

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 2008 are presented in **Debt Management**.

The **Summary of Unreserved Fund Balance** presents the anticipated fund balances available in 2008 for the governmental funds, and also indicates any proposed amount to be used in 2008 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 2008.

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

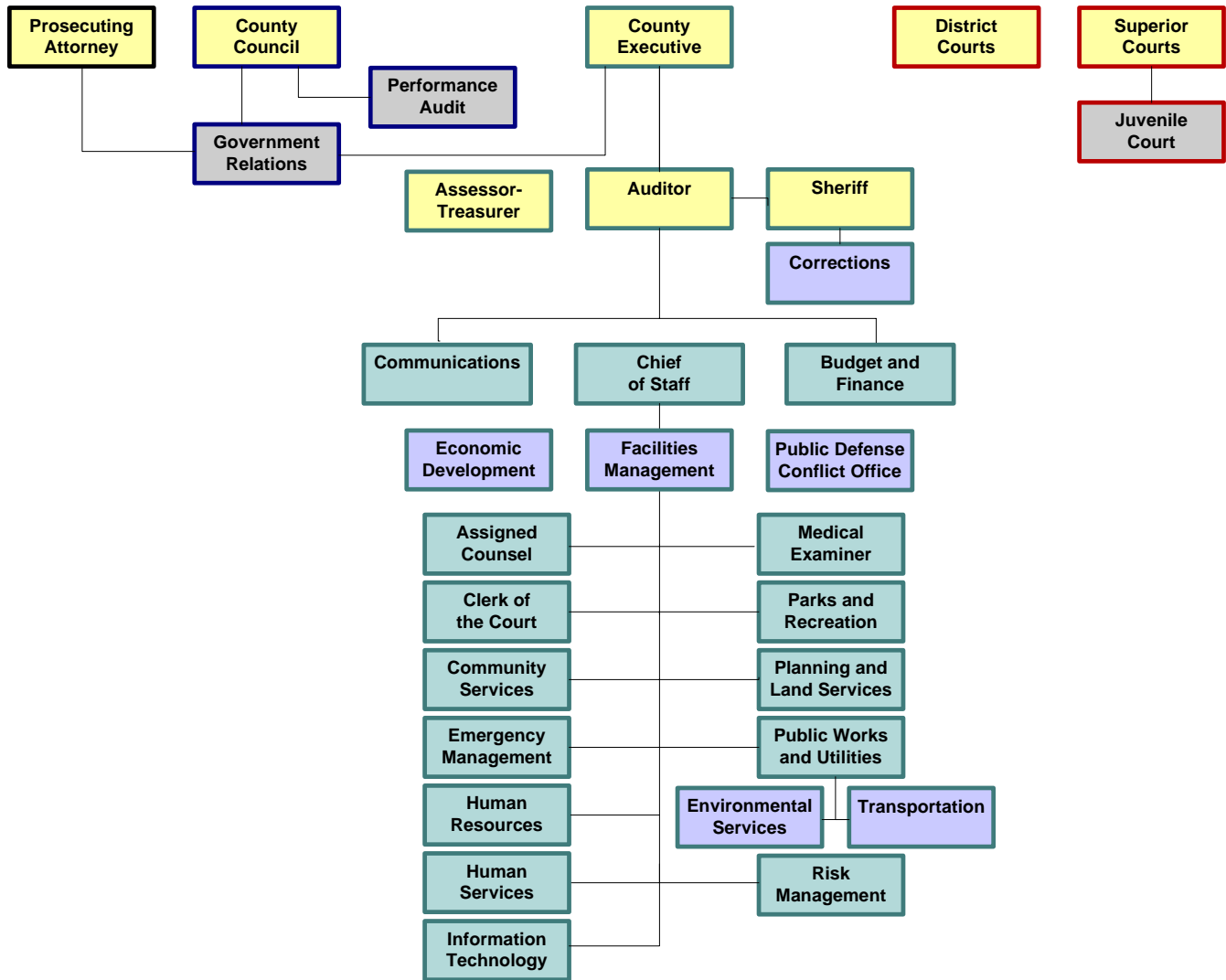
The **Revenue and Expenditure Summaries** includes several tables and charts which provide a variety of different views of the activities funded in the budget and their related revenue sources.

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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 currently elected positions (Assessor-Treasurer and Auditor) with the other department directors recommended by the Executive and approved by the Council.

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

Organizational Overview

Legislative Branch

County Council:

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

Executive Branch

County Executive (elected official):

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

Organizational Overview

Executive Branch (con't)

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

Judicial Branch

District Court Superior Court

- ◆ Juvenile Court

Prosecuting Attorney

Prosecuting Attorney

Mission, Goals and Performance Measures

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

I.

The Mission Statement

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

II.

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

III.

Performance Measures are developed for each departmental budget. These measures are specific and quantifiable statements of what major items will be accomplished in this fiscal year and are listed in each department’s section of the 2008 Budget Document.



Executive Goals

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

Pierce County Facts

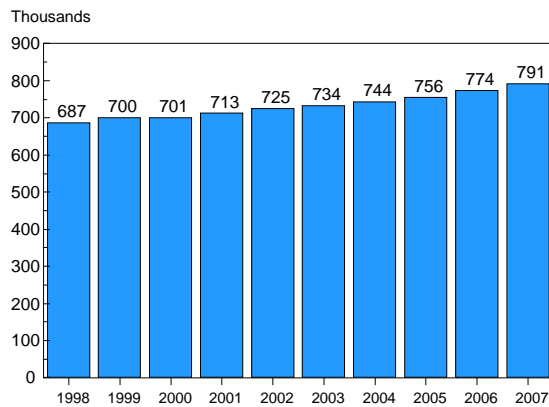
General Information

Pierce County was established in 1852 and became a Home Rule County by a vote of the people in 1981. The County is governed by an elected County Executive and seven elected Council Members. The Prosecutor, Assessor-Treasurer, Auditor, Superior Court Judges, and District Court Judges are also elected by the people, with the Sheriff to be elected in the fall of 2008.

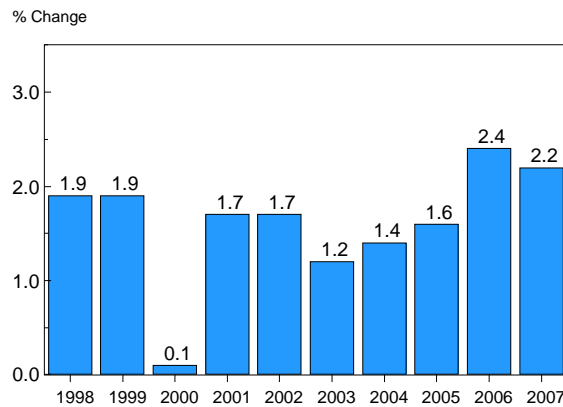
The County is located on scenic Puget Sound and covers 1,794 square miles (1,676 square miles of land and 118 square miles of water). Pierce County boasts of 10 hospitals, 15 public school districts, a large number of private schools, two vocational technical colleges, two community colleges, and six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

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



Economic Conditions

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

Port Facilities

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

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

Employment

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

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

Service/Government

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

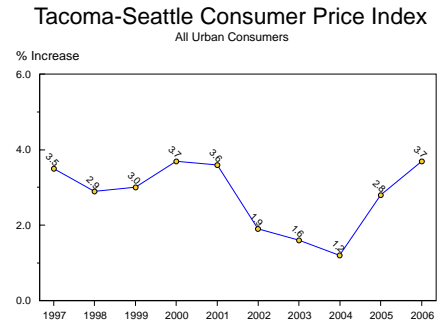
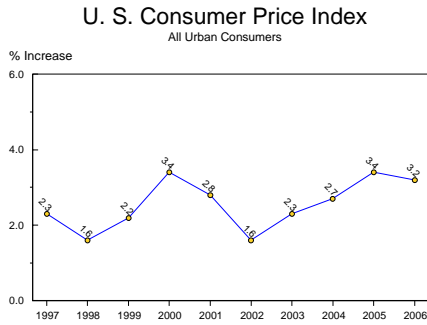
Fort Lewis Army Base and Madigan Army Medical Center occupy 86,000 acres in southwest Pierce County while the adjacent McChord Air Force Base includes 5,000 acres. Together, these facilities employ over 49,900 military and civilian personnel. Unlike many military installations across the country, Fort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

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

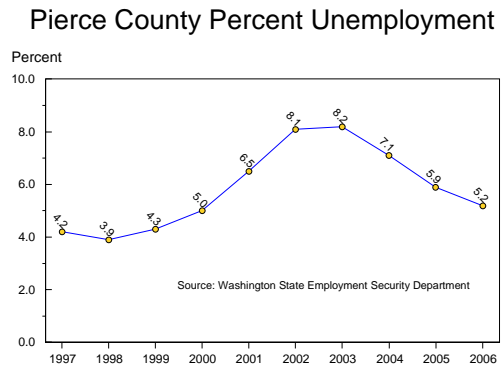
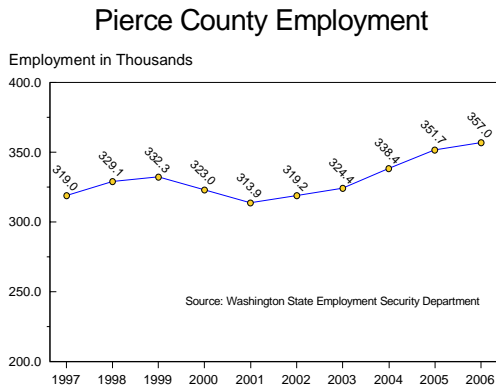
Economic Indicators

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

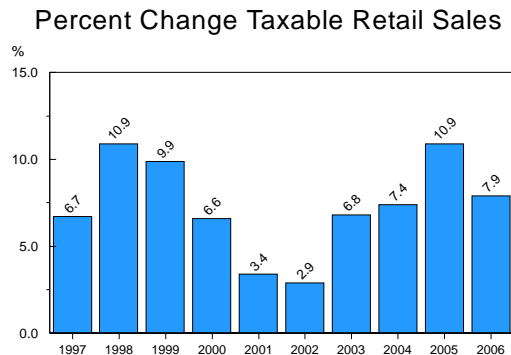
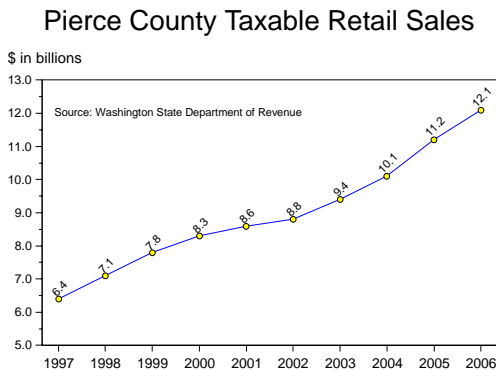
- ❖ **Inflation:** Inflation as measured by the Seattle-Tacoma-Everett Consumer Price Index for all urban consumers increased from 1.2% in 2004 to 3.7% in 2006. During the same period, the U. S. average (CPI-U) increased from 2.7% in 2004 to 3.2% in 2006.



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

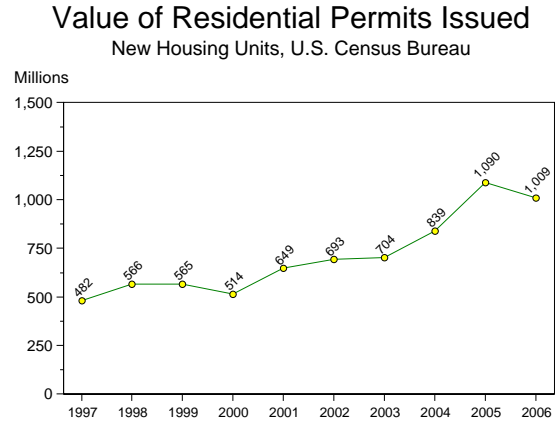
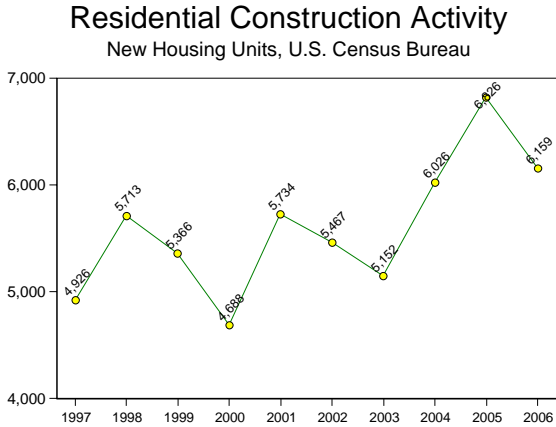


- ❖ **Taxable Retail Sales:** Taxable retail sales continued very strong in 2006 increasing 7.9% compared to 2005.



Pierce County Facts

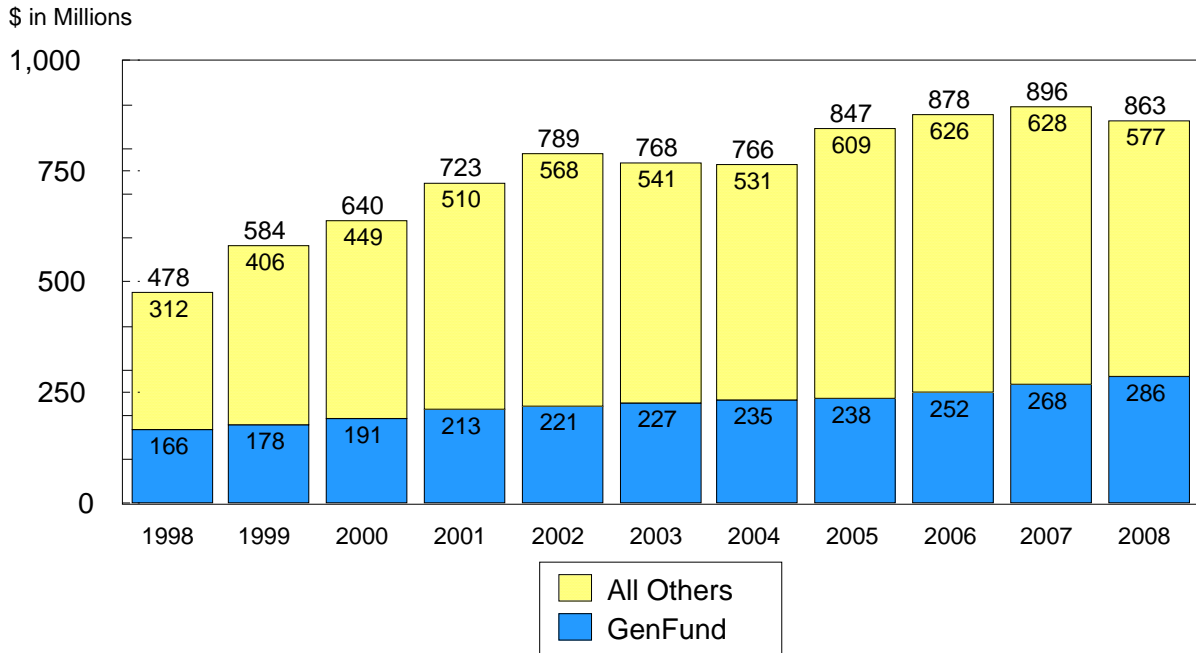
Construction: New construction activity is an important economic indicator that greatly impacts county operations and workload in areas such as planning, permits, land services, public works, and public construction. Property tax revenues are also affected by fluctuations in new construction activity.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



Budget History

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

Total Budget



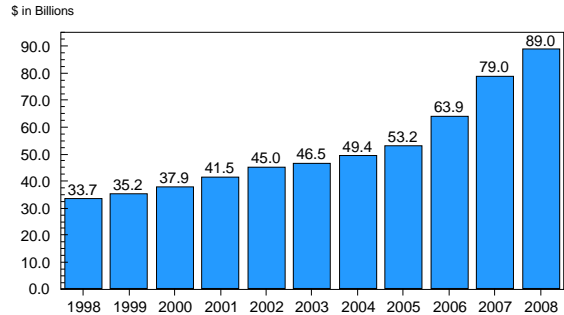
Property Taxes and Assessed Valuation

Property Taxes Assessed Valuation

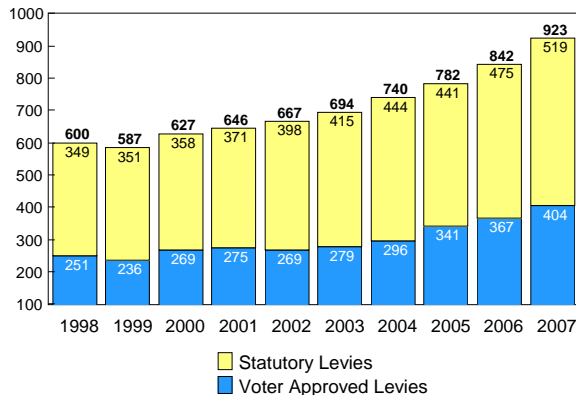
Property tax is the largest source of revenue in the General Fund and is a major source of revenue for the Road Fund. The Assessor-Treasurer values and provides information on approximately 1,080,000 acres of land in Pierce County. Of this total, 51% is taxable acreage, the remaining being exempt under State law. In addition to the statutory levies implemented through State legislation, local levies are imposed through a vote of the people. These are typically for school and fire districts. On average 42% of the total taxes levied over the last nine years have been voter approved.

Total Assessed Valuation

The growth in Property Tax revenue is dependent upon both the actual growth in assessed valuation and the tax rate. The growth in assessed valuation from 2007 to 2008 was approximately \$10 billion (12.6%). Approximately 26% of the growth is due to new construction, and 74% is due to the revaluation of existing properties.

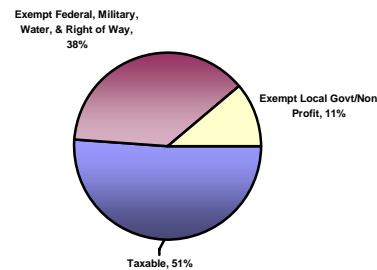


Voter Approved and Statutory Property Taxes



Of the total tax levies for 2006 (collected in 2007), 44% are voter approved and 56% are statutory levies. These percentages will not be known for the 2007 tax levies (collected in 2008) until January of 2008 when the final certification figures are available.

Pierce County Acreage Exemption Status



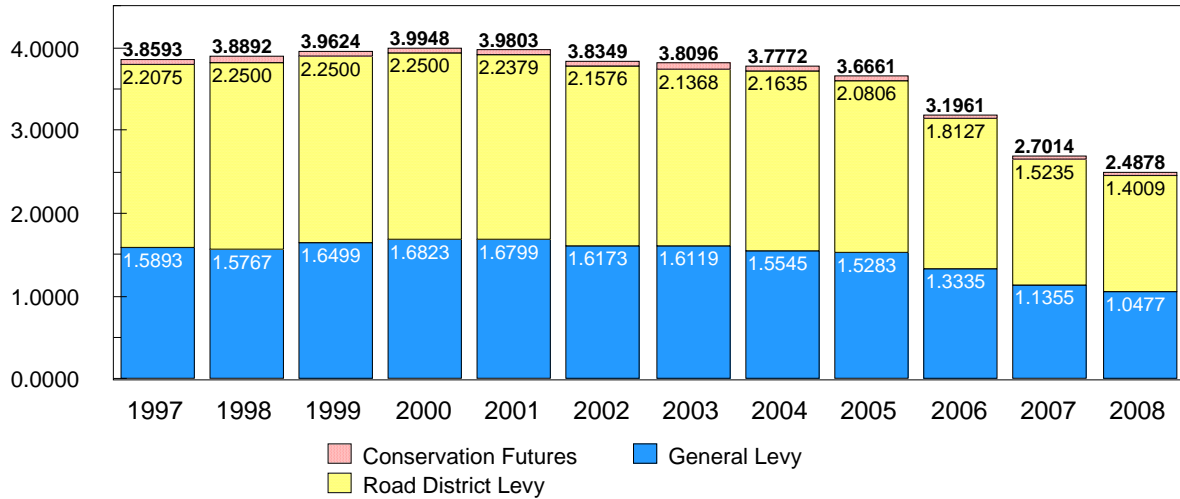
Of the total Pierce County acreage 49% is tax exempt. Federal and Military lands, major lakes, and local Right-of-Way make up 38% of the exempted properties. Eleven percent is local governments and non-profits (mostly schools and churches).

Property Tax Levy Rates

Levy rates determine the amount of tax that a property owner pays per thousand dollars of assessed value. The November 2001 passage of Initiative 747 limits the maximum growth in property tax revenues from existing property to the lesser of 1% or the percentage increase in the Implicit Price Deflator (IPD), which is 3.419% in 2008 (based upon last year's actual figures). This limitation on property tax revenue growth coupled with an inflationary increase in existing property revaluations has resulted in a 7.7% reduction in the 2008 County Levy tax rate from 2007; and 38% since the initiative was enacted. The Road Levy tax rate has decreased by 8.1% from the 2007 rate and the Conservation Futures tax is down 7% from 2007. The charts on the following page present historical and comparative detailed rate information.

Combined Property Tax Millages

Rate per \$1,000



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

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

Budget and Finance Department Fiscal Policies

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

Budgetary Policies – the Budget for the County shall:

- Present a complete financial plan for the budget year. The Budget will be prepared as one comprehensive management and balanced financial plan, including operating requirements, financing requirements, and debt service funding.
- Provide estimates of all taxes to be collected for the year and 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.
- Include measurable performance measures to be achieved within a defined time frame.
- Be balanced (expenditures equal revenues plus recommended use of prior fund balance) at the time of adoption in accordance with State law, and be reviewed regularly to identify changes in revenues and expenditures so that necessary balancing corrections can be made.

Fund Balance Policies:

- The County shall retain a fund balance in the General Fund which is between 5% and 10% of the fund's budget for emergency and working capital purposes.
- Fund Balance in the General Fund will be utilized to fund one-time activities such as, but not limited to, equipment outlay, capital construction, and one-time operational projects.
- The County shall retain reserves in all other funds (non General Fund) to allow for adequate cash flow, support designated mandates, finance infrastructure needs, meet equipment replacement schedules, and comply with other minimum requirements as may be established specifically for each fund.

Revenue Policies:

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

Expenditure Policies:

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

Debt Management

Pierce County Debt Management Policies

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

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

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

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

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

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

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

Debt Capacity

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

Debt Management

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

Debt Capacity as of September 30, 2007

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

Pierce County Bonded Debt Ratios Estimated at September 30, 2007

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

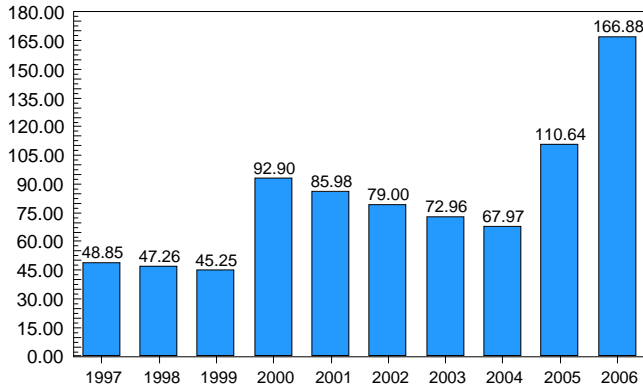
Pierce County Bond Ratings

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

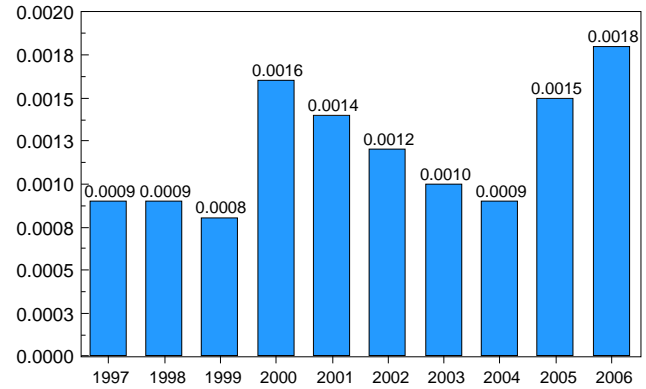
Debt Management

Pierce County has historically maintained consistently low bonded debt obligations, as shown in the tables below. The Net Bonded Debt per Capita increased in 2006 due to the recent sale of \$31.8 million debt for future parks development and open space preservation and the sale of \$27.4 million debt for the Roads Central Maintenance Facility. Even with these recent new bonds, the Ratio of Bonded Debt to Assessed Valuation is still 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.

**Total Bonded Debt per Capita
(General Obligation Bonds Only)**



**Ratio of Total Bonded Debt to Assessed Value
(General Obligation Bonds Only)**



The table below presents the Debt Service schedule for the bonds payable from general County revenues (excluding proprietary fund debt). The source for this table is the 2006 Comprehensive Annual Financial Report. These figures have not been adjusted for any financing done in 2007.

GENERAL OBLIGATION BONDS DEBT SERVICE SCHEDULE as of 12/31/2006 (amounts in thousands)

Year	Principal	Interest	Total Debt Service
2007	4,238	4,765	9,003
2008	4,292	4,425	8,717
2009	4,484	4,250	8,734
2010	4,659	4,069	8,728
2011—2015	4,858	3,864	8,722
2016—2020	24,963	16,106	41,069
2021—2025	26,715	10,582	37,297
2026—2030	29,615	3,943	33,558
2031—2035	—	—	—
2032—2036	—	—	—
Total	\$ 103,824	\$ 52,004	\$ 155,828

Summary of Unreserved Fund Balance

The following table summarizes the estimated unreserved fund balances for the General Fund and Special Revenue Funds. An overall total is not provided for the Special Revenue Funds as each is for a restricted purpose. Working left to right, the table begins with the actual Unreserved Fund Balance at the end of 2006. To this is added the net projected change due to 2007 activity, for an estimated ending funding balance for fiscal year 2007. To this is added the budgeted Use of Fund Balance in 2008, which results in the Estimated Fund Balance at the end of 2008. Further detailed information on the various sources and uses that net to the 2008 budgeted use of fund balance can be found in the "All Funds Comparison of 2008 Revenues and Expenditures" table and the other summary revenue and expenditure tables presented later in this section, as well as in the individual budget sections.

As a general policy, the County normally budgets "use of prior fund balance" in the General Fund for one time projects or activities. In 2008, we are proposing the use of \$2,516,000 in fund balance for such purposes. 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.

2008 FUND BALANCE ESTIMATE					
	2006 CAFR Unreserved Fund Balance	Estimated 2007 Revenues minus Expenditures	2007 Estimated Year-End Unreserved Fund Balance	2008 Budgeted Use of Fund Balance	2008 Estimated Year-End Unreserved Fund Balance
General Fund	\$ 28,381,000	\$ (386,454)	\$ 27,994,546	\$ (3,729,583)	\$ 24,264,963
Special Revenue Funds					
Antiprofitteering Revolving Fnd	28,000	472	28,472	—	28,472
Arts and Cultural Services Fd	77,000	(1,020)	75,980	(15,880)	60,100
Auditor's Maint & Oper Fund	1,541,000	189,340	1,730,340	(593,790)	1,136,550
Community Action Fund	774,000	(206,870)	567,130	(112,940)	454,190
Community Development Fund	10	—	10	—	10
Conservation Futures Fund	5,872,000	1,563,490	7,435,490	(6,610,470)	825,020
County Road Fund	12,841,000	(4,973,678)	7,867,322	(3,380,520)	4,486,802
Criminal Justice Fund	4,074,000	(1,122,820)	2,951,180	(1,400,560)	1,550,620
Detention Center Commissary Fd	406,000	49,704	455,704	(60,470)	395,234
Dispute Resolution Center Fund	12,000	—	12,000	—	12,000
Drug Investigation Fund	1,727,000	300,296	2,027,296	(983,290)	1,044,006
Emergency Managemt Grants Fd	144,000	152,500	296,500	(70,750)	225,750
Employee Assistance Program Fd	77,000	420	77,420	(74,000)	3,420
Endangered Species Act Fund	302,000	(189,140)	112,860	(96,710)	16,150
Federal Forest Services Fund	—	54,220	54,220	—	54,220
GIS Fund	2,050,000	(237,680)	1,812,320	(975,720)	836,600
Homeless Housing Program Fund	1,955,000	50,720	2,005,720	(333,010)	1,672,710
Housing Repair Programs Fund	86,000	47,190	133,190	(5,000)	128,190
HS - Mental Health Fund	—	—	—	—	—
Human Services Fund	7,689,000	70,830	7,759,830	—	7,759,830
Judson Family Justice Ctr Fd	229,000	129,438	358,438	(56,860)	301,578
Low Income Housing Fee Fund	3,469,000	(1,025,430)	2,443,570	(1,084,000)	1,359,570
Marine Services Fund	174,000	(58,820)	115,180	(16,180)	99,000
Parks Impact Fee Fund	3,413,000	(580,990)	2,832,010	(2,684,190)	147,820
Parks Sales Tax Fund	4,748,000	(768,820)	3,979,180	(3,167,010)	812,170
Paths and Trails Fund	417,000	54,250	471,250	(406,150)	65,100
Pierce County Fair Fund	116,000	(7,180)	108,820	(4,430)	104,390
Rainier Communicatn Commiss Fd	912,000	57,200	969,200	(25,000)	944,200
REET Electronic Technology Fd	163,000	68,300	231,300	(230,000)	1,300
REET River Improvement Fund	5,035,000	(1,491,500)	3,543,500	(2,162,140)	1,381,360
Second REET Parks Fund	4,964,000	(1,889,280)	3,074,720	(2,984,740)	89,980
Second REET Roads Fund	17,735,000	(7,780,330)	9,954,670	(9,285,810)	668,860
Surface Water Management Fund	19,898,000	(2,974,333)	16,923,667	(7,286,620)	9,637,047
Tourism, Promotion, Facil Fund	1,024,000	(179,570)	844,430	(47,310)	797,120
Traffic Impact Fee Fund	—	6,000,000	6,000,000	—	6,000,000
Veterans Relief Fund	177,000	(129,450)	47,550	(25,530)	22,020
911 System Fund	1,045,000	(15,660)	1,029,340	(755,920)	273,420

Capital Improvement Program Summary

2008 Capital Improvement Program

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

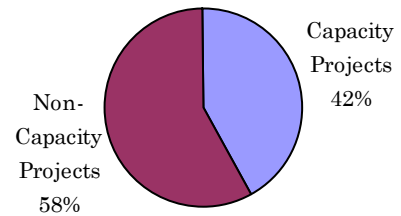
One of the principal criteria for identifying needed capital improvements is standards for level of service (LOS). The CFP specifies the LOS standards for each public facility and requires that new development be served by adequate facilities. The document also includes the designation of facilities 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.

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.

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

In order to be considered a "capital improvement" for the CFP, the expenditure must be for the acquisition of a physical asset which has a useful life in excess of one year and which has a value/cost of at least \$75,000. Excluded from the definition are such items as vehicles, office and data processing equipment, other equipment items (unless they are an integral part of the larger physical improvement), and normal repairs and maintenance.

Projects by Category



Capital Improvement Projects Summary

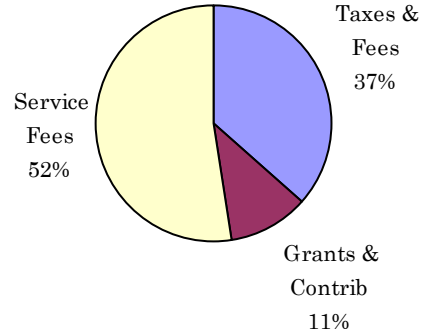
Capital expenditures planned and budgeted for 2008 are significantly lower than 2007 due to fiscal constraints and completion of major projects such as Phase I of the County-City Building remodel, the Corporate Express Building remodel, and substantial completion of the Transportation Central Maintenance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

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

2008 Capital Improvement Projects Sources of Funds

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

Sources by Category



Taxes/Fees. This source of revenue includes non-dedicated taxes and fees such as sales tax, property tax, court fines, licenses and permits. This category also includes dedicated taxes and fees such as park impact fees, park sales tax, and gas taxes.

Service Fees. These fees are for specific services provided. Examples are E-9-1-1, golf course fees, sewer fees and surface water management fees.

Grants & Contributions. This source of revenue includes federal, state and city contributions for specific projects or purposes. Examples include road funds, parks donations and grants, mental health and human services grants, and the City of Tacoma portion of the County-City Building.

Funding sources may also include (none in 2008):

Bonds. This is interest bearing debt issued by the county.

Intergovernmental Loans. This category is used for loans from one department to another, or from a tax/fees fund to a user fee (enterprise) fund.

2008 SOURCE OF FUNDS

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

2008 Major Projects

The following section contains a brief description of the major (more than \$5 million) capital improvement projects for 2008.

Parks and Recreation

Pierce County owns 4,211.5 acres of park land subject to capital facilities planning: Resource Conservancy (2,489.3 acres), Resource Activity (1,021.2 acres), Linear Trails (367.0 acres) and Special Use areas (333.9 acres). In addition, the County provides six categories of facilities that are subject to capital facilities planning: Boat Launch Ramps (5), Courts, Fields and Play areas (70), Multipurpose Trails (46.86 miles), Picnic and Camping Areas (378 areas), Access to Water Parking Spaces (765 spaces providing parking for cars and car and boat trailers), and Access to Water Square Feet of access (28,320 square feet of swimming beach and dock access).

The 2008 plan includes 18 projects totaling more than \$12 million. Among the larger projects are Cushman Trail Phase 2 (\$4,612,700), Ashford Park (\$2,456,600), and the Foothills Trail Buckley to South Prairie (\$2,300,900).

Refer to the Parks & Recreation section for detailed information on Parks related projects.

River Improvement

The River Improvement Division of the Department of Public Works and Utilities is responsible for the maintenance and improvement of 45.8 river levee miles along the Puyallup, Carbon, White, Greenwater, and Nisqually Rivers. The 2008 expenditures contain \$7,669,400 in capital projects and land acquisition. Details are available in the *Pierce County River Improvement, Puyallup River Basic Comprehensive Flood Control Management Plan*.

Sewer Utilities

The County LOS of 220 gallons per day (GPD) per residential equivalent (RE) plus 15 percent reserve capacity meets the needs of the current LOS and provides for additional capacity to accommodate projected growth in REs through the year 2013. The growth related projections utilize a 3-4 percent average yearly growth for new sewer services within the existing sewer service area basin.

The 2008 plan includes 30 projects that total \$30,188,600. Refer to the Environmental Services section for detailed information on Sewer projects.

Sheriff Buildings

The \$5,038,000 for law enforcement capital projects includes completion of the Emergency Operations Center, the Radio Communications building, air support offices and storage at Thun Field, and court security cameras.

Surface Water Management

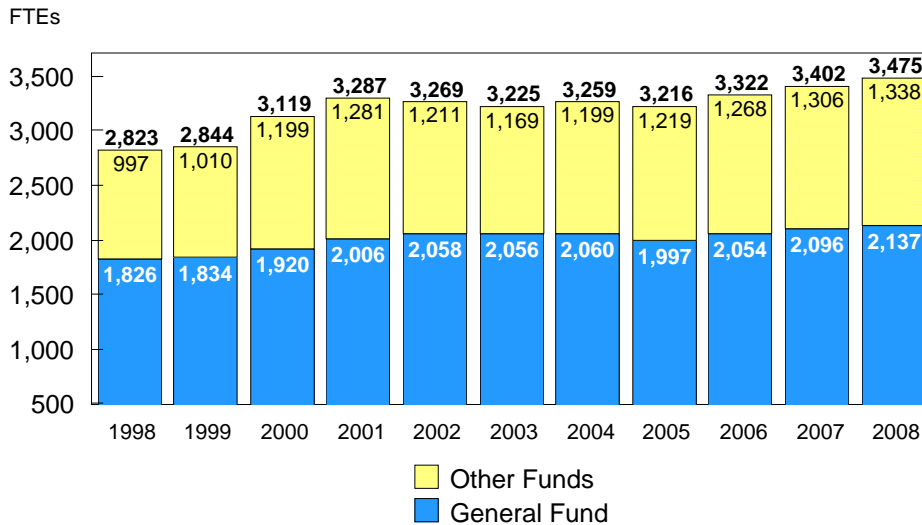
The County's stormwater program provides facilities for drainage basins in unincorporated Pierce County. For information on stormwater facilities, see the *Pierce County Stormwater Drainage and Surface Water Management Master Plan*.

There are 29 anticipated capacity projects totaling \$9,850,000 for 2008. In addition to improvements and repairs to existing stormwater facilities, approximately \$1.8 million will be used for flood plain acquisitions. Refer to the Environmental Services & Water Programs section for detailed information on Surface Water Management projects.

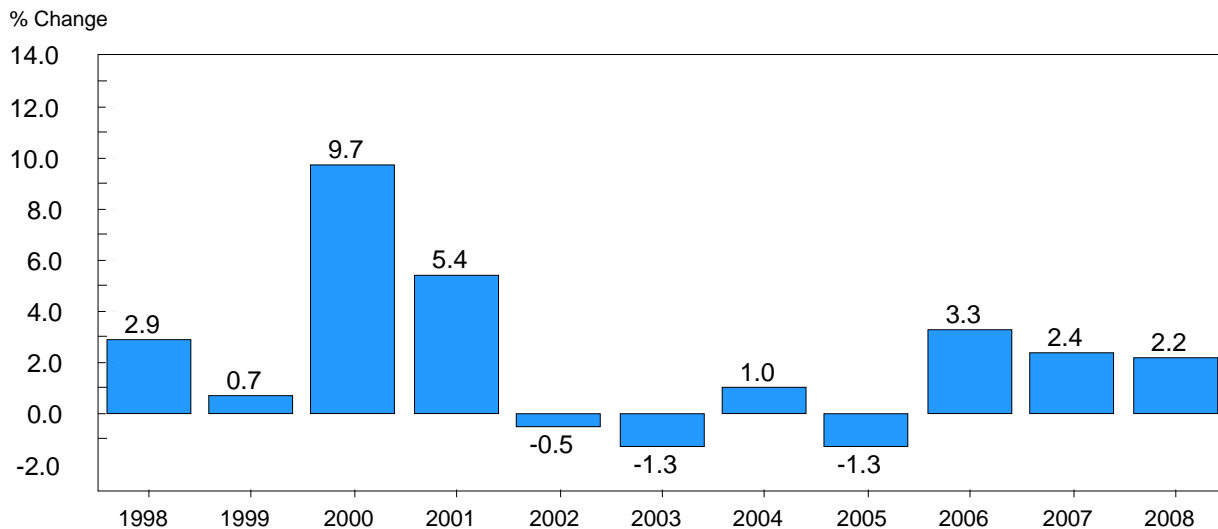
Staffing Information

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

County-wide Staffing Summary



Percent Change in County-wide Staffing



Changes over the first two years reflect moderate staffing increases for the new Jail Annex, an expanded juvenile detention facility, judicial system caseload issues, public safety enhancements, and Human Services.

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

Staffing Information

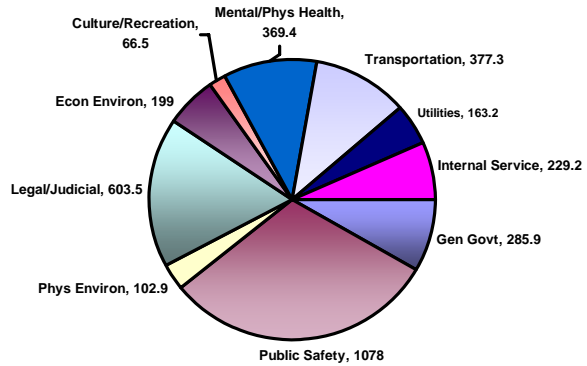
The percentage changes in 2002-2005 reflect either only a small increase or an actual decrease due to the following factors:

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

The 2006-2008 budgets again reflects new positions throughout the County to enhance service levels, including staff in PALS, Sheriff, Corrections, Prosecuting Attorney, Assigned Counsel, Superior Court, Juvenile, Human Resources, Medical Examiner, Clerk, Emergency Management, Economic Development, Parks and Recreation, Transportation and Environmental Services, and the Auditor's office for animal control and election services.

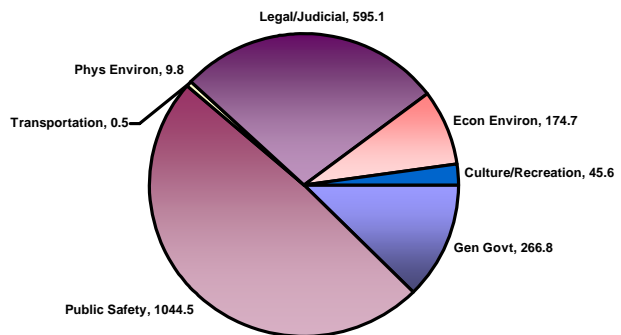
2008 Total County Staffing Summarized by Function

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



2008 General Fund Staffing Summarized by Function

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



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

Staffing Information

STAFFING SUMMARY

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

Staffing Information

STAFFING SUMMARY

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

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

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 **2008 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 the sources over time.

The **General Fund Revenue & Expenditure Overview** includes narrative and graphs presenting the 2008 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 2008 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 2008 Revenues and Expenditures** which displays this information by fund type.

The **2008 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.

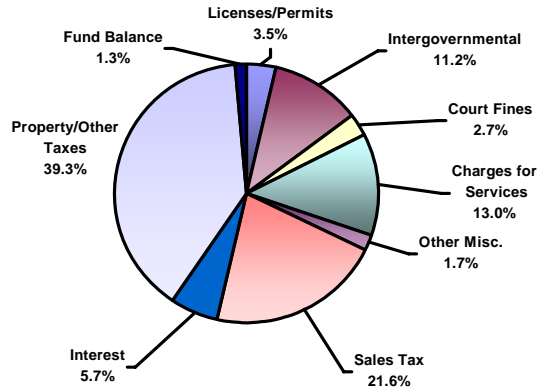
The total 2008 budget for each Fund, or each department in the General Fund, can be found in the **Total Expenditures/Expenses** table.

General Fund Revenue & Expenditure Overview

The growth in 2008 revenues for the General Fund is expected to be 7.1% over the 2007 Budget. The following pages discuss General Fund Revenues and Expenditures in greater detail and in comparison to prior years.

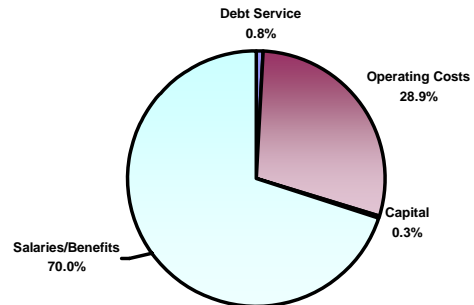
2008 General Fund Revenues Summarized by Source

Property/Other Taxes and Sales Taxes are the largest revenue sources in the General Fund, at just over 60% of the total. The only other significant categories are Intergovernmental Revenue at 11.2% and Charges for Services at 13.0%.



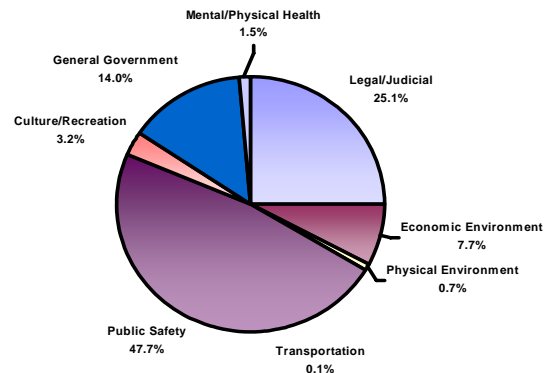
2008 General Fund Expenditures Summarized by Object Classification

Seventy percent of the General Fund budget by line-item is devoted to salary and benefit costs. Operating costs absorb almost 29%. Debt Service and Capital Outlay expenditures are minimal.



2008 General Fund Expenditures Summarized by Function

The Public Safety and Legal/Judicial Services combined accounts for almost 73% of all General Fund County expenditures. Fourteen percent is related to General Governmental services. Just under 8% of the General Fund expenditures are for Economic Environment activities and, just over 3% is for Culture and Recreation. Roughly 2% of the General Fund is used to support the Mental and Physical Health systems, Physical Environment activities, and Transportation.



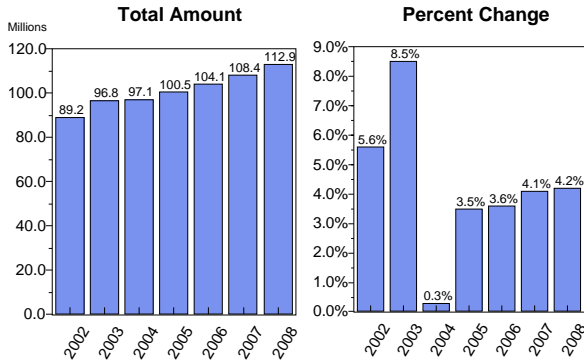
Revenue and Expenditure Summaries

2008 GENERAL FUND REVENUE							
	2005	2006	2007	2007	2008	Absolute	Percent
	Actual	Actual	Budget	Estimate	Budget	Change	Change
I. Taxes							
General Property Taxes	\$ 79,959,155	\$ 83,627,206	\$ 87,637,170	\$ 87,437,170	\$ 91,326,240	\$ 3,689,070	4.2 %
Law Enforcement Property Tax	9,388,560	9,862,898	10,394,310	10,399,450	10,849,710	455,400	4.4
Sales Taxes	49,588,821	54,678,529	56,900,000	57,694,820	61,950,000	5,050,000	8.9
Gambling Tax	540,580	311,202	337,000	314,100	304,000	(33,000)	(9.8)
Penalties/Interest	8,155,348	7,603,920	7,501,000	7,712,000	7,701,000	200,000	2.7
All Other Taxes	2,412,273	2,672,593	2,482,150	2,694,090	2,711,170	229,020	9.2
Subtotal	150,044,737	158,756,348	165,251,630	166,251,630	174,842,120	9,590,490	5.8
II. Licenses/Permits							
General Licenses and Permits	366,909	384,390	377,960	419,940	405,650	27,690	7.3
Cable Franchise Fees	2,478,383	2,730,861	3,000,000	3,063,500	3,366,300	366,300	12.2
Animal Licenses	—	419,802	725,000	525,000	633,000	(92,000)	(12.7)
Building Permits	6,036,884	5,022,205	5,573,800	4,865,155	5,498,600	(75,200)	(1.3)
Subtotal	8,882,176	8,557,258	9,676,760	8,873,595	9,903,550	226,790	2.3
III. Intergovernmental Revenues							
Federal Grants	5,242,417	4,936,959	4,409,878	4,503,169	4,164,250	(245,628)	(5.6)
State Grants	5,510,910	5,840,618	6,379,875	6,527,834	6,614,630	234,755	3.7
State Shared Revenue	2,970,695	3,298,827	4,698,030	4,915,703	5,435,960	737,930	15.7
HAVA Grant	1,802,749	199,555	62,000	62,000	20,000	(42,000)	(67.7)
Jail Reimbursements	5,755,229	6,182,831	6,559,820	5,747,570	6,088,760	(471,060)	(7.2)
Sheriff Services Contracts	5,944,245	6,118,656	6,392,680	6,423,300	7,295,540	902,860	14.1
All Other Revenues	2,310,720	2,240,763	2,471,600	2,599,798	2,465,500	(6,100)	(0.2)
Subtotal	29,536,965	28,818,209	30,973,883	30,779,374	32,084,640	1,110,757	3.6
IV. Charges For Services							
Recording Fees	3,233,118	3,088,459	3,044,000	2,702,000	2,703,000	(341,000)	(11.2)
Election/Registration Fees	1,928,709	2,035,257	2,126,654	2,284,460	1,866,110	(260,544)	(12.3)
Vehicle License Fees	3,537,682	3,669,838	3,525,000	3,710,000	3,750,000	225,000	6.4
Planning Fees	9,268,099	8,370,598	8,894,949	8,016,411	9,016,950	122,001	1.4
Recreation Fees	1,043,696	1,154,239	1,047,570	1,053,620	1,118,510	70,940	6.8
Indirect Cost Charges	6,517,660	7,207,050	8,874,600	8,874,600	9,266,150	391,550	4.4
Legal Services	1,020,006	977,561	1,148,580	1,254,478	1,176,940	28,360	2.5
All Other Charges	6,571,490	7,351,985	7,840,500	7,867,631	8,209,400	368,900	4.7
Subtotal	33,120,460	33,854,987	36,501,853	35,763,200	37,107,060	605,207	1.7
V. Fines And Forfeitures	4,664,920	5,417,964	5,664,490	6,399,776	7,599,340	1,934,850	34.2
VI. Interest Revenue	7,628,563	14,938,572	14,618,520	16,237,300	16,289,010	1,670,490	11.4
VII. Miscellaneous Revenue							
Rents, Leases, and Phones	1,281,737	1,110,704	1,214,070	1,397,830	1,351,090	137,020	11.3
Traffic Enforcement Transfer	1,100,000	1,200,000	1,300,000	1,300,000	1,400,000	100,000	7.7
All Other Miscellaneous	1,335,357	1,443,910	1,550,500	1,597,453	2,126,930	576,430	37.2
Subtotal	3,717,094	3,754,614	4,064,570	4,295,283	4,878,020	813,450	20.0
Sub-Total Revenues	237,594,915	254,097,952	266,751,706	268,600,158	282,703,740	15,952,034	6.0
VIII. Use of Fund Balance	—	—	754,505	—	3,729,583	2,975,078	394.3
Total Resources	\$ 237,594,915	\$ 254,097,952	\$ 267,506,211	\$ 268,600,158	\$ 286,433,323	\$ 18,927,112	7.1 %

Historical Review of General Fund Revenues

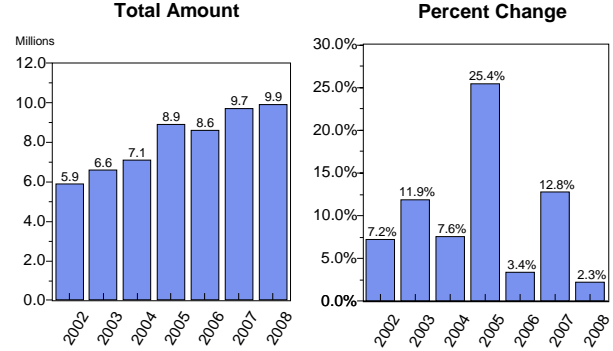
The following graphs and narrative present the historical changes in the General Fund Revenue sources. The 2002-2006 figures are actuals, and the 2007 and 2008 figures are as budgeted.

Property & Other Taxes, 2002–2008
General Fund Revenues



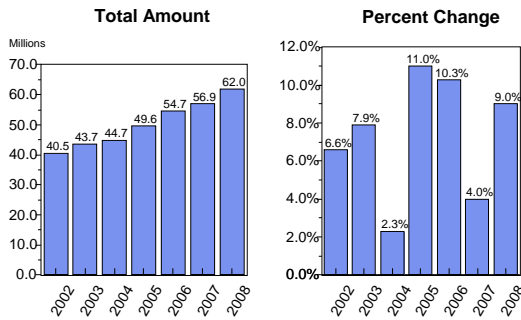
Property and Other Taxes is a major revenue source for the General Fund. Beginning in 2002, this revenue was impacted by the I-747 limit of a 1% increase from existing property. Revenue growth in excess of 1% is due to property taxes from new construction, or the settlement of large tax appeal cases (2003, 2004 impact).

Licenses and Permits, 2002–2008
General Fund Revenues



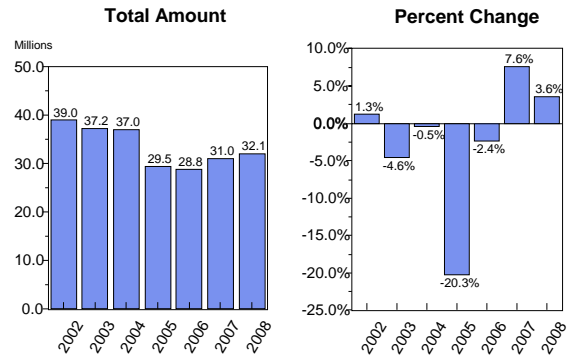
Licenses and Permits have also shown sharp changes in revenue from year to year, due to changes in development activity levels and whether the County has enacted changes in various permit fee increases.

Sales Taxes, 2002–2008
General Fund Revenues



Sales Taxes often show large variances from year to year. Most “normal” years simply grow with a) inflation, b) population increase, c) the strength of the local economy (with an average range of between 5 - 8% increase).

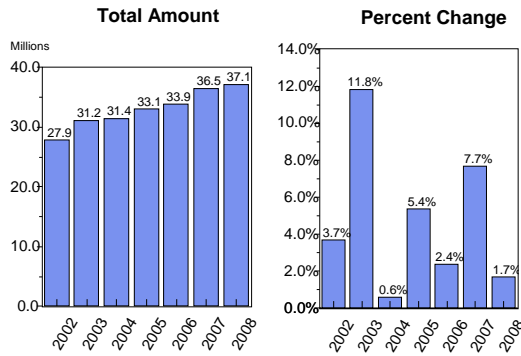
Intergovernmental, 2002–2008
General Fund Revenues



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

Revenue and Expenditure Summaries

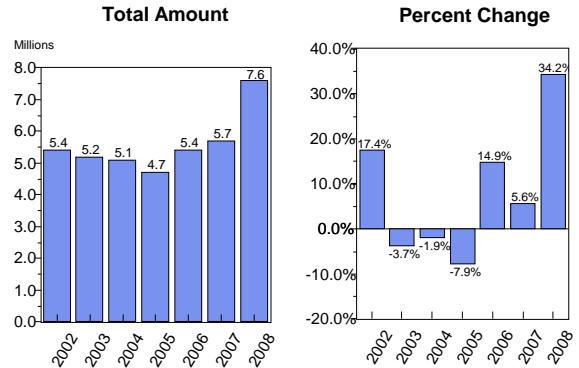
Charges for Services, 2002–2008 General Fund Revenues



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

- Growth in the local economy,
- the presence or absence of planning and development fee increases such as those implemented in 2003, 2005 and 2007 and;
- changes in recording fees, indirect cost charges, and election cost reimbursements.

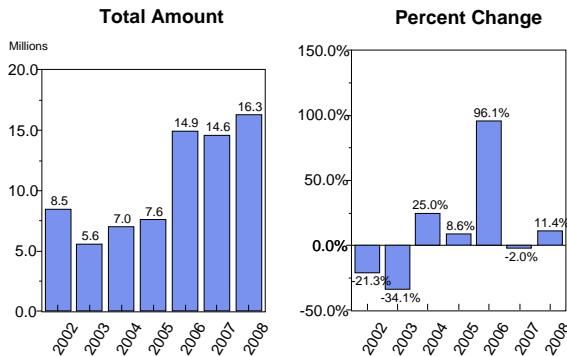
Fines and Forfeits, 2002–2008 General Fund Revenues



Fines and Forfeits increase or decrease based upon:

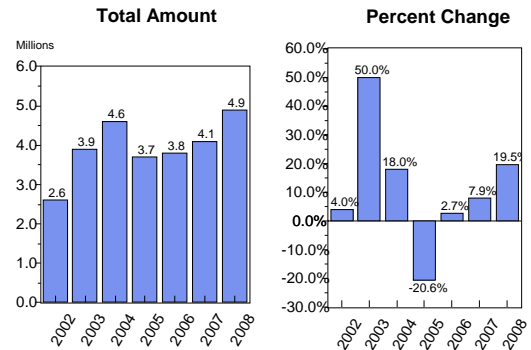
- The number of state patrol and county deputies assigned to traffic policing,
- changes in state fine amounts, and;
- the use of collection agencies for delinquent accounts (recent), and;
- the new Narrows Bridge toll violations (2008).

Interest Revenue, 2002–2008 General Fund Revenues



Interest Revenues will vary depending upon interest rates and available cash balances. Available cash balances have shown a steady growth during the last several years. Interest rates declined in 2002-2003, and have increased since then.

Miscellaneous Other, 2002–2008 General Fund Revenues



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

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

General Fund Expenditures Versus Revenue Summary

2008 GENERAL FUND EXPENDITURES VERSUS REVENUE SUMMARY

Department	Total Expenditures	Direct Revenue	General Fund Revenue
Assessor/Treasurer	\$ 10,830,250	\$ 254,160	\$ 10,576,090
Assigned Counsel	14,311,570	3,520,950	10,790,620
Auditor	10,905,040	11,472,930	(567,890)
Bond Debt Service	418,220	—	418,220
Budget & Finance	5,388,700	189,450	5,199,250
Capital Improvement Projects	700,000	—	700,000
Clerk	5,222,420	4,305,800	916,620
Communications	700,210	—	700,210
Corrections	48,556,680	7,232,400	41,324,280
County Council	4,244,450	—	4,244,450
County Executive	1,164,280	300	1,163,980
District Court	12,289,080	8,496,630	3,792,450
Economic Development	1,197,300	47,050	1,150,250
Emergency Management	3,615,390	1,395,010	2,220,380
Health Services	3,185,020	—	3,185,020
Human Resources	3,928,110	143,670	3,784,440
Juvenile	20,265,090	4,896,260	15,368,830
Medical Examiner	1,887,250	112,050	1,775,200
Miscellaneous Current Expense	6,177,483	199,782,873	(193,605,390)
Parks and Recreation Services	6,629,590	1,852,060	4,777,530
Planning and Land Services	19,782,950	14,498,840	5,284,110
Prevention Services & Programs	1,750,000	—	1,750,000
Prosecuting Attorney	25,528,280	5,153,460	20,374,820
Public Defense Conflict Office	745,930	—	745,930
Sheriff	58,436,820	22,153,780	36,283,040
Special Projects	3,248,350	379,380	2,868,970
State Auditor	175,000	—	175,000
Superior Court	14,175,510	513,710	13,661,800
WSU PC Extension	974,350	32,560	941,790
Total	\$ 286,433,323	\$ 286,433,323	\$ —

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

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

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

Revenue and Expenditure Summaries

GENERAL FUND DEPARTMENTAL PROGRAM BUDGETS				
Department/Program	2008 Budget	2007 Budget	Absolute Change	Percent Change
Assessor/Treasurer				
Administration	\$ 2,422,050	\$ 3,271,180	\$ (849,130)	(26.0) %
ULID Foreclosures	26,340	29,720	(3,380)	(11.4)
Appraisals	3,790,520	3,676,670	113,850	3.1
Geographic Services	663,380	607,630	55,750	9.2
Operation/Technology	1,483,660	1,063,240	420,420	39.5
Accounts Management	2,190,960	2,097,630	93,330	4.4
Appeals	253,340	243,040	10,300	4.2
Total Assessor/Treasurer	10,830,250	10,989,110	(158,860)	(1.4)
Assigned Counsel				
Civil Commitment	465,440	423,780	41,660	9.8
District Court Misdemeanor	1,704,800	1,585,920	118,880	7.5
City of Tacoma Municipal Court	917,820	952,850	(35,030)	(3.7)
Juvenile Court	3,453,590	3,452,570	1,020	—
City of Fife Municipal Court	97,090	92,000	5,090	5.5
Superior Court Felony	6,988,070	6,769,290	218,780	3.2
State Public Defense Funding	684,760	306,750	378,010	123.2
Total Assigned Counsel	14,311,570	13,583,160	728,410	5.4
Auditor				
Ranked Choice Voting	1,683,830	150,000	1,533,830	1,022.6
Elections	2,650,730	2,291,985	358,745	15.7
Animal Control	1,230,510	1,121,480	109,030	9.7
Voter Registration	1,454,430	1,387,990	66,440	4.8
Records Services	1,633,940	1,562,650	71,290	4.6
Licensing (Inc Animal)	1,873,620	1,767,470	106,150	6.0
HAVA Grant	20,000	62,000	(42,000)	(67.7)
Voter Pamphlet	357,980	391,509	(33,529)	(8.6)
Total Auditor	10,905,040	8,735,084	2,169,956	24.8
Bond Debt Service	418,220	697,610	(279,390)	(40.0)
Budget & Finance				
Administration	1,075,380	1,003,300	72,080	7.2
Treasury Services	1,570,230	1,473,070	97,160	6.6
Payables, Payroll & Gen Acctg	1,433,230	1,388,410	44,820	3.2
Budget & Grant Administration	504,200	468,900	35,300	7.5
Purchasing & Contract Admin	388,490	406,570	(18,080)	(4.4)
Internal Audit/Mgmt Services	417,170	416,960	210	0.1
Total Budget & Finance	5,388,700	5,157,210	231,490	4.5
Capital Improvement Projects	700,000	390,000	310,000	79.5
Clerk of the Superior Court				
Administration	1,207,020	1,217,980	(10,960)	(0.9)
Court House Facilitator	234,110	219,830	14,280	6.5
Civil Commitment	245,730	235,880	9,850	4.2
Arbitration	148,500	140,610	7,890	5.6
Legal Services	1,411,510	1,343,590	67,920	5.1
LFO Collections	268,110	255,480	12,630	4.9
Fiscal Services	453,110	434,090	19,020	4.4
Domestic Violence	302,090	288,510	13,580	4.7
Probate and Court Services	952,240	955,400	(3,160)	(0.3)
Total Clerk of the Superior Court	5,222,420	5,091,370	131,050	2.6

(Table continued on the following page)

Revenue and Expenditure Summaries

GENERAL FUND DEPARTMENTAL PROGRAM BUDGETS				
Department/Program	2008 Budget	2007 Budget	Absolute Change	Percent Change
Communications	700,210	660,670	39,540	6.0
Corrections				
Administration	1,855,440	1,691,760	163,680	9.7
Care & Custody of Prisoners	27,988,170	26,858,110	1,130,060	4.2
Medical Services	6,154,540	5,665,860	488,680	8.6
Court Transportation	3,155,170	2,426,560	728,610	30.0
Release	1,419,590	1,311,000	108,590	8.3
Food Services	2,057,810	1,930,390	127,420	6.6
Mental Health	1,531,170	808,580	722,590	89.4
Reception	1,093,380	823,010	270,370	32.9
Classification/Pretrial	1,369,940	1,280,950	88,990	6.9
Work Crew Program	93,710	88,890	4,820	5.4
Debt Service	1,837,760	2,085,570	(247,810)	(11.9)
Total Corrections	48,556,680	44,970,680	3,586,000	8.0
County Council	4,244,450	4,040,990	203,460	5.0
County Executive	1,164,280	1,130,050	34,230	3.0
District Court				
Trial Court Improve Acct	100,000	—	100,000	∞
District Court Work Crew	921,920	854,420	67,500	7.9
Probation Services	2,291,970	2,173,330	118,640	5.5
Day Reporting Center	308,060	295,720	12,340	4.2
Civil	1,406,070	1,420,930	(14,860)	(1.0)
Infraction Processing	2,088,980	1,862,590	226,390	12.2
Criminal	5,040,990	4,585,550	455,440	9.9
Satellite Courts	131,090	—	131,090	∞
Total District Court	12,289,080	11,192,540	1,096,540	9.8
Economic Development				
Administration/Planning	\$ 973,100	\$ 890,930	\$ 82,170	9.2
Comm Dev Corp Pgm	47,050	45,130	1,920	4.3
World Trade Center	40,000	30,000	10,000	33.3
Central PS Econ Dev	8,150	8,070	80	1.0
Economic Dev Board	60,000	60,000	—	—
Seattle Trade Alliance	25,000	25,000	—	—
Pierce County Reading Fndtn	44,000	—	44,000	∞
Total Economic Development	1,197,300	1,059,130	138,170	13.0
Emergency Management				
Fire Inspection Program	242,820	215,360	27,460	12.8
Fire Prevention & Invest	1,690,210	1,585,620	104,590	6.6
Emergency Management/Admin	1,221,250	1,162,710	58,540	5.0
Emergency Medical Services	269,400	233,650	35,750	15.3
Training Program	191,710	191,290	420	0.2
Total Emergency Management	3,615,390	3,388,630	226,760	6.7
Health Services	3,185,020	3,053,020	132,000	4.3
Human Resources				
Administration	678,500	589,800	88,700	15.0
Employee Incentive/Recog Pgm	24,350	23,440	910	3.9
Organizational Development	653,710	635,760	17,950	2.8
Support Services	575,700	524,700	51,000	9.7
Employment & Compensation	917,550	790,170	127,380	16.1
Labor Relations	580,940	542,820	38,120	7.0
Civil Service	497,360	475,790	21,570	4.5
Total Human Resources	3,928,110	3,582,480	345,630	9.6

(Table continued on the following page)

Revenue and Expenditure Summaries

GENERAL FUND DEPARTMENTAL PROGRAM BUDGETS

Department/Program	2008 Budget	2007 Budget	Absolute Change	Percent Change
Juvenile				
Administration	\$ 1,802,600	\$ 1,666,490	\$ 136,110	8.2
Volunteer Services	137,670	130,960	6,710	5.1
Case Supervision	6,495,760	6,001,147	494,613	8.2
Residential Care & Custody	6,302,360	6,121,020	181,340	3.0
Alternative Detention Svcs Pgm	897,360	1,021,330	(123,970)	(12.1)
Facilities Maintenance	1,498,570	1,551,860	(53,290)	(3.4)
Family Court	178,920	164,580	14,340	8.7
Juvenile Court Services	2,723,270	2,581,350	141,920	5.5
Family Dependency Drug Court	228,580	220,000	8,580	3.9
Total Juvenile	20,265,090	19,458,737	806,353	4.1
Medical Examiner				
Administration	517,270	503,160	14,110	2.8
Coroner Services	713,020	687,570	25,450	3.7
Inquests & Investigations	656,960	629,920	27,040	4.3
Total Medical Examiner	1,887,250	1,820,650	66,600	3.7
Miscellaneous Current Expense				
Parks and Recreation Svcs.				
Administration	1,830,590	1,766,410	64,180	3.6
Recreation Svcs.	1,116,710	1,054,210	62,500	5.9
Community Centers	385,120	289,740	95,380	32.9
Parks Maintenance	3,297,170	3,169,740	127,430	4.0
Total Parks and Recreation Svcs.	6,629,590	6,280,100	349,490	5.6
Planning and Land Services				
Development Process	17,099,790	16,406,349	693,441	4.2
Advance Planning	1,797,860	2,074,720	(276,860)	(13.3)
Code Enforcement	885,300	852,610	32,690	3.8
Total Planning and Land Services	19,782,950	19,333,679	449,271	2.3
Prevention Services & Programs	1,750,000	1,839,660	(89,660)	(4.9)
Prosecuting Attorney				
Administration	1,008,410	954,970	53,440	5.6
Child Support	3,779,480	3,592,970	186,510	5.2
Civil Commitment	219,160	201,080	18,080	9.0
Felony	12,329,770	11,694,006	635,764	5.4
Misdemeanor	2,702,760	2,523,260	179,500	7.1
Juvenile	1,878,310	1,791,390	86,920	4.9
Civil	3,350,040	3,243,540	106,500	3.3
El Cid	260,350	251,230	9,120	3.6
Total Prosecuting Attorney	25,528,280	24,252,446	1,275,834	5.3
Public Defense Conflict Office	745,930	628,630	117,300	18.7
Sheriff				
Administration	5,113,430	4,633,200	480,230	10.4
Civil Unit & Court Security	1,810,410	1,723,230	87,180	5.1
Investigation	10,567,930	10,384,470	183,460	1.8
Patrol	29,391,580	26,609,310	2,782,270	10.5
Training	929,280	891,650	37,630	4.2
Traffic Policing	2,680,170	2,728,670	(48,500)	(1.8)
Property Room	1,449,020	1,240,430	208,590	16.8
Communications/LESA	6,495,000	5,873,210	621,790	10.6
Total Sheriff	58,436,820	54,084,170	4,352,650	8.0

(Table continued on the following page)

Revenue and Expenditure Summaries

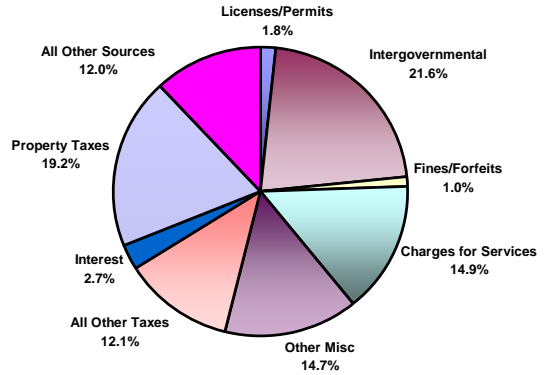
GENERAL FUND DEPARTMENTAL PROGRAM BUDGETS				
Department/Program	2008 Budget	2007 Budget	Absolute Change	Percent Change
Special Projects				
Firearms Advisory Commission	\$ 22,590	\$ 20,000	\$ 2,590	12.9
Grant Writer	—	30,000	(30,000)	(100.0)
Historical Document Maint	699,930	300,000	399,930	133.3
Habitat Protection/Restoration	511,090	504,690	6,400	1.3
Government Relations	419,890	402,680	17,210	4.3
Performance Audit	526,830	506,650	20,180	4.0
Board of Equalization	220,920	191,830	29,090	15.2
Property Management Services	192,210	179,390	12,820	7.1
Law & Justice Commission	37,070	2,000	35,070	1,753.5
Drinking Water Supply Program	124,460	112,060	12,400	11.1
Hearing Examiner	271,120	246,060	25,060	10.2
Ombudsman Program	87,240	83,360	3,880	4.7
Community Contracts Admin	50,000	44,670	5,330	11.9
Marriage Lic Family Services	85,000	85,000	—	—
Total Special Projects	3,248,350	2,708,390	539,960	19.9
State Auditor	175,000	180,970	(5,970)	(3.3)
Superior Court				
Administration	3,251,140	2,984,460	266,680	8.9
Breaking the Cycle Program	—	180,000	(180,000)	(100.0)
Civil	3,203,900	2,920,550	283,350	9.7
Criminal	3,271,670	3,193,100	78,570	2.5
Civil Commitment	176,610	171,580	5,030	2.9
Drug Court	778,160	761,560	16,600	2.2
Juvenile	717,790	672,700	45,090	6.7
Protem Pgm - Superior Court	161,360	131,020	30,340	23.2
Trial Court Improve Acct	100,000	—	100,000	∞
Interpreter Program	403,530	327,820	75,710	23.1
Jury Management Program	1,536,350	1,168,180	368,170	31.5
Prometa Pilot Project	575,000	400,000	175,000	43.8
Total Superior Court	14,175,510	12,910,970	1,264,540	9.8
WSU PC Extension				
Administration	256,430	243,090	13,340	5.5
Farm Program/Farm Board	179,180	178,760	420	0.2
Comm Training & Publication	32,560	32,500	60	0.2
4-H Youth	183,550	173,330	10,220	5.9
Agriculture/Master Gardener	114,960	106,800	8,160	7.6
Family Living	207,670	202,290	5,380	2.7
Total Wsu PC Extension	974,350	936,770	37,580	4.0
Total General Fund	\$ 286,433,323	\$ 267,506,211	\$ 18,927,112	7.1 %

Total Pierce County Revenue & Expenditure Overview

Total revenues and expenditures projected for all 2008 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 3.7% less the 2007 level.

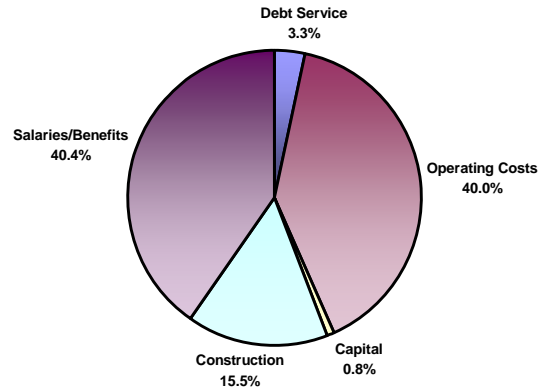
2008 Total County Revenues Summarized by Source

Over 21% of the County's funding comes from Intergovernmental Revenues. Property and Other Taxes equals just over 31% of the total revenues. Service Charges, Licenses/Permits, and Fines/Forfeits provide just under 18%. The 12% in All Other Sources category is primarily made up of the use of prior fund balance. The 15% for Other Miscellaneous includes the sale of fixed assets and transfers from operating funds to construction and debt service funds for those purposes. Interest revenues are just under 3%. The revenues for Internal Service Funds have been excluded from the totals used to calculate the percentages shown on the pie chart.



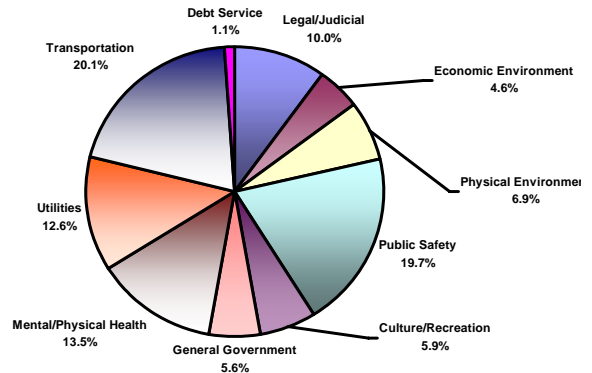
2008 Total County Expenditures Summarized by Object Classification

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



2008 Total County Expenditures Summarized by Function

The Public Safety and Legal/Judicial Services combined accounts for just roughly 30% of the total County expenditures, with the Mental and Physical Health system absorbing roughly 14%. Just under 40% of the total expenditures is invested in the support of Transportation, Utilities, and the Physical Environment and just under 6% is related to Culture and Recreation. Just under 5% is expended for Economic Environment activity and almost 7% supports general government functions and debt service. The revenues for Internal Service Funds have been excluded from the totals used to calculate the percentages shown on the pie chart.



Revenue and Expenditure Summaries

ALL FUNDS COMPARISON OF 2008 REVENUES AND EXPENDITURES

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

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

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

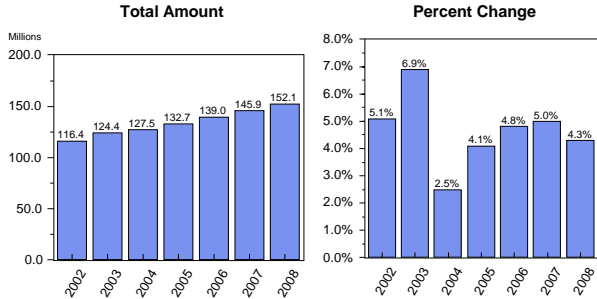
2008 Budget for Pierce County is \$798,878,992 (total budget of \$863,155,082 less Internal Service Funds of \$70,805,400 plus \$100 in Intergovernmental Revenue from non-county sources and \$6,529,250 in Internal Service Funds use of fund balance).

The Governmental Accounting Standards Board (GASB) defines a Major Fund as one which is at least 10% of the fund type group and 5% of the total for all funds. The Major Funds as reported in our 2006 CAFR were the General Fund, Human Services Fund, County Road Fund, Sewer Utility and the Chambers Bay Golf Course. It is expected that these will be the same for fiscal years 2007 and 2008 (except Chambers Bay Golf Course). The General Fund is discussed in significant detail throughout this document. The other funds are described and discussed in their respective individual budget sections.

Historical Review of Countywide Revenues

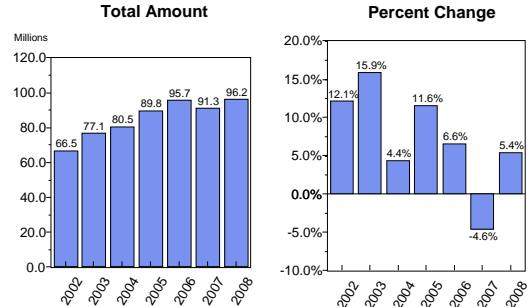
The following graphs and narrative present the historical changes in the Countywide Revenue sources. The 2002 - 2006 figures are actuals, and the 2007 and 2008 figures are as budgeted. Internal Service Fund Revenues are not included in this analysis.

Property Taxes, 2002–2008
Total Revenues



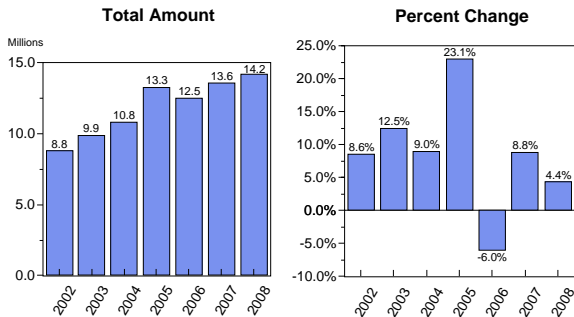
Property Tax revenues are projected to increase by 4.3% in 2008. This is based upon 3.3% growth in new construction, and the remaining growth generated from existing property at the 1% limit. The increase have been stable (in the 4.0% to 5.0% range) during this period, except for 2003/2004 which were impacted by a one time major tax appeal settlement.

Sales and Other Taxes, 2002–2008
Total Revenues



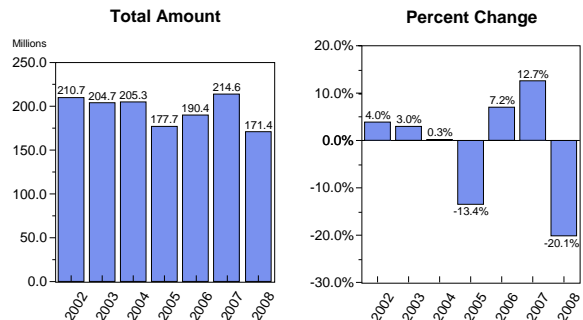
We are budgeting a 5.4% increase in Sales Taxes, Gambling Taxes, and Real Estate Excise Taxes. Sales Taxes fluctuate with economic conditions. The large increases in 2002 and 2003 are primarily due to the implementation of the 2nd Real Estate Excise Tax (REET).

Licenses and Permits, 2002–2008
Total Revenues



Licenses and Permits revenues are heavily impacted by economic conditions, fee increases, and the impact/timing of major projects (2005).

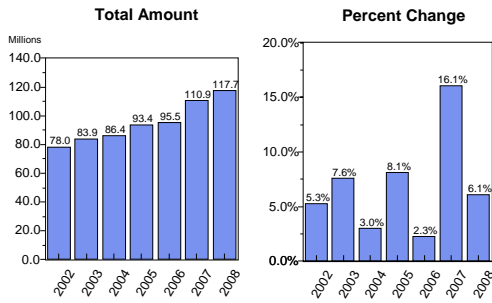
Intergovernmental, 2002–2008
Total Revenues



These revenues fluctuate greatly from year to year depending on grant funded activities. The 2005 reduction reflects the loss of the City of Lakewood contract for Sheriff services, while the 2008 reduction is due to the County no longer receiving State funding for mental health services provided by “outside agencies”.

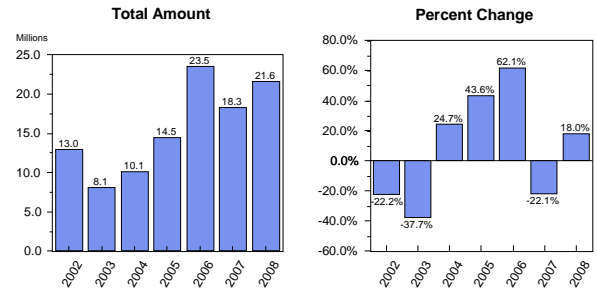
Revenue and Expenditure Summaries

Charges for Services, 2002–2008 Total Revenues



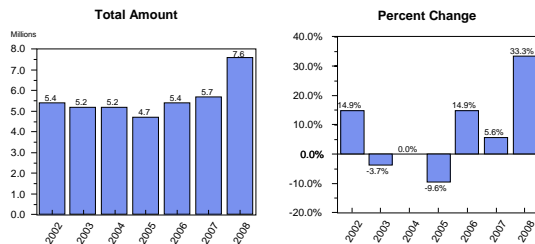
Growth in most years is due to activity levels and Council enacted fee increases, or service contract charges.

Interest, 2002–2008 Total Revenues



Interest Revenues are greatly impacted by rate changes and the level of available cash balances. Interest rate decreases are the cause for the decline 2002 and 2003. Recent rate increases account for the upswing beginning in 2004. The 2007 and 2008 changes simply reflect an under budgeting of likely interest revenues in 2007.

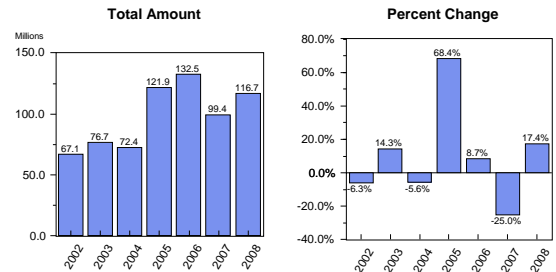
Fines and Forfeitures, 2002–2008 Total Revenues



Fines and Forfeits increase or decrease based upon:

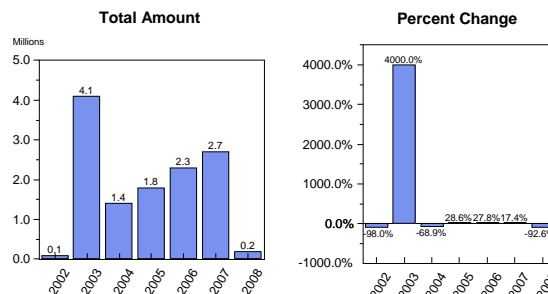
- The number of officers assigned to traffic policing, changes in state fine amounts, and;
- the use of collection agencies for delinquent accounts (recent), and;
- the new Narrows Bridge toll infractions (2008).

Other Miscellaneous, 2002–2008 Total Revenues



The major increases in 2003, 2005 and 2008 reflects financing of park improvements, new transportation facilities, conservation futures property purchases, and storm water and system capital improvements.

Other Financing Sources, 2002–2008 Total Revenues



Through 2001, Other Financing Sources included equity transfers between funds. With the GASB 34 accounting change implemented in 2002, all transfers are now recorded under Other Miscellaneous. The main items remaining in Other Financing Sources are potential interfund loans or advances, and sewer assessments receivable applied against debt service on sewer revenue bonds. These items will vary considerably from year to year. The 2006 and 2007 budgets reflect advances for: the Water Utility, a new Emergency Operations Center, enhanced Transportation Facilities, and a new golf course and parks at the Chambers Creek properties. The level of such revenues/loans will decrease significantly in 2008.

Revenue and Expenditure Summaries

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

Revenue and Expenditure Summaries

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

Revenue and Expenditure Summaries

TOTAL ESTIMATED REVENUES AND OTHER FUNDING SOURCES						
	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	Absolute Change	Percent Change
General Fund						
Taxes	\$ 158,756,348	\$ 165,251,630	\$ 166,251,630	\$ 174,842,120	\$ 9,590,490	5.8 %
Licenses and Permits	8,557,258	9,676,760	8,873,595	9,903,550	226,790	2.3
Intergovernmental Revenue	28,818,209	30,973,883	30,779,374	32,084,640	1,110,757	3.6
Charges for Services	33,854,987	36,501,853	35,763,200	37,107,060	605,207	1.7
Fines and Forfeitures	5,417,964	5,664,490	6,399,776	7,599,340	1,934,850	34.2
Other Miscellaneous Revenue	18,693,186	18,683,090	20,532,583	21,167,030	2,483,940	13.3
Subtotal	254,097,952	266,751,706	268,600,158	282,703,740	15,952,034	6.0
Use of Fund Balance	—	754,505	—	3,729,583	2,975,078	394.3
Total General Fund	254,097,952	267,506,211	268,600,158	286,433,323	18,927,112	7.1
Special Revenue Funds						
Taxes	66,298,320	65,737,340	66,209,010	68,029,820	2,292,480	3.5
Licenses and Permits	96,926	79,500	79,500	97,000	17,500	22.0
Intergovernmental Revenue	121,080,159	131,991,437	135,636,698	103,061,460	(28,929,977)	(21.9)
Charges for Services	20,171,769	29,642,000	26,545,440	29,568,410	(73,590)	(0.2)
Fines and Forfeitures	22,593	10,000	20,000	25,000	15,000	150.0
Other Miscellaneous Revenue	35,913,585	15,997,070	11,900,938	21,723,790	5,726,720	35.8
Subtotal	243,583,352	243,457,347	240,391,586	222,505,480	(20,951,867)	(8.6)
Use of Fund Balance	—	42,445,770	—	44,935,000	2,489,230	5.9
Other Financing Sources	(1)	—	—	—	—	—
Subtotal	(1)	42,445,770	—	44,935,000	2,489,230	5.9
Total Special Revenue Funds	243,583,351	285,903,117	240,391,586	267,440,480	(18,462,637)	(6.5)
Debt Service Funds						
Other Miscellaneous Revenue	6,728,369	8,831,510	8,831,510	8,593,780	(237,730)	(2.7)
Use of Fund Balance	—	350,000	—	300,000	(50,000)	(14.3)
Total Debt Service Funds	6,728,369	9,181,510	8,831,510	8,893,780	(287,730)	(3.1)
Capital Funds						
Taxes	9,274,094	6,000,000	5,200,000	5,200,000	(800,000)	(13.3)
Intergovernmental Revenue	10,764,561	17,328,040	17,002,340	10,124,710	(7,203,330)	(41.6)
Charges for Services	1,911,757	34,910	1,306,630	21,000	(13,910)	(39.8)
Other Miscellaneous Revenue	65,368,441	36,686,330	38,093,008	44,107,500	7,421,170	20.2
Subtotal	87,318,853	60,049,280	61,601,978	59,453,210	(596,070)	(1.0)
Use of Fund Balance	—	45,249,760	—	20,754,230	(24,495,530)	(54.1)
Other Financing Sources	—	9,794,850	8,747,467	—	(9,794,850)	(100.0)
Subtotal	—	55,044,610	8,747,467	20,754,230	(34,290,380)	(62.3)
Total Capital Funds	\$ 87,318,853	\$ 115,093,890	\$ 70,349,445	\$ 80,207,440	\$ (34,886,450)	(30.3) %

Revenue and Expenditure Summaries

TOTAL ESTIMATED REVENUES AND OTHER FUNDING SOURCES						
	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	Absolute Change	Percent Change
Enterprise Funds						
Taxes	\$ 293,135	\$ 210,000	\$ 218,503	\$ 215,000	\$ 5,000	2.4 %
Intergovernmental Revenue	4,334,191	3,841,040	4,459,780	3,823,080	(17,960)	(0.5)
Charges for Services	34,361,204	38,648,330	42,555,740	45,237,850	6,589,520	17.0
Other Miscellaneous Revenue	25,559,827	36,795,210	33,000,157	40,655,430	3,860,220	10.5
Subtotal	64,548,357	79,494,580	80,234,180	89,931,360	10,436,780	13.1
Use of Fund Balance	—	31,059,430	—	22,061,170	(8,998,260)	(29.0)
Other Financing Sources	2,270,737	2,687,900	2,718,480	188,940	(2,498,960)	(93.0)
Subtotal	2,270,737	33,747,330	2,718,480	22,250,110	(11,497,220)	(34.1)
Total Enterprise Funds	66,819,094	113,241,910	82,952,660	112,181,470	(1,060,440)	(0.9)
Internal Service Funds						
Intergovernmental Revenue	46,607	100	100	100	—	—
Charges for Services	24,408,782	27,038,580	27,460,810	28,706,270	1,667,690	6.2
Other Miscellaneous Revenue	31,259,789	32,928,020	33,453,483	35,569,780	2,641,760	8.0
Subtotal	55,715,178	59,966,700	60,914,393	64,276,150	4,309,450	7.2
Use of Fund Balance	—	10,229,600	—	6,529,250	(3,700,350)	(36.2)
Total Internal Service Funds	55,715,178	70,196,300	60,914,393	70,805,400	609,100	0.9
T/Pc Hlth Dept						
Licenses and Permits	3,880,999	3,837,088	3,837,088	4,229,869	392,781	10.2
Intergovernmental Revenue	25,419,485	20,719,021	20,719,021	22,380,803	1,661,782	8.0
Charges for Services	5,185,666	6,056,692	6,056,692	5,814,783	(241,909)	(4.0)
Other Miscellaneous Revenue	3,751,043	671,935	671,935	2,110,494	1,438,559	214.1
Subtotal	38,237,193	31,284,736	31,284,736	34,535,949	3,251,213	10.4
Use of Fund Balance	2,297,603	3,546,337	3,546,337	2,657,240	(889,097)	(25.1)
Total T/Pc Hlth Dept	40,534,796	34,831,073	34,831,073	37,193,189	2,362,116	6.8
Grand Total	\$ 754,797,593	\$ 895,954,011	\$ 766,870,825	\$ 863,155,082	\$ (32,798,929)	(3.7) %

Revenue and Expenditure Summaries

TOTAL EXPENDITURES/EXPENSES

	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	Absolute Change	Percent Change
General Fund						
Assessor/Treasurer	\$ 10,425,887	\$ 10,989,110	\$ 10,979,190	\$ 10,830,250	\$ (158,860)	(1.4) %
Assigned Counsel	12,992,268	13,583,160	13,581,250	14,311,570	728,410	5.4
Auditor	8,145,188	8,735,084	8,629,376	10,905,040	2,169,956	24.8
Bond Debt Service	1,363,741	697,610	697,610	418,220	(279,390)	(40.0)
Budget & Finance	4,749,778	5,157,210	5,152,660	5,388,700	231,490	4.5
Capital Improvement Projects	4,649,898	390,000	360,000	700,000	310,000	79.5
Clerk	4,584,317	5,091,370	5,036,663	5,222,420	131,050	2.6
Communications	590,574	660,670	660,670	700,210	39,540	6.0
Corrections	41,811,407	44,970,680	47,002,331	48,556,680	3,586,000	8.0
County Council	3,566,031	4,040,990	4,040,990	4,244,450	203,460	5.0
County Executive	1,029,606	1,130,050	1,129,880	1,164,280	34,230	3.0
District Court	7,399,053	11,192,540	11,192,540	12,289,080	1,096,540	9.8
District Court Probation	2,658,345	—	—	—	—	—
Economic Development	966,196	1,059,130	1,059,170	1,197,300	138,170	13.0
Emergency Management	3,312,747	3,388,630	3,350,720	3,615,390	226,760	6.7
Health Services	3,041,020	3,053,020	3,053,020	3,185,020	132,000	4.3
Human Resources	3,250,201	3,582,480	3,582,480	3,928,110	345,630	9.6
Juvenile	17,182,425	19,458,737	19,411,578	20,265,090	806,353	4.1
Medical Examiner	1,615,635	1,820,650	1,840,372	1,887,250	66,600	3.7
Miscellaneous Current Expense	5,148,323	5,349,305	5,349,305	6,177,483	828,178	15.5
Parks and Recreation Services	5,963,136	6,280,100	6,388,370	6,629,590	349,490	5.6
Planning and Land Services	16,257,370	19,333,679	18,801,798	19,782,950	449,271	2.3
Prevention Services & Programs	1,421,015	1,839,660	1,839,660	1,750,000	(89,660)	(4.9)
Prosecuting Attorney	22,525,621	24,252,446	24,252,446	25,528,280	1,275,834	5.3
Public Defense Conflict Office	207,398	628,630	630,330	745,930	117,300	18.7
Sheriff	50,355,264	54,084,170	54,056,170	58,436,820	4,352,650	8.0
Special Projects	2,209,972	2,708,390	2,670,900	3,248,350	539,960	19.9
State Auditor	137,581	180,970	180,970	175,000	(5,970)	(3.3)
Superior Court	12,186,372	12,910,970	13,119,393	14,175,510	1,264,540	9.8
WSU PC Extension	603,532	936,770	936,770	974,350	37,580	4.0
Total General Fund	250,349,901	267,506,211	268,986,612	286,433,323	18,927,112	7.1
Special Revenue Funds						
Antiprofitteering Revolving Fnd	5,601	—	170	—	—	—
Arts and Cultural Services Fd	189,664	269,260	249,260	201,870	(67,390)	(25.0)
Auditor's Maint & Oper Fund	746,492	1,577,540	722,010	1,493,790	(83,750)	(5.3)
Community Action Fund	6,851,021	6,780,010	6,780,010	6,805,570	25,560	0.4
Community Development Fund	3,282,580	5,888,990	5,480,853	3,208,840	(2,680,150)	(45.5)
Conservation Futures Fund	23,252,523	3,527,740	2,041,230	10,247,910	6,720,170	190.5
County Road Fund	54,981,073	70,409,560	66,975,037	68,505,300	(1,904,260)	(2.7)
Criminal Justice Fund	732,909	1,212,540	1,136,360	1,400,560	188,020	15.5
Detention Center Commissary Fd	682,409	734,810	834,296	977,470	242,660	33.0
Dispute Resolution Center Fund	171,530	158,000	135,000	135,500	(22,500)	(14.2)
Drug Investigation Fund	710,919	1,355,100	1,350,078	1,533,290	178,190	13.1
Emergency Managemt Grants Fd	3,437,185	5,628,650	4,908,430	3,902,250	(1,726,400)	(30.7)
Employee Assistance Program Fd	58,843	69,580	69,580	74,000	4,420	6.4
Endangered Species Act Fund	217,627	204,920	204,920	156,710	(48,210)	(23.5)
Federal Forest Services Fund	140,560	120,270	120,270	168,220	47,950	39.9
GIS Fund	2,916,506	3,652,190	3,517,100	4,286,870	634,680	17.4
Homeless Housing Program Fund	213,488	1,532,920	1,532,920	1,737,010	204,090	13.3
Housing Repair Programs Fund	6,936,624	8,474,230	8,474,228	6,676,980	(1,797,250)	(21.2)
HS - Mental Health Fund	—	—	—	19,952,920	19,952,920	—
Human Services Fund	76,516,769	89,171,690	89,171,690	37,473,290	(51,698,400)	(58.0)
Judson Family Justice Ctr Fd	1,032,984	1,508,607	1,508,602	1,734,570	225,963	15.0
Low Income Housing Fee Fund	833,495	4,179,760	4,179,760	2,500,300	(1,679,460)	(40.2)
Marine Services Fund	104,143	190,960	190,960	137,180	(53,780)	(28.2)
Parks Impact Fee Fund	40,349	3,992,600	2,627,310	3,384,200	(608,400)	(15.2)
Parks Sales Tax Fund	2,155,049	5,271,400	4,544,250	5,781,510	510,110	9.7

Revenue and Expenditure Summaries

TOTAL EXPENDITURES/EXPENSES						
	2006 Actual	2007 Budget	2007 Estimate	2008 Budget	Absolute Change	Percent Change
Paths and Trails Fund	1,348,257	4,654,790	2,904,230	8,391,520	3,736,730	80.3
Pierce County Fair Fund	171,094	181,520	181,520	181,570	50	—
Puget Sound Behavioral Hlth Fd	4,766,091	—	—	—	—	—
Rainier Communicatn Commission Fd	1,016,853	1,255,800	1,230,080	1,335,470	79,670	6.3
REET Electronic Technology Fd	—	211,700	1,700	300,000	88,300	41.7
REET River Improvement Fund	5,570,753	4,108,470	4,099,500	9,631,140	5,522,670	134.4
Second REET Parks Fund	680,530	3,903,420	3,748,490	4,814,740	911,320	23.3
Second REET Roads Fund	5,171,820	14,046,090	13,867,930	18,775,810	4,729,720	33.7
Surface Water Management Fund	19,318,505	26,265,850	19,709,593	27,751,940	1,486,090	5.7
Tourism, Promotion, Facilities	521,310	1,019,570	619,570	647,310	(372,260)	(36.5)
Traffic Impact Fee Fund	—	8,000,000	6,251,000	6,000,000	(2,000,000)	(25.0)
Veterans Relief Fund	557,841	826,310	825,760	914,410	88,100	10.7
911 System Fund	4,766,845	5,518,270	5,417,230	6,220,460	702,190	12.7
Total Special Revenue Funds	\$ 230,100,242	\$ 285,903,117	\$ 265,610,927	\$ 267,440,480	\$ (18,462,637)	(6.5) %
Limited GO Bond Redemption Fd						
Limited GO Bond Redemption Fd	6,487,920	9,181,510	9,181,510	8,893,780	(287,730)	(3.1)
Total Limited GO Bond Redemption Fd	6,487,920	9,181,510	9,181,510	8,893,780	(287,730)	(3.1)
Capital Projects Fund						
Human Services Construction Fd	513,020	2,865,810	2,743,830	161,210	(2,704,600)	(94.4)
Parks Bond A Const Fund	11,519,036	—	—	—	—	—
Parks Construction Fund	1,108,967	7,850,580	6,704,350	5,209,860	(2,640,720)	(33.6)
Permanent Jail Construction Fd	1,421,630	1,423,260	1,318,520	3,407,890	1,984,630	139.4
Public Works Construction Fund	30,723,307	43,461,000	43,461,000	51,662,000	8,201,000	18.9
REET Capital Improvement Fund	8,180,325	16,888,970	16,888,970	7,656,570	(9,232,400)	(54.7)
Transportation Facilities Fund	9,949,326	25,873,790	23,901,792	9,352,760	(16,521,030)	(63.9)
1% For Arts Construction Fd	126,663	653,350	252,080	613,840	(39,510)	(6.0)
2501 Corporate Express Building Fd	1,602,019	16,077,130	14,077,130	2,143,310	(13,933,820)	(86.7)
Total Capital Projects Fund	65,144,293	115,093,890	109,347,672	80,207,440	(34,886,450)	(30.3)
Enterprise Funds						
Airport Fund	1,125,098	2,457,780	2,406,858	955,720	(1,502,060)	(61.1)
Chambers Bay Golf Course Fund	14,488,620	7,456,640	7,032,470	5,176,160	(2,280,480)	(30.6)
Ferry Services Fund	13,418,816	3,957,020	3,379,082	4,006,880	49,860	1.3
Golf Courses Fund	1,888,875	2,150,000	2,044,153	2,326,460	176,460	8.2
Sewer Bond Funds	3,267,593	5,615,240	5,615,240	5,485,060	(130,180)	(2.3)
Sewer Facil Restrict Reserve Fd	2,083,530	13,561,000	8,947,130	14,499,240	938,240	6.9
Sewer Utility Const Funds	10,740,235	23,636,500	20,289,380	29,938,630	6,302,130	26.7
Sewer Utility Fund	39,792,739	48,611,360	42,081,260	43,467,470	(5,143,890)	(10.6)
Solid Waste Management Fund	3,778,708	5,483,470	4,718,580	6,136,910	653,440	11.9
Water Utility Fund	294,237	312,900	312,900	188,940	(123,960)	(39.6)
Total Enterprise Funds	90,878,451	113,241,910	96,827,053	112,181,470	(1,060,440)	(0.9)
Intragovernmental Service Fund						
Equipment Services Division Fd	10,557,392	18,748,500	18,247,984	15,324,050	(3,424,450)	(18.3)
Facilities Management Fund	10,276,382	11,435,330	11,431,800	12,790,960	1,355,630	11.9
Fleet Rental Fund	3,857,201	4,040,170	3,818,345	4,893,640	853,470	21.1
General Services Fund	3,049,624	3,263,620	3,139,550	3,377,520	113,900	3.5
Information Technology Fund	16,613,858	18,732,200	18,696,920	19,614,040	881,840	4.7
Radio Communications Fund	2,023,938	2,405,970	2,345,870	2,514,360	108,390	4.5
Self Insurance Fund	4,220,951	8,449,390	8,113,720	8,705,890	256,500	3.0
Workers Compensation Fund	3,601,444	3,121,120	3,542,260	3,584,940	463,820	14.9
Total Intragovernmental Service Fund	54,200,790	70,196,300	69,336,449	70,805,400	609,100	0.9
Health Department	40,534,796	34,831,073	34,831,073	37,193,189	2,362,116	6.8
Grand Total	\$ 737,696,393	\$ 895,954,011	\$ 854,121,296	\$ 863,155,082	\$ (32,798,929)	(3.7) %