

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 2005 are presented in **Debt Management**.

The **Summary of Unreserved Fund Balance** presents the anticipated fund balances available in 2005 for the governmental funds, and also indicates any proposed amount to be used in 2005 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 2005.

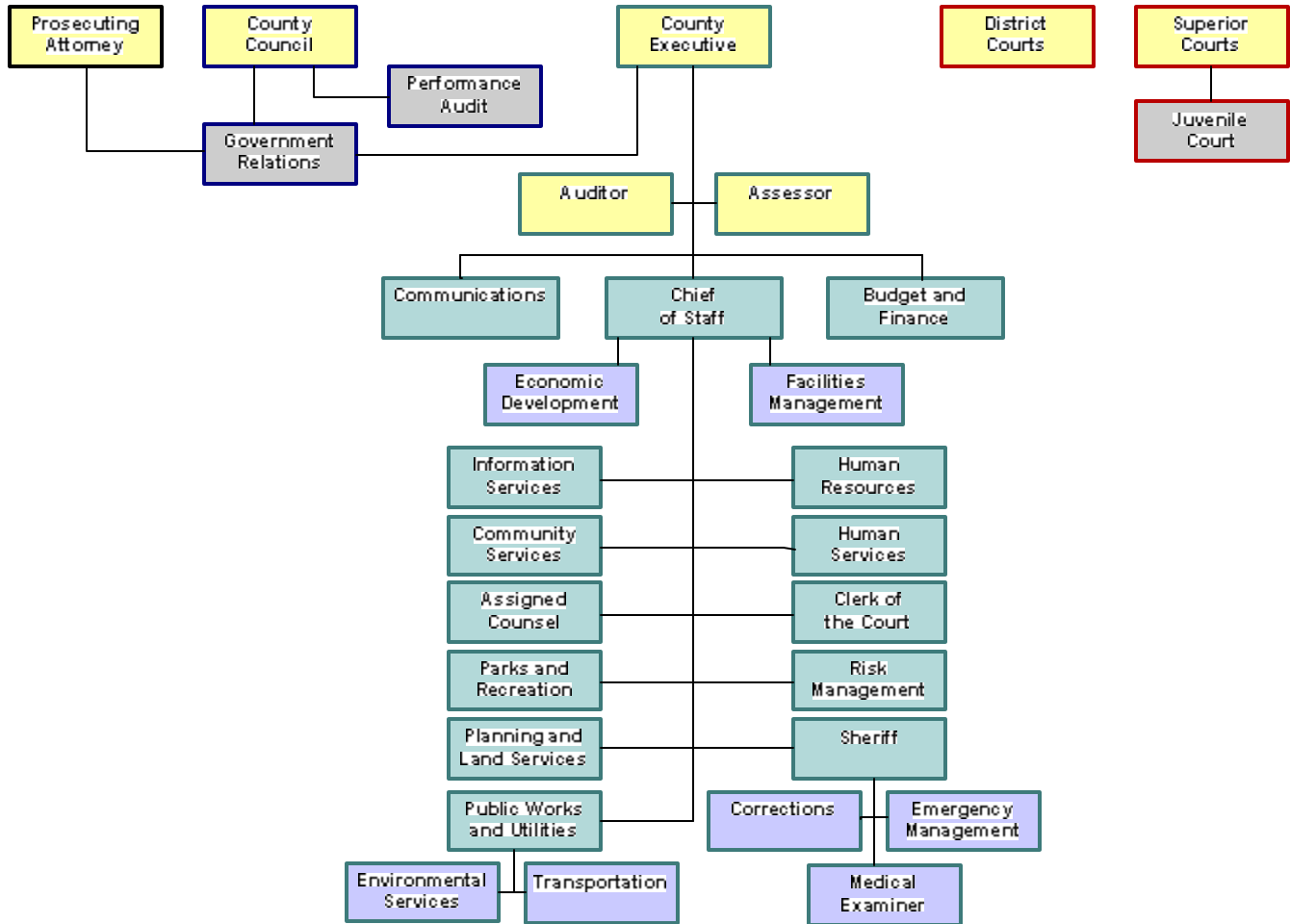
Current and historical staffing information is shown in **Staffing Information**.

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.

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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.

Organizational Overview

Legislative Branch

County Council:

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

Executive Branch

County Executive (elected official):

- ◇ Assessor-Treasurer (elected official)
- ◇ Assigned Counsel
- ◇ Auditor (elected official)
- ◇ Budget & Finance
 - Fleet Rental
 - General Services
- ◇ Clerk of the Superior Court
- ◇ Chambers Creek Golf Course
- ◇ 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
 - Housing Repair Program
 - Low Income Housing Fee Fund
 - Prevention Services and Programs
 - Tourism, Promotion, & Capital Facilities Fund
 - WSU PC Extension
- ◇ Criminal Justice Fund
- ◇ Debt Service Funds
- ◇ 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
 - Real Property Management - *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 Services
 - Auditor's M & O Fund (Imaging Fund)
 - Geographical Information Services
- ◇ Medical Examiner
- ◇ Miscellaneous Current Expense

Organizational Overview

Executive Branch (con't)

- ◇ 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
 - Peninsula Recreation Program
 - Second REET Fund- Parks
- ◇ Pierce County Fair
- ◇ Planning and Land Services
- ◇ Public Works and Utilities
 - Environmental Services:
 - 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 Pgm - 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
 - Sheriff Transition
- ◇ Special Projects
 - ESA - Habitat Protection & Restoration
 - Family Services - Domestic Violence programs
 - Farmlands Advisory Commission
 - Law & Justice Commission
 - Pierce County Board of Equalization
- ◇ State Auditor
- ◇ Veteran's 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) which in turn 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 2005 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 public image for Pierce County Government and improve customer service 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 an effective work force through an emphasis on diversity; and the promotion of programs which stress training, incentives, recognition, and innovation.
- K – Implement infrastructure improvements in county buildings which will address employee safety, workspace and environmental issues; and thus enhance employee morale.

Pierce County Facts

General Information

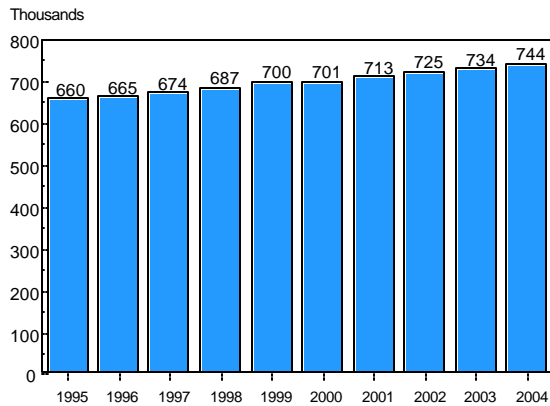
Pierce County was established in 1852 and became a Home Rule County by a vote of the people in 1981. The County is governed by an elected County Executive and seven elected Council Members. The Prosecutor, Assessor-Treasurer, Auditor, Superior Court Judges, and District Court Judges are also elected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

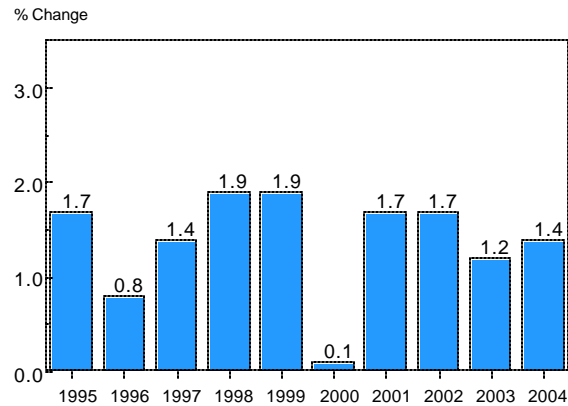
The third largest army post in the United States, Fort Lewis, is located in the County as are McChord Air Force Base, Madigan Army Medical Center, and Camp Murray National Guard post. Altogether these military installations contribute over 42,000 military and civilian jobs to the local economy.

Pierce County is home to an estimated 744,000 people, making it the second largest county in the state. Its five largest cities are Tacoma (196,800), Lakewood (59,010), Puyallup (35,690), University Place (30,800), and Bonney Lake (13,740). 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. By most standards, even the recession of 2001 was mild and the County was in a good position to recover and experience future economic growth. Some of the advantages that aid the County are: (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

Pierce County's manufactured products include chemicals, machinery, hardware, food products, electronics, and aerospace. Among the major manufacturers are Intel (1,500 jobs), Boeing (1,000), Milgard Glass (870), and Simpson Tacoma Kraft wood products (498). Renewed strength of computer sales nationwide bodes well for continued expansion at Intel and, as orders for the 777 jetliner increase, Boeing will add capacity at their Frederickson 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.

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 (3,587), the Franciscan Health System (2,769), and Good Samaritan Hospital (1,940). In addition, DaVita, the nation's second largest provider of dialysis services, employs 674 people.

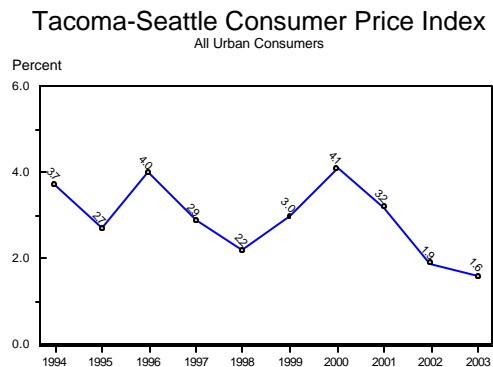
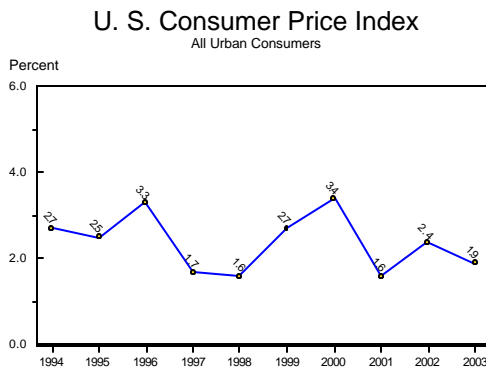
Fort Lewis Army Base and Madigan Army Medical Center occupy 86,000 acres in southwest Pierce County while the adjacent McChord Air Force Base sits on 5,000 acres. Together these facilities employ over 42,000 military and civilian personnel. Unlike many military installations across the country, Fort Lewis and McChord have expanded as people are transferred from closed facilities to the northwest. In addition, the war in Iraq has greatly increased activity at the bases.

Other government employment includes the local public school districts (13,010), the City of Tacoma, including Tacoma Public Utilities (3,172), Pierce County (3,154), the Puyallup Tribe (1,795).

Economic Indicators

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

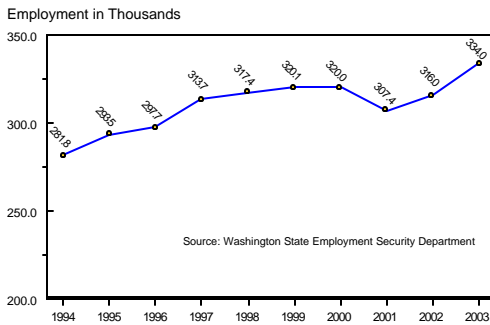
- ❖ **Inflation:** Inflation as measured by the Seattle-Tacoma-Everett Consumer Price Index for all urban consumers decreased from 1.9% in 2002 to 1.6% in 2003. During the same period, the U. S. average (CPI-U) went from 2.4% in 2002 to 1.9% in 2003.



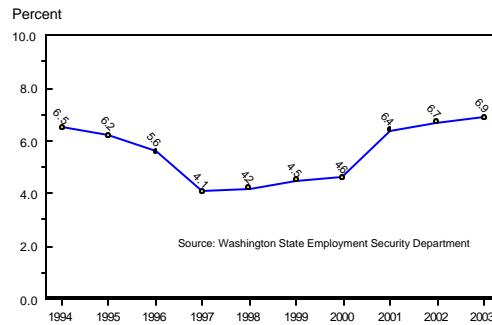
Pierce County Facts

- ❖ **Employment:** Total employment increased to 334,100, while the rate of unemployment increased to 6.9%. Pierce County unemployment is slightly higher than the statewide average of 6.8% but significantly higher than the U.S. average of 5.7%.

Pierce County Employment

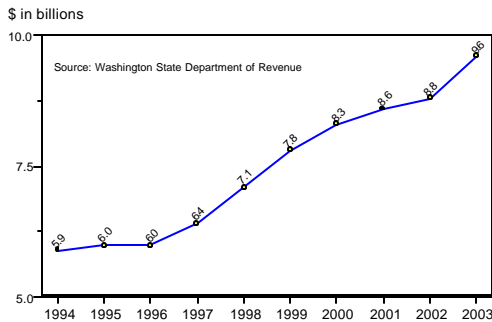


Pierce County Percent Unemployment

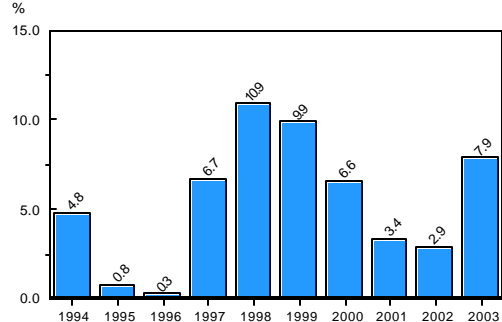


- ❖ **Taxable Retail Sales:** Taxable retail sales increased significantly in 2003 increasing by 7.9% over 2002. Based on current forecasts, we expect sales growth to continue in 2004 and 2005, albeit at a more moderate pace.

Pierce County Taxable Retail Sales

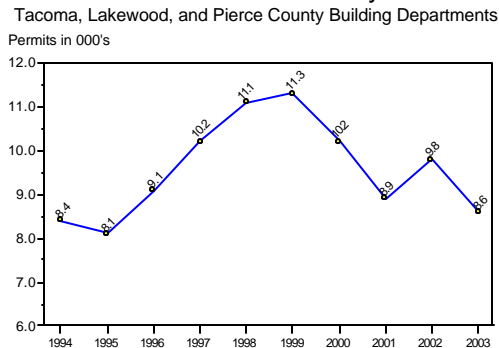


Percent Change Taxable Retail Sales

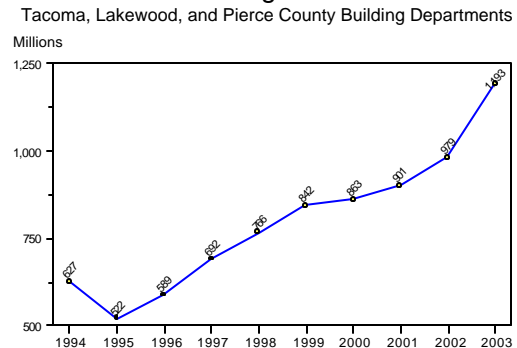


- ❖ **Construction:** New construction activity is an important economic indicator since it greatly impacts County operations and workload in areas such as planning, permits, land services, public works, and public construction. Property tax revenues are also affected by fluctuations in new construction activity and 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 decreased in 2003 while the total value of new construction increased; this is an indication of higher value construction activity.

Construction Activity



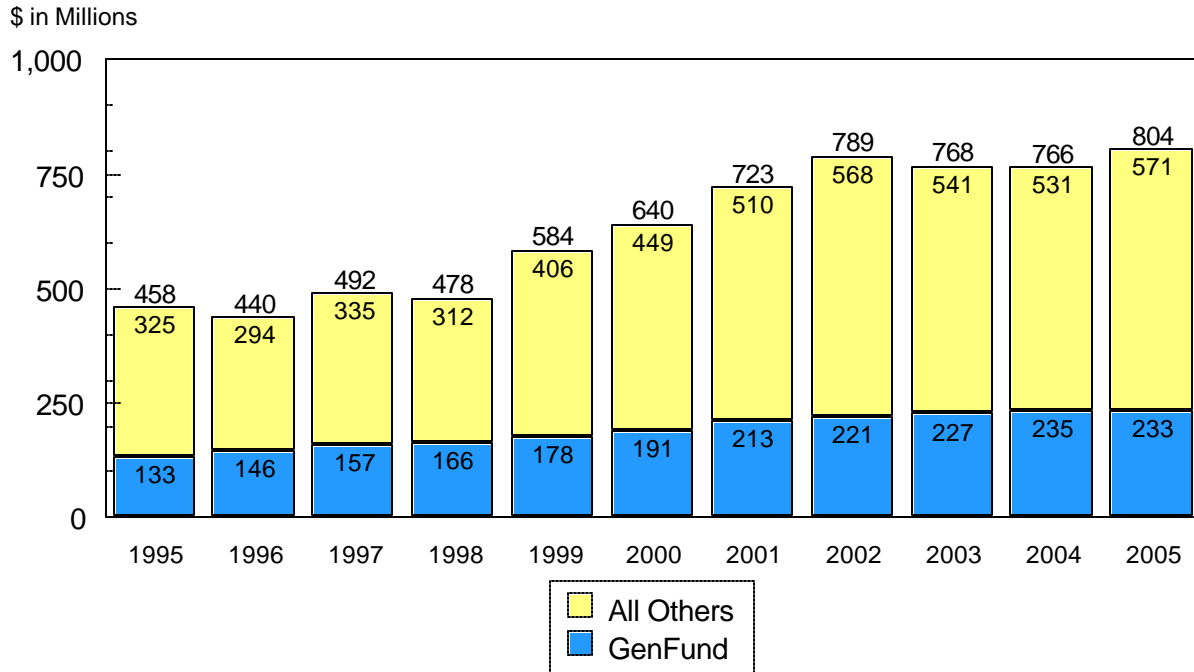
Value of Building Permits Issued



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.

Total Budget



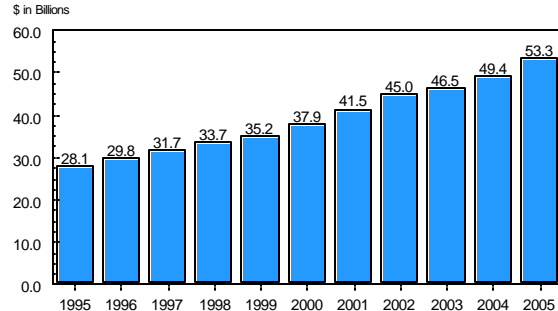
Property Taxes and Assessed Valuation

Property Taxes Assessed Valuation

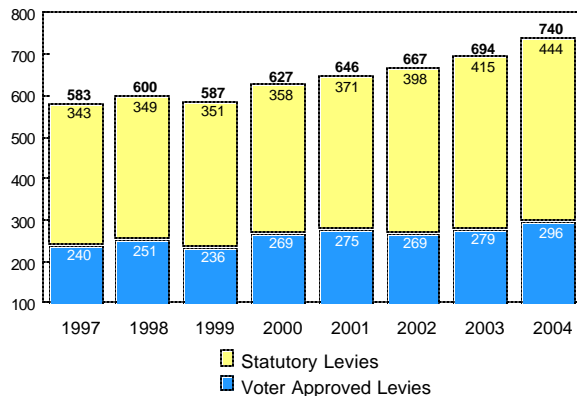
Property tax is the largest source of revenue in the General Fund and is a major source of revenue for the Road Fund. The Assessor-Treasurer values and provides information on approximately 1,080,000 acres of land in Pierce County. Of this total, 51% is taxable acreage, the remaining being exempt under State law. In addition to the statutory levies implemented through State legislation, local levies are imposed through a vote of the people. These are most typically for school and fire districts. On average 41% of the total taxes levied over the last 8 years have been voter approved.

Total Assessed Valuation

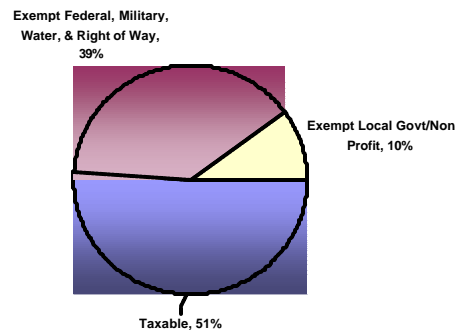
The growth in Property Tax revenue is dependent upon both the actual growth in assessed valuation and the tax rate. The growth in assessed valuation from 2004 to 2005 was approximately \$3.9 billion (8.0%). Approximately 36% of the growth is due to new construction, and 64% is due to the revaluation of existing properties.



Voter Approved and Statutory Property Taxes



Pierce County Acreage Exemption Status



Of the total tax levies for 2004 (collected in 2005), 40% are voter approved and 60% are statutory levies.

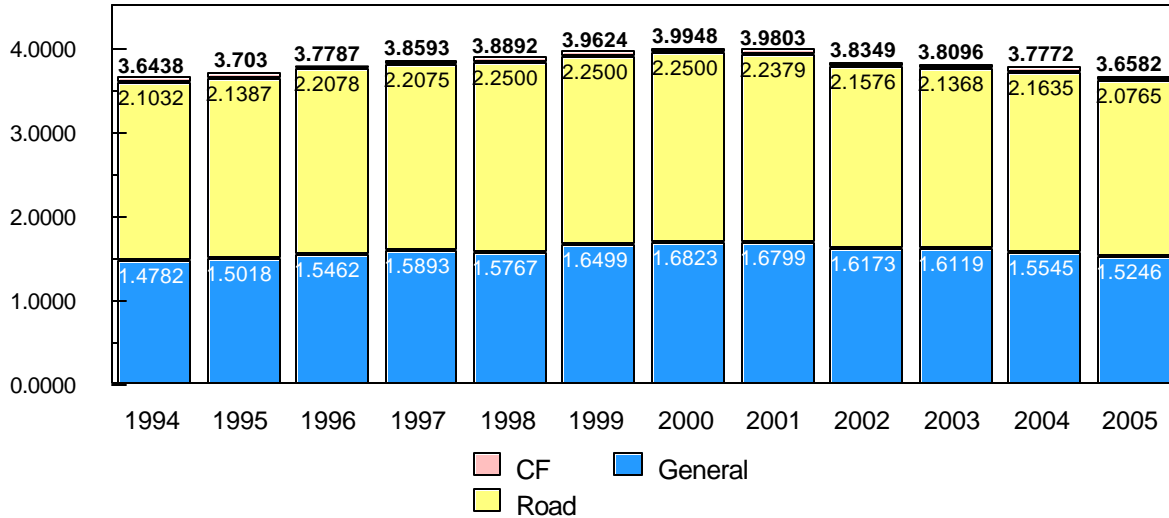
Of the total Pierce County acreage 49% is tax exempt. Federal and Military lands, major lakes, and local Right-of-Way make up 39% of the exempted properties. Ten percent is local governments and non-profits (mostly schools and churches).

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 2.39% in 2005 (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 2% reduction in the 2005 County Levy tax rate from 2004; and over 9% since the initiative was enacted. The Road Levy tax rate has decreased by 4% from the 2004 rate and the Conservation Futures tax is down 3% from 2004. The charts on the following page present historical and comparative detailed rate information.

Combined Property Tax Millages

Rate per \$1,000



Note: The Conservation Futures rate was reduced to .0247 in 1996 due to levy lid limits, and .0600 in 2002, .0609 in 2003, .0592 in 2004, and .0571 in 2005 due to the impact of I-747 and the 1% limit.

Property Tax Levies				
	2004		2005	
	Tax Rate ¹	Revenue	Tax Rate ¹	Revenue
	Assessed Value: \$49,371,343,053		Assessed Value: \$53,305,805,336	
A. County Levy (\$1.80 maximum)				
General Fund	\$ 1.5209	\$ 75,088,885	\$ 1.4917	\$ 79,516,700
Administrative Refund RCW 84.69	0.0024	121,942	0.0023	120,510
Sub Total General Fund	1.5233	75,210,827	1.4940	79,637,210
Veteren's Relief	0.0097	478,466	0.0095	507,180
Social Services	0.0215	1,060,178	0.0211	1,124,750
Total County Levy	1.5545	76,749,471	1.5246	81,269,140
B. Conservation Futures (\$.0625 Maximum)	0.0592	2,922,288	0.0571	3,041,970
	Assessed Value: \$21,101,448,654		Assessed Value: \$22,989,836,113	
C. Road District Levy (\$2.25 Maximum)				
Allocated to Road Fund	1.7377	36,668,620	1.6699	38,390,790
Law Enforcement Levy	0.4231	8,927,774	0.4066	9,347,070
Administrative Refund RCW 84.69	0.0027	56,791	-	-
Total Road District Levy	2.1635	45,653,185	2.0765	47,737,860
TOTAL COUNTY TAX LEVIES	\$ 3.7772	\$ 125,324,944	\$ 3.6582	\$ 132,048,970

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

Budget and Finance Department Fiscal Policies

The Pierce County Budget & 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 funds' 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, or 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 ratio 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, 2004

2004 Assessed Valuation for 2004 Tax Collections		\$ 53,305,805,336
 A. Inside Levy (issued without vote of the people)		
Legal Limit (1.5% of property value)		\$ 799,587,080
<i>Amount of Debt Applicable to Debt Limit:</i>		
Net Limited General Obligation Bonds	\$ 51,652,330	
Estimated Compensated Absences (12/31/2003)	16,443,000	
Installment Contracts - Ferry	2,893,471	
Total Limited Tax General Obligation Debt		70,988,801
Limited Tax General Obligation Debt Margin Available		\$ 728,598,279
 B. Outside Levy (issued with vote of the people)		
Legal Limit (2.5% of property value)		\$ 1,332,645,133
<i>Amount of Debt Applicable to Debt Limit:</i>		
Net Limited General Obligation Debt		\$ 70,988,801
Total General Obligation Debt Margin Available		\$ 1,261,656,332

Pierce County Bonded Debt Ratios Estimated at September 30, 2004

General Obligation Bonded Debt per Capita (excluding Proprietary GO/Debt, Compensated Absences, & Installment Contract)	\$ 69.43
Assessed Valuation per Capita	\$ 71,648
Ratio of direct G.O. Bonded Debt to Assessed Value (including Proprietary GO/Debt)	0.0010

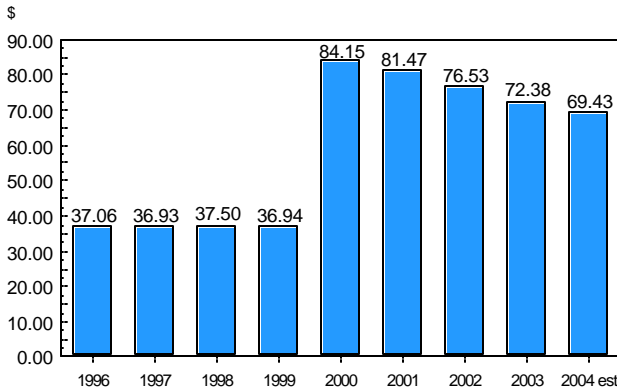
Pierce County Bond Ratings

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

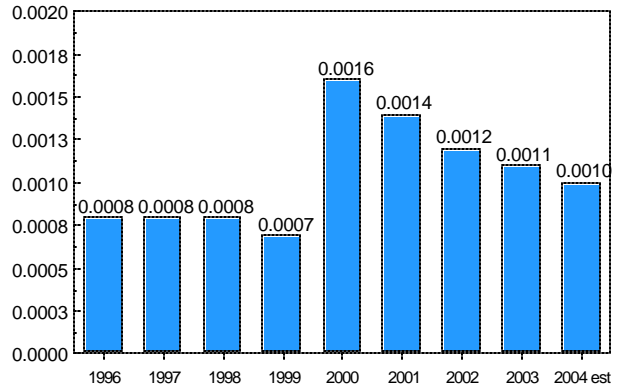
Debt Management

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 2008, and 55% by the end of 2013.

GOB DEBT SERVICE SCHEDULE as of 12/31/2003 (amounts in thousands)

Year	Principal	Interest	Total Debt Service
2004	2,714	2,717	5,431
2005	2,766	2,574	5,340
2006	2,908	2,436	5,344
2007	2,388	2,290	4,678
2008	2,207	2,188	4,395
2009-2013	12,554	9,317	21,871
2014-2018	11,005	6,322	17,327
2019-2023	11,525	3,367	14,892
2024-2028	5,465	445	5,910
Total	\$ 53,532	\$ 31,656	\$ 85,188

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Summary of Unreserved Fund Balance

The following table summarizes the unreserved fund balances for the General Fund and Special Revenue Funds. The estimated 2004 revenues minus expenditures yields a net projected change due to 2004 activity; and yields an estimated ending funding balance for fiscal year 2004. The table then shows the Use of Fund Balance in 2005, and a resulting Estimated Fund Balance at the end of 2005. Further detailed information on the various sources and uses that net to the 2005 budgeted use of fund balance can be found in the "All Funds Comparison of 2005 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 2005, we are proposing the use of \$4,408,500 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.

2005 FUND BALANCE ESTIMATE

	2003CAFR Unreserved Fund Balance	Estimated 2004 Revenues minus Expenditures	2004 Estimated Year-End Unreserved Fund Balance	2005 Budgeted Use of Fund Balance	2005 Estimated Year-End Unreserved Fund Balance
General Fund	\$ 25,532,888	\$ (2,990,919)	\$ 22,541,969	\$ (4,408,500)	\$ 18,133,469
Special Revenue Funds					
Arts and Cultural Services	121,575	(64,170)	57,405	(53,240)	4,165
Auditor's Maint & Operation	771,687	(65,580)	706,107	(399,270)	306,837
Community Action	514,425	(100,940)	413,485	(199,460)	214,025
Community Development Fund	—	—	—	—	—
Conservation Futures Fund	669,315	1,660,950	2,330,265	—	2,330,265
County Road Fund	20,718,607	(2,889,060)	17,829,547	(8,410,730)	9,418,817
Criminal Justice Fund	2,605,882	(528,230)	2,077,652	(623,800)	1,453,852
Detention Center Commissary	447,337	(144,000)	303,337	(92,130)	211,207
Dispute Resolution Center Fund	10,531	—	10,531	—	10,531
Drug Investigation Fund	460,797	(61,205)	399,592	(95,850)	303,742
Employee Assistance Program	148,764	(55,000)	93,764	(64,890)	28,874
Endangered Species Act	401,512	(112,610)	288,902	(202,170)	86,732
Federal Forest Services	—	—	—	—	—
GIS Fund	1,555,026	(262,550)	1,292,476	(1,046,930)	245,546
Housing Repair Program	35,144	(6,000)	29,144	—	29,144
Human Services	4,766,964	2,321,400	7,088,364	(31,000)	7,057,364
Law Enforcement Fund	188,398	(188,398)	—	—	—
Low Income Housing Fee	2,231,903	753,280	2,985,183	(2,550,000)	435,183
Marine Services Fund	123,427	(2,810)	120,617	(50,480)	70,137
Parks Impact Fee Fund	2,048,747	88,940	2,137,687	(835,750)	1,301,937
Parks Sales Tax	2,605,132	233,460	2,838,592	—	2,838,592
Paths and Trails Fund	218,671	434,040	652,711	(370,550)	282,161
Peninsula Recreation Program	58,183	6,790	64,973	—	64,973
Pierce County Fair	122,072	(8,290)	113,782	(13,590)	100,192
Puget Sound Behavioral Health	88,319	1,759,070	1,847,389	—	1,847,389
Rainier Communications Commiss	563,569	86,320	649,889	(50,000)	599,889
Real Estate Ex Tx River Imp Fd	1,676,042	181,570	1,857,612	(979,520)	878,092
Second Reet Parks	2,211,786	(2,380)	2,209,406	(1,753,260)	456,146
Second Reet Roads	8,252,804	1,396,320	9,649,124	(6,986,680)	2,662,444
Surface Water Management Fund	21,170,088	(3,089,560)	18,080,528	(6,862,330)	11,218,198
Tourism, Promotion, Facilities	738,148	75,950	814,098	(602,000)	212,098
Veterans Relief	183,672	(8,110)	175,562	(14,910)	160,652
911 System	1,339,399	527,326	1,866,725	(1,290,940)	575,785

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 2005 through 2010 was passed by the County Council in November of 2004. 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 2005 Operating Budget

The 2005 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 2005 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 have been appropriated for in the 2005 Budget. All 2005 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 "Thun Field" provides for a Federal Aviation Administration (FAA) recognized level of service for airport facilities of 150,000 aircraft operations per year. Projects planned for 2005 include procurement of aviation rights, miscellaneous infrastructure enhancements, and the purchase and installation of an Automated Weather Observing System (AWOS). Activity beyond 2005 reflects anticipated grant funding as well as Airport fund resources.

Capital Project	LOS	Expense	2005	2006	2007	2008	2009
Various improvements and enhancements	150,000 annual aircraft operations	Capital Costs	62,500	707,500	641,000	850,000	270,000
		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 2.2 beds per thousand residents. With an estimated population of 744,660, this translates into the need for 1,638 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 2005 are facility maintenance projects.

Capital Project	LOS	Expense	2005	2006	2007	2008	2009
Main Jail: Seal and Paint the recreation yard floor and walls; HVAC duct cleaning	2.2 beds per 1,000 residents	Capital Costs	197,000	430,000	829,500	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	2005	2006	2007	2008	2009
2005 projects include major improvements at County-City Building including remodel of Prosecuting Attorney and Clerk offices, HVAC duct cleaning, "A" wing re-roofing, "B" tower elevator upgrades, and asbestos abatement. Other activities include miscellaneous facility improvements at various sites including ADA and energy conservation projects.	0.64 square feet per capita	Capital Costs	3,561,800	4,418,500	2,300,100	2,211,000	1,711,000
		Operating Costs associated with additional office space	251,000	251,000	351,000	372,000	372,000

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 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 2005.

Capital Project	LOS	Expense	2005	2006	2007	2008	2009
2005 Projects include: Re-keying, new Fire Alarm System, and internal and external remodeling in North & South buildings	0.21 square feet per 1,000 population	Capital Costs	929,200	4,734,300	1,500,000	—	—
		Operating Costs	—	—	115,900	—	—

Law Enforcement - Sheriff Facilities

Current Sheriff facilities outside of the CC Building campus include major precincts East and West plus 3 substations, Peninsula, Mountain & Foothills. In 2005 the County will begin preliminary work on the construction of a new precinct building in the Parkland-Spanaway area. Also in 2005 the existing EOC and Property Room will move from the CC Building to a building in Tacoma purchased in 2004 (Corporate Express Building). The 2005 budget also includes funding for replacement of CC Building security cameras. Funding partnerships are being pursued for some of the major capital projects.

Capital Project	LOS	Expense	2005	2006	2007	2008	2009
2005 Projects include: the new EOC and Property Room, Parkland-Spanaway precinct, and security cameras at the CC Bldg	0.58 square feet per 1,000 population	Capital Costs	3,717,500	4,567,200	1,214,000	100,000	100,000
		Operating Costs	65,000	110,000	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 Project	LOS	Expense	2005	2006	2007	2008	2009
Regional Parks Paths & Trails Open Space	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 0.01524 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	26,871,500	22,003,300	2,000,000	—	—
		Operating Costs	—	328,500	355,700	3,608,700	3,731,400

Capital Improvement Program Summary

Courts

Both the District and Superior courts are awaiting expanded occupancy in the County-City Building in 2006. Only minor projects are planned in the 2005 budget. Funding for major projects beyond 2005 may include bonds.

Capital Project	LOS	Expense	2005	2006	2007	2008	2009
Superior Court refurbishing and security improvements	1 courtroom per full time judicial officer	Capital Costs:	50,000	2,907,600	3,719,300	—	—
		Operating Costs	—	—	—	1,860,100	1,860,100

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	2005	2006	2007	2008	2009
Basin Plan Implementation and Land Acquisition	Varies by river 45.8 river miles 91.6 levee miles	Capital Costs	2,664,500	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	2005	2006	2007	2008	2009
54 car ferry, other improvements	100% peak winter weekday demand	Capital Costs	11,690,600	30,000	500,000	—	—
		Operating Costs	No net change in operating costs is projected due to these capital improvements.				

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	2005	2006	2007	2008	2009
Capital Improvement Program	29.3 MGD capacity	Capital Costs	18,069,000	11,005,000	6,800,000	10,930,000	20,485,000
		Operating Costs	—	51,200	133,600	134,100	145,100

Capital Improvement Program Summary

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 2005 and 2006 include two new facilities which may require a long term funding arrangement.

Capital Project	LOS	Expense	2005	2006	2007	2008	2009*
Transportation Improvement Plan Projects. *Years 2009-2010 are combined & presented in 2009	Varies by road type and location	Capital Costs	53,313,000	35,997,000	18,667,000	37,946,000	25,282,000
		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 fire suppression system at Central Maint Bldg		Capital Costs	26,775,000	33,800,000	8,300,000	—	200,000
		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. The only capital project planned for 2005 is safety improvements at the Key Center and Purdy transfer stations.

Capital Project	LOS	Expense	2005	2006	2007	2008	2009
Safety improvements	4.5 pounds per person	Capital Costs	65,000	620,000	945,000	500,000	—
		Operating Costs	—	—	—	—	—

Surface Water Management

The Surface Water Capital Facilities Plan includes 58 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	2005	2006	2007	2008	2009
Stormwater Systems	100 year, 24 hour design	Capital Costs	9,314,500	8,271,000	6,535,100	7,837,800	6,570,300
		Operating Costs	1,173,800	1,209,000	1,245,300	1,282,700	1,321,200

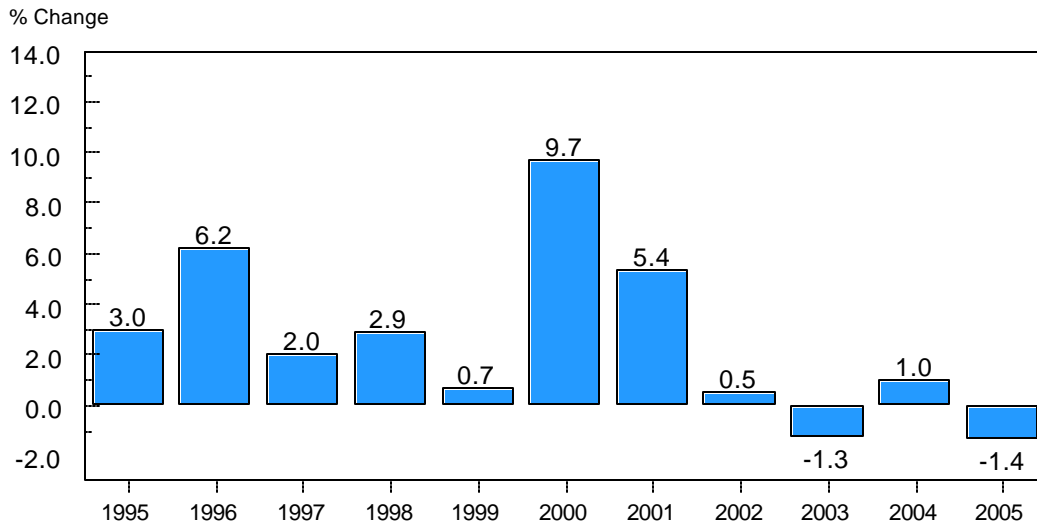
Capital Improvement Program Summary

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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 384 FTEs (24%) since 1995 while staffing in all other funds (special revenue, enterprise, and internal services) has increased by 301 FTEs (33%). Overall, 685 FTEs have been added since 1995, an increase of 27%.

Percent Change in County-wide Staffing



A significant upsurge in new staffing occurred in 1996 from the impact of the state criminal justice revenue, the local option .1% sales tax, and additional Road Fund revenues. The growth in 1997 through 2000 was due to a) staffing requirements for the new Jail Annex and expanded juvenile detention facility, b) additional staff to address court system caseload issues, primarily in the Prosecutor's Office, c) public safety staff enhancements (especially Sheriff's Department), and d) 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 to the County in fiscal 2000 and 2001. The PSBH FTE count subsequently dropped to 170 in 2002 as service centers were restructured, and the chemical dependency outpatient, detoxification center, and associated services were eliminated. This is a major cause for the small 2002 percentage changes. The other cause is Initiative 747 (1% property tax limitation).

Several major initiatives impacted the 2003 staffing levels including a new Computerized Appraisal Tax System (reduction of 14 FTE's), the consolidation of the District Courts (reduction of 4 FTE's), and a revision in the Corrections phasing plan for staffing of the new jail (8 FTE's). A reduced level of Involuntary Treatment Program state funding caused a scale back, eliminating 4.3 FTE's. Net reduction of 44 more FTE's in 2003 in the PSBH Fund (18 staff moved to the Human Services Fund) completed the final adjustments to the inpatient program. Conversely, 22 new positions were added in the General Fund in 2003, mostly in the Sheriff Department to address services levels and in PALS for fee-supported activities.

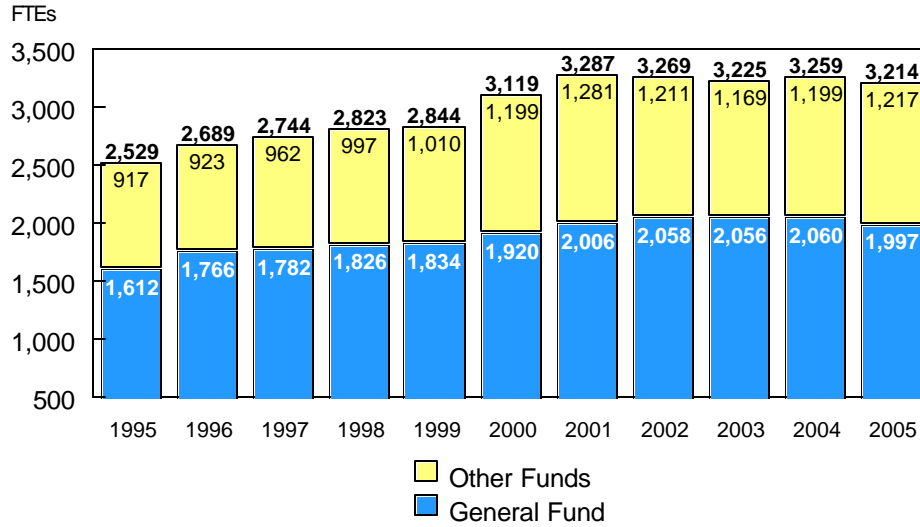
The 2002-2005 staffing levels also reflect the continuing impact of I-747 on resources. This 4-year period is the only such time in the last twenty years that staff levels have actually declined. Although the 2004 total staffing level increased by 1.0%, the small increase of staff in the General Fund was grant or contract related. The 2004 General Fund staffing level actually supported by county monies decreased by 15 positions due to the closure of "C" wing at Remann Hall and institution of a new Alternative Detention Services program in that portion of the building.

In 2004 the loss of the Lakewood Sheriff contract eliminated 103 positions, 18 of which were budgeted to enable 24/7 coverage. The Directions Package will result in 13 new positions in PALS in 2005. Several positions have been added in Justice Services, Transportation and Environmental Services to enhance service levels.

However, as the charts indicate, the net bottom line impact upon staff levels will be negative in 2005.

Staffing Information

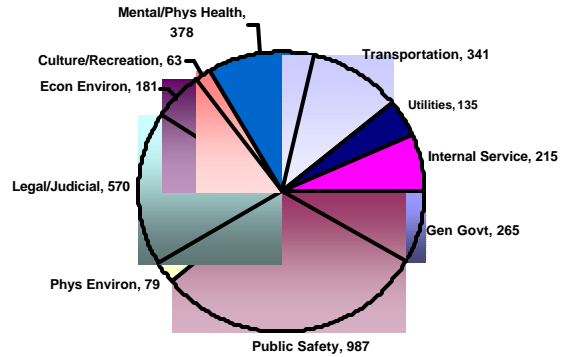
County-wide Staffing Summary



2005 Total County Staffing

Summarized by Function

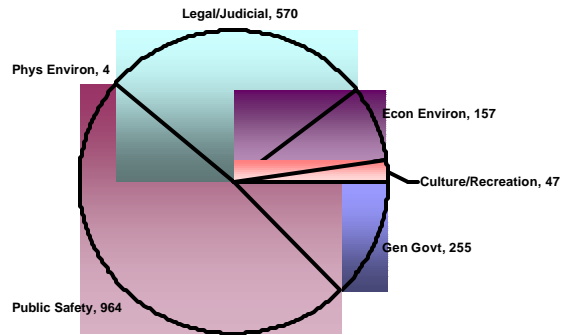
The Public Safety and Justice Services systems combined accounts for just over 50% of the total County staff, with the Mental and Physical Health system at almost 12%. Almost 17% of the total staff provides Transportation, Utilities, and the Physical Environment services. Two percent of the total staff is related to Culture and Recreation. Almost five percent are involved in Economic Environment activity and 14% staffing provide general government functions (including internal service funds).



2005 General Fund Staffing

Summarized by Function

The Public Safety and Justice Services systems combined accounts for just over 78% of all General Fund staff. Twelve percent provide General Governmental services. Almost 7% of the General Fund staff support Economic Environment activities and almost 3% 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

	1995 FTE	1998 FTE	2000 FTE	2001 FTE	2002 FTE	2003 FTE	2004 FTE	2005 FTE	Change from 1995
General Fund:									
Assessor/Treasurer	96.50	97.80	98.80	100.30	98.30	90.30	90.10	90.10	(6.40)
Assigned Counsel	75.67	92.70	89.50	85.90	83.20	85.00	85.60	90.60	14.93
Auditor	40.00	41.00	41.00	42.00	43.00	43.00	43.00	44.00	4.00
Budget & Finance	42.15	42.85	43.95	43.95	43.45	43.20	44.20	44.15	2.00
Clerk of the Superior Court	45.00	50.00	52.50	54.50	53.50	57.00	58.00	57.00	12.00
Communications	-	-	-	5.00	5.00	5.00	5.00	5.00	5.00
Corrections	246.10	341.30	347.80	349.80	393.80	377.70	377.80	377.70	131.60
County Council	31.00	32.00	31.00	29.50	29.50	29.00	29.00	29.00	(2.00)
County Executive	8.75	6.75	6.75	8.75	8.00	8.00	8.00	8.00	(0.75)
District Court	69.10	68.20	65.50	64.50	64.50	70.00	74.00	74.00	4.90
District Court 2 - Gig Harbor	6.00	6.77	6.00	6.00	6.00	-	-	-	(6.00)
District Court 3 - Eatonville	3.75	3.75	3.75	3.75	2.25	-	-	-	(3.75)
District Court 4 - Buckley	1.10	1.25	1.30	1.30	1.30	-	-	-	(1.10)
District Court Probation	19.00	29.00	35.00	37.00	37.00	36.00	36.00	35.50	16.50
Economic Development	2.10	3.58	3.80	5.80	4.80	6.15	7.15	7.00	4.90
Emergency Management	23.30	21.30	21.40	22.40	22.12	22.07	23.03	26.00	2.70
Facilities Management Fund	4.18	-	-	-	-	-	-	-	(4.18)
Human Resources	20.00	22.00	24.00	24.60	24.60	24.60	26.60	27.60	7.60
Juvenile	142.70	173.22	174.52	178.82	179.12	186.62	176.12	177.12	34.42
Medical Examiner	12.00	12.00	13.00	13.00	14.00	14.00	14.50	14.50	2.50
Parks & Recreation Services	46.60	47.95	49.68	50.68	50.63	50.65	49.52	43.05	(3.55)
Planning & Land Services	133.25	121.50	127.75	125.50	124.50	131.50	131.62	149.62	16.37
Prevention Services & Pgms	-	-	.80	.73	.41	.64	1.22	-	-
Prosecuting Attorney	183.50	215.60	219.07	221.57	231.72	232.22	227.22	228.22	44.72
River Improvement	11.77	-	-	-	-	-	-	-	(11.77)
Sheriff	264.00	293.50	357.00	428.00	434.00	440.00	449.00	364.00	100.00
Special Projects	6.75	14.63	14.99	9.89	10.60	10.49	10.92	11.00	4.25
Superior Court	74.40	83.38	87.38	88.88	88.88	88.88	88.88	89.88	15.48
WSU PC Extension	3.60	3.60	3.60	3.60	3.60	3.62	3.62	3.60	-
Total General Fund	1,612.27	1,825.63	1,919.84	2,005.72	2,057.78	2,055.64	2,060.10	1,996.64	384.37
Special Revenue Funds:									
Anti-profiteering Revolv. Fd	1.00	-	-	-	-	-	-	-	(1.00)
Arts & Cultural Services	3.10	3.10	1.79	1.79	1.64	1.51	1.66	1.59	(1.51)
Auditor Maint. & Operations	1.00	1.00	2.00	.50	.50	.50	.50	.50	(0.50)
Community Action	43.28	47.88	59.31	59.56	52.21	49.30	50.77	49.55	6.27
Community Development	11.80	13.32	9.96	12.00	10.22	9.92	8.66	12.01	.21
Conservation Futures Fund	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-
County Road Fund	330.50	329.20	326.35	328.70	327.03	330.28	335.70	337.79	7.29
Criminal Justice Fund	-	1.00	-	1.00	1.00	2.00	2.00	2.00	2.00
Detention Center Commissary	-	-	-	-	2.40	3.00	3.90	3.00	3.00
Drug Investigation Fund	2.00	-	-	-	-	-	2.00	2.00	-
Emergency Mgmt Grant Fd	-	-	-	-	3.88	8.88	10.87	9.88	9.88
Endangered Species Act	-	-	-	-	.62	.62	-	-	-
Geographical Info.System	16.00	18.00	19.00	19.00	18.00	17.00	17.00	17.00	1.00
Housing Repair Program	10.00	10.00	12.00	12.00	11.50	12.26	12.66	12.30	2.30
Human Services	102.01	134.12	143.74	185.23	202.11	220.20	220.37	220.37	118.36

Staffing Information

STAFFING SUMMARY

	1995 FTE	1998 FTE	2000 FTE	2001 FTE	2002 FTE	2003 FTE	2004 FTE	2005 FTE	Change from 1995
Law Enforcement Fund	93.30	72.00	47.00	-	-	-	-	-	(93.30)
Park Impack Fees			-	-	-	-	-	.05	.05
Parks Sales Tax			-	-	-	-	.64	1.00	1.00
Paths and Trails	1.25	2.05	1.47	1.47	1.52	2.11	2.02	1.02	(0.23)
Peninsula Recreation Program	-	-	-	-	1.00	2.00	2.00	2.00	2.00
Puget Sound Behavioral Health	-	-	183.29	238.59	170.05	108.40	106.04	106.04	106.04
Rainier Communications Comm	-	5.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00
Real Est Exc Tax Rvr	4.03	3.91	2.02	1.72	1.79	1.95	1.71	1.57	(2.46)
Safe Streets Fund	.50	-	-	-	-	-	-	-	(0.50)
Second REET Fund - Park			-	-	-	.25	.89	1.15	1.15
Surface Water Mgmt. Fd.	22.40	35.05	43.15	43.50	46.11	46.15	52.06	55.31	32.91
Tourism, Promo., Cap. Fac.	-	-	.13	.16	.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	4.50	4.78	4.88	4.96	4.00	.30
Total Spc Rev Funds	650.87	684.98	865.71	919.72	866.46	831.64	846.83	850.13	199.26
Capital Projects:									
Admin Bldg & Fac. Fund	.21	.13	.17	.16	.16	.16	-	-	(0.21)
Parking Facility Fund	-	.64	.56	-	-	-	-	-	-
Permanent Jail Const.	-	1.43	8.51	35.10	4.90	4.92	.89	.50	.50
REET-Capital Projects	1.67	1.07	1.07	1.69	2.69	2.74	3.47	2.85	1.18
Remann Hall Improv. Fund	1.17	-	-	-	-	-	-	-	(1.17)
1% for Arts Construction		-	-	-	.15	.25	.10	.10	.10
2501 Bldg-Corperate Express			-	-	-	-	-	1.29	1.29
Total Capital Proj	3.05	3.27	10.31	36.95	7.90	8.07	4.46	4.74	1.69
Enterprise Funds:									
Airport	1.00	2.02	1.50	1.60	1.60	1.60	1.60	1.60	.60
Chambers Creek Golf Course			-	-	-	-	-	.80	.80
Golf Courses	8.65	8.45	8.45	8.45	8.45	8.84	8.78	8.78	.13
P.C. Ferry Services	-	-	.67	1.32	1.32	1.07	1.61	1.65	1.65
Sewer Utilities Fund	84.75	98.65	103.26	102.11	104.66	104.66	111.76	118.43	33.68
Sewer Utility Construction	1.00	1.10	-	-	-	-	-	-	(1.00)
Solid Waste Mgmt. Fund	13.05	12.61	11.11	11.21	13.71	13.71	14.44	16.06	3.01
Water Utility Fund	-	-	.90	1.00	.30	.30	.31	.09	.09
Total Enterp Funds	108.45	122.83	125.89	125.69	130.04	130.18	138.50	147.41	38.96
Internal Srv Funds:									
Equipment Rental & Rev.	24.00	24.12	24.10	24.10	24.43	24.43	24.47	24.47	.47
Facilities Management	20.77	36.45	41.86	42.82	44.62	44.75	45.99	51.01	30.24
Fleet Rental	3.15	3.15	3.15	3.15	3.15	3.40	3.40	3.45	.30
General Services	6.70	7.20	8.20	8.20	8.20	8.20	8.20	8.20	1.50
Information Services Fund	87.54	99.64	104.00	105.00	108.00	102.00	110.00	112.00	24.46
Radio Communic. Fund	4.50	6.35	7.10	7.10	9.10	8.05	8.02	7.00	2.50
Self Insurance Fund	6.10	6.30	6.30	6.30	6.30	6.30	6.30	6.30	.20
Workers Compensation	1.90	2.70	2.70	2.70	2.70	2.70	2.70	2.70	.80
Total Int Serv Fnds	154.66	185.91	197.41	199.37	206.50	199.83	209.08	215.13	60.47
TOTAL FUNDS	2,529.30	2,822.62	3,119.16	3,287.45	3,268.68	3,225.36	3,258.97	3,214.05	684.75

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 **2005 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 2005 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 2005 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 2005 Revenues and Expenditures** which displays this information by fund type.

The **2005 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 2005 budget for each Fund, or each department in the General Fund, can be found in the **Total Expenditures/Expenses** table.

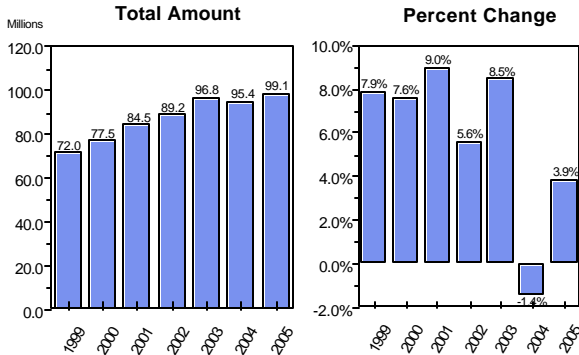
Revenue and Expenditure Summaries

2005 GENERAL FUND REVENUE							
	2002	2003	2004	2004	2005	Absolute	Percent
	Actual	Actual	Budget	Estimate	Budget	Change	Change
I. Property Taxes							
General Property Taxes	\$ 71,022,145	\$ 74,328,467	\$ 76,709,830	\$ 76,609,830	\$ 79,637,210	\$ 2,927,380	3.8 %
Law Enforcement Property Tax	8,050,729	8,927,636	8,938,530	8,938,530	9,347,070	408,540	4.6
Penalties/Int-Property Taxes	7,983,172	11,472,884	7,551,000	7,901,900	7,950,000	399,000	5.3
Subtotal	87,056,046	94,728,987	93,199,360	93,450,260	96,934,280	3,734,920	3.9
II. Sales Taxes	40,453,241	43,694,836	44,256,500	44,500,000	47,000,000	2,743,500	6.2
III. Other Taxes	2,143,578	2,110,716	2,175,050	2,289,080	2,189,070	14,020	0.6
IV. Licenses/Permits							
General Licenses and Permits	281,030	308,662	334,840	313,030	321,640	(13,200)	(3.9)
Cable Franchise Fees	1,700,312	1,851,706	1,740,000	2,100,000	2,150,000	410,000	23.6
Building Permits	3,873,745	4,400,038	4,512,000	4,466,758	4,770,790	258,790	5.7
Subtotal	5,855,087	6,560,406	6,586,840	6,879,788	7,242,430	655,590	10.0
V. Intergovernmental Revenues							
Federal Grants	5,225,739	5,138,520	5,188,839	5,273,477	4,332,480	(856,359)	(16.5)
State Grants	5,165,205	4,942,613	5,409,188	5,642,903	5,044,330	(364,858)	(6.7)
State Shared Revenue	3,803,404	3,310,187	3,684,410	4,020,485	4,024,780	340,370	9.2
Jail Reimbursements	5,128,983	4,436,356	4,400,380	4,500,000	5,208,110	807,730	18.4
Sheriff Services Contracts	16,092,232	15,791,578	16,412,500	13,241,270	4,530,000	(11,882,500)	(72.4)
All Other Revenues	3,558,407	3,585,471	3,650,644	3,786,830	3,532,850	(117,794)	(3.2)
Subtotal	38,973,970	37,204,725	38,745,961	36,464,965	26,672,550	(12,073,411)	(31.2)
VI. Charges For Services							
Recording Fees	2,617,432	3,572,181	2,689,500	2,762,700	2,617,400	(72,100)	(2.7)
Election/Registration Fees	1,918,548	2,160,829	2,307,750	2,182,720	2,124,800	(182,950)	(7.9)
Vehicle License Fees	3,271,281	3,340,933	3,410,500	3,410,500	3,450,000	39,500	1.2
Planning Fees	5,794,056	6,799,422	5,977,169	6,319,635	7,318,460	1,341,291	22.4
Recreation Fees	974,993	965,749	1,024,330	1,001,260	1,074,800	50,470	4.9
Indirect Cost Charges	5,717,880	6,917,530	7,152,390	7,152,390	6,517,660	(634,730)	(8.9)
Legal Services	1,699,326	1,483,133	2,358,290	2,022,090	2,562,540	204,250	8.7
All Other Charges	5,860,967	5,962,862	6,655,780	6,854,585	6,411,460	(244,320)	(3.7)
Subtotal	27,854,483	31,202,639	31,575,709	31,705,880	32,077,120	501,411	1.6
VII. Fines And Forfeitures	5,398,491	5,201,757	5,549,810	5,175,250	5,235,000	(314,810)	(5.7)
VIII. Interest Revenue	8,508,010	5,566,710	7,042,000	6,841,843	7,650,070	608,070	8.6
IX. Miscellaneous Revenue							
Rents, Leases, Phones	1,125,171	1,182,910	1,220,080	1,248,240	1,229,100	9,020	0.7
Traffic Enforcement Transfer	—	900,000	1,000,000	1,000,000	1,100,000	100,000	10.0
All Other Miscellaneous	1,461,757	1,853,657	1,491,438	2,191,825	1,586,020	94,582	6.3
Subtotal	2,586,928	3,936,567	3,711,518	4,440,065	3,915,120	203,602	5.2
Sub-Total Revenues	218,829,834	230,207,343	232,842,748	231,747,131	228,915,640	(3,927,108)	(2.1)
X. Use of Fund Balance	—	—	3,164,395	—	4,408,500	1,244,105	39.3
Total Resources	\$ 218,829,834	\$ 230,207,343	\$ 236,007,143	\$ 231,747,131	\$ 233,324,140	\$ (2,683,003)	(1.1) %

Historical Review of General Fund Revenues

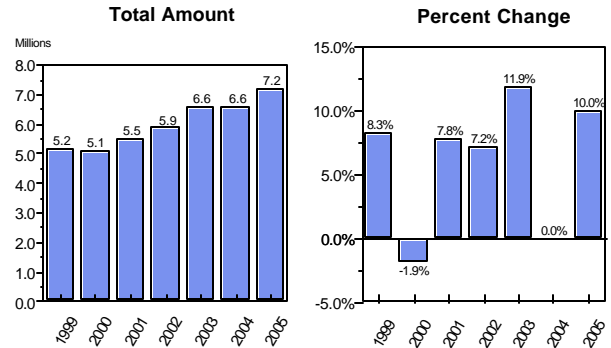
The following graphs and narrative present the historical changes in the General Fund Revenue sources. The 1999-2003 figures are actuals, and the 2004 and 2005 figures are as budgeted.

Property & Other Taxes, 1999–2005 General Fund Revenues



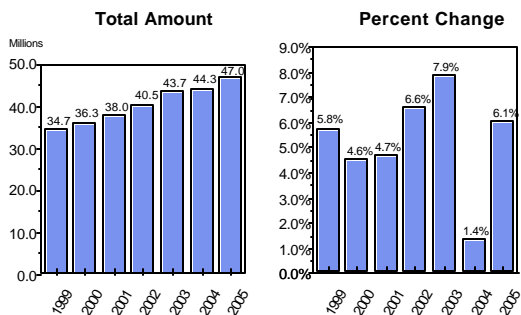
Property and Other Taxes is a major revenue source for the General Fund. Beginning in 2002, this revenue was impacted by the I-747 limit of a 1% increase from existing property. Fiscal 2003 was unusually high (and 2004 low) due to the receipt of multi-year disputed taxes in 2003.

Licenses and Permits, 1999–2005 General Fund Revenues



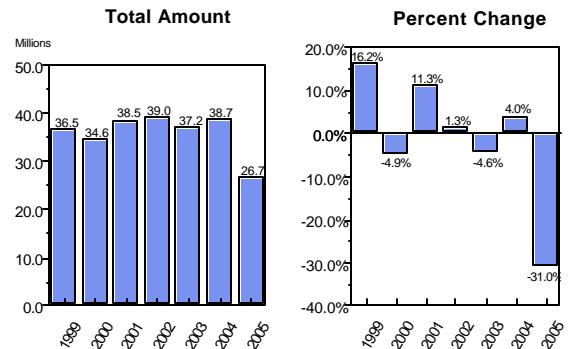
Licenses and Permits have also shown sharp changes in revenue from year to year, due to the state of the local economy, and the enactment of various permit and development fee increases.

Sales Taxes, 1999–2005 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 a resultant normal range of between 4 - 6% increase).

Intergovernmental, 1999–2005 General Fund Revenues

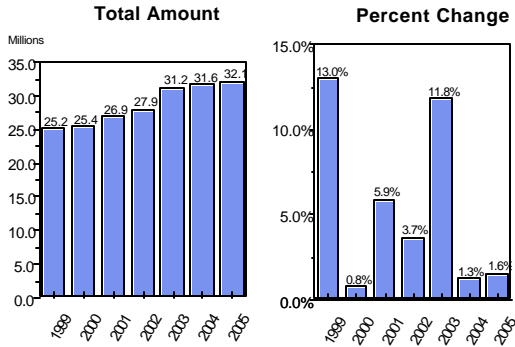


Intergovernmental revenues are made up primarily of grants, and also city contracts for services. Fluctuation in grant funding is most often the primary cause for change in this revenue source. The huge decline in 2005 reflects the loss of the City of Lakewood contract for Sheriff services.

Revenue and Expenditure Summaries

Charges for Services, 1999–2005

General Fund Revenues

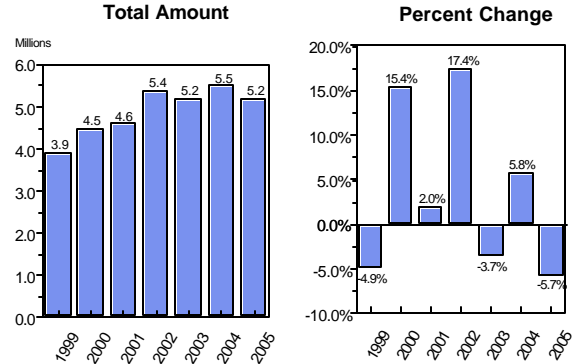


Charges for Services have changed dramatically in the last several years due to a variety of reasons:

- Growth in the local economy,
- the presence or absence of planning and development fee increases such as those implemented in 1999 and 2003;
- changes in recording fees, indirect cost charges, and election cost reimbursements.

Fines and Forfeits, 1999–2005

General Fund Revenues

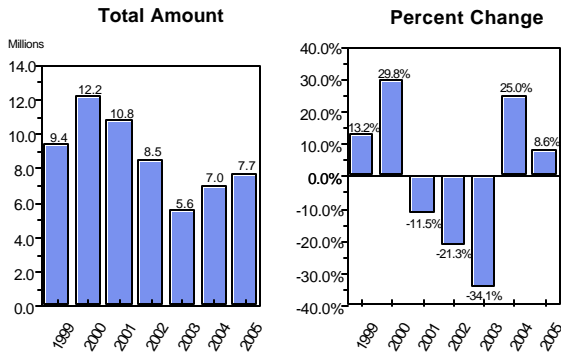


Fines and Forfeits increase or decrease based upon:

- 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, 1999–2005

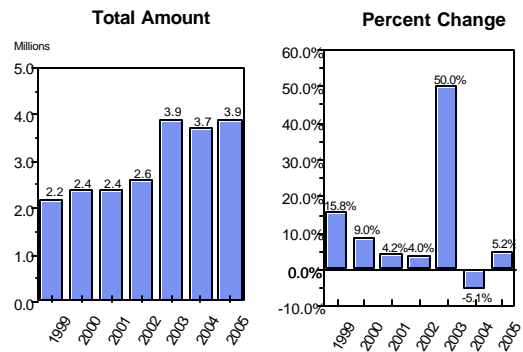
General Fund Revenues



Interest Revenues will vary greatly depending upon interest rates and available cash balances. Available cash balances have shown a steady growth during the last 7 years. However, interest rates declined in 2001-2003 and are slowly increasing in 2004 and 2005 (projected).

Miscellaneous Other, 1999–2005

General Fund Revenues



Miscellaneous and Other Revenues will normally show a wide fluctuation from year to year since many of the items are unique, one-time, or very unpredictable. The major cause for these 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 Roads for Traffic Enforcement, and;
- special contributions.

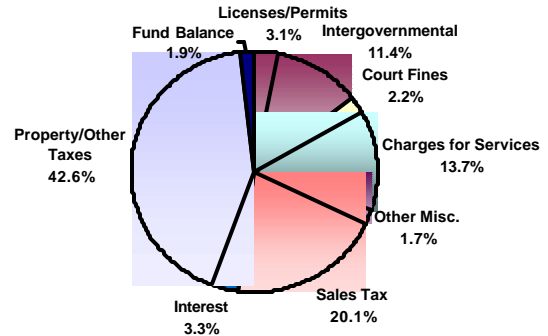
General Fund Revenue & Expenditure Overview

2005 General Fund Revenues

Summarized by Source

The growth in 2005 revenues for the General Fund is expected to be 2.1% over the 2004 Budget (excluding use of fund balance). The following pages discuss General Fund Revenues and Expenditures in greater detail and in comparison to prior years.

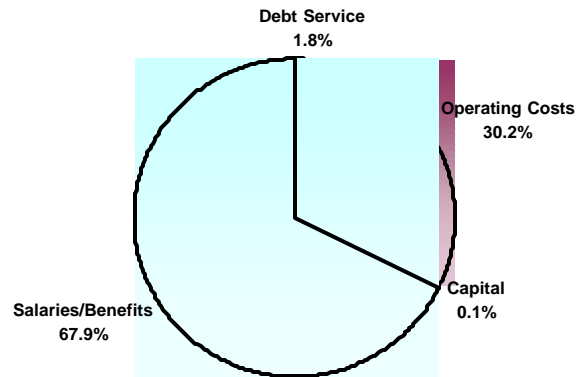
Property and Sales Taxes are the largest revenue sources in the General Fund, making up almost 63% of the total. The only other significant categories are Intergovernmental Revenue (11%), and Charges for Services (14%).



2005 General Fund Expenditures

Summarized by Object Classification

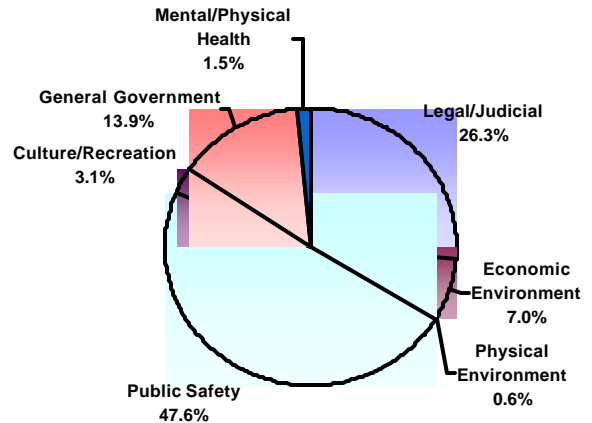
Almost 68% of the General Fund budget by line-item is devoted to salary and fringe benefit costs. Operating costs absorb just over 30%. Debt Service and Capital Outlay expenditures are minimal.



2005 General Fund Expenditures

Summarized by Function

The Public Safety and Legal/Judicial Services combined accounts for almost 74% of all General Fund County expenditures. Just under 14% is related to General Governmental services. Seven percent of the General Fund expenditures are for Economic Environment activities and just over 3% is for Culture and Recreation. Almost 2% of the General Fund is used to support the Mental and Physical Health systems and just under 1% is expended on Physical Environment activities.



Revenue and Expenditure Summaries

2005 GENERAL FUND EXPENDITURES VERSUS REVENUE SUMMARY

Department	Total Expenditures	Direct Revenue	General Fund Revenue Support
	\$ 1,280,000	\$ —	\$ 1,280,000
Assessor/Treasurer	10,545,580	280,670	10,264,910
Assigned Counsel	11,475,360	2,370,050	9,105,310
Auditor	6,043,520	9,651,890	(3,608,370)
Bond Debt Service	1,126,540	—	1,126,540
Budget & Finance	4,567,260	148,160	4,419,100
Building Remodel Projects	2,869,000	—	2,869,000
Clerk	4,277,110	3,566,160	710,950
Communications	638,040	—	638,040
Cooperative Extension	628,770	29,500	599,270
Corrections	38,411,600	6,387,970	32,023,630
County Council	3,389,440	100	3,389,340
County Executive	995,900	200	995,700
District Court	7,213,590	5,776,700	1,436,890
District Court Probation	2,638,210	371,260	2,266,950
Economic Development	930,220	31,340	898,880
Emergency Management	2,694,890	1,074,220	1,620,670
Health Services	3,082,700	—	3,082,700
Juvenile	16,889,110	3,987,010	12,902,100
Medical Examiner	1,762,650	106,200	1,656,450
Miscellaneous Current Expense	5,273,470	160,877,650	(155,604,180)
Parks and Recreation Services	5,936,840	1,987,690	3,949,150
Personnel	2,924,900	399,330	2,525,570
Planning and Land Services	14,925,810	11,880,910	3,044,900
Prevention Services & Programs	1,350,000	—	1,350,000
Prosecuting Attorney	21,651,650	6,320,560	15,331,090
Sheriff	46,428,720	17,612,230	28,816,490
Special Projects	1,959,080	87,510	1,871,570
State Auditor	162,710	—	162,710
Superior Court	11,251,470	376,830	10,874,640
Total	233,324,140	233,324,140	—

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.

The large revenues in Miscellaneous Current Expense (Property Taxes, Interest, Sales Tax, etc.) could conceivably be allocated to Budget and Finance and Assessor/Treasurer departments, which are the primary departments which deal with these revenues. However, this allocation of these “general” revenues simply did not seem appropriate.

Revenue and Expenditure Summaries

GENERAL FUND DEPARTMENTAL PROGRAM BUDGETS				
Department/Program	2005 Budget	2004 Budget	Absolute Change	Percent Change
Assessor/Treasurer				
Administration	\$ 3,573,890	\$ 3,489,470	\$ 84,420	2.4 %
ULID Foreclosures	29,900	29,070	830	2.9
Appraisals	3,237,010	3,111,630	125,380	4.0
Geographic Services	439,020	426,700	12,320	2.9
Operation/Technology	1,080,560	497,260	583,300	117.3
Accounts Management	1,929,710	1,832,310	97,400	5.3
Appeals	255,490	235,190	20,300	8.6
Total Assessor/Treasurer	10,545,580	9,621,630	923,950	9.6
Assigned Counsel				
Civil Commitment	357,370	322,940	34,430	10.7
District Court Misdemeanor	1,332,050	1,150,670	181,380	15.8
City of Tacoma Municipal Court	855,380	812,340	43,040	5.3
Juvenile Court	2,916,070	2,766,370	149,700	5.4
City of Fife Municipal Court	76,640	86,000	(9,360)	(10.9)
Superior Court Felony	5,770,410	5,538,530	231,880	4.2
Western State Legal Services	167,440	162,230	5,210	3.2
Total Assigned Counsel	11,475,360	10,839,080	636,280	5.9
Auditor				
Elections	1,589,810	3,070,100	(1,480,290)	(48.2)
Voter Registration	1,149,930	932,200	217,730	23.4
Recording	1,565,120	1,541,630	23,490	1.5
Licensing	1,463,210	1,431,460	31,750	2.2
Voter Pamphlet	275,450	301,780	(26,330)	(8.7)
Total Auditor	6,043,520	7,277,170	(1,233,650)	(17.0)
Bond Debt Service	1,126,540	1,377,290	(250,750)	(18.2)
Budget & Finance				
Administration	781,100	751,350	29,750	4.0
Treasury Services	1,321,920	1,255,030	66,890	5.3
Payables, Payroll & Gen Acctg	1,370,430	1,300,310	70,120	5.4
Budget & Grant Administration	356,330	342,730	13,600	4.0
Purchasing & Contract Admin	366,290	347,060	19,230	5.5
Internal Audit/Mgmt Services	371,190	355,490	15,700	4.4
Total Budget & Finance	4,567,260	4,351,970	215,290	4.9
Building Remodel Projects	2,869,000	2,000,000	869,000	43.5
Clerk of the Superior Court				
Administration	940,850	836,530	104,320	12.5
Court House Facilitator	169,810	170,610	(800)	(0.5)
Civil Commitment	209,640	205,050	4,590	2.2
Arbitration	139,330	142,630	(3,300)	(2.3)
Legal Services	1,153,790	1,224,360	(70,570)	(5.8)
LFO Collections	200,580	174,420	26,160	15.0
Fiscal Services	372,800	359,880	12,920	3.6
Domestic Violence	263,400	227,290	36,110	15.9
Probate and Court Services	826,910	734,350	92,560	12.6
Total Clerk of the Superior Court	4,277,110	4,075,120	201,990	5.0
Communications				
Communication Service	625,265	578,160	47,105	8.1
Education Services	12,775	16,970	(4,195)	(24.7)
Total Communications	638,040	595,130	42,910	7.2

Revenue and Expenditure Summaries

GENERAL FUND DEPARTMENTAL PROGRAM BUDGETS				
Department/Program	2005 Budget	2004 Budget	Absolute Change	Percent Change
Corrections				
Administration	1,343,110	1,341,990	1,120	0.1
Care & Custody of Prisoners	21,591,070	20,658,410	932,660	4.5
Medical Services	4,963,670	4,627,080	336,590	7.3
Court Transportation	2,125,120	2,013,470	111,650	5.5
Release	1,145,060	1,082,500	62,560	5.8
Food Services	1,740,350	1,748,680	(8,330)	(0.5)
Mental Health	742,100	715,560	26,540	3.7
Reception	716,210	752,940	(36,730)	(4.9)
Pretrial Services	1,121,930	1,473,690	(351,760)	(0.2)
Work Crew Program	82,240	77,300	4,940	6.4
Debt Service	2,840,740	2,845,240	(4,500)	(0.2)
Total Corrections	38,411,600	37,336,860	1,074,740	2.9
County Council	3,389,440	3,222,140	167,300	5.2
County Executive	995,900	969,010	26,890	2.8
District Court				
Administration/Operations	279,990	262,920	17,070	6.5
Technical Support Services	177,800	150,860	26,940	17.9
Civil	1,332,240	1,255,890	76,350	6.1
Infraction Processing	1,481,490	1,592,130	(110,640)	(6.9)
Criminal	3,942,070	3,695,130	246,940	6.7
Total District Court	7,213,590	6,956,930	256,660	3.7
District Court Probation				
District Court Work Crew	577,370	577,500	(130)	—
Probation Services	1,813,150	1,707,260	105,890	6.2
Day Reporting Center	247,690	241,260	6,430	2.7
Total District Court Probation	2,638,210	2,526,020	112,190	4.4
Economic Development				
Administration/Planning	655,950	750,610	(94,660)	(12.6)
Comm Dev Block Grant (001122)	—	23,250	(23,250)	(100.0)
Comm Dev Corp Pgm(001122)	31,340	59,750	(28,410)	(47.5)
World Trade Center	20,000	15,000	5,000	33.3
Central PS Econ Dev	7,930	19,460	(11,530)	(59.2)
UW Tech Grant	—	166,000	(166,000)	(100.0)
Economic Dev Board	50,000	50,000	—	—
Seattle Trade Alliance	25,000	25,000	—	—
Jobs Studies	140,000	45,000	95,000	211.1
Total Economic Development	930,220	1,154,070	(223,850)	(19.4)
Emergency Management				
Fire Inspection Program	208,460	201,210	7,250	3.6
Fire Prevention & Invest	1,284,010	1,193,590	90,420	7.6
Emergency Management/Admin	789,720	773,380	16,340	2.1
Emergency Medical Services	213,310	221,550	(8,240)	(3.7)
Training Program	199,390	196,290	3,100	1.6
Total Emergency Management	2,694,890	2,586,020	108,870	4.2
Health Services	3,082,700	2,995,310	87,390	2.9

(Table continued on the following page)

Revenue and Expenditure Summaries

GENERAL FUND DEPARTMENTAL PROGRAM BUDGETS				
Department/Program	2005 Budget	2004 Budget	Absolute Change	Percent Change
Human Resources				
Administration	499,590	481,830	17,760	3.7
Employee Incentive/Recog Pgm	21,320	20,600	720	3.5
Organizational Development	563,370	558,840	4,530	0.8
Support Services	445,410	381,210	64,200	16.8
Employment & Compensation	509,500	492,220	17,280	3.5
Labor Relations	473,520	451,750	21,770	4.8
Civil Service	412,190	399,400	12,790	3.2
Total Human Resources	2,924,900	2,785,850	139,050	5.0
Juvenile				
Administration	1,557,210	1,458,140	99,070	6.8
Volunteer Services	117,170	112,860	4,310	3.8
Investigations/Diagnostics	62,010	125,950	(63,940)	(50.8)
Case Supervision	5,074,130	5,226,941	(152,811)	(2.9)
Residential Care & Custody	5,577,010	5,475,830	101,180	1.8
Alternative Detention Svcs Pgm	948,390	828,840	119,550	14.4
Facilities Maintenance	1,358,570	1,222,810	135,760	11.1
Family Court	148,430	145,080	3,350	2.3
Juvenile Court Services	2,046,190	2,009,530	36,660	1.8
Total Juvenile	16,889,110	16,605,981	283,129	1.7
Medical Examiner				
Administration	621,140	600,230	20,910	3.5
Coroner Services	593,230	573,280	19,950	3.5
Inquests & Investigations	548,280	542,700	5,580	1.0
Total Medical Examiner	1,762,650	1,716,210	46,440	2.7
Miscellaneous Current Expense	5,273,470	5,230,545	42,925	0.8
New Jail Reserve	—	2,000,000	(2,000,000)	(100.0)
Parks and Recreation Svcs.				
Administration	1,636,740	1,629,560	7,180	0.4
Grounds Maintenance	—	489,640	(489,640)	(100.0)
Recreation Svcs.	997,790	995,490	2,300	0.2
Community Centers	268,390	242,480	25,910	10.7
Parks Maintenance	3,033,920	2,909,220	124,700	4.3
Total Parks and Recreation Svcs.	5,936,840	6,266,390	(329,550)	(5.3)
Planning and Land Services				
Development Process	11,299,680	10,329,842	969,838	9.4
Advanced Planning	1,357,220	1,483,588	(126,368)	(8.5)
Code Enforcement	644,290	624,740	19,550	3.1
Directions Package	983,820	—	983,820	∞
NPDES Program	640,800	647,287	(6,487)	(1.0)
Total Planning and Land Services	14,925,810	13,085,457	1,840,353	14.1
Prevention Services & Programs	1,350,000	1,237,500	112,500	9.1
Prosecuting Attorney				
Administration	837,660	811,740	25,920	3.2
Child Support	3,253,500	3,140,080	113,420	3.6
Civil Commitment	180,830	171,820	9,010	5.2
Felony	9,914,550	9,959,271	(44,721)	(0.4)
Misdemeanor	2,716,770	2,467,759	249,011	10.1
Juvenile	1,719,210	1,601,900	117,310	7.3
Civil	2,813,630	2,699,080	114,550	4.2
El Cid	215,500	208,550	6,950	3.3
Total Prosecuting Attorney	21,651,650	21,060,200	591,450	2.8

Revenue and Expenditure Summaries

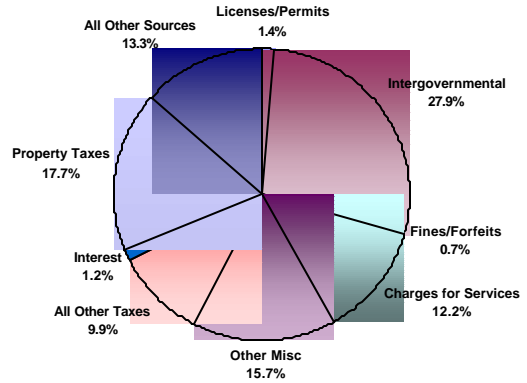
GENERAL FUND DEPARTMENTAL PROGRAM BUDGETS				
Department/Program	2005 Budget	2004 Budget	Absolute Change	Percent Change
Sheriff				
Administration	3,836,980	3,798,910	38,070	1.0
Civil Unit & Court Security	1,441,140	1,364,380	76,760	5.6
Investigation	8,816,270	11,173,880	(2,357,610)	(21.1)
Patrol	22,869,890	25,829,180	(2,959,290)	(11.5)
Training	803,670	807,950	(4,280)	(0.5)
Traffic Policing	2,309,380	3,280,620	(971,240)	(29.6)
Property Room	1,016,160	1,006,110	10,050	1.0
Communications/LESA	5,335,230	6,833,340	(1,498,110)	(21.9)
Total Sheriff	46,428,720	54,094,370	(7,665,650)	(14.2)
Sheriff Transition	1,280,000	—	1,280,000	¥
Special Projects				
Endangered Species Act	431,680	447,080	(15,400)	(3.4)
Government Relations	351,100	359,660	(8,560)	(2.4)
Performance Audit	415,140	401,120	14,020	3.5
Board of Equalization	135,710	142,760	(7,050)	(4.9)
Property Management Services	152,640	128,580	24,060	18.7
Law & Justice Commission	3,000	3,500	(500)	(14.3)
Drinking Water Supply Program	101,410	99,050	2,360	2.4
Hearing Examiner	234,290	231,650	2,640	1.1
Farmlands Adv. Comm.	8,000	7,730	270	3.5
CATS Software Maint	—	425,000	(425,000)	(100.0)
Community Contracts Admin	41,110	34,640	6,470	18.7
Marriage Lic Family Services	85,000	85,000	—	—
Total Special Projects	1,959,080	2,365,770	(406,690)	(17.2)
State Auditor	162,710	194,410	(31,700)	(16.3)
Superior Court				
Administration	2,505,390	2,503,140	2,250	0.1
Breaking the Cycle Program	600,000	600,000	—	—
Civil	2,246,660	2,160,270	86,390	4.0
Criminal	2,892,070	2,679,810	212,260	7.9
Civil Commitment	140,780	138,550	2,230	1.6
Drug Court	771,500	754,640	16,860	2.2
Juvenile	605,140	576,780	28,360	4.9
Protem Pgm - Superior Court	75,250	58,550	16,700	28.5
Interpreter Program	311,320	294,990	16,330	5.5
Jury Management Program	1,103,360	1,106,930	(3,570)	(0.3)
Total Superior Court	11,251,470	10,873,660	377,810	3.5
WSU PC Extension				
Administration	214,560	205,120	9,440	4.6
Facilitator Leadership Training	8,000	8,000	—	—
4-H Youth	140,030	135,360	4,670	3.5
Resource Center	800	800	—	—
Agriculture/Master Gardener	85,340	83,710	1,630	1.9
Family Living	167,040	161,060	5,980	3.7
Publications Program	13,000	13,000	—	—
Total WSU PC Extension	628,770	607,050	21,720	3.6
Total General Fund	233,324,140	236,007,143	(2,683,003)	(1.1) %

Total Pierce County Revenue & Expenditure Overview

2005 Total County Revenues

Summarized by Source

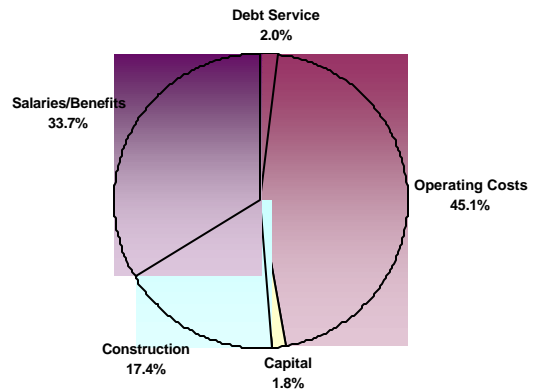
Total revenues and expenditures projected for all 2005 Pierce County operations are summarized and compared to prior years on the following pages and are also discussed throughout the Executive Message. In total, the County's budget will be 5% above the 2004 level. Almost 28% of the County's funding comes from Intergovernmental Revenues. Property and Other Taxes equals almost 28% of the total revenues. Service Charges, Licenses/Permits, and Fines/Forfeits provide another 14%. The 13% 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 over than 1%. The revenues for Internal Service Funds have been excluded from the totals used to calculate the percentages shown on the pie chart.



2005 Total County Expenditures

Summarized by Object Classification

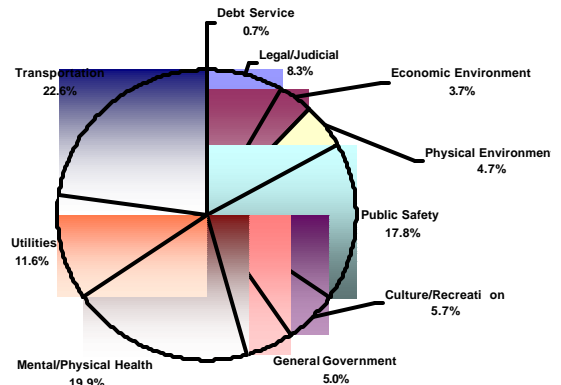
Almost 34% of the County's total budget line-item is allocated to personnel costs. All other operating costs consume approximately 45%. The remaining 21% is for capital construction, and debt service.



2005 Total County Expenditures

Summarized by Function

The Public Safety and Legal/Judicial Services combined accounts for just over 26% of the total County expenditures, with the Mental and Physical Health system absorbing almost 20%. Almost 39% of the total expenditures is invested in the support of Transportation, Utilities, and the Physical Environment and almost 6% is related to Culture and Recreation. Just under 4% is expended for Economic Environment activity and 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 2005 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	\$ 32,077,120	\$ 19,054,820	\$ —	\$ 1,797,000	\$ 32,790,440	\$ 23,044,670	\$ 5,124,181	\$ 113,888,231
Contributed Capital	—	—	—	—	4,015,000	—	—	4,015,000
Fines and Forfeitures	5,235,000	—	—	—	—	—	—	5,235,000
Intergovernmental Rev	26,672,550	141,602,640	—	14,724,150	4,863,240	54,020	19,876,019	207,792,619
Licenses and Permits	7,242,430	73,100	—	—	—	—	3,449,486	10,765,016
Other Financing Sources	—	—	—	1,400,000	13,095,150	—	—	14,495,150
Other Miscellaneous Rev	11,565,190	7,084,610	5,086,570	73,431,400	24,317,260	29,401,850	606,350	151,493,230
Other Taxes	2,189,070	10,892,650	—	3,600,000	150,000	—	—	16,831,720
Property Taxes	96,934,280	43,064,690	—	—	—	—	—	139,998,970
Sales Taxes	47,000,000	2,320,000	—	—	—	—	—	49,320,000
Use of Fund Balance	4,408,500	33,579,480	—	15,558,380	29,014,420	6,015,810	1,803,708	90,380,298
Total Revenues	\$ 233,324,140	\$ 257,671,990	\$ 5,086,570	\$ 110,510,930	\$ 108,245,510	\$ 58,516,350	\$ 30,859,744	\$ 804,215,234
Expenditures/Expenses:								
Cultural & Recreation	\$ 7,278,978	\$ 11,200,990	\$ —	\$ 16,637,170	\$ 7,454,200	\$ —	\$ —	\$ 42,571,338
Debt Service	—	—	5,086,570	—	—	—	—	5,086,570
Economic Environment	16,379,802	11,289,190	—	—	—	—	—	27,668,992
General Government	32,324,440	2,115,040	—	2,615,310	—	—	—	37,054,790
Internal Service	—	—	—	—	—	58,516,350	—	58,516,350
Legal & Judicial	61,464,400	188,130	—	542,670	—	—	—	62,195,200
Mental/Physical Health	3,531,210	113,360,710	—	929,740	—	—	30,859,744	148,681,404
Physical Environment	1,382,770	33,568,320	—	—	—	—	—	34,951,090
Public Safety	110,862,540	12,221,380	—	9,873,040	—	—	—	132,956,960
Transportation	100,000	73,728,230	—	79,913,000	14,483,160	—	—	168,224,390
Utilities	—	—	—	—	86,308,150	—	—	86,308,150
Total Expenditures	\$ 233,324,140	\$ 257,671,990	\$ 5,086,570	\$ 110,510,930	\$ 108,245,510	\$ 58,516,350	\$ 30,859,744	\$ 804,215,234

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,

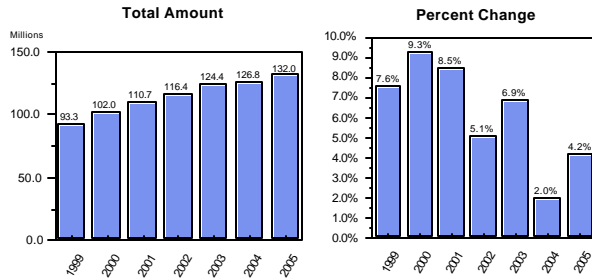
telecommunications, self insurance, vehicle and equipment pools, facilities maintenance, routing, and mail processing. The revenues to these Internal Service Funds are expenditures for the other funds receiving their services. Therefore, to obtain a truer net total budget for the County as a whole, we must remove the budget for the Internal Services (less fund balance and any revenues from non-county sources). The “netted” 2005 Budget for Pierce County is \$751,768,714 (total budget of \$804,215,234 less Internal Service Funds of \$58,516,350 plus \$54,020 in Intergovernmental Revenue from non-county sources and \$6,015,810 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 1999 - 2003 figures are actuals, and the 2004 and 2005 figures are as budgeted. Internal Service Fund Revenues are not included in this analysis.

Property Taxes, 1999–2005

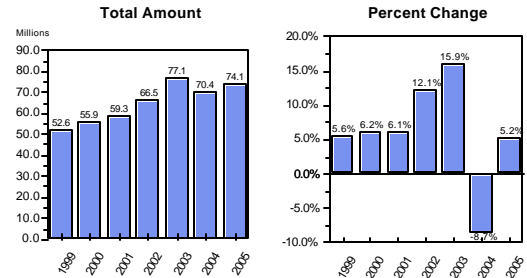
Total Revenues



Property Tax revenues are projected to increase by 4.2% in 2005. This is based upon 3.2% growth in new construction, and the remaining growth generated from existing property at the 1% limit. The 1999 - 2001 period largely reflected the full 6% amount allowable at that time. The percentages since 2002 on reflect the affect of the new I-747 limit of a 1% increase from existing property (with 2003 bolstered by a one-time large delinquent tax payment).

Other Taxes, 1999–2005

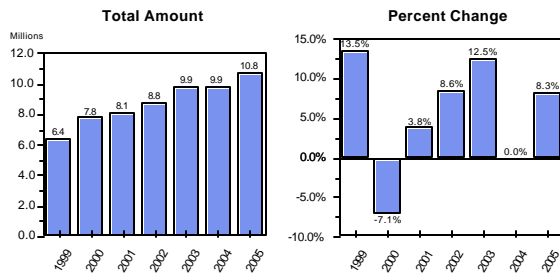
Total Revenues



We are budgeting a 5.2% increase in Other Taxes, which are primarily composed of Sales Taxes, Gambling Taxes, and Real Estate Excise Taxes. Sales Taxes fluctuate with economic conditions. The increase in 2002 was primarily due to the implementation of the 2nd Real Estate Excise Tax (REET). It is likely that the budgeted amount for 2004 (showing a negative percent) is understated.

Licenses and Permits, 1999–2005

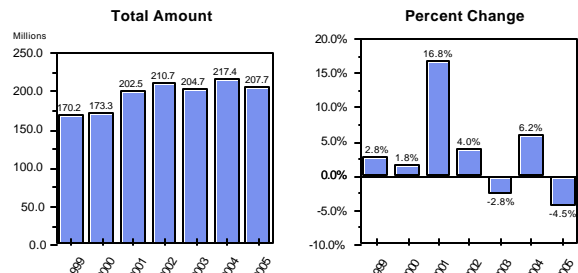
Total Revenues



Licenses and Permits revenues are heavily impacted by economic conditions, and fee increases. The economy was strong in the late ninety's, slowed down through 2001, and picked up again in 2002 and 2003. Fee increases are budgeted for 2005.

Intergovernmental, 1999–2005

Total Revenues

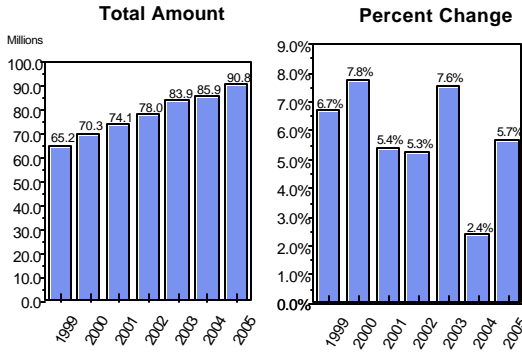


Intergovernmental Revenues are projected to decrease in next year's budget, primarily due to the loss of the Lakewood contract for Sheriff services. These revenues fluctuate greatly from year to year depending on grant funded activities. Over half of the increase in 2001 was due to Medicaid payments for inpatient services at the new Puget Sound Behavioral Health.

Revenue and Expenditure Summaries

Charges for Services, 1999–2005

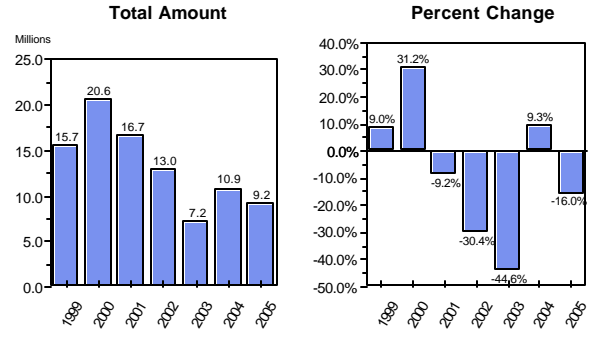
Total Revenues



Revenue from Charges for Services in 2005 are projected to increase by 5.7% from 2004, which is in line with average increases from prior years.

Interest, 1999–2005

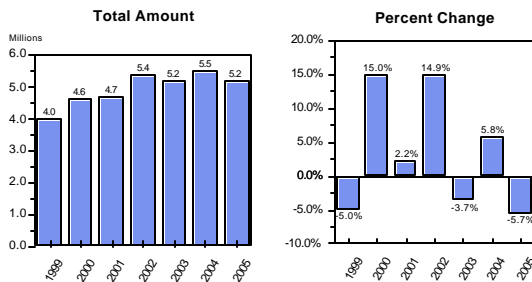
Total Revenues



Interest Revenues are greatly impacted by rate changes and the level of available cash balances. Interest rate decreases are the main cause for the decline since 2000.

Fines and Forfeitures, 1999–2005

Total Revenues

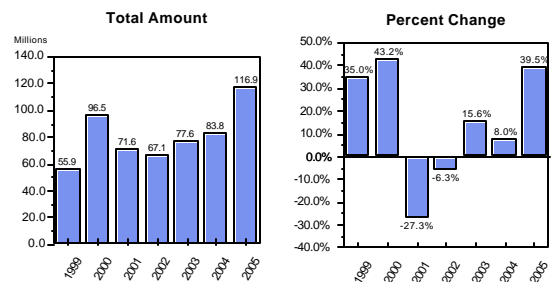


Fines and Forfeits increase or decrease based upon:

- 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, 1999–2005

Total Revenues

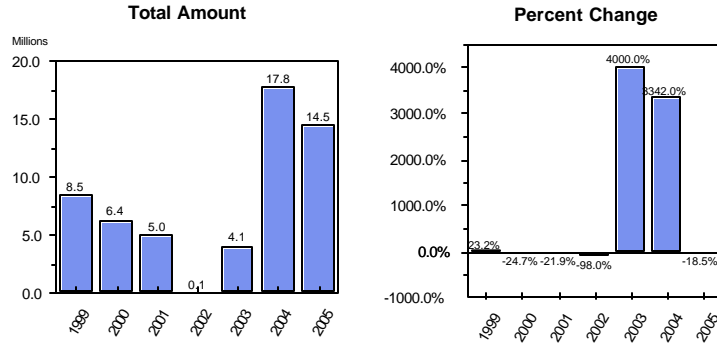


The Countywide total for Miscellaneous Revenue almost doubled in 1999-2000, mostly due to the sale of general obligation bonds. The increases in 2005 reflect projected financing of Park improvements and new Transportation facilities.

Revenue and Expenditure Summaries

Other Financing Sources, 1999–2005

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 items remaining in Other Financing Sources are anticipation notes, state loans, potential interfund loans or advances, and anticipated collection of sewer assessments. The activities in the 2005 budget funded (at least in part) through these mechanisms include the new Chambers Creek Golf Course, various park construction projects, the new ferry, the Water Utility Fund, and sewer bond payments (from assessments).

Revenue and Expenditure Summaries

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Revenue and Expenditure Summaries

DEPARTMENTAL EXPENDITURES/EXPENSES BY FUNCTION

	2005 Budget	2004 Budget	Absolute Change	Percent Change
General Government				
Assessor/Treasurer	\$ 10,545,580	\$ 9,621,630	\$ 923,950	9.6 %
Auditor	6,043,520	7,277,170	(1,233,650)	(17.0)
Auditor'S Maint & Operation	939,270	921,270	18,000	2.0
Bond Debt Service	461,190	713,090	(251,900)	(35.3)
Budget & Finance	4,567,260	4,351,970	215,290	4.9
Building Remodel Projects	—	1,039,180	(1,039,180)	(100.0)
Communications	638,040	595,130	42,910	7.2
County Council	3,389,440	3,222,140	167,300	5.2
County Executive	995,900	969,010	26,890	2.8
Employee Assistance Program Fund	64,890	58,000	6,890	11.9
Human Resources	2,924,900	2,785,850	139,050	5.0
Miscellaneous Current Expense	1,500,200	1,483,630	16,570	1.1
Rainier Communications Commission	1,110,880	970,150	140,730	14.5
Real Estate Excise Tax - Capital Improvement	2,615,310	4,464,700	(1,849,390)	(41.4)
Special Projects	1,095,700	1,491,760	(396,060)	(26.5)
State Auditor	162,710	194,410	(31,700)	(16.3)
Total General Government	37,054,790	40,159,090	(3,104,300)	(7.7)
Public Safety				
Bond Debt Service	465,750	464,940	810	0.2
Building Remodel Projects	—	60,000	(60,000)	(100.0)
Corrections	38,411,600	37,336,860	1,074,740	2.9
Criminal Justice Fund	623,800	329,440	294,360	89.4
Detention Center Commissary	673,630	715,510	(41,880)	(5.9)
District Court Probation	2,638,210	2,526,020	112,190	4.4
Drug Investigation Fund	275,850	225,490	50,360	22.3
Emergency Management	2,694,890	2,586,020	108,870	4.2
Emergency Managemt Grants Fund	4,907,130	3,412,400	1,494,730	43.8
Juvenile	14,694,490	14,451,371	243,119	1.7
Law Enforcement Fund	—	188,580	(188,580)	(100.0)
Marine Services Fund	235,480	221,780	13,700	6.2
Medical Examiner	1,762,650	1,716,210	46,440	2.7
Miscellaneous Current Expense	1,008,230	529,100	479,130	90.6
New Jail Reserve	—	2,000,000	(2,000,000)	(100.0)
Parks And Recreation Services	40,000	20,000	20,000	100.0
Permanent Jail Construction	4,160,460	4,453,500	(293,040)	(6.6)
Prevention Services & Programs	1,350,000	1,237,500	112,500	9.1
Real Estate Excise Tax - Capital Improvement	917,960	1,844,830	(926,870)	(50.2)
Sheriff	46,428,720	54,094,370	(7,665,650)	(14.2)
Sheriff Transition	1,280,000	—	1,280,000	—
Special Projects	88,000	88,500	(500)	(0.6)
2501 Corporate Express Building	4,794,620	1,494,620	3,300,000	220.8
911 System	5,505,490	5,024,910	480,580	9.6
Total Public Safety	132,956,960	135,021,951	(2,064,991)	(1.5)
Physical Environment				
Conservation Futures Fund	3,077,970	3,012,180	65,790	2.2
Endangered Species Act	202,170	244,630	(42,460)	(17.4)
Federal Forest Services Fund	214,790	162,890	51,900	31.9
Geographical Information System Fund	3,055,990	2,705,540	350,450	13.0
Low Income Housing Fee Fund	4,100,000	3,500,000	600,000	17.1
Miscellaneous Current Expense	849,680	1,308,960	(459,280)	(35.1)
Real Estate Excise Tax - River	2,664,520	1,779,800	884,720	49.7
Special Projects	533,090	546,130	(13,040)	(2.4)
Surface Water Management Fund	20,252,880	18,642,220	1,610,660	8.6
Total Physical Environment	34,951,090	31,902,350	3,048,740	9.6
Legal & Judicial				
Assigned Counsel	11,475,360	10,839,080	636,280	5.5
Bond Debt Service	199,600	199,260	340	0.2
Building Remodel Projects	2,869,000	900,820	1,968,180	218.5
Clerk of the Superior Court	4,277,110	4,075,120	201,990	5.0
Criminal Justice Fund	56,110	276,901	(220,791)	(79.7)
Dispute Resolution Center Fund	132,020	146,000	(13,980)	(9.6)
District Court	7,213,590	6,956,930	256,660	3.7
Juvenile	2,194,620	2,154,610	40,010	1.9
Miscellaneous Current Expense	332,000	399,000	(67,000)	(16.8)
Prosecuting Attorney	21,651,650	21,060,200	591,450	2.8
Real Estate Excise Tax - Capital Improvement	542,670	413,150	129,520	31.3
Superior Court	11,251,470	10,873,660	377,810	3.5
Total Legal & Judicial	\$ 62,195,200	\$ 58,294,731	\$ 3,900,469	6.7 %

Revenue and Expenditure Summaries

DEPARTMENTAL EXPENDITURES/EXPENSES BY FUNCTION				
	2005 Budget	2004 Budget	Absolute Change	Percent Change
Economic Environment				
Community Development Fund	5,195,020	5,599,460	(404,440)	(7.2)
Economic Development	930,220	1,154,070	(223,850)	(19.4)
Housing Repair Program	6,094,170	6,736,257	(642,087)	(9.5)
Miscellaneous Current Expense	281,482	137,360	144,122	104.9
Planning And Land Services	14,925,810	13,085,457	1,840,353	14.1
Special Projects	242,290	239,380	2,910	1.2
Total Economic Environment	27,668,992	26,951,984	717,008	2.7
Mental/Physical Health				
Community Action	5,881,770	6,547,261	(665,491)	(10.2)
Health Department	30,859,744	34,033,255	(3,173,511)	(9.3)
Health Services	3,082,700	2,995,310	87,390	2.9
Human Services Fund	93,270,270	93,504,940	(234,670)	(0.3)
Human Services Construction Fund	929,740	1,001,400	(71,660)	(7.2)
Miscellaneous Current Expense	448,510	473,780	(25,270)	(5.3)
Puget Sound Behavioral Health	13,678,880	12,001,570	1,677,310	14.0
Veterans Relief Fund	529,790	510,530	19,260	3.8
Total Mental/Physical Health	148,681,404	151,068,046	(2,386,642)	(1.6)
Cultural & Recreation				
Arts And Cultural Services	264,750	289,420	(24,670)	(8.5)
Chambers Creek Golf Course	6,350,000	1,326,600	5,023,400	378.7
Golf Courses	1,104,200	1,077,020	27,180	2.5
Miscellaneous Current Expense	753,368	798,715	(45,347)	(5.7)
Parks and Recreation Services	5,896,840	6,246,390	(349,550)	(5.6)
Parks Bond Construction Fund	13,708,890	15,071,680	(1,362,790)	(9.0)
Parks Construction Fund	2,712,270	6,722,000	(4,009,730)	(59.7)
Parks Impact Fee Fund	1,755,750	1,232,440	523,310	42.5
Parks Sales Tax	1,850,000	4,231,160	(2,381,160)	(56.3)
Paths and Trails	2,743,120	3,272,040	(528,920)	(16.2)
Peninsula Recreation Program	320,000	344,220	(24,220)	(7.0)
Pierce County Fair	182,110	182,040	70	—
Second REET Fund - Parks	3,003,260	3,072,250	(68,990)	(2.2)
Tourism, Promotion & Capital Facilities Fund	1,082,000	544,000	538,000	98.9
WSU PC Extension	628,770	607,050	21,720	3.6
1% For Arts Construction	216,010	326,000	(109,990)	(33.7)
Total Cultural & Recreation	42,571,338	45,343,025	(2,771,687)	(6.1)
Debt Service				
Debt Service Fund	5,086,570	5,430,640	(344,070)	(6.3)
Road Improve Guarantee Fund	—	320,670	(320,670)	(100.0)
Total Debt Service	5,086,570	5,751,310	(664,740)	(11.6)
Transportation				
Airport Fund	535,830	585,610	(49,780)	(8.5)
County Road Fund	62,991,550	66,830,370	(3,838,820)	(5.7)
Miscellaneous Current Expense	100,000	100,000	—	—
Pierce County Ferry Services	13,947,330	7,211,370	6,735,960	93.4
Public Works Construction Fund	53,313,000	38,266,000	15,047,000	39.3
RID Construction Fund	—	30,000	(30,000)	(100.0)
Second REET Fund - Roads	10,736,680	11,044,060	(307,380)	(2.8)
Transportation Facilities	26,600,000	5,304,000	21,296,000	401.5
Total Transportation	168,224,390	129,371,410	38,852,980	30.0
Utilities				
Sewer Bond Funds	8,308,000	12,841,180	(4,533,180)	(35.3)
Sewer Facil Restricted Reserve	6,590,980	6,245,830	345,150	5.5
Sewer Utility Fund	48,375,790	44,658,080	3,717,710	8.3
Sewer Utility Construction	18,069,000	18,145,000	(76,000)	(0.4)
Solid Waste Management Fund	4,765,630	4,902,140	(136,510)	(2.8)
Water Utility Fund	198,750	162,830	35,920	22.1
Total Utilities	86,308,150	86,955,060	(646,910)	(0.7)
Internal Service				
Equipment Rental & Revolving	12,706,240	10,240,150	2,466,090	24.1
Facilities Management Fund	10,171,810	9,918,760	253,050	2.6
Fleet Rental	3,521,020	3,724,720	(203,700)	(5.5)
General Services	2,900,800	2,821,480	79,320	2.8
Information Services Fund	16,056,770	15,497,760	559,010	3.6
Radio Communications Fund	1,933,330	2,003,125	(69,795)	(3.5)
Self Insurance Fund	8,323,870	8,221,350	102,520	1.2
Workers Compensation	2,902,510	2,785,060	117,450	4.2
Total Internal Service	58,516,350	55,212,405	3,303,945	6.0
County Fund Total	\$ 804,215,234	\$ 766,031,362	\$ 38,183,872	5.0 %

Revenue and Expenditure Summaries

TOTAL ESTIMATED REVENUES AND OTHER FUNDING SOURCES						
	2003 Actual	2004 Budget	2004 Estimate	2005 Budget	Absolute Change	Percent Change
General Fund						
Taxes	\$ 140,534,539	\$ 139,630,910	\$ 140,239,340	\$ 146,123,350	\$ 6,492,440	4.6 %
Licenses and Permits	6,560,406	6,586,840	6,879,788	7,242,430	655,590	10.0
Intergovernmental Revenue	37,204,725	38,745,961	36,464,965	26,672,550	(12,073,411)	(31.2)
Charges for Services	31,202,639	31,575,709	31,705,880	32,077,120	501,411	1.6
Fines and Forfeitures	5,201,757	5,549,810	5,175,250	5,235,000	(314,810)	(5.7)
Other Miscellaneous Revenue	9,501,471	10,753,518	11,281,908	11,565,190	811,672	7.5
Subtotal	230,205,537	232,842,748	231,747,131	228,915,640	(3,927,108)	(1.7)
Carryover	—	55,000	—	—	(55,000)	(100.0)
Use of Fund Balance	—	3,109,395	—	4,408,500	1,299,105	41.8
Other Financing Sources	1,806	—	—	—	—	—
Subtotal	1,806	3,164,395	—	4,408,500	1,244,105	39.3
Total General Fund	230,207,343	236,007,143	231,747,131	233,324,140	(2,683,003)	(1.1)
Special Revenue Funds						
Taxes	55,621,775	54,060,320	55,191,080	56,277,340	2,217,020	4.1
Licenses and Permits	76,151	86,000	72,000	73,100	(12,900)	(15.0)
Intergovernmental Revenue	132,213,012	140,425,325	143,119,275	141,602,640	1,177,315	0.8
Charges for Services	19,186,587	19,441,700	18,316,490	19,054,820	(386,880)	(2.0)
Fines and Forfeitures	32,840	—	8,050	—	—	—
Other Miscellaneous Revenue	7,506,441	7,276,214	8,510,894	7,084,610	(191,604)	(2.6)
Subtotal	214,636,806	221,289,559	225,217,789	224,092,510	2,802,951	1.3
Use of Fund Balance	—	37,190,150	—	33,579,480	(3,610,670)	(9.7)
Other Financing Sources	2,558	—	4,540	—	—	—
Subtotal	2,558	37,190,150	4,540	33,579,480	(3,610,670)	(9.7)
Total Special Revenue Funds	214,639,364	258,479,709	225,222,329	257,671,990	(807,719)	(0.3)
Debt Service Funds						
Other Miscellaneous Revenue	14,235,226	5,432,330	5,432,330	5,086,570	(345,760)	(6.4)
Subtotal	14,235,226	5,432,330	5,432,330	5,086,570	(345,760)	(6.4)
Use of Fund Balance	—	318,980	—	—	(318,980)	(100.0)
Subtotal	—	318,980	—	—	(318,980)	(100.0)
Total Debt Service Funds	14,235,226	5,751,310	5,432,330	5,086,570	(664,740)	(11.6)
Capital Funds						
Taxes	5,121,997	3,456,000	4,200,000	3,600,000	144,000	4.2
Intergovernmental Revenue	10,586,236	15,186,240	11,527,880	14,724,150	(462,090)	(3.0)
Charges for Services	1,143,729	614,020	509,500	1,797,000	1,182,980	192.7
Other Miscellaneous Revenue	17,418,667	34,474,330	32,640,220	73,431,400	38,957,070	113.0
Subtotal	34,270,629	53,730,590	48,877,600	93,552,550	39,821,960	74.1
Use of Fund Balance	—	13,757,760	—	15,558,380	1,800,620	13.1
Other Financing Sources	—	11,903,530	2,626,230	1,400,000	(10,503,530)	(88.2)
Subtotal	—	25,661,290	2,626,230	16,958,380	(8,702,910)	(33.9)
Total Capital Project Funds	\$ 34,270,629	\$ 79,391,880	\$ 51,503,830	\$ 110,510,930	\$ 31,119,050	39.2 %

Revenue and Expenditure Summaries

TOTAL ESTIMATED REVENUES AND OTHER FUNDING SOURCES						
	2003 Actual	2004 Budget	2004 Estimate	2005 Budget	Absolute Change	Percent Change
Enterprise Funds						
Taxes	\$ 179,242	\$ 144,000	\$ 175,000	\$ 150,000	\$ 6,000	4.2 %
Intergovernmental Revenue	683,530	1,352,350	1,112,510	4,863,240	3,510,890	259.6
Charges for Services	27,619,464	29,492,290	30,014,750	32,790,440	3,298,150	11.2
Other Miscellaneous Revenue	34,956,832	35,344,130	29,433,890	28,332,260	(7,011,870)	(19.8)
Subtotal	63,439,068	66,332,770	60,736,150	66,135,940	(196,830)	(0.3)
Use of Fund Balance	—	24,885,350	—	29,014,420	4,129,070	16.6
Other Financing Sources	4,051,437	5,937,540	3,288,430	13,095,150	7,157,610	120.5
Subtotal	4,051,437	30,822,890	3,288,430	42,109,570	11,286,680	36.6
Total Enterprise Funds	67,490,505	97,155,660	64,024,580	108,245,510	11,089,850	11.4
Internal Service Funds						
Intergovernmental Revenue	86,248	280,125	280,125	54,020	(226,105)	(80.7)
Charges for Services	20,742,733	21,848,630	21,743,310	23,044,670	1,196,040	5.5
Other Miscellaneous Revenue	32,521,416	30,053,760	30,369,765	29,401,850	(651,910)	(2.2)
Subtotal	53,350,397	52,182,515	52,393,200	52,500,540	318,025	0.6
Use of Fund Balance	—	3,029,890	—	6,015,810	2,985,920	98.5
Other Financing Sources	559	—	—	—	—	—
Subtotal	559	3,029,890	—	6,015,810	2,985,920	98.5
Total Internal Service Funds	53,350,956	55,212,405	52,393,200	58,516,350	3,303,945	6.0
T/PC Health Department						
Licenses and Permits	3,291,329	3,263,685	3,263,685	3,449,486	185,801	5.7
Intergovernmental Revenue	24,020,780	21,648,722	21,648,722	19,876,019	(1,772,703)	(8.2)
Charges for Services	4,768,215	4,792,455	4,792,455	5,124,181	331,726	6.9
Other Miscellaneous Revenue	1,251,702	1,427,809	1,427,809	606,350	(821,459)	(57.5)
Subtotal	33,332,026	31,132,671	31,132,671	29,056,036	(2,076,635)	(6.7)
Use of Fund Balance	—	2,900,584	—	1,803,708	(1,096,876)	(37.8)
Subtotal	—	2,900,584	—	1,803,708	(1,096,876)	(37.8)
Total T/PC Health Dept	33,332,026	34,033,255	31,132,671	30,859,744	(3,173,511)	(9.3)
Grand Total	\$ 647,526,049	\$ 766,031,362	\$ 661,456,071	\$ 804,215,234	\$ 38,183,872	5.0 %

Revenue and Expenditure Summaries

TOTAL EXPENDITURES/EXPENSES						
	2003	2004	2004	2005	Absolute	Percent
	Actual	Budget	Estimate	Budget	Change	Change
General Fund						
Assessor/Treasurer	\$ 10,069,671	\$ 9,621,630	\$ 9,600,630	\$ 10,545,580	\$ 923,950	9.6 %
Assigned Counsel	10,267,610	10,839,080	11,071,190	11,475,360	636,280	5.9
Auditor	5,835,606	7,277,170	7,215,730	6,043,520	(1,233,650)	(17.0)
Bond Debt Service	2,070,640	1,377,290	1,377,290	1,126,540	(250,750)	(18.2)
Budget & Finance	4,271,422	4,351,970	4,350,920	4,567,260	215,290	4.9
Building Remodel Projects	1,953,100	2,000,000	2,000,000	2,869,000	869,000	43.5
Clerk of the Superior Court	3,773,247	4,075,120	4,034,570	4,277,110	201,990	5.0
Communications	552,575	595,130	553,255	638,040	42,910	7.2
Corrections	36,110,923	37,336,860	37,936,860	38,411,600	1,074,740	2.9
County Council	3,152,860	3,222,140	3,222,640	3,389,440	167,300	5.2
County Executive	944,861	969,010	969,010	995,900	26,890	2.8
District Court	6,608,822	6,956,930	6,956,930	7,213,590	256,660	3.7
District Court Probation	2,273,257	2,526,020	2,476,570	2,638,210	112,190	4.4
Economic Development	753,838	1,154,070	964,470	930,220	(223,850)	(19.4)
Emergency Management	2,643,789	2,586,020	2,586,020	2,694,890	108,870	4.2
Health Services	3,080,340	2,995,310	2,995,310	3,082,700	87,390	2.9
Human Resources	2,455,768	2,785,850	2,785,850	2,924,900	139,050	5.0
Juvenile	15,705,082	16,605,981	16,605,950	16,889,110	283,129	1.7
Medical Examiner	1,688,911	1,716,210	1,700,210	1,762,650	46,440	2.7
Miscellaneous Current Expense	7,054,489	5,230,545	5,230,545	5,273,470	42,925	0.8
New Jail Reserve	2,000,000	2,000,000	2,000,000	—	(2,000,000)	(100.0)
Parks and Recreation Services	6,142,196	6,266,390	6,266,390	5,936,840	(329,550)	(5.3)
Planning and Land Services	12,673,267	13,085,457	12,935,244	14,925,810	1,840,353	14.1
Prevention Services & Programs	1,139,962	1,237,500	1,237,500	1,350,000	112,500	9.1
Prosecuting Attorney	19,880,048	21,060,200	20,972,784	21,651,650	591,450	2.8
Sheriff	51,247,385	54,094,370	52,758,757	46,428,720	(7,665,650)	(14.2)
Sheriff Transition	—	—	—	1,280,000	1,280,000	—
Special Projects	1,756,120	2,365,770	2,360,735	1,959,080	(406,690)	(17.2)
State Auditor	121,799	194,410	191,910	162,710	(31,700)	(16.3)
Superior Court	10,956,422	10,873,660	10,873,660	11,251,470	377,810	3.5
WSU PC Extension	554,742	607,050	607,050	628,770	21,720	3.6
Total General Fund	227,377,752	236,007,143	234,838,050	233,324,140	(2,683,003)	(1.1)
Special Revenue Funds						
Antiprofitteering Revolving Fnd	40	—	—	—	—	—
Arts and Cultural Services	230,451	289,420	270,590	264,750	(24,670)	(8.5)
Auditor's Maint & Operation	345,283	921,270	613,870	939,270	18,000	2.0
Community Action	5,454,840	6,547,261	6,547,261	5,881,770	(665,491)	(10.2)
Community Development Fund	5,245,266	5,599,460	3,896,230	5,195,020	(404,440)	(7.2)
Conservation Futures Fund	10,023,914	3,012,180	1,397,140	3,077,970	65,790	2.2
County Road Fund	47,888,064	66,830,370	55,824,180	62,991,550	(3,838,820)	(5.7)
Criminal Justice Fund	388,577	606,341	579,341	679,910	73,569	12.1
Detention Center Commissary	602,366	715,510	715,510	673,630	(41,880)	(5.9)
Dispute Resolution Center Fund	123,737	146,000	146,000	132,020	(13,980)	(9.6)
Drug Investigation Fund	176,449	225,490	226,595	275,850	50,360	22.3
Emergency Management Grants Fund	1,533,369	3,412,400	3,386,020	4,907,130	1,494,730	43.8
Employee Assistance Program	56,958	58,000	55,000	64,890	6,890	11.9
Endangered Species Act	192,768	244,630	155,070	202,170	(42,460)	(17.4)
Federal Forest Services	108,976	162,890	161,440	214,790	51,900	31.9
Geographic Information System Fund	2,435,736	2,705,540	2,485,670	3,055,990	350,450	13.0
Housing Repair Program	4,566,492	6,736,257	6,736,257	6,094,170	(642,087)	(9.5)
Human Services Fund	82,661,526	93,504,940	93,552,650	93,270,270	(234,670)	(0.3)
Law Enforcement Fund	254,999	188,580	188,398	—	(188,580)	(100.0)
Low Income Housing Fee Fund	172,320	3,500,000	596,720	4,100,000	600,000	17.1
Marine Services Fund	279,356	221,780	221,780	235,480	13,700	6.2
Parks Impact Fee Fund	1,928,792	1,232,440	846,060	1,755,750	523,310	42.5
Parks Sales Tax Fund	431,472	4,231,160	1,666,540	1,850,000	(2,381,160)	(56.3)
Paths and Trails Fund	663,970	3,272,040	2,364,700	2,743,120	(528,920)	(16.2)
Peninsula Recreation Program	211,785	344,220	295,010	320,000	(24,220)	(7.0)
Pierce County Fair	157,231	182,040	178,840	182,110	70	—
Puget Sound Behavioral Health	12,953,642	12,001,570	12,001,570	13,678,880	1,677,310	14.0
Rainier Communications Commission	896,594	970,150	964,660	1,110,880	140,730	14.5
Real Estate Excise Tax - River	1,438,597	1,779,800	1,281,780	2,664,520	884,720	49.7
Second Reet Fund - Parks	483,240	3,072,250	1,552,380	3,003,260	(68,990)	(2.2)
Second Reet Fund - Roads	650	11,044,060	3,303,680	10,736,680	(307,380)	(2.8)
Surface Water Management Fund	15,021,867	18,642,220	16,452,520	20,252,880	1,610,660	8.6
Tourism, Promotion & Capital Facilities Fd	273,176	544,000	404,050	1,082,000	538,000	98.9
Vehicle License Fee Fund	322,784	—	—	—	—	—
Veterans Relief Fund	483,122	510,530	505,810	529,790	19,260	3.8
911 System	4,075,729	5,024,910	3,696,334	5,505,490	480,580	9.6
Total Special Revenue Funds	\$ 202,084,138	\$ 258,479,709	\$ 223,269,656	\$ 257,671,990	\$ (807,719)	(0.3) %

Revenue and Expenditure Summaries

TOTAL EXPENDITURES/EXPENSES						
	2003	2004	2004	2005	Absolute	Percent
	Actual	Budget	Estimate	Budget	Change	Change
Debt Service Fund						
Debt Service Fund	14,316,868	5,430,640	5,430,640	5,086,570	(344,070)	(6.3)
Road Improve Guarantee Fund	—	320,670	320,670	—	(320,670)	(100.0)
Total Debt Service Fund	14,316,868	5,751,310	5,751,310	5,086,570	(664,740)	(11.6)
Capital Projects Fund						
Administration Building Fund	856,013	—	—	—	—	—
Human Services Construction Fund	198,418	1,001,400	1,001,400	929,740	(71,660)	(7.2)
Parks Bond Construction Fund	427,088	15,071,680	4,226,220	13,708,890	(1,362,790)	(9.0)
Parks Construction Fund	2,246,513	6,722,000	3,418,270	2,712,270	(4,009,730)	(59.7)
Permanent Jail Construction	6,131,721	4,453,500	4,580,830	4,160,460	(293,040)	(6.6)
Public Works Construction Fund	23,193,154	38,266,000	32,406,510	53,313,000	15,047,000	39.3
Real Estate Excise Tax - Capital Improvmt	3,344,822	6,722,680	6,460,740	4,075,940	(2,646,740)	(39.4)
RID Construction Fund	45,798	30,000	27,890	—	(30,000)	(100.0)
Transportation Facilities	—	5,304,000	5,304,000	26,600,000	21,296,000	401.5
1% For Arts Construction	35,378	326,000	104,620	216,010	(109,990)	(33.7)
2501 Corporate Express Building	2,888,468	1,494,620	1,473,100	4,794,620	3,300,000	220.8
Total Capital Projects Fund	\$ 39,367,373	\$ 79,391,880	\$ 59,003,580	\$ 110,510,930	\$ 31,119,050	39.2
Enterprise Funds						
Airport Fund	440,454	585,610	588,725	535,830	(49,780)	(8.5)
Chambers Creek Golf Course	—	1,326,600	821,640	6,350,000	5,023,400	378.7
Golf Courses	972,928	1,077,020	1,047,700	1,104,200	27,180	2.5
Pierce County Ferry Services	2,108,619	7,211,370	3,521,550	13,947,330	6,735,960	93.4
Sewer Bond Funds	4,059,791	12,841,180	12,841,180	8,308,000	(4,533,180)	(35.3)
Sewer Facil Restricted Reserve	19,573,264	6,245,830	5,258,830	6,590,980	345,150	5.5
Sewer Utility Fund	34,772,524	44,658,080	38,790,580	48,375,790	3,717,710	8.3
Sewer Utility Construction	18,210,570	18,145,000	11,399,310	18,069,000	(76,000)	(0.4)
Solid Waste Management Fund	3,318,498	4,902,140	4,043,580	4,765,630	(136,510)	(2.8)
Water Utility Fund	39,800	162,830	126,950	198,750	35,920	22.1
Total Enterprise Funds	\$ 83,496,448	\$ 97,155,660	\$ 78,440,045	\$ 108,245,510	\$ 11,089,850	11.4
Intragovernmental Service Fund						
Equipment Rental & Revolving	10,513,719	10,240,150	9,977,150	12,706,240	2,466,090	24.1
Facilities Management Fund	8,404,218	9,918,760	9,608,714	10,171,810	253,050	2.6
Fleet Rental	3,515,807	3,724,720	3,377,125	3,521,020	(203,700)	(5.5)
General Services	2,704,504	2,821,480	2,782,764	2,900,800	79,320	2.8
Information Services Fund	15,067,510	15,497,760	15,403,550	16,056,770	559,010	3.6
Radio Communications Fund	1,366,904	2,003,125	2,003,125	1,933,330	(69,795)	(3.5)
Self Insurance Fund	5,531,555	8,221,350	7,830,310	8,323,870	102,520	1.2
Workers Compensation	1,938,063	2,785,060	3,450,950	2,902,510	117,450	4.2
Total Intragovernmental Service Fund	\$ 49,042,280	\$ 55,212,405	\$ 54,433,688	\$ 58,516,350	\$ 3,303,945	6.0
Health Department						
	33,135,749	34,033,255	34,033,255	30,859,744	(3,173,511)	(9.3)
Grand Total	\$ 648,820,608	\$ 766,031,362	\$ 689,769,584	\$ 804,215,234	\$ 38,183,872	5.0 %

Revenue and Expenditure Summaries
