

Pierce County

2008 Budget In Brief

This document is a “brief” look at the adopted 2008 Pierce County budget. We hope it will enhance your understanding of how the County is organized, the services it provides, and the funding sources used to provide those services. Our purpose is to deliver to the citizens of Pierce County the very highest quality of services as efficiently and economically as possible, making every dollar count. Thank you for the opportunity to serve you and to be able to make Pierce County government the best it can be.

County Executive

John Ladenburg

County Council

Terry Lee

Shawn Bunney

Calvin Goings

Roger Bush

Timothy Farrell

Barbara Gelman

Dick Muri



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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For the Fiscal Year Beginning

January 1, 2007

President

Executive Director




The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Pierce County, Washington for its annual budget for the fiscal year beginning January 1, 2007. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Pierce County Facts	1
General Information	1
Economic Conditions	1
Port Facilities.....	1
Employment	1
Service/Government	2
Economic Indicators.....	2
Budget History.....	4
Organizational Overview	5
Mission and Goals	6
Budget Highlights.....	7
Total Pierce County Revenue & Expenditure Overview.....	8
General Fund.....	9
Revenues	9
Expenditures	11
2008 Major Service & Staffing Changes	12
Use of Prior Fund Balance	14
Other County Funds	15
Community Services & Human Services Funds	15
Transportation Services Funds	15
Parks and Recreation Funds.....	16
Environmental Services Funds	16
Internal Service Funds	17
Special Revenue & Other Funds.....	17
Summation	18
Summary.....	18
Other Financial Information	19
Property Taxes and Assessed Valuation	19
Property Tax Levy Rates.....	19
Debt Capacity.....	20
2008 Capital Improvement Program	21
Staffing Information	23
Total Expenditures/Expenses	27
All Funds Comparison of 2008 Revenues and Expenditures.....	29

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, with the Sheriff to be elected in the fall of 2008.
-  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.
-  Pierce County is home to an estimated 790,500 people, making it the second largest county in the state. Its five largest cities are Tacoma (201,700), Lakewood (58,950), Puyallup (36,790), University Place (31,300), and Bonney Lake (15,740). 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.

Economic Conditions

“Pierce County, by diversifying its economic base and becoming more integrated with international and national markets, has traded stability for a lower average rate of growth. Slower growth does not mean negative growth. Although now growing slower than anticipated, the Pierce County economy continues improving from the mild weakness experienced in 2002-2003. The weakening value of the dollar, increasing uncertainty over the U.S. trade deficit, and slower economic growth in both Europe and Asia has curtailed shipping, warehousing, and trade growth. Interest rate concerns have started to slow the housing and construction markets.” (Tacoma-Pierce County Chamber, *Pierce County Economic Index Report*, 2007)

Port Facilities

A 2005 economic impact study described the Port of Tacoma as, “a growing focal point of regional economic development, creating thousands of jobs, driving the economy of Pierce County, and serving as a statewide catalyst for economic development.”

As one of the nation’s top five container ports, the Port of Tacoma plays an important part in the local economy. The deep-water port covers 2,400 acres and offers a combination of facilities and services including 11 deepwater berths, two million square feet of warehouse and office space, and 131 acres of industrial yard. The same 2005 economic impact study showed that more the 43,000 jobs in Pierce County are related to Port activities.

Employment

Historically the county was a resource and manufacturing based economy. Products manufactured in Pierce County include aerospace parts, chemicals, machinery, hardware, food products, and electronics. Among the major manufacturers are Boeing (1,395), Milgard Glass (1,118), and Simpson Tacoma Kraft wood products (695). However, regional, state and national trends have shown a shift towards wholesale and retail trade, and services. Since 1990 the percentages of nonagricultural employment in Pierce County have changed as follows:

HISTORICAL EMPLOYMENT

Category	1990	2006	Change
Construction	6.1 %	8.3 %	2.2 %
Manufacturing	10.0	7.4	(2.6)
Transportation, Warehousing, And Utilities	3.6	4.2	0.6
Wholesale Trade	4.3	3.9	(0.4)
Retail Trade	12.7	11.6	(1.1)
Information	1.6	1.3	(0.3)
Financial Activities	5.3	5.3	-
Professional And Business Services	7.5	8.7	1.2
Educational And Health Services	13.6	14.6	1.0
Leisure And Hospitality	9.4	9.8	0.4
Other Services	4.0	4.6	0.6
Government	21.9	20.3	(1.6)
	100.0 %	100.0 %	0.0 %

Service/Government

One of the largest components of the service sector is health care. The largest employers include the Franciscan Health System (3,896) and Multicare Medical System (3,231). In addition, DaVita, the nation's second largest provider of dialysis services, employees 792 people.

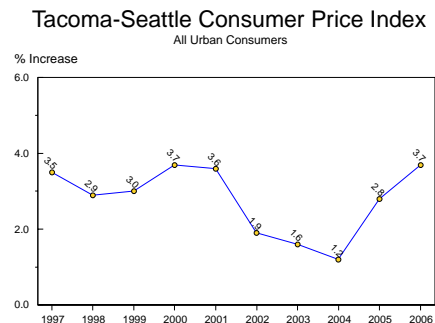
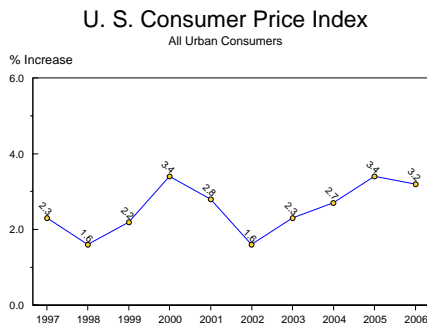
Fort Lewis Army Base and Madigan Army Medical Center occupy 86,000 acres in southwest Pierce County while the adjacent McChord Air Force Base includes 5,000 acres. Together, these facilities employ over 49,900 military and civilian personnel. Unlike many military installations across the country, Fort Lewis and McChord have expanded as people are transferred from closed facilities to the northwest. In addition, more than \$585M worth of new projects are planned for the military installations over the next four years.

Financial and insurance services companies are also significant employers in Pierce County. These include Russell Investment Group (1,035), State Farm Insurance (965), KeyBank (600), Columbia Bank (456), and Regence BlueShield (488).

Economic Indicators

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

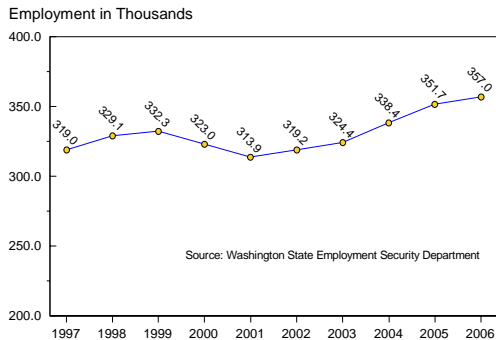
- ◇ **Inflation:** Inflation as measured by the Seattle-Tacoma-Everett Consumer Price Index for all urban consumers increased from 1.2% in 2004 to 3.7% in 2006. During the same period, the U. S. average (CPI-U) increased from 2.7% in 2004 to 3.2% in 2006.



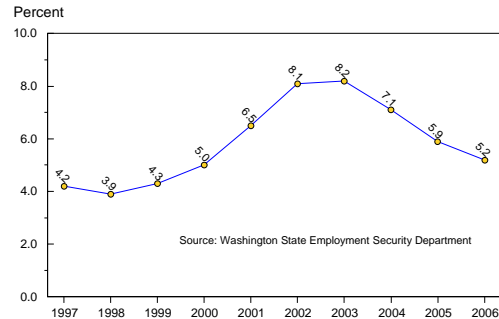
Pierce County Facts

Employment: Total Pierce County employment increased to 357,000 while unemployment decreased to 5.2%. County unemployment is slightly worse than the statewide average of 4.9% and slightly worse than the U.S. average of about 5.0%.

Pierce County Employment

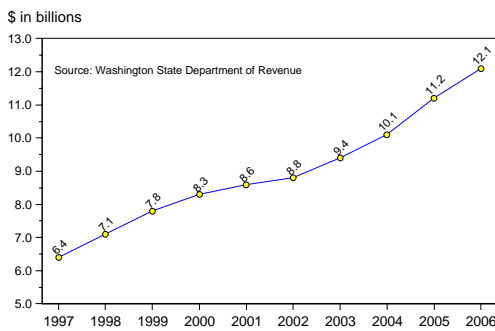


Pierce County Percent Unemployment

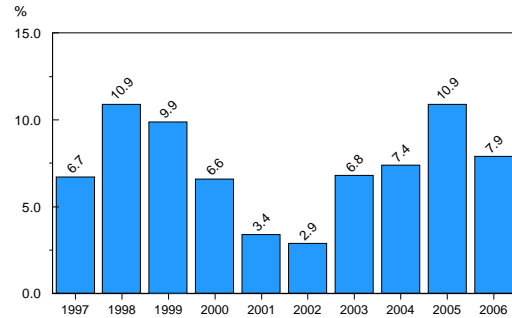


◇ **Taxable Retail Sales:** Taxable retail sales continued very strong in 2006 increasing 7.9% compared to 2005.

Pierce County Taxable Retail Sales

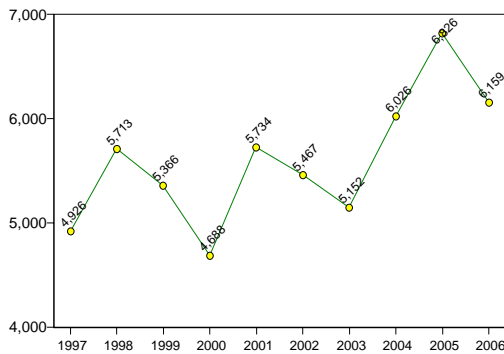


Percent Change Taxable Retail Sales

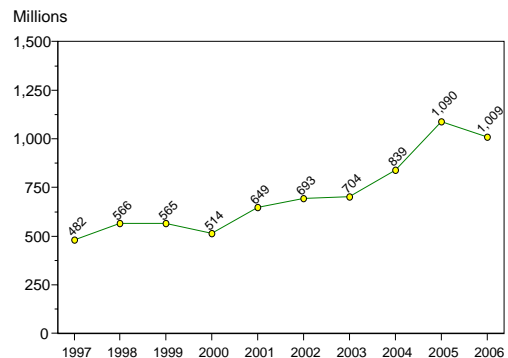


◇ **Construction:** New construction activity is an important economic indicator that greatly impacts county operations and workload in areas such as planning, permits, land services, public works, and public construction. Property tax revenues are also affected by fluctuations in new construction activity. The number and value of permits issued is an indicator of future growth in the county property tax base. The figures below illustrate the relative strength of the Pierce County residential housing market.

Residential Construction Activity
New Housing Units, U.S. Census Bureau



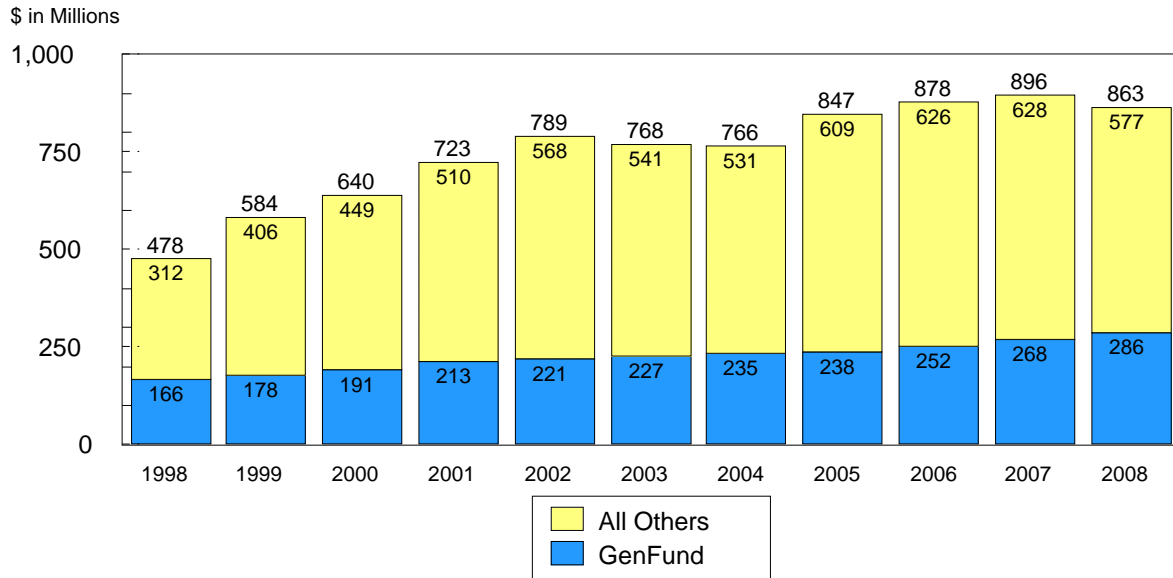
Value of Residential Permits Issued
New Housing Units, U.S. Census Bureau



Budget History

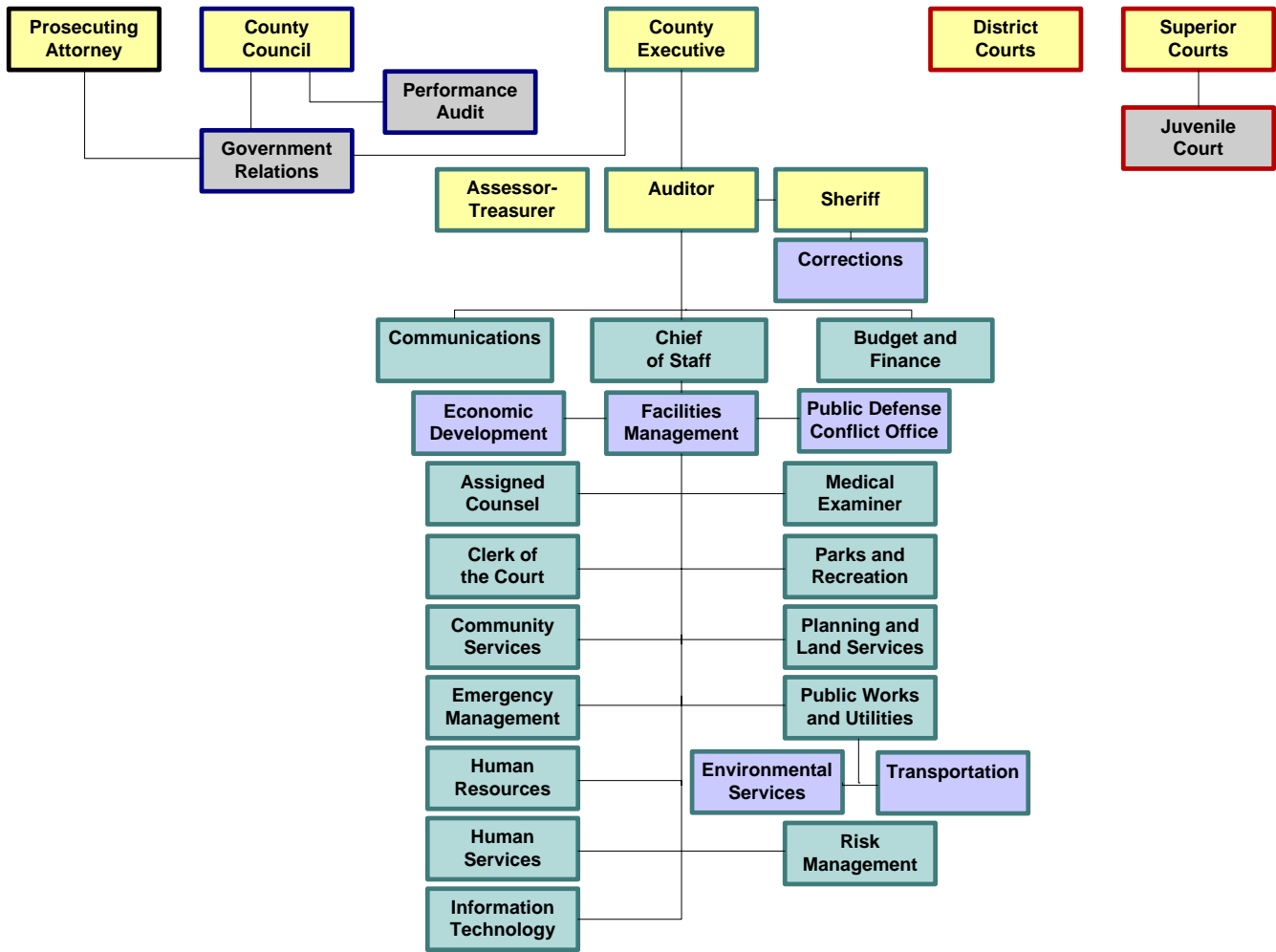
Pierce County’s budget history over the past ten years for both the General Fund and the Total County are shown in the accompanying table. While the General Fund pattern shows a gradual upward trend, the Total Budget varies considerably from year to year, usually due to the level of major construction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

Total Budget



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 currently 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

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 2008 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 or effectiveness 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 citizen access to County services.

Budget Highlights

The 2008 Pierce County Budget totals \$863,155,082, which is \$33 million **below** the 2007 budget. The main reason for this decline is the fact that the county will no longer be a Regional Support Network for mental health services. However, the General Fund budget will reflect a 7.1% increase, which will allow the county to enhance several priority services.

This is the seventh budget year the county's General Fund has been impacted by the **crippling effects of I-747** (1% property tax growth limitation). The initiative continues to make it impossible to meet all budget requests from department directors and fully meet public service obligations.

In terms of overall approach to the budget, the following assumptions, considerations, and priorities guided our deliberations and recommendations:

First, existing challenges involving general **criminal activity, gangs, domestic violence and drug activity will continue to place great pressure on public safety and justice services**. We still have one of the lowest ratios of law enforcement officers to population, and conversely one of the highest crime rates in the state.

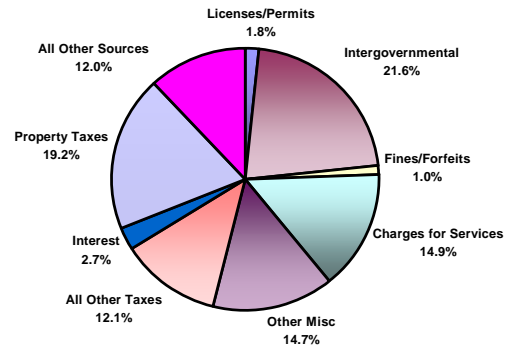
Second, we will continue to emphasize prevention programs. The 2008 budget funds many alternatives to incarceration programs including: Breaking the Cycle, Drug Court, Alternative to Detention programs for juveniles, Adult Probation, Day Reporting, Offender Work Crews, allocations for drug treatment programs, and county contributions for the Youth Assessment Center and the Judson Family Justice Center. These programs decrease criminal activity and reduce future jail costs.

Total Pierce County Revenue & Expenditure Overview

Over 21% of the County’s funding comes from Intergovernmental Revenues. Property and Other Taxes equals just over 31% of the total revenues. Service Charges, Licenses/Permits, and Fines/Forfeits provide just under 18%. The 12% in All Other Sources category is primarily made up of the use of prior fund balance. The 15% 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 3%. The revenues for Internal Service Funds have been excluded from the totals used to calculate the percentages shown on the pie chart.

2008 Total County Revenues

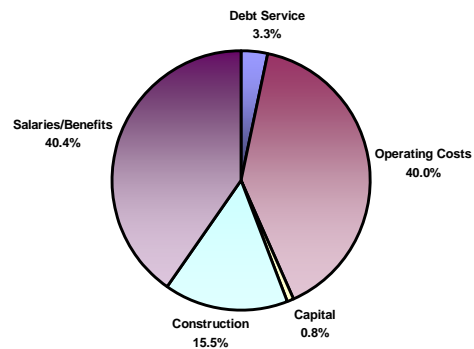
Summarized by Source



Just over 40% of the County’s total budget line-item is allocated to personnel costs. All other operating costs consume 40%. The remaining 20% is for capital construction and debt service.

2008 Total County Expenditures

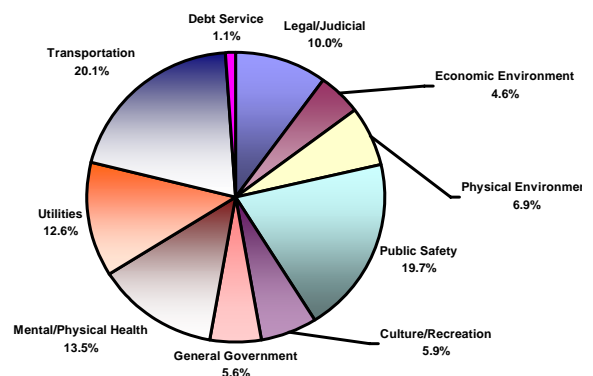
Summarized by Object Classification



The Public Safety and Legal/Judicial Services combined accounts for just roughly 30% of the total County expenditures, with the Mental and Physical Health system absorbing roughly 14%. Just under 40% of the total expenditures is invested in the support of Transportation, Utilities, and the Physical Environment and just under 6% is related to Culture and Recreation. Just under 5% is expended for Economic Environment activity and almost 7% 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.

2008 Total County Expenditures

Summarized by Function



General Fund

As the name implies, this is the fund that receives undesignated revenues which can be budgeted for any appropriate County purpose. This fund finances the majority of the traditional services associated with County government. Most of the budget deliberations center around this fund since it provides resource allocation flexibility.

Revenues

A summary of the 2008 revenues, with a comparison to the current year, is shown in the table below:

GENERAL FUND REVENUE SUMMARY				
	2008 Budget	2007 Budget	Absolute Change	Percent Change
Property Taxes	\$ 102,175,950	\$ 98,031,480	\$ 4,144,470	4.2 %
Sales Taxes	61,950,000	56,900,000	5,050,000	8.9
Other Taxes	10,716,170	10,320,150	396,020	3.8
Licenses and Permits	9,903,550	9,676,760	226,790	2.3
Intergovernmental Revenue	32,084,640	30,973,883	1,110,757	3.6
Charges for Services	37,107,060	36,501,853	605,207	1.7
Fines and Forfeitures	7,599,340	5,664,490	1,934,850	34.2
Interest Revenue	16,289,010	14,618,520	1,670,490	11.4
Other Miscellaneous Revenue	4,878,020	4,064,570	813,450	20.0
Subtotal Revenues	\$ 282,703,740	\$ 266,751,706	\$ 15,952,034	6.0 %
Fund Balance	3,729,583	754,505	2,975,078	394.3
Total Available Resources	\$ 286,433,323	\$ 267,506,211	\$ 18,927,112	7.1 %

Our revenue projections are based largely upon the following assumptions:

- ◇ The strong growth in the local economy during 2005 - 2007 will be evident in property and sales tax increases for 2008. However, growth rates have slowed recently.
- ◇ Inflation will be approximately 3% next year, thus giving a modest boost to Sales Taxes, Intergovernmental Revenues, and Charges for Services.
- ◇ Interest rates will remain close to their current levels (with perhaps a slight drop), but the rate hikes already enacted should result in large interest revenue increases in the 2008 budget.
- ◇ We will continue to receive city contract revenues for several major services (principally police services, jail, roads maintenance, and court services).
- ◇ Only minor fee increases are being proposed in the General Fund.

Based upon the above assumptions, and an in-depth review of our revenue patterns, we are projecting an increase in General Fund revenues of 6.0% in 2008.

Comparative **revenue** increase figures for the last decade are shown in Figure 1. The increase of 6.0% in 2008 is in line with the last two years. As the earlier comments indicated, this high level of revenue growth is mostly due to a very strong local economy (property taxes from new construction and sales taxes), new bridge toll infractions, and projected additional monies from the streamlined sales tax legislation. In reviewing the recent relatively low figures versus 1997–2001, please keep in mind that:

- ◇ The end of the Sheriff's Lakewood contract (\$12,000,000) by itself equated to a 5% drop in General Fund revenues, spread over 2004 - 2005.
- ◇ Initiative 747 (effective 2002) continues to erode our real financial base. The negative impact grows exponentially each year.
- ◇ In several of the 1997 - 2001 years there was a major new revenue source (e.g., state criminal justice funds, criminal justice sales tax, jail/juvenile sales tax, and the law levy transfer to the

- ◇ General Fund). New revenue sources in 2008 are bridge toll violations and streamlined sales tax revenues.
- ◇ During most years there are mid-year events which give rise to revenue increases, but which almost always are accompanied by at least a corresponding increase in related expenses (e.g., new grants, storm reimbursements, special elections). This could well happen again as fiscal 2008 unfolds; thus pushing the final percent increase above the originally budgeted 6.0% figure.

Percent Change in General Fund Revenues

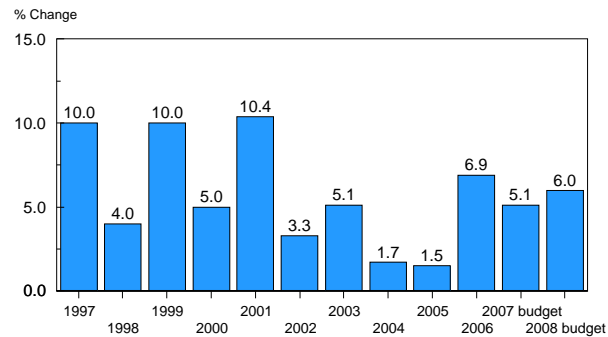


Figure 1

General Fund

Expenditures

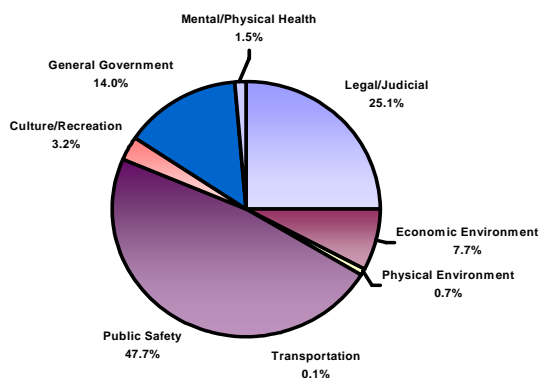
The projected Revenue growth of 6.0% (and 7.1% in Total Resources) will be sufficient to continue most programs and staff at the 2007 levels, and to fund additions in several priority areas as discussed below.

The following table summarized the 2008 General Fund Expenditure Budget, and compares it with the 2006 budget

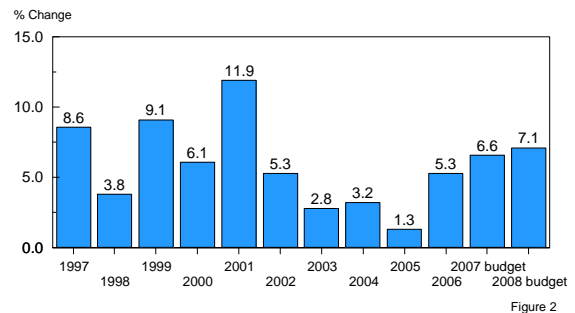
GENERAL FUND EXPENDITURES BY FUNCTION				
	2008 Budget	2007 Budget	Absolute Change	Percent Change
General Government	\$ 40,100,920	\$ 36,834,624	\$ 3,266,296	8.9 %
Public Safety	136,492,995	127,244,962	9,248,033	7.3
Physical Environment	2,048,590	2,331,030	(282,440)	(12.1)
Legal & Judicial	72,016,760	67,541,796	4,474,964	6.6
Economic Environment	22,158,410	21,440,319	718,091	3.3
Mental/Physical Health	4,168,640	3,808,640	360,000	9.5
Cultural & Recreation	9,077,020	8,081,340	995,680	12.3
Transportation	369,988	223,500	146,488	65.5
Total General Fund	\$ 286,433,323	\$ 267,506,211	\$ 18,927,112	7.1 %

Even with the decrease in Public Safety expenses caused by the Lakewood contract termination in 2005, the combined total percentage allocated to Public Safety and Legal/Judicial Services is equal to 73% of the budget. In 2008, 72.5% of the increase in the General Fund budget is allocated to Public Safety and Legal/Judicial Services. The large increase in General Government relates to the expenses for the new Rank Choice Voting system.

2008 General Fund Expenditures



Percent Change in General Fund Expenditures



2008 Major Service & Staffing Changes

The following is a listing of the major budget changes in services or staffing levels in 2008 for the General Fund departments:

Sheriff

- Ten new Deputy positions:
 - (2) South Hill patrol
 - (1) Neighborhood Patrol Deputy
 - (3) Pierce Transit Contract Positions
 - (1) Bethel School District S.R.O.
 - (1) Background Investigations
 - (1) Recruiter
 - (1) Warrant Officer
- A major increase in the LESA allocation, mostly for new positions needed to support call answering/dispatching/information system responsibilities

Corrections

- Six additional Correctional Officers (October) needed to staff the Pod already opened in early 2007
- Budget allocations for the expenses related to the above Pod: medical/hospital, pharmacy, food, supplies, etc.
- Major increased allocations for overtime, which seems to be unavoidable due to the continued high level of staff vacancies

Superior Court

- A new Judge and Judicial Assistant (effective April 1)
- A new Data Analyst position
- Reduction of 2 Court Reporter positions

District Court

- A new Legal Processing Assistant, and increasing the new Court Commissioner from 50% to 100% to deal with the bridge toll infractions
- The initiation of a new Satellite Court operation

Assigned Counsel

- 2.3 Attorneys and 2.0 Legal Assistants, all funded through additional State grant revenues

Public Defense Conflict Office

- A Dependency Attorney (transferred from the D.A.C. office)

Auditor

- Funding for the implementation of the voter approved Rank Choice Voting system
- Two Clerical Aides transferred to the Auditor's Operations and Maintenance Fund
- One new I.T.S. position "outsourced" to the Information Technology Fund
- One new Animal Control Officer

Assessor-Treasurer

- The deletion of the Deputy Assessor-Treasurer position

Health Department

- A new \$144,000 allocation for a Pierce County Get Fit program

Special Projects

- A large allocation of carry over monies for the historical preservation program

General Fund

Clerk

- One less Legal Assistant

Prosecutor

- One Legal Assistant (Felony Division)

Juvenile

- Additional positions (7) for the Alternatives to Detention program
- One Family Court Case Manager position
- Ten new state grant funded positions

Planning and Land Services

- Two additional positions (S.W.M. funded) for code enforcement activities.
- The deletion of 7 staff positions

Human Resources

- One additional Human Relations Specialist position and a .20 Office Assistant, both funded by Public Works and Utilities

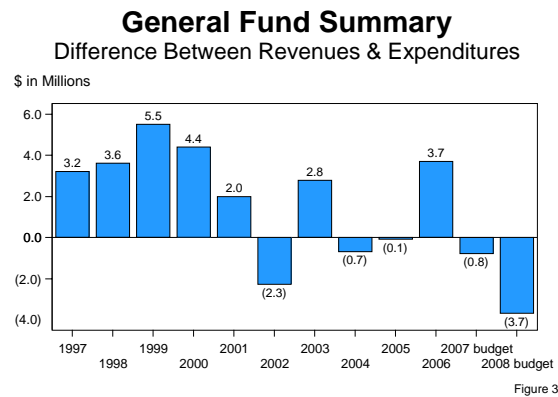
Miscellaneous Current Expense

- A \$300,000 allocation to the Veteran's Relief Fund
- One time allocations for the Boys and Girls Club, United Way Early Learning Effort, and Community Health Care (capital)
- Several new allocations for "outside" agencies and programs; and several carry over allocations from 2007

The General Fund departments not mentioned above experienced a largely status-quo budget.

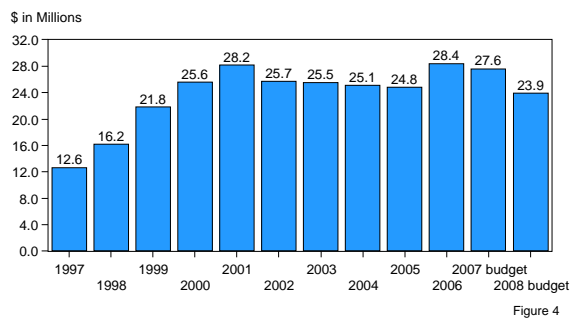
Use of Prior Fund Balance

The tables below present the actual financial results for the General Fund during the 1997-2006 period, and the budgeted amounts for 2007-2008. As indicated in Figure 3, the trend through the first half of the decade had been very positive. Both a strong economy and prudent fiscal policies produced favorable financial results. However, the actual results for 2002 through 2006 reflect a more mixed picture environment (I-747 related). The 2007 budget reflects a small use of fund balance (\$755,000), but the 2008 budget allocates \$3,729,583.

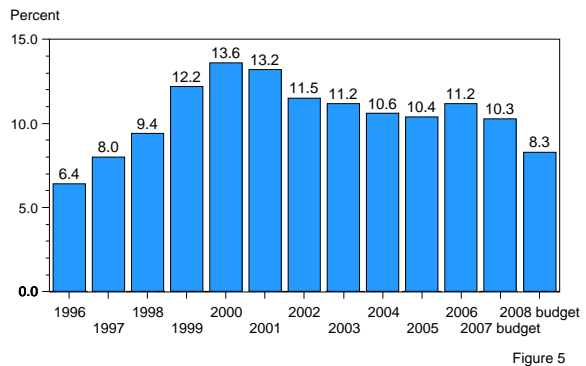


It should be noted that these charts for 2007-2008 represent the budgeted figures. We now estimate that fiscal 2007 actual results will be much more positive than budgeted.

Unreserved General Fund Balance



Unreserved General Fund Balance as a Percent of the General Fund Budget



Other County Funds

A great many of the county's programs are financed from sources outside of the General Fund. In total, these funds have combined expenditures well in excess of the General Fund budget. However, the nature of the revenue sources mandate that **these monies can only be used for specific activities**. Hence, they are budgeted and accounted for in separate funds. Summary figures for each fund can be found in the Total Expenditures/Expenses table of the General Overview section

Community Services & Human Services Fund

The county is a major provider of community and human services through programs funded primarily from state and federal grants, and in recent years the new recording fees for housing programs. Due to the vagaries of the grant funding process, these budgets often vary significantly from year to year. The following summarizes the **major funds** and the significant **changes in the 2008 budgets**:

◇ The reduction in **Community Development** reflects a smaller capital program for 2008.

◇ The **Human Services Fund** now excludes all mental health programs. These programs are now reflected in the new **Mental Health Fund**. The reduction in Community Development reflects a smaller capital program for 2007.

◇ The "**Housing**" program changes often reflect grant fluctuations, major multi-year project impacts, and/or conservative grant estimates.

COMMUNITY SERVICES & HUMAN SERVICES			
Fund	2008 Budget	2007 Budget	Percent Change
Community Action	\$6,805,570	\$6,780,010	0.4 %
Comm Development	3,208,840	5,888,990	(45.5)
Homeless Hous Prog	1,737,010	1,532,920	13.3
Hous Repair Prog	6,676,980	8,474,230	(21.2)
Human Services	37,473,290	89,171,690	(58.0)
Low Income Hous Fee	2,500,300	4,179,760	(40.2)
Mental Hlth Fnd (RSN)	19,952,920	—	∞

It is our belief that the funding from state and federal sources is not adequate to finance the service levels that should be provided. We are working with state and federal agencies in an attempt to increase the funding levels, and it is possible that additional grant monies will be secured in 2008. However, even these potential new grants will probably be insufficient to cope with all the human service needs in Pierce County.

Even though most of the funding for these human and community service programs comes from state and federal grants, the General Fund and other locally generated revenues still provide a sizeable contribution, most of which is budgeted in the Miscellaneous Current Expense account. In addition, many of the General Fund dollars allocated to the Health Department will in turn be budgeted for social and human services.

Transportation Services

The county has major transportation responsibilities, and accounts for these responsibilities and service costs in seven major funds,

The major items of note for next year are:

◇ **County Roads Fund** — includes 21.25 new staff positions for both maintenance and capital project activities, but with a reduced direct allocation for capital projects.

Transportation Services Funds			
Fund	2008 Budget	2007 Budget	% Change
County Roads Fund	\$68,505,300	\$70,409,560	(2.7)%
P.W. Construction Fund	51,622,000	43,461,000	18.8 %
Ferry Services Fund	4,006,880	3,957,020	1.3 %
Airport Fund	955,720	2,457,780	(61.1)%
Roads Second REET	18,775,810	14,046,090	33.7 %
Traffic Impact Fee Fund	6,000,000	8,000,000	(25.0)%
Transportation Facilities	9,352,760	25,873,790	(63.9)%

- ◇ **Public Works Construction Fund** – — reflects a substantially increased capital construction program with substantial financing from **Roads REET** and **Traffic Impact Fee** Funds.
- ◇ **Airport Fund** — major grant funded improvements were undertaken in 2007.
- ◇ **Roads Second REET** — reflects an increased capital projects allocation in 2008.
- ◇ **Transportation Facilities** — the construction of the Central Maintenance and the Rhodes Lake Maintenance facilities will be substantially completed in 2007.

Parks and Recreation Fund

Although the county's General Fund provides a direct allocation for parks and recreation services (\$6.6 million in 2008), there are several other county funds which provide parks and recreation services or which construct, repair or enhance parks and recreation facilities. The 2008 Budgets for these funds are as follows:

PARKS FUND			
Fund	2008 Budget	2007 Budget	Percent Change
Conserv Futures	\$ 10,247,910	\$3,527,740	190.5 %
Parks Impact Fees	3,384,200	3,992,600	(15.2)
Parks Sales Tax	5,781,510	5,271,400	9.7
Parks Second REET	4,814,740	3,903,420	23.3
Paths & Trails	8,391,520	4,654,790	80.3
Parks Const. Fund	5,209,860	7,850,580	(33.6)
Golf Courses	2,326,460	2,150,000	8.2

Although this \$40.2 million total includes some double counting (transfer between funds for project accounting purposes), the above allocations still represent an **enormous commitment by the county and**

its citizens to greatly enhanced parks and recreation programs – both for new facilities as well as for annual maintenance and programs.

Environmental Services

The county Public Works and Utilities Department has five funds which deal with environmental issues. These funds and budgets are listed below:

Major changes in these funds can be summarized as follows:

- ◇ **Surface Water Management** – the budget increase reflects a large capital improvement program.
- ◇ **Solid Waste** — three additional positions for recycling/waste reduction programs, and an update to the Solid Waste Master Plan.

Environmental Services Funds			
Fund	2008 Budget	2007 Budget	% Change
Surface Water Management	\$27,751,940	\$26,265,850	5.7 %
Sewer Utility	93,390,400	91,424,100	2.2 %
Solid Waste	6,136,910	5,483,470	11.9 %
Water Utility	188,940	312,900	(39.6)%
River - REET	9,631,140	4,108,470	134.4 %

- ◇ **Sewer Utility** – the budget includes a significant capital improvement program, and the addition of 9 new positions. The budget also reflects a rate increase of 3.5% to match the impact of inflation on operating costs.
- ◇ **River REET** — an increased land acquisition program utilizing anticipated grant funds.

Other County Funds

Internal Service Funds

Internal Service Funds provide services, supplies, and equipment to other county departments, which pay for these services through various billing systems. In essence, these funds operate under the enterprise fund business model, except that their customers are other county departments. The long-range goal is to establish rates which will pay all operating and capital costs, and to insure that the General Fund does not need to subsidize these activities.

The following summarizes **significant** changes in 2008 budgets:

- ◇ **Equipment Services Fund** the decrease reflects the fact that the 2007 budget includes a \$4 million allocation for the Central Maintenance Facility.
- ◇ **Facilities Management** — — reflects additional maintenance and operating expenses for new county-owned facilities (Corporate Express, Roads Maintenance Facilities, etc.).
- ◇ **Fleet Rental** — additional vehicles for new staff (e.g. Sheriff).
- ◇ **Workers Compensation** — reflects recent claims experience and additional staff in the county.

Internal Service Funds			
Fund	2008 Budget	2007 Budget	% Change
Equipment Services	\$15,324,050	\$18,748,500	(18.3)%
Information Technology	19,614,040	18,732,200	4.7 %
Facilities Management	12,790,960	11,435,330	11.9 %
Radio Communications	2,514,360	2,405,970	4.5 %
Fleet Rental	4,893,640	4,040,170	21.1 %
General Services	3,377,520	3,263,620	3.5 %
Self Insurance	8,705,890	8,449,390	3.0 %
Workers Compensation	3,584,940	3,121,120	14.9 %

Many of these internal service funds will rely upon prior fund balance in order to support their 2007 budgets. This results from both the scheduled replacement of capital assets using depreciation reserves, and our desire to keep charges to other funds to a minimum.

Special Revenue & Other Funds

The remaining county funds have been established by state law or county ordinance to separately record the revenues and expenditures associated with specific programs. The most important 2008 budget highlights are:

- ◇ The **Imaging System Fund** — contains major allocations for recording and preservation activities in the Auditor's Office, adds additional staff in the Auditor's Office for these functions, and provides funding for an electronic document management system in the Public Works and Utilities Department.
- ◇ **911 System Fund** — contains major allocations for recording and preservation activities in the Auditor's Office, adds additional staff in the Auditor's Office for these functions, and provides funding for an electronic document management system in the Public Works and Utilities Department.
- ◇ **Geographic Information System Fund** — one new position to replace an outside contract, two clerical staff for the address certification project, and orthophotography flights in 2008.
- ◇ **Jail Construction Fund** — includes \$2.5 million funding for Pod 4T in the Main Jail, which we plan to open in 2009.

Summary

The 2008 Budget submitted to the County Council is based upon a set of favorable economic conditions which we hope will “hold” throughout the year. These conditions include a prosperous local economy, solid building activity, increased property values, and higher interest rates which have generated additional revenue without as yet negatively affecting economic growth. These favorable conditions and the resulting revenue growth should allow us to moderately enhance many of our highest priority services.

We have also recommended the use of Reserves for one time activities (building remodeling, capital equipment replacements, etc.). Reserves should not be used for ongoing staff and programs.

Despite normal pressures and uncertainties, this budget moves us forward in many vital areas:

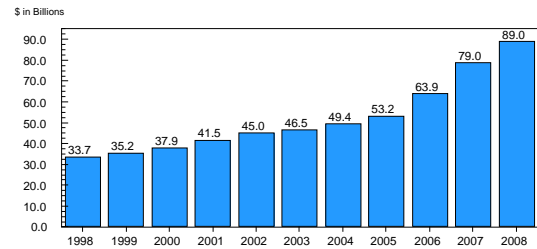
- ◇ funding for public safety and judicial system improvements,
- ◇ major new parks and recreation facilities,
- ◇ a significant transportation improvement program,
- ◇ needed county building infrastructure improvements,
- ◇ sewer utility and surface water management facility improvements.

Other Financial Information

Property Taxes and 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 2007 to 2008 was approximately \$10 billion (12.6%). Approximately 26% of the growth is due to new construction, and 74% is due to the revaluation of existing properties.

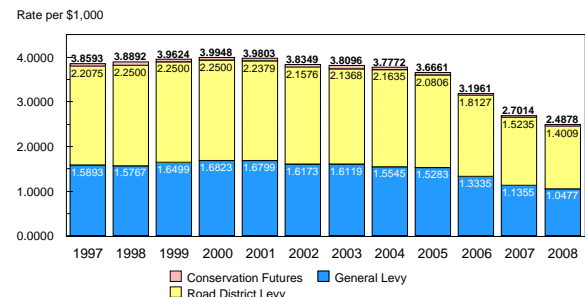
Total Assessed Valuation



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 3.419% in 2008 (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 7.7% reduction in the 2008 County Levy tax rate from 2007; and 38% since the initiative was enacted. The Road Levy tax rate has decreased by 8.1% from the 2007 rate and the Conservation Futures tax is down 7% from 2007. The charts on the following page present historical and comparative detailed rate information.

Combined Property Tax Millages



Note: The Conservation Futures rate was reduced to .0247 in 1996 due to levy lid limits, and .660 in 2002, 3.0609 in 2003, .0592 in 2004, and .0571 in 2005 due to the impact of I-747 and the 1% limit.

Property Tax Levies				
	2007		2008	
	Tax Rate ¹	Revenue	Tax Rate ¹	Revenue
Assessed Value:		\$78,973,985,728	Assessed Value: \$88,954,056,815	
A. County Levy (\$1.80 maximum)				
General Fund	\$ 1.1092	\$ 87,600,629	\$ 1.0253	\$ 91,205,740
Administrative Refund RCW 84.69	0.0033	266,769	0.0014	120,500
Sub Total General Fund	1.1126	87,867,398	1.0267	91,326,240
Veteran's Relief	0.0072	568,613	0.0065	582,520
Social Services	0.0157	1,239,892	0.0145	1,289,840
Total County Levy	1.1355	89,675,902	1.0477	93,198,600
B. Conservation Futures (\$.0625 Maximum)	0.0424	3,347,236	0.0392	3,488,220
Assessed Value:		\$34,900,952,188	Assessed Value: \$39,554,940,235	
C. Road District Levy (\$2.25 Maximum)				
Allocated to Road Fund	1.2252	42,761,787	1.1266	44,562,500
Law Enforcement Levy	0.2983	10,411,288	0.2743	10,849,710
Administrative Refund RCW 84.69	-	-	-	-
Total Road District Levy	1.5235	53,173,076	1.4009	55,412,210
TOTAL COUNTY TAX LEVIES	\$ 2.7014	\$ 146,196,215	\$ 2.4878	\$ 152,099,030

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

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 Capacity as of September 30, 2007

2007 Assessed Valuation for 2008 Tax Collections		\$ 88,954,056,815
A. Inside Levy (issued without vote of the people)		
Legal Limit (1.5% of property value)		\$ 1,334,310,852
<i>Amount of Debt Applicable to Debt Limit:</i>		
Net Limited General Obligation Bonds	\$ 100,828,010	
Net Limited General Obligation Bonds - Proprietary Type	\$ 24,872,420	
Estimated Compensated Absences (12/31/2005)	18,883,000	
Installment Contracts - Ferries & Road	10,288,480	
Total Limited Tax General Obligation Debt		154,871,910
Limited Tax General Obligation Debt Margin Available		\$ 1,179,438,942
B. Outside Levy (issued with vote of the people)		
Legal Limit (2.5% of property value)		\$ 2,223,851,420
<i>Amount of Debt Applicable to Debt Limit:</i>		
Net Limited General Obligation Debt		\$ 154,871,910
Total General Obligation Debt Margin Available		\$ 2,068,979,510

Pierce County Bonded Debt Ratios Estimated at September 30, 2007

General Obligation Bonded Debt per Capita (excluding Proprietary GO/Debt, Compensated Absences, & Installment Contract)	\$ 127.55
Assessed Valuation per Capita	\$ 112,529
Ratio of direct G O Bonded Debt to Assessed Value (including Proprietary GO/Debt)	0.0011

Pierce County Bond Ratings

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

Other Financial Information

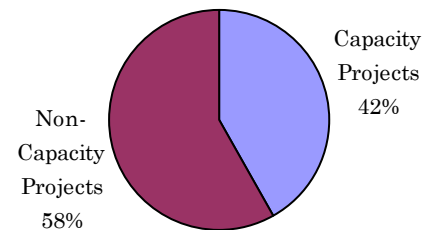
2008 Capital Improvement Program

The Capital Facilities Plan (CFP) details the County's most current understanding of the projected capital improvement needs and financing sources. The CFP is one of the elements of Pierce County's comprehensive plan required by Washington's Growth Management Act.

Capacity projects are defined as those that increase space or capabilities. Non-capacity projects are major repairs or renovations to existing facilities.

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 \$75,000. 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.

Projects by Category



Capital Improvement Projects Summary

Capital expenditures planned and budgeted for 2008 are significantly lower than 2007 due to fiscal constraints and completion of major projects such as Phase I of the County-City Building remodel, the Corporate Express Building remodel, and substantial completion of the Transportation Central Maintenance Facility. The 2008 Capital Improvement Program provides for enhancements to safety and security, transportation and infrastructure, land conservation and recreation, environmental services, repairs and renovations, and increased capacity to keep pace with County growth and to maintain LOS standards. The following table summarizes the projects planned in the CFP for each category of facility.

CAPITAL IMPROVEMENT PROJECT SUMMARY						
	2008	2009	2010	2011	2012	2013
Adult Detention	\$ 2,500,000	\$ 3,835,000	\$ 2,833,000	\$ 1,795,000	\$ 1,223,000	\$ 650,000
Airport	380,300	987,500	1,575,000	75,000	250,000	575,000
District Court	—	1,674,800	7,335,200	1,800,000	1,075,000	500,000
Ferry System	254,000	685,000	5,162,000	50,000	600,000	—
General Admin Buildings	1,788,500	1,929,500	3,117,000	3,128,000	970,000	1,979,000
Human Services	826,000	950,000	950,000	700,000	700,000	700,000
Juvenile Detention	—	6,310,000	7,460,000	2,000,000	5,515,000	2,615,000
Parks and Recreation	13,466,700	8,279,500	—	—	—	—
River Improvement	8,939,400	1,100,000	1,100,000	4,000,000	1,100,000	1,100,000
Roads Bldgs & Facilities	4,502,800	6,000,000	—	—	—	—
Sanitary Sewer	30,188,600	39,763,200	16,257,200	17,976,600	1,052,500	865,000
Sheriff Buildings	5,038,000	10,285,900	9,960,900	10,960,900	1,075,000	75,000
Solid Waste	459,000	880,000	2,294,000	—	—	—
Superior Court	4,430,000	2,478,000	50,000	50,000	50,000	50,000
Surface Water Management	9,850,000	12,833,000	10,383,000	9,502,000	9,485,000	9,350,000
Total	\$ 82,623,300	\$ 97,991,400	\$ 68,477,300	\$ 52,037,500	\$ 23,095,500	\$ 18,459,000

2008 Capital Improvement Projects Sources of Funds

The sources of funds for capital improvement projects have been grouped into five major categories. For 2008 41% will be from Taxes/Fees, 51% from Service Fees and 8% from Grants and Contributions.

- ◇ **Taxes/Fees.** This source of revenue includes non-dedicated taxes and fees such as sales tax, property tax, court fines, licenses and permits. This category also includes dedicated taxes and fees such as park impact fees, park sales tax, and gas taxes.
- ◇ **Service Fees.** These fees are for specific services provided. Examples are E-9-1-1, golf course fees, sewer fees and surface water management fees.
- ◇ **Grants & Contributions.** This source of revenue includes federal, state and city contributions for specific projects or purposes. Examples include road funds, parks donations and grants, mental health and human services grants, and the City of Tacoma portion of the County-City Building.
- ◇ **Bonds.** This is interest bearing debt issued by the county.
- ◇ **Intergovernmental Loans.** This category is used for loans from one department to another, or from a tax/fees fund to a user fee (enterprise) fund.

2008 SOURCE OF FUNDS

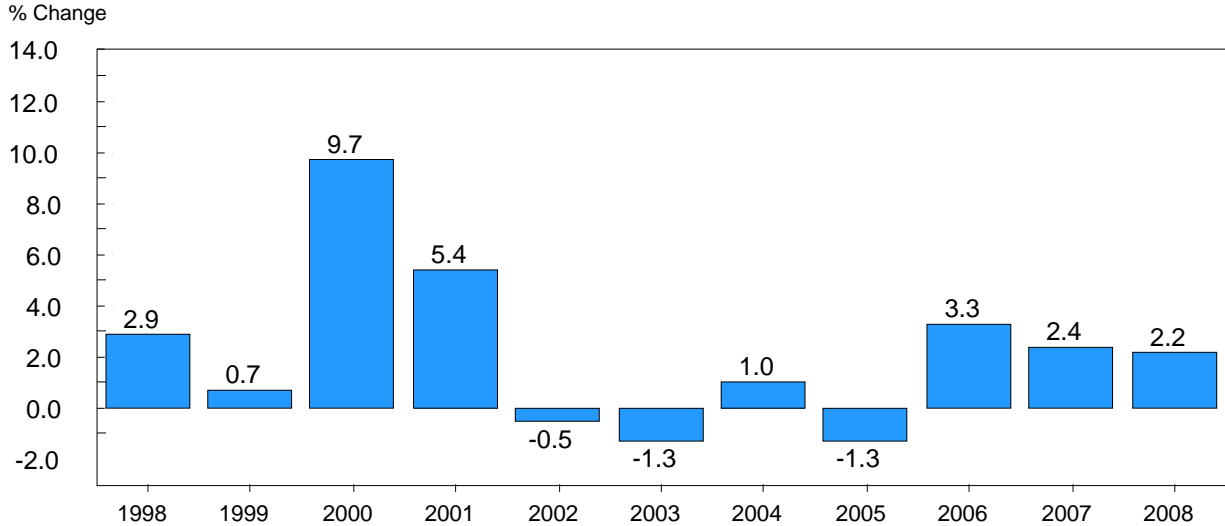
	Taxes/Fees	Service Fees	Grants & Contributions	Total
Adult Detention	\$ 2,500,000	\$ —	\$ —	\$ 2,500,000
Airport	311,100	—	69,200	380,300
Ferry System	—	199,000	55,000	254,000
General Admin Buildings	338,500	1,450,000	—	1,788,500
Human Services	676,000	—	150,000	826,000
Parks and Recreation	8,896,900	3,338,100	1,231,700	13,466,700
River Improvement	3,789,400	—	5,150,000	8,939,400
Roads Bldgs & Facilities	4,502,800	—	—	4,502,800
Sanitary Sewer	—	28,188,600	2,000,000	30,188,600
Sheriff Buildings	4,838,000	—	200,000	5,038,000
Solid Waste	—	459,000	—	459,000
Superior Court	4,430,000	—	—	4,430,000
Surface Water Management	—	9,850,000	—	9,850,000
Total	\$ 30,282,700	\$ 43,484,700	\$ 8,855,900	\$ 82,623,300

Other Financial Information

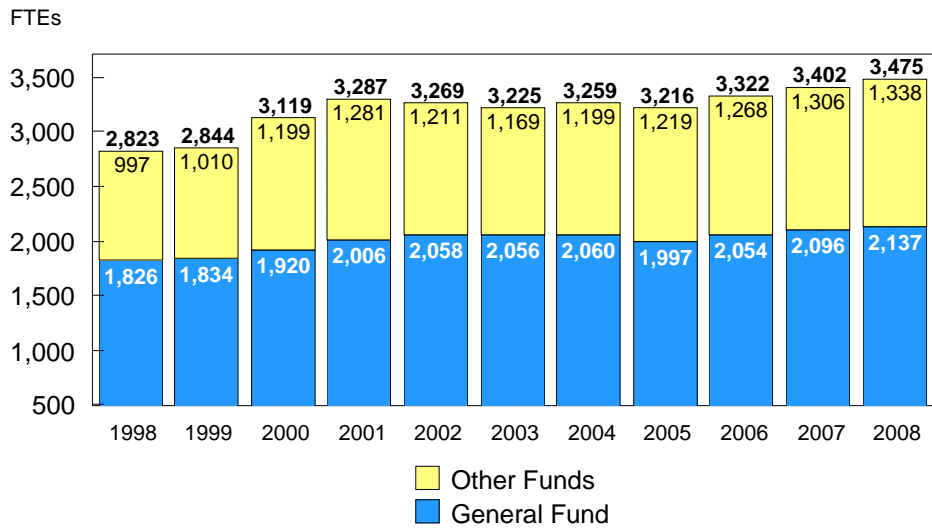
Staffing Information

As the population of Pierce County has increased, the demand for county services has risen correspondingly. General Fund staffing (authorized positions) has increased by 311 FTEs (17%) since 1998 while staffing in all other funds (special revenue, enterprise, and internal services) has increased by 341 FTEs (34%). Overall, 652 FTEs have been added since 1998, an increase of 23.1%.

Percent Change in County-wide Staffing

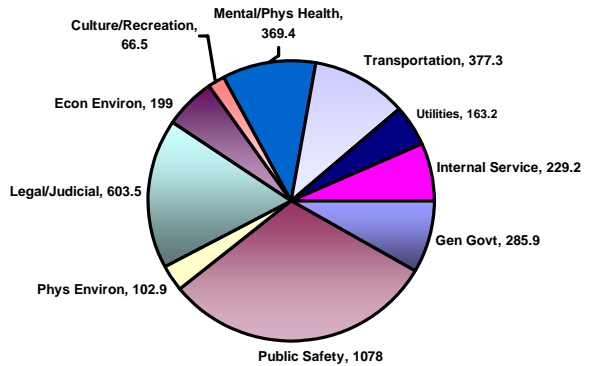


County-wide Staffing Summary



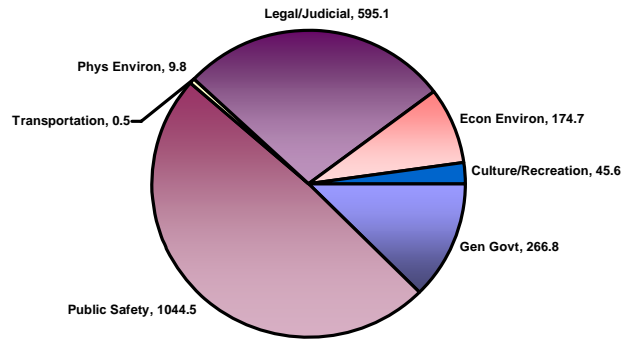
2008 Total County Staffing Summarized by Function

The Public Safety and Legal/Judicial systems combined accounts for just over 48% of the total County staff, with the Mental and Physical Health system at almost 11%. Just over 18% of the total staff provides Transportation, Utilities, and the Physical Environment services. Almost 2% of the total staff is related to Culture and Recreation. Just under 6 % are involved in Economic Environment activity and just over 8% staffing provide general government functions (including internal service funds).



2008 General Fund Staffing Summarized by Function

The Public Safety and Legal/Judicial systems combined accounts for 77% of all General Fund staff. Thirteen percent provide General Governmental services. Just 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.



Other Financial Information

STAFFING SUMMARY

	1998 FTE	2002 FTE	2003 FTE	2004 FTE	2005 FTE	2006 FTE	2007 FTE	2008 FTE	Change from 1998
General Fund:									
Assessor/Treasurer	97.80	98.30	90.30	90.10	90.60	91.80	91.30	90.60	(7.20)
Assigned Counsel	92.70	83.20	85.00	85.60	89.30	93.20	96.60	99.90	7.20
Auditor	41.00	43.00	43.00	43.00	45.00	51.00	54.00	53.30	12.30
Budget & Finance	42.85	43.45	43.20	44.20	44.15	44.15	44.95	45.00	2.15
Clerk of the Superior Court	50.00	53.50	57.00	58.00	57.00	57.50	57.50	56.50	6.50
Communications	-	5.00	5.00	5.00	5.00	4.00	4.00	4.00	4.00
Corrections	341.30	393.80	377.70	377.80	375.70	383.10	395.10	401.10	59.80
County Council	32.00	29.50	29.00	29.00	29.00	31.00	31.00	31.00	(1.00)
County Executive	6.75	8.00	8.00	8.00	8.00	8.00	8.00	8.00	1.25
District Court	68.20	64.50	70.00	74.00	74.00	74.00	111.00	113.50	45.30
District Court 2 - Gig Harbor	6.77	6.00	-	-	-	-	-	-	(6.77)
District Court 3 - Eatonville	3.75	2.25	-	-	-	-	-	-	(3.75)
District Court 4 - Buckley	1.25	1.30	-	-	-	-	-	-	(1.25)
District Court Probation	29.00	37.00	36.00	36.00	35.50	35.50	-	-	(29.00)
Economic Development	3.58	4.80	6.15	7.15	7.00	8.00	8.00	8.00	4.42
Emergency Management	21.30	22.12	22.07	23.03	28.00	31.00	32.00	31.50	10.20
Human Resources	22.00	24.60	24.60	26.60	27.60	28.60	29.60	31.10	9.10
Juvenile	173.22	179.12	186.62	176.12	173.12	174.82	175.82	196.82	23.60
Medical Examiner	12.00	14.00	14.00	14.50	14.50	15.00	15.50	15.50	3.50
Parks & Recreation Services	47.95	50.63	50.65	49.52	43.05	39.41	40.41	41.05	(6.90)
Planning & Land Services	121.50	124.50	131.50	131.62	150.62	164.32	171.32	166.70	45.20
Prevention Services & Programs	-	.41	.64	1.22	-	-	-	-	-
Prosecuting Attorney	215.60	231.72	232.22	227.22	228.50	230.70	231.70	232.70	17.10
Public Defense Conflict Office	-	-	-	-	-	4.00	4.00	5.00	5.00
Sheriff *	293.50	434.00	440.00	449.00	364.00	374.00	381.00	391.00	97.50
Special Projects	14.63	10.60	10.49	10.92	11.00	11.75	12.67	13.80	(0.83)
Superior Court	83.38	88.88	88.88	88.88	92.88	95.38	95.38	96.38	13.00
WSU PC Extension	3.60	3.60	3.62	3.62	3.60	3.60	4.60	4.60	1.00
Total General Fund	1,825.63	2,057.78	2,055.64	2,060.10	1,997.12	2,053.83	2,095.45	2,137.05	311.42
Special Revenue Funds:									
Arts & Cultural Services Fund	3.10	1.64	1.51	1.66	1.59	1.59	1.44	.69	(2.41)
Auditor's Maint. & Operation Fund	1.00	.50	.50	.50	.50	2.50	2.00	5.70	4.70
Community Action Fund	47.88	52.21	49.30	50.77	49.77	49.77	46.95	48.32	.44
Community Development Fund	13.32	10.22	9.92	8.66	11.31	11.31	11.31	11.06	(2.26)
Conservation Futures Fund	1.00	1.00	1.00	1.00	1.00	1.00	3.00	3.00	2.00
County Road Fund	329.20	327.03	330.28	335.70	337.33	344.98	366.19	370.44	41.24
Criminal Justice Fund	1.00	1.00	2.00	2.00	2.00	3.00	4.00	4.00	3.00
Detention Ctr Commissary Fund	-	2.40	3.00	3.90	3.00	1.00	1.00	1.00	1.00
Drug Investigation Fund	-	-	-	2.00	4.00	7.00	7.00	7.00	7.00
Emergency Mgmt Grants Fund	-	3.88	8.88	10.87	12.88	16.50	16.50	15.00	15.00
Endangered Species Act Fund	-	.62	.62	-	-	-	-	-	-
Judson Family Justice Ctr Fund	-	-	-	-	1.50	8.40	8.50	8.50	8.50
Geographical Info Services Fund	18.00	18.00	17.00	17.00	17.00	19.00	20.00	23.00	5.00
Homeless Housing Fund	-	-	-	-	-	2.00	2.00	2.25	2.25
Housing Repair Program Fund	10.00	11.50	12.26	12.66	12.00	12.00	11.00	11.00	1.00

Other Financial Information

STAFFING SUMMARY

	1998 FTE	2002 FTE	2003 FTE	2004 FTE	2005 FTE	2006 FTE	2007 FTE	2008 FTE	Change from 1998
Human Services Fund	134.12	202.11	220.20	220.37	224.47	278.41	320.06	151.05	16.93
Law Enforcement Fund	72.00	-	-	-	-	-	-	-	(72.00)
Mental Health Fund	-	-	-	-	-	-	-	167.01	167.01
Park Impact Fees Fund	-	-	-	-	.05	.05	.05	.05	.05
Parks Sales Tax Fund	-	-	-	.64	1.00	6.15	7.15	6.31	6.31
Paths and Trails Fund	2.05	1.52	2.11	2.02	1.02	2.21	2.21	2.41	.36
Peninsula Recreation Prgm Fund	-	1.00	2.00	2.00	2.00	-	-	-	-
Puget Sound Behavioral Hlth Fd	-	170.05	108.40	106.04	97.86	41.05	-	-	-
Rainier Communicatns Comm Fd	5.00	6.00	6.00	6.00	6.00	7.00	7.00	8.00	3.00
REET River Fund	3.91	1.79	1.95	1.71	1.57	1.39	1.51	1.51	(2.40)
Second REET Parks Fund	-	-	.25	.89	1.15	1.20	1.20	1.20	1.20
Surface Water Mgmt Fund	35.05	46.11	46.15	52.06	55.27	60.29	62.00	65.50	30.45
Tourism, Promotion & Cap Fac Fd	-	.10	.43	.42	-	-	-	-	-
Veterans' Relief Fund	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	-
Wellness Program Fund	1.00	-	-	-	-	-	-	-	(1.00)
911 System Fund	4.35	4.78	4.88	4.96	4.00	4.00	4.46	4.46	.11
Total Special Revenue Funds	684.98	866.46	831.64	846.83	851.27	884.80	909.53	921.46	236.48
Capital Projects:									
Admin Bldg & Facilities Fund	.13	.16	.16	-	-	-	-	-	(0.13)
Parking Facility Fund	.64	-	-	-	-	-	-	-	(0.64)
Permanent Jail Construction Fund	1.43	4.90	4.92	.89	.50	.09	-	1.05	(0.38)
REET Capital Improvement Fund	1.07	2.69	2.74	3.47	2.85	3.98	4.65	5.35	4.28
1% for Arts Construction Fund	-	.15	.25	.10	.10	.60	.75	.50	.50
2501 Corporate Express Bldg Fd	-	-	-	-	1.29	1.39	1.80	1.15	1.15
Transportation Facilities Fund	-	-	-	-	-	1.00	1.00	1.00	1.00
Total Capital Projects	3.27	7.90	8.07	4.46	4.74	7.06	8.20	9.05	5.78
Enterprise Funds:									
Airport Fund	2.02	1.60	1.60	1.60	1.60	2.63	2.62	2.77	.75
Chambers Bay Golf Course Fund	-	-	-	-	.80	.75	.50	.20	.20
Golf Courses Fund	8.45	8.45	8.84	8.78	8.78	8.53	9.53	9.53	1.08
P.C. Ferry Services Fund	-	1.32	1.07	1.61	1.89	2.80	2.62	2.62	2.62
Sewer Utility Fund	98.65	104.66	104.66	111.76	118.39	126.38	135.09	144.39	45.74
Sewer Utility Construction Fund	1.10	-	-	-	-	-	-	-	(1.10)
Solid Waste Mgmt Fund	12.61	13.71	13.71	14.44	16.02	16.11	15.68	18.68	6.07
Water Utility Fund	-	.30	.30	.31	.09	.01	.10	.10	.10
Total Enterprise Funds	122.83	130.04	130.18	138.50	147.57	157.21	166.14	178.29	55.46
Internal Serv Funds:									
Equipment Rental & Revolving Fd	24.12	24.43	24.43	24.47	24.46	24.27	24.30	26.30	2.18
Facilities Management Fund	36.45	44.62	44.75	45.99	52.21	52.66	52.88	53.75	17.30
Fleet Rental Fund	3.15	3.15	3.40	3.40	3.45	3.45	3.45	3.40	.25
General Services Fund	7.20	8.20	8.20	8.20	8.20	8.20	8.80	8.80	1.60
Information Technology Fund	99.64	108.00	102.00	110.00	111.00	114.50	115.50	118.50	18.86
Radio Communication Fund	6.35	9.10	8.05	8.17	7.00	7.00	8.54	9.54	3.19
Self Insurance Fund	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	-
Workers Compensation Fund	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	-
Total Internal Serv Fnds	185.91	206.50	199.83	209.23	215.32	219.08	222.47	229.29	43.38
TOTAL FUNDS	2,822.62	3,268.68	3,225.36	3,259.12	3,216.02	3,321.98	3,401.79	3,475.14	652.52

* Sheriff staff was also budgeted in Law Enforcement Fund in 1998

Other Financial Information

DEPARTMENTAL EXPENDITURES/EXPENSES BY FUNCTION

	2008 Budget	2007 Budget	Absolute Change	Percent Change
General Government				
Assessor/Treasurer	\$ 10,830,250	\$ 10,989,110	\$ (158,860)	(1.4) %
Auditor	9,674,530	7,613,604	2,060,926	27.1
Auditor'S Maint & Oper Fund	1,493,790	1,577,540	(83,750)	(5.3)
Bond Debt Service	418,220	697,610	(279,390)	(40.0)
Budget & Finance	5,388,700	5,157,210	231,490	4.5
Capital Improvement Projects	110,000		110,000	—
Communications	700,210	660,670	39,540	6.0
County Council	4,244,450	4,040,990	203,460	5.0
County Executive	1,164,280	1,130,050	34,230	3.0
Employee Assistance Program Fd	74,000	69,580	4,420	6.4
Human Resources	3,928,110	3,582,480	345,630	9.6
Miscellaneous Current Expense	1,905,030	1,315,300	589,730	44.8
Rainier Communicatn Commiss Fd	1,335,470	1,255,800	79,670	6.3
REET Capital Improvement Fund	1,448,720	5,842,610	(4,393,890)	(75.2)
REET Electronic Technology Fd	300,000	211,700	88,300	41.7
Special Projects	1,562,140	1,466,630	95,510	6.5
State Auditor	175,000	180,970	(5,970)	(3.3)
Total General Government	44,752,900	45,791,854	(1,038,954)	(2.3)
Public Safety				
Capital Improvement Projects	50,000	40,000	10,000	25.0
Corrections	48,556,680	44,970,680	3,586,000	8.0
Criminal Justice Fund	800,560	744,010	56,550	7.6
Detention Center Commissary Fd	977,470	734,810	242,660	33.0
District Court	3,550,550	3,303,470	247,080	7.5
Drug Investigation Fund	1,533,290	1,355,100	178,190	13.1
Emergency Management	3,615,390	3,388,630	226,760	6.7
Emergency Managemt Grants Fd	3,902,250	5,628,650	(1,726,400)	(30.7)
Juvenile	17,362,900	16,712,807	650,093	3.9
Marine Services Fund	137,180	190,960	(53,780)	(28.2)
Medical Examiner	1,887,250	1,820,650	66,600	3.7
Miscellaneous Current Expense	1,137,345	924,895	212,450	23.0
Parks And Recreation Services	52,040	41,050	10,990	26.8
Permanent Jail Construction Fd	3,407,890	1,423,260	1,984,630	139.4
Prevention Services & Programs	1,750,000	1,839,660	(89,660)	(4.9)
REET Capital Improvement Fund	666,290	3,769,040	(3,102,750)	(82.3)
Sheriff	58,436,820	54,084,170	4,352,650	8.0
Special Projects	94,020	118,950	(24,930)	(21.0)
2501 Corporate Express Bldg Fd	2,143,310	16,077,130	(13,933,820)	(86.7)
911 System Fund	6,220,460	5,518,270	702,190	12.7
Total Public Safety	156,281,695	162,686,192	(6,404,497)	(3.9)
Physical Environment				
Auditor	1,230,510	1,121,480	109,030	9.7
Conservation Futures Fund	10,247,910	3,527,740	6,720,170	190.5
Endangered Species Act Fund	156,710	204,920	(48,210)	(23.5)
Federal Forest Services Fund	168,220	120,270	47,950	39.9
GIS Fund	4,286,870	3,652,190	634,680	17.4
Miscellaneous Current Expense	182,530	529,300	(346,770)	(65.5)
REET River Improvement Fund	9,631,140	4,108,470	5,522,670	134.4
Special Projects	635,550	680,250	(44,700)	(6.6)
Surface Water Management Fund	27,751,940	26,265,850	1,486,090	5.7
Total Physical Environment	54,291,380	40,210,470	14,080,910	35.0
Legal & Judicial				
Assigned Counsel	14,311,570	13,583,160	728,410	5.4
Clerk	5,222,420	5,091,370	131,050	2.6
Criminal Justice Fund	600,000	468,530	131,470	28.1
Dispute Resolution Center Fund	135,500	158,000	(22,500)	(14.2)
District Court	8,738,530	7,889,070	849,460	10.8
Judson Family Justice Ctr Fd	1,734,570	1,508,607	225,963	15.0
Juvenile	2,902,190	2,745,930	156,260	5.7
Miscellaneous Current Expense	392,330	440,220	(47,890)	(10.9)
Prosecuting Attorney	25,528,280	24,252,446	1,275,834	5.3
Public Defense Conflict Office	745,930	628,630	117,300	18.7
REET Capital Improvement Fund	4,665,550	7,222,260	(2,556,710)	(35.4)
Superior Court	14,175,510	12,910,970	1,264,540	9.8
Total Legal & Judicial	\$ 79,152,380	\$ 76,899,193	\$ 2,253,187	2.9 %

Other Financial Information

DEPARTMENTAL EXPENDITURES/EXPENSES BY FUNCTION

	2008 Budget	2007 Budget	Absolute Change	Percent Change
Economic Environment				
Capital Improvement Projects	500,000	250,000	250,000	100.0
Community Development Fund	3,208,840	5,888,990	(2,680,150)	(45.5)
Economic Development	1,197,300	1,059,130	138,170	13.0
Homeless Housing Program Fund	1,737,010	1,532,920	204,090	13.3
Housing Repair Programs Fund	6,676,980	8,474,230	(1,797,250)	(21.2)
Low Income Housing Fee Fund	2,500,300	4,179,760	(1,679,460)	(40.2)
Miscellaneous Current Expense	384,450	506,450	(122,000)	(24.1)
Planning And Land Services	19,782,950	19,333,679	449,271	2.3
Special Projects	293,710	291,060	2,650	0.9
Total Economic Environment	36,281,540	41,516,219	(5,234,679)	(12.6)
Mental/Physical Health				
Community Action Fund	6,805,570	6,780,010	25,560	0.4
Health Department	37,193,189	34,831,073	2,362,116	6.8
Health Services	3,185,020	3,053,020	132,000	4.3
HS - Mental Health Fund	19,952,920		19,952,920	—
Human Services Construction Fd	161,210	2,865,810	(2,704,600)	(94.4)
Human Services Fund	37,473,290	89,171,690	(51,698,400)	(58.0)
Miscellaneous Current Expense	1,183,620	755,620	428,000	56.7
REET Capital Improvement Fund	676,010		676,010	—
Veterans Relief Fund	914,410	826,310	88,100	10.7
Total Mental/Physical Health	107,545,239	138,283,533	(30,738,294)	(22.2)
Cultural & Recreation				
Arts And Cultural Services Fd	201,870	269,260	(67,390)	(25.0)
Capital Improvement Projects	40,000	100,000	(60,000)	(60.0)
Chambers Bay Golf Course Fund	5,176,160	7,456,640	(2,280,480)	(30.6)
Golf Courses Fund	2,326,460	2,150,000	176,460	8.2
Miscellaneous Current Expense	859,120	730,520	128,600	17.6
Parks And Recreation Services	6,577,550	6,239,050	338,500	5.4
Parks Construction Fund	5,209,860	7,850,580	(2,640,720)	(33.6)
Parks Impact Fee Fund	3,384,200	3,992,600	(608,400)	(15.2)
Parks Sales Tax Fund	5,781,510	5,271,400	510,110	9.7
Paths And Trails Fund	8,391,520	4,654,790	3,736,730	80.3
Pierce County Fair Fund	181,570	181,520	50	—
Second REET Parks Fund	4,814,740	3,903,420	911,320	23.3
Special Projects	626,000	75,000	551,000	734.7
Tourism, Promotion, Facil Fund	647,310	1,019,570	(372,260)	(36.5)
WSU PC Extension	974,350	936,770	37,580	4.0
1% For Arts Construction Fd	613,840	653,350	(39,510)	(6.0)
Total Cultural & Recreation	45,806,060	45,484,470	321,590	0.7
Debt Service				
Limited GO Bond Redemption Fd	8,893,780	9,181,510	(287,730)	(3.1)
Total Debt Service	8,893,780	9,181,510	(287,730)	(3.1)
Transportation				
Airport Fund	955,720	2,457,780	(1,502,060)	(61.1)
County Road Fund	68,505,300	70,409,560	(1,904,260)	(2.7)
Ferry Services Fund	4,006,880	3,957,020	49,860	1.3
Miscellaneous Current Expense	333,058	147,000	186,058	126.6
Public Works Construction Fund	51,662,000	43,461,000	8,201,000	18.9
Second REET Roads Fund	18,775,810	14,046,090	4,729,720	33.7
Special Projects	36,930	76,500	(39,570)	(51.7)
Traffic Impact Fee Fund	6,000,000	8,000,000	(2,000,000)	(25.0)
Transportation Facilities Fund	9,352,760	25,873,790	(16,521,030)	(63.9)
Total Transportation	159,628,458	168,428,740	(8,800,282)	(5.2)
Utilities				
REETCapital Improvement Fund		55,060	(55,060)	(100.0)
Sewer Bond Funds	5,485,060	5,615,240	(130,180)	(2.3)
Sewer Facil Restrict Reserve Fd	14,499,240	13,561,000	938,240	6.9
Sewer Utility Const Funds	29,938,630	23,636,500	6,302,130	26.7
Sewer Utility Fund	43,467,470	48,611,360	(5,143,890)	(10.6)
Solid Waste Mgmt Fund	6,136,910	5,483,470	653,440	11.9
Water Utility Fund	188,940	312,900	(123,960)	(39.6)
Total Utilities	99,716,250	97,275,530	2,440,720	2.5
Internal Service				
Equipment Services Division Fd	15,324,050	18,748,500	(3,424,450)	(18.3)
Facilities Management Fund	12,790,960	11,435,330	1,355,630	11.9
Fleet Rental Fund	4,893,640	4,040,170	853,470	21.1
General Services Fund	3,377,520	3,263,620	113,900	3.5
Information Technology Fund	19,614,040	18,732,200	881,840	4.7
Radio Communications Fund	2,514,360	2,405,970	108,390	4.5
Self Insurance Fund	8,705,890	8,449,390	256,500	3.0
Workers Compensation Fund	3,584,940	3,121,120	463,820	14.9
Total Internal Service	70,805,400	70,196,300	609,100	0.9
County Fund Total	\$ 863,155,082	\$ 895,954,011	\$ 32,798,929	(3.7) %

Other Financial Information

ALL FUNDS COMPARISON OF 2008 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	\$ 37,107,060	\$ 29,568,410	\$ —	\$ 21,000	\$ 45,237,850	\$ 28,706,270	\$ 5,814,783	\$ 146,455,373
Contributed Capital	—	—	—	—	5,835,000	—	—	5,835,000
Fines and Forfeitures	\$ 7,599,340	\$ 25,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 7,624,340
Intergovernmental Rev	32,084,640	103,061,460	—	10,124,710	3,823,080	100	22,380,803	171,474,793
Licenses and Permits	\$ 9,903,550	\$ 97,000	\$ —	\$ —	\$ —	\$ —	\$ 4,229,869	\$ 14,230,419
Other Financing Sources	—	—	—	—	188,940	—	—	188,940
Other Miscellaneous Rev	\$ 21,167,030	\$ 21,723,790	\$ 8,593,780	\$ 44,107,500	\$ 34,820,430	\$ 35,569,780	\$ 2,110,494	\$ 168,092,804
Other Taxes	3,015,170	15,106,740	—	5,200,000	215,000	—	—	23,536,910
Property Taxes	\$ 109,876,950	\$ 49,923,080	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 159,800,030
Sales Taxes	61,950,000	3,000,000	—	—	—	—	—	64,950,000
Use of Fund Balance	\$ 3,729,583	\$ 44,935,000	\$ 300,000	\$ 20,754,230	\$ 22,061,170	\$ 6,529,250	\$ 2,657,240	\$ 100,966,473
Total Revenues	\$ 286,433,323	\$ 267,440,480	\$ 8,893,780	\$ 80,207,440	\$ 112,181,470	\$ 70,805,400	\$ 37,193,189	\$ 863,155,082
Expenditures/Expenses:								
Cultural & Recreation	\$ 9,077,020	\$ 23,402,720	\$ —	\$ 5,823,700	\$ 7,502,620	\$ —	\$ —	\$ 45,806,060
Debt Service	—	—	8,893,780	—	—	—	—	8,893,780
Economic Environment	\$ 22,158,410	\$ 14,123,130	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 36,281,540
General Government	40,100,920	3,203,260	—	1,448,720	—	—	—	44,752,900
Internal Service	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 70,805,400	\$ —	\$ 70,805,400
Legal & Judicial	72,016,760	2,470,070	—	4,665,550	—	—	—	79,152,380
Mental/Physical Health	\$ 4,168,640	\$ 65,146,190	\$ —	\$ 1,037,220	\$ —	\$ —	\$ 37,193,189	\$ 107,545,239
Physical Environment	2,048,590	52,242,790	—	—	—	—	—	54,291,380
Public Safety	\$ 136,492,995	\$ 13,571,210	\$ —	\$ 6,217,490	\$ —	\$ —	\$ —	\$ 156,281,695
Transportation	369,988	93,281,110	—	61,014,760	4,962,600	—	—	159,628,458
Utilities	\$ —	\$ —	\$ —	\$ —	\$ 99,716,250	\$ —	\$ —	\$ 99,716,250
Total Expenditures	\$ 286,433,323	\$ 267,440,480	\$ 8,893,780	\$ 80,207,440	\$ 112,181,470	\$ 70,805,400	\$ 37,193,189	\$ 863,155,082

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.