 2001 reflect the full 6% amount allowable at that time. The decreased growth since 2002 reflects the affect of the new I-747 limit of a 1% increase in property tax revenue from existing property.

Sales and Other Taxes, 2000–2006

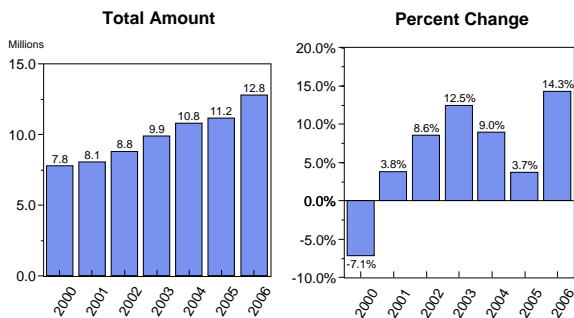
Total Revenues



We are budgeting an 8.3% increase in Sales Taxes, Gambling Taxes, and Real Estate Excise Taxes. Sales Taxes fluctuate with economic conditions. Gambling Taxes almost doubled in 2000 as new card playing casino operations were authorized. These revenues shrunk accordingly as the operations were eliminated in 2005. The increases in 2002 and 2003 are primarily due to the implementation of the 2nd Real Estate Excise Tax (REET).

Licenses and Permits, 2000–2006

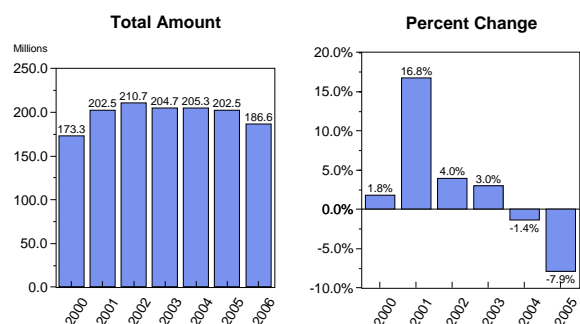
Total Revenues



Licenses and Permits revenues are heavily impacted by economic conditions, and fee increases. The economy slowed down in 2000 through 2001, picked up again in 2002, and is still strong.

Intergovernmental, 2000–2006

Total Revenues

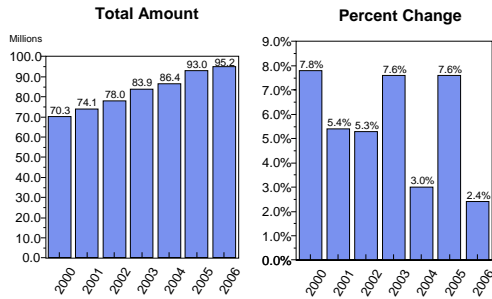


Intergovernmental Revenues are projected to decrease in next year's budget, primarily due reductions or losses in State and Federal grants. These revenues fluctuate greatly from year to year depending on grant funded activities. Over half of the increase in 2001 was due to Medicaid payments for inpatient services at the new Puget Sound Behavioral Health facility.

Revenue and Expenditure Summaries

Charges for Services, 2000–2006

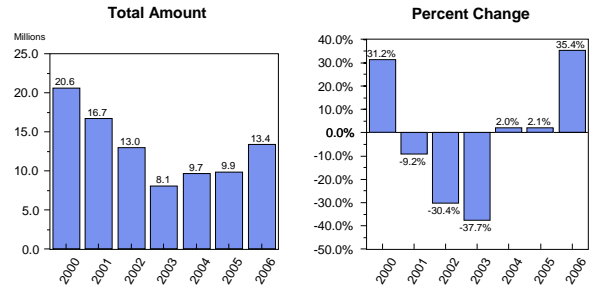
Total Revenues



Revenue from Charges for Services in 2006 is projected to increase by 2.4% from 2005. Growth in most years is due to activity levels and Council enacted fee increases.

Interest, 2000–2006

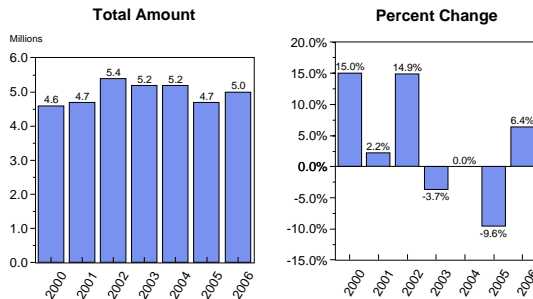
Total Revenues



Interest Revenues are greatly impacted by rate changes and the level of available cash balances. Interest rate decreases are the cause for the continuing decline since 2000. Conversely, recent rate increases account for the upswing beginning in 2004.

Fines and Forfeitures, 2000–2006

Total Revenues

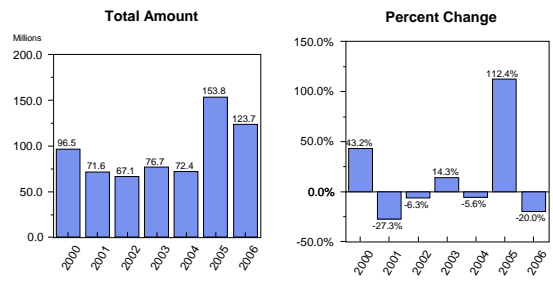


Fines and Forfeits increase or decrease based upon:

- The number of officers assigned to traffic policing,
- changes in state fine amounts, and;
- the use of collection agencies for delinquent accounts (recent).

Other Miscellaneous, 2000–2006

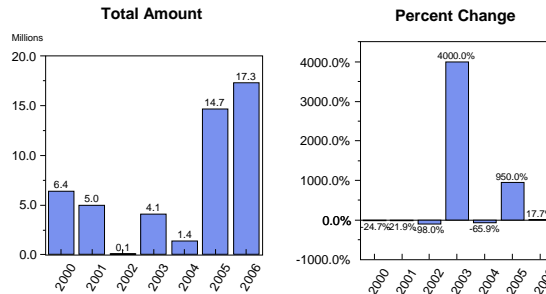
Total Revenues



The Countywide total for Miscellaneous Revenue increased substantially in 2000, mostly due to the sale of general obligation bonds for the new Detention Facility project. The increases in 2005 reflect projected financing of Park improvements, new transportation facilities, a new golf course, and conservation futures property purchases. Fiscal 2006 reflects a moderate decrease in the level of capital improvements.

Other Financing Sources, 2000–2006

Total Revenues



Through 2001, Other Financing Sources included equity transfers between funds. With the GASB 34 accounting change implemented in 2002, all transfers are now recorded under Other Miscellaneous. The main items remaining in Other Financing Sources are potential interfund loans or advances, and sewer assessments receivable applied against debt service on sewer revenue bonds. These items will vary considerably from year to year. The 2005 and 2006 budgets reflect advances for: the Water Utility, a new Emergency Operations Center, enhanced Transportation Facilities, and a new golf course and parks at the Chambers Creek properties.

Revenue and Expenditure Summaries

DEPARTMENTAL EXPENDITURES/EXPENSES BY FUNCTION					
	2006 Budget	2005 Budget	Absolute Change	Percent Change	
General Government					
Assessor/Treasurer	\$ 10,585,010	\$ 10,545,580	\$ 39,430	0.4	%
Auditor	6,566,100	8,078,160	(1,512,060)	(18.7)	
Auditor's Maintenance & Operation	1,450,000	939,270	510,730	54.4	
Bond Debt Service	700,440	461,190	239,250	51.9	
Budget & Finance	4,801,120	4,567,260	233,860	5.1	
Building Remodel Projects	150,000	—	150,000	∞	
Communications	626,920	638,040	(11,120)	(1.7)	
County Council	3,560,870	3,389,440	171,430	5.1	
County Executive	1,037,920	995,900	42,020	4.2	
Employee Assistance Program Fund	66,260	64,890	1,370	2.1	
Human Resources	3,292,260	2,931,630	360,630	12.3	
Miscellaneous Current Expense	1,510,560	1,585,200	(74,640)	(4.7)	
Rainier Communications Commission	1,172,460	1,110,880	61,580	5.5	
Real Estate Excise Tax - Capital Improvmt	3,077,710	4,028,450	(950,740)	(23.6)	
REET Electronic Technology Fund	124,000	—	124,000	∞	
Special Projects	1,672,750	1,095,700	577,050	52.7	
State Auditor	172,100	162,710	9,390	5.8	
Total General Government	40,566,480	40,594,300	(27,820)	(0.1)	
Public Safety					
Bond Debt Service	468,340	465,750	2,590	0.6	
Corrections	40,752,380	39,756,600	995,780	2.5	
Criminal Justice Fund	703,340	623,800	79,540	12.8	
Detention Center Commissary	700,000	717,560	(17,560)	(2.4)	
District Court Probation	2,750,100	2,638,210	111,890	4.2	
Drug Investigation Fund	755,430	588,830	166,600	28.3	
Emergency Management	3,009,950	2,748,880	261,070	9.5	
Emergency Managemt Grants Fund	3,284,110	6,848,760	(3,564,650)	(52.0)	
Juvenile	15,296,230	14,846,901	449,329	3.0	
Marine Services Fund	132,000	235,480	(103,480)	(43.9)	
Medical Examiner	1,701,920	1,762,650	(60,730)	(3.4)	
Miscellaneous Current Expense	978,200	999,330	(21,130)	(2.1)	
Parks and Recreation Services	40,870	40,000	870	2.2	
Permanent Jail Construction	1,876,360	4,160,460	(2,284,100)	(54.9)	
Prevention Services & Programs	1,450,000	1,350,000	100,000	7.4	
Real Estate Excise Tax - Capital Improvmt	1,631,160	1,808,270	(177,110)	(9.8)	
Sheriff	50,006,105	46,598,615	3,407,490	7.3	
Sheriff Transition	—	1,280,000	(1,280,000)	(100.0)	
Special Projects	59,450	88,000	(28,550)	(32.4)	
2501 Corporate Express Building	12,229,650	7,016,050	5,213,600	74.3	
911 System	5,467,090	5,505,490	(38,400)	(0.7)	
Total Public Safety	143,292,685	140,079,636	3,213,049	2.3	
Physical Environment					
Auditor	823,660	—	823,660	∞	
Conservation Futures Fund	21,949,100	3,077,970	18,871,130	613.1	
Endangered Species Act	204,400	225,210	(20,810)	(9.2)	
Federal Forest Services Fund	160,700	214,790	(54,090)	(25.2)	
Geographic Information System Fund	3,109,710	3,095,490	14,220	0.5	
Miscellaneous Current Expense	759,250	749,680	9,570	1.3	
Real Estate Excise Tax - River	5,918,220	2,664,520	3,253,700	122.1	
Special Projects	525,930	733,090	(207,160)	(28.3)	
Surface Water Management Fund	25,917,630	20,252,880	5,664,750	28.0	
Total Physical Environment	59,368,600	31,013,630	28,354,970	91.4	
Legal & Judicial					
Assigned Counsel Conflict Office	228,840	—	228,840	∞	
Assigned Counsel	12,234,930	11,659,990	574,940	4.9	
Bond Debt Service	200,720	199,600	1,120	0.6	
Building Remodel Projects	4,500,000	2,834,000	1,666,000	58.8	
Clerk of the Superior Court	4,606,080	4,309,610	296,470	6.9	
Criminal Justice Fund	168,760	56,110	112,650	200.8	
Dispute Resolution Center Fund	150,000	132,020	17,980	13.6	
District Court	7,492,120	7,213,590	278,530	3.9	
Family Justice Center	675,180	365,750	309,430	84.6	
Juvenile	2,310,110	2,231,603	78,507	3.5	
Miscellaneous Current Expense	631,800	349,000	282,800	81.0	
Prosecuting Attorney	22,762,940	21,875,945	886,995	4.1	
Real Estate Excise Tax - Capital Improvmt	5,967,900	1,011,860	4,956,040	489.8	
Superior Court	12,252,390	11,306,470	945,920	8.4	
Total Legal & Judicial	74,181,770	63,545,548	10,636,222	16.7	%

Revenue and Expenditure Summaries

DEPARTMENTAL EXPENDITURES/EXPENSES BY FUNCTION				
	2006 Budget	2005 Budget	Absolute Change	Percent Change
Economic Environment				
Community Development Fund	5,169,710	5,255,500	(85,790)	(1.6)
Economic Development	1,006,380	950,220	56,160	5.9
Homeless Housing Fund	1,235,000	125,000	1,110,000	888.0
Housing Repair Program	6,412,190	7,816,516	(1,404,326)	(18.0)
Low Income Housing Fee Fund	5,218,800	4,100,000	1,118,800	27.3
Miscellaneous Current Expense	431,950	323,982	107,968	33.3
Planning and Land Services	16,492,060	15,327,197	1,164,863	7.6
Special Projects	271,880	242,290	29,590	12.2
Total Economic Environment	36,237,970	34,140,705	2,097,265	6.1
Mental/Physical Health				
Community Action	5,929,530	6,810,733	(881,203)	(12.9)
Health Department	33,768,429	34,561,812	(793,383)	(2.3)
Health Services	3,041,020	3,082,700	(41,680)	(1.4)
Human Services Fund	79,409,920	78,745,881	664,039	0.8
Human Services Construction Fund	3,027,240	929,740	2,097,500	225.6
Miscellaneous Current Expense	468,390	464,510	3,880	0.8
Puget Sound Behavioral Health	12,222,850	13,678,880	(1,456,030)	(10.6)
Veterans' Relief Fund	582,690	529,790	52,900	10.0
Total Mental/Physical Health	138,450,069	138,804,046	(353,977)	0.3
Cultural & Recreation				
Arts And Cultural Services	232,240	264,750	(32,510)	(12.3)
Building Remodel Projects	—	35,000	(35,000)	(100.0)
Chambers Bay Golf Course	15,993,950	6,350,000	9,643,950	151.9
Golf Courses	1,996,950	1,979,200	17,750	0.9
Miscellaneous Current Expense	725,320	823,443	(98,123)	(11.9)
Parks and Recreation Services	5,924,340	5,915,920	8,420	0.1
Parks Bond Construction Fund	1,234,600	13,766,880	(12,532,280)	(91.0)
Parks Construction Fund	4,972,840	2,802,770	2,170,070	77.4
Parks Impact Fee Fund	2,979,310	1,755,750	1,223,560	69.7
Parks Sales Tax Fund	5,436,030	1,850,000	3,586,030	193.8
Paths and Trails Fund	4,315,930	2,743,120	1,572,810	57.3
Peninsula Recreation Program	—	320,000	(320,000)	(100.0)
Pierce County Fair	184,060	182,110	1,950	1.1
Second REET Fund - Parks	2,320,000	3,003,260	(683,260)	(22.8)
Tourism, Promotion, & Capital Facilities Fund	956,060	1,082,000	(125,940)	(11.6)
WSU PC Extension	651,320	628,770	22,550	3.6
1% For Arts Construction	460,270	281,620	178,650	63.4
Total Cultural & Recreation	48,383,220	43,784,593	4,598,627	10.5
Debt Service				
Limited GO Bond Redemption	5,414,350	40,442,570	(35,028,220)	(86.6)
Total Debt Service	5,414,350	40,442,570	(35,028,220)	(86.6)
Transportation				
Airport Fund	601,730	585,554	16,176	2.8
County Road Fund	60,382,960	62,991,550	(2,608,590)	(4.1)
Miscellaneous Current Expense	279,268	143,000	136,268	95.3
Pierce County Ferry Services	12,461,870	13,947,330	(1,485,460)	(10.7)
Public Works Construction Fund	33,357,000	53,313,000	(19,956,000)	(37.4)
Second REET Fund - Roads	5,171,820	10,736,680	(5,564,860)	(51.8)
Transportation Facilities	26,838,880	26,600,000	238,880	0.9
Total Transportation	139,093,528	168,317,114	(29,223,586)	(17.4)
Utilities				
Sewer Revenue Funds	5,671,730	8,308,000	(2,636,270)	(31.7)
Sewer Facil Restricted Reserve	11,065,200	6,590,980	4,474,220	67.9
Sewer Utility Fund	48,984,330	48,375,790	608,540	1.3
Sewer Utility Construction Funds	27,732,290	18,069,000	9,663,290	53.5
Solid Waste Management Fund	4,971,130	6,302,630	(1,331,500)	(21.1)
Water Utility Fund	304,170	198,750	105,420	53.0
Total Utilities	98,728,850	87,845,150	10,883,700	12.4
Internal Service				
Equipment Rental & Revolving	12,529,550	12,706,240	(176,690)	(1.4)
Facilities Management Fund	10,675,420	10,171,810	503,610	5.0
Fleet Rental	3,963,290	3,521,020	442,270	12.6
General Services	3,094,120	2,900,800	193,320	6.7
Information Technology Fund	16,954,310	16,209,980	744,330	4.6
Radio Communications Fund	2,384,150	2,258,750	125,400	5.6
Self Insurance Fund	8,795,540	8,323,870	471,670	5.7
Workers Compensation	3,064,600	2,902,510	162,090	5.6
Total Internal Service	61,460,980	58,994,980	2,466,000	4.2
County Fund Total	\$ 845,178,502	\$ 847,562,272	\$ (2,383,770)	(0.3) %

Revenue and Expenditure Summaries

TOTAL ESTIMATED REVENUES AND OTHER FUNDING SOURCES						
	2004 Actual	2005 Budget	2005 Estimate	2006 Budget	Absolute Change	Percent Change
General Fund						
Taxes	\$ 141,843,526	\$ 146,538,350	\$ 147,213,170	\$ 154,301,630	\$ 7,763,280	5.3 %
Licenses and Permits	7,108,897	7,642,430	8,123,300	8,964,520	1,322,090	17.3
Intergovernmental Revenue	37,033,842	29,256,692	28,950,244	27,405,110	(1,851,582)	(6.3)
Charges for Services	31,447,338	33,395,427	33,602,380	34,059,360	663,933	2.0
Fines and Forfeitures	5,145,309	4,735,000	4,609,681	4,943,950	208,950	4.4
Other Miscellaneous Revenue	11,546,375	12,448,957	12,815,402	14,504,030	2,055,073	16.5
Subtotal	234,125,287	234,016,856	235,314,177	244,178,600	10,161,744	4.3
Carryover	—	28,500	—	—	(28,500)	(100.0)
Use of Fund Balance	—	4,380,000	—	5,631,693	1,251,693	28.6
Other Financing Sources	(1,091)	—	—	—	—	—
Subtotal	(1,091)	4,408,500	—	5,631,693	1,223,193	27.7
Total General Fund	234,124,196	238,425,356	235,314,177	249,810,293	11,384,937	4.8
Special Revenue Funds						
Taxes	58,628,953	56,277,340	60,173,580	60,622,950	4,345,610	7.7
Licenses and Permits	81,661	73,100	86,000	74,000	900	1.2
Intergovernmental Revenue	134,567,902	131,963,398	122,516,042	123,971,980	(7,991,418)	(6.1)
Charges for Services	18,511,065	19,209,820	19,465,415	20,769,290	1,559,470	8.1
Fines and Forfeitures	12,947	—	13,000	13,000	13,000	—
Other Miscellaneous Revenue	8,622,683	7,606,912	9,722,367	32,544,800	24,937,888	327.8
Subtotal	220,425,211	215,130,570	211,976,404	237,996,020	22,865,450	10.6
Use of Fund Balance	—	33,580,650	—	32,271,470	(1,309,180)	(3.9)
Other Financing Sources	(894)	—	100	—	—	—
Subtotal	(894)	33,580,650	100	32,271,470	(1,309,180)	(3.9)
Total Special Revenue Funds	220,424,317	248,711,220	211,976,504	270,267,490	21,556,270	8.7
Debt Service Funds						
Other Miscellaneous Revenue	5,826,139	40,442,570	40,442,570	4,634,690	(35,807,880)	(88.5)
Subtotal	5,826,139	40,442,570	40,442,570	4,634,690	(35,807,880)	(88.5)
Use of Fund Balance	—	—	—	779,660	779,660	—
Subtotal	—	—	—	779,660	779,660	—
Total Debt Service Funds	5,826,139	40,442,570	40,442,570	5,414,350	(35,028,220)	(86.6)
Capital Funds						
Taxes	7,265,810	3,600,000	5,502,830	4,915,540	1,315,540	36.5
Intergovernmental Revenue	8,270,042	14,892,390	10,235,302	11,909,950	(2,982,440)	(20.0)
Charges for Services	969,989	1,797,000	1,151,870	881,640	(915,360)	(50.9)
Other Miscellaneous Revenue	28,404,469	73,863,440	30,849,209	47,836,900	(26,026,540)	(35.2)
Subtotal	44,910,310	94,152,830	47,739,211	65,544,030	(28,608,800)	(30.4)
Use of Fund Balance	—	20,166,270	—	18,590,490	(1,575,780)	(7.8)
Other Financing Sources	—	1,400,000	—	10,539,090	9,139,090	652.8
Subtotal	—	21,566,270	—	29,129,580	7,563,310	35.1
Total Capital Project Funds	\$ 44,910,310	\$ 115,719,100	\$ 47,739,211	\$ 94,673,610	\$ (21,045,490)	(18.2) %

Revenue and Expenditure Summaries

TOTAL ESTIMATED REVENUES AND OTHER FUNDING SOURCES						
	2004 Actual	2005 Budget	2005 Estimate	2006 Budget	Absolute Change	Percent Change
Enterprise Funds						
Taxes	\$ 226,407	\$ 150,000	\$ 200,118	\$ 180,000	\$ 30,000	20.0 %
Intergovernmental Revenue	1,391,533	4,912,964	3,852,064	2,775,430	(2,137,534)	(43.5)
Charges for Services	30,147,839	33,454,440	32,406,530	34,291,530	837,090	2.5
Other Miscellaneous Revenue	26,601,829	28,332,260	29,668,482	36,020,160	7,687,900	27.1
Subtotal	58,367,608	66,849,664	66,127,194	73,267,120	6,417,456	9.6
Use of Fund Balance	—	30,603,420	—	49,715,060	19,111,640	62.4
Other Financing Sources	1,445,340	13,254,150	26,976,790	6,801,170	(6,452,980)	(48.7)
Subtotal	1,445,340	43,857,570	26,976,790	56,516,230	12,658,660	28.9
Total Enterprise Funds	59,812,948	110,707,234	93,103,984	129,783,350	19,076,116	17.2
Internal Service Funds						
Intergovernmental Revenue	188,853	54,020	151,970	100	(53,920)	(99.8)
Charges for Services	21,610,140	23,044,670	23,101,300	24,197,310	1,152,640	5.0
Other Miscellaneous Revenue	30,838,203	29,503,170	30,256,087	31,373,710	1,870,540	6.3
Subtotal	52,637,196	52,601,860	53,509,357	55,571,120	2,969,260	5.6
Use of Fund Balance	—	6,393,120	—	5,889,860	(503,260)	(7.9)
Other Financing Sources	(382)	—	1,800	—	—	—
Subtotal	(382)	6,393,120	1,800	5,889,860	(503,260)	(7.9)
Total Internal Service Funds	52,636,814	58,994,980	53,511,157	61,460,980	2,466,000	4.2
T/PC Health Department						
Licenses and Permits	3,625,224	3,461,005	3,461,005	3,778,837	317,832	9.2
Intergovernmental Revenue	24,052,607	21,520,805	21,520,805	20,503,787	(1,017,018)	(4.7)
Charges for Services	5,283,221	5,158,494	5,158,494	5,166,706	8,212	0.2
Other Miscellaneous Revenue	1,039,712	1,082,353	1,082,353	1,551,542	469,189	43.3
Subtotal	34,000,764	31,222,657	31,222,657	31,000,872	(221,785)	(0.7)
Use of Fund Balance	—	3,339,155	—	2,767,557	(571,598)	(17.1)
Subtotal	—	3,339,155	—	2,767,557	(571,598)	17.1
Total T/PC Health Dept	34,000,764	34,561,812	31,222,657	33,768,429	(793,383)	(2.3)
Grand Total	\$ 651,735,488	\$ 847,562,272	\$ 713,310,260	\$ 845,178,502	\$ (2,383,770)	(0.3) %

Revenue and Expenditure Summaries

TOTAL EXPENDITURES/EXPENSES						
	2004	2005	2005	2006	Absolute	Percent
	Actual	Budget	Estimate	Budget	Change	Change
General Fund						
Assessor/Treasurer	\$ 9,620,048	\$ 10,545,580	\$ 10,500,464	\$ 10,585,010	\$ 39,430	0.4 %
Assigned Counsel Conflict Office	—	—	—	228,840	228,840	∞
Assigned Counsel	11,157,674	11,659,990	11,788,301	12,234,930	574,940	4.9
Auditor	7,307,252	8,078,160	8,078,160	7,389,760	(688,400)	(8.5)
Bond Debt Service	1,372,538	1,126,540	1,126,540	1,369,500	242,960	21.6
Budget & Finance	4,341,073	4,567,260	4,560,760	4,801,120	233,860	5.1
Building Remodel Projects	1,943,991	2,869,000	2,869,000	4,650,000	1,781,000	62.1
Clerk of the Superior Court	4,010,634	4,309,610	4,299,760	4,606,080	296,470	6.9
Communications	542,068	638,040	638,040	626,920	(11,120)	(1.7)
Corrections	37,317,238	39,756,600	39,756,590	40,752,380	995,780	2.5
County Council	3,229,639	3,389,440	3,368,755	3,560,870	171,430	5.1
County Executive	958,034	995,900	993,420	1,037,920	42,020	4.2
District Court	6,950,822	7,213,590	7,213,590	7,492,120	278,530	3.9
District Court Probation	2,430,408	2,638,210	2,600,210	2,750,100	111,890	4.2
Economic Development	946,254	950,220	936,650	1,006,380	56,160	5.9
Emergency Management	2,551,564	2,748,880	2,743,210	3,009,950	261,070	9.5
Health Services	2,995,309	3,082,700	3,082,700	3,041,020	(41,680)	(1.4)
Human Resources	2,788,252	2,931,630	2,931,630	3,292,260	360,630	12.3
Juvenile	16,578,695	17,078,504	17,074,507	17,606,340	527,836	3.1
Medical Examiner	1,610,585	1,762,650	1,746,550	1,701,920	(60,730)	(3.4)
Miscellaneous Current Expense	5,515,840	5,438,145	5,433,005	5,784,738	346,593	6.4
New Jail Reserve	2,000,000	—	—	—	—	—
Parks and Recreation Services	6,305,196	5,955,920	5,955,920	5,965,210	9,290	0.2
Planning and Land Services	13,102,346	15,327,197	15,327,197	16,492,060	1,164,863	7.6
Prevention Services & Programs	1,205,584	1,350,000	1,350,000	1,450,000	100,000	7.4
Prosecuting Attorney	20,934,345	21,875,945	21,848,171	22,762,940	886,995	4.1
Sheriff	53,204,303	46,598,615	46,598,615	50,006,105	3,407,490	7.3
Sheriff Transition	—	1,280,000	1,100,000	—	(1,280,000)	(100.0)
Special Projects	2,247,348	2,159,080	2,157,700	2,530,010	370,930	17.2
State Auditor	194,410	162,710	162,710	172,100	9,390	5.8
Superior Court	10,794,253	11,306,470	11,306,470	12,252,390	945,920	8.4
WSU PC Extension	567,627	628,770	628,770	651,320	22,550	3.6
Total General Fund	234,723,330	238,425,356	238,177,395	249,810,293	11,384,937	4.8
Special Revenue Funds						
Antiprofitereing Revolving Fund	20	—	—	—	—	—
Arts and Cultural Services	256,150	264,750	264,750	232,240	(32,510)	(12.3)
Auditor's Maint & Operation	585,796	939,270	518,690	1,450,000	510,730	54.4
Community Action	6,189,940	6,810,733	6,810,733	5,929,530	(881,203)	(12.9)
Community Development Fund	3,547,733	5,255,500	4,303,564	5,169,710	(85,790)	(1.6)
Conservation Futures Fund	1,228,528	3,077,970	3,077,970	21,949,100	18,871,130	613.1
County Road Fund	60,859,512	62,991,550	62,363,834	60,382,960	(2,608,590)	(4.1)
Criminal Justice Fund	540,327	679,910	658,125	872,100	192,190	28.3
Detention Center Commissary	701,923	717,560	717,560	700,000	(17,560)	(2.4)
Dispute Resolution Center Fund	145,897	132,020	132,020	150,000	17,980	13.6
Drug Investigation Fund	209,219	588,830	555,838	755,430	166,600	28.3
Emergency Management Grants Fund	3,362,711	6,848,760	6,767,710	3,284,110	(3,564,650)	(52.0)
Employee Assistance Program	54,079	64,890	64,890	66,260	1,370	2.1
Endangered Species Act	190,008	225,210	129,060	204,400	(20,810)	(9.2)
Family Justice Center	—	365,750	309,050	675,180	309,430	84.6
Federal Forest Services Fund	145,327	214,790	164,790	160,700	(54,090)	(25.2)
Geographic Information System Fund	2,528,466	3,095,490	3,030,510	3,109,710	14,220	0.5
Homeless Housing Fund	—	125,000	125,000	1,235,000	1,110,000	888.0
Housing Repair Program	4,664,167	7,816,516	7,816,516	6,412,190	(1,404,326)	(18.0)
Human Services Fund	85,334,591	78,745,881	75,211,901	79,409,920	664,039	0.8
Law Enforcement Fund	188,399	—	—	—	—	—
Low Income Housing Fee Fund	513,714	4,100,000	1,016,046	5,218,800	1,118,800	27.3
Marine Services Fund	139,360	235,480	207,480	132,000	(103,480)	(43.9)
Parks Impact Fee Fund	849,923	1,755,750	763,130	2,979,310	1,223,560	69.7
Parks Sales Tax Fund	1,041,108	1,850,000	1,845,280	5,436,030	3,586,030	193.8
Paths and Trails Fund	1,957,682	2,743,120	2,010,170	4,315,930	1,572,810	57.3
Peninsula Recreation Program	302,767	320,000	207,340	—	(320,000)	(100.0)
Pierce County Fair	161,902	182,110	179,610	184,060	1,950	1.1
Puget Sound Behavioral Health	13,026,380	13,678,880	12,669,355	12,222,850	(1,456,030)	(10.6)
Rainier Communications Commission	920,585	1,110,880	1,078,160	1,172,460	61,580	5.5
Real Estate Excise Tax - River	905,053	2,664,520	1,459,190	5,918,220	3,253,700	122.1
REET Electronic Technology	—	—	—	124,000	124,000	∞
Second REET Fund - Parks	1,017,008	3,003,260	2,859,550	2,320,000	(683,260)	(22.8)
Second REET Fund - Roads	886,384	10,736,680	10,736,680	5,171,820	(5,564,860)	(51.8)
Surface Water Management Fund	12,756,236	20,252,880	16,422,310	25,917,630	5,664,750	28.0
Tourism, Promotion & Capital Facilities Fd	379,239	1,082,000	489,660	956,060	(125,940)	(11.6)
Veterans' Relief Fund	491,858	529,790	529,380	582,690	52,900	10.0
911 System	4,935,763	5,505,490	5,039,270	5,467,090	(38,400)	(0.7)
Total Special Revenue Funds	\$ 211,017,755	\$ 248,711,220	\$ 230,535,122	\$ 270,267,490	\$ 21,556,270	8.7 %

Revenue and Expenditure Summaries

TOTAL EXPENDITURES/EXPENSES						
	2004	2005	2005	2006	Absolute	Percent
	Actual	Budget	Estimate	Budget	Change	Change
Limited GO Bond Redemption						
Limited GO Bond Redemption	5,667,770	40,442,570	40,246,390	5,414,350	(35,028,220)	(86.6)
Road Improve Guarantee Fund	320,662	—	—	—	—	—
Total Limited GO Bond Redemption	5,988,432	40,442,570	40,246,390	5,414,350	(35,028,220)	(86.6)
Capital Projects Fund						
Administration Building Fund	1,519,624	—	—	—	—	—
Human Services Construction Fund	667,984	929,740	929,740	3,027,240	2,097,500	225.6
Parks Bond Construction Fund	3,206,257	13,766,880	9,076,990	1,234,600	(12,532,280)	(91.0)
Parks Construction Fund	3,480,651	2,802,770	2,802,770	4,972,840	2,170,070	77.4
Permanent Jail Construction	4,450,353	4,160,460	3,032,930	1,876,360	(2,284,100)	(54.9)
Public Works Construction Fund	19,017,542	53,313,000	25,114,411	33,357,000	(19,956,000)	(37.4)
Real Estate Excise Tax - Capital Improvmt	4,213,537	6,848,580	6,601,800	10,676,770	3,828,190	55.9
RID Construction Fund	27,876	—	—	—	—	—
Transportation Facilities	963,798	26,600,000	8,936,125	26,838,880	238,880	0.9
1% For Arts Construction	54,010	281,620	123,940	460,270	178,650	63.4
2501 Corporate Express Bldg	1,213,543	7,016,050	1,237,860	12,229,650	5,213,600	74.3
Total Capital Projects Fund	38,815,175	115,719,100	57,856,566	94,673,610	(21,045,490)	(18.2)
Enterprise Funds						
Airport Fund	492,380	585,554	562,912	601,730	16,176	2.8
Chambers Bay Golf Course	607,520	6,350,000	4,517,230	15,993,950	9,643,950	151.9
Golf Courses	1,019,298	1,979,200	1,834,220	1,996,950	17,750	0.9
Pierce County Ferry Services	3,165,701	13,947,330	5,347,116	12,461,870	(1,485,460)	(10.7)
Sewer Revenue Bonds	16,586,882	8,308,000	8,308,000	5,671,730	(2,636,270)	(31.7)
Sewer Facility Restricted Reserve	3,389,880	6,590,980	4,429,200	11,065,200	4,474,220	67.9
Sewer Utility Fund	32,566,686	48,375,790	44,556,150	48,984,330	608,540	1.3
Sewer Utility Construction Funds	7,331,976	18,069,000	15,662,470	27,732,290	9,663,290	53.5
Solid Waste Management Fund	2,829,026	6,302,630	6,071,620	4,971,130	(1,331,500)	(21.1)
Water Utility Fund	28,786	198,750	154,350	304,170	105,420	53.0
Total Enterprise Funds	68,018,135	110,707,234	91,443,268	129,783,350	19,076,116	17.2
Intragovernmental Service Fund						
Equipment Rental & Revolving	8,961,134	12,706,240	12,626,546	12,529,550	(176,690)	(1.4)
Facilities Management Fund	9,081,326	10,171,810	10,087,490	10,675,420	503,610	5.0
Fleet Rental	3,119,697	3,521,020	3,641,100	3,963,290	442,270	12.6
General Services	2,770,881	2,900,800	2,780,330	3,094,120	193,320	6.7
Information Technology Fund	14,713,883	16,209,980	16,109,980	16,954,310	744,330	4.6
Radio Communications Fund	1,621,221	2,258,750	2,106,120	2,384,150	125,400	5.6
Self Insurance Fund	4,242,425	8,323,870	7,784,930	8,795,540	471,670	5.7
Workers Compensation	2,782,019	2,902,510	2,503,240	3,064,600	162,090	5.6
Total Intragovernmental Service Fund	47,292,586	58,994,980	57,639,736	61,460,980	2,466,000	4.2
Health Department						
	33,928,500	34,561,812	34,561,812	33,768,429	(793,383)	(2.3)
Grand Total	\$ 639,783,913	\$ 847,562,272	\$ 750,460,289	\$ 845,178,502	\$ (2,383,770)	(0.3) %

Revenue and Expenditure Summaries
