

# 2010 Preliminary Budget



# 2009 Budget Issues

- New construction slowed by 35%
- Sales Tax revenues dropped by 9%
- No increase from destination-based sourcing
- Real Estate Excise Tax revenue dropped by 50%
- Recession magnified structural deficit
- Good News: General Fund beginning balance higher than projected

# Steps Taken in 2009

- Enacted Treatment Sales Tax
- Reorganized Board-managed departments
- Reduced General Fund expenditures by \$7 million
- Transferred \$1.5 million from General Fund to development services

# Steps Taken in 2009

- Cut County workforce by 97.76 FTEs
- Loaned \$6 million from Detention Sales Tax to General Fund
- Doubled diversion of road funds to General Fund
- Voluntary benefit contributions and leave without pay

# 2010 Budget Challenges

- New construction slowed by another 30%
- No growth in Sales Tax revenues
- Reduction in solid waste tonnage
- Implications of Initiative-1033
- Loan repayment to the Detention Sales Tax fund due April 30, 2010
- Consumer Price Index below zero

# Steps to Take in 2010

- Annualizes 2009 mid-year reduction for 2010
- Sets General Fund expenditure targets
- Establishes building maintenance reserve
- Proposes full cost recovery of services provided by the General Fund
- Transfers risk management funds to support General Fund

# Steps to Take in 2010

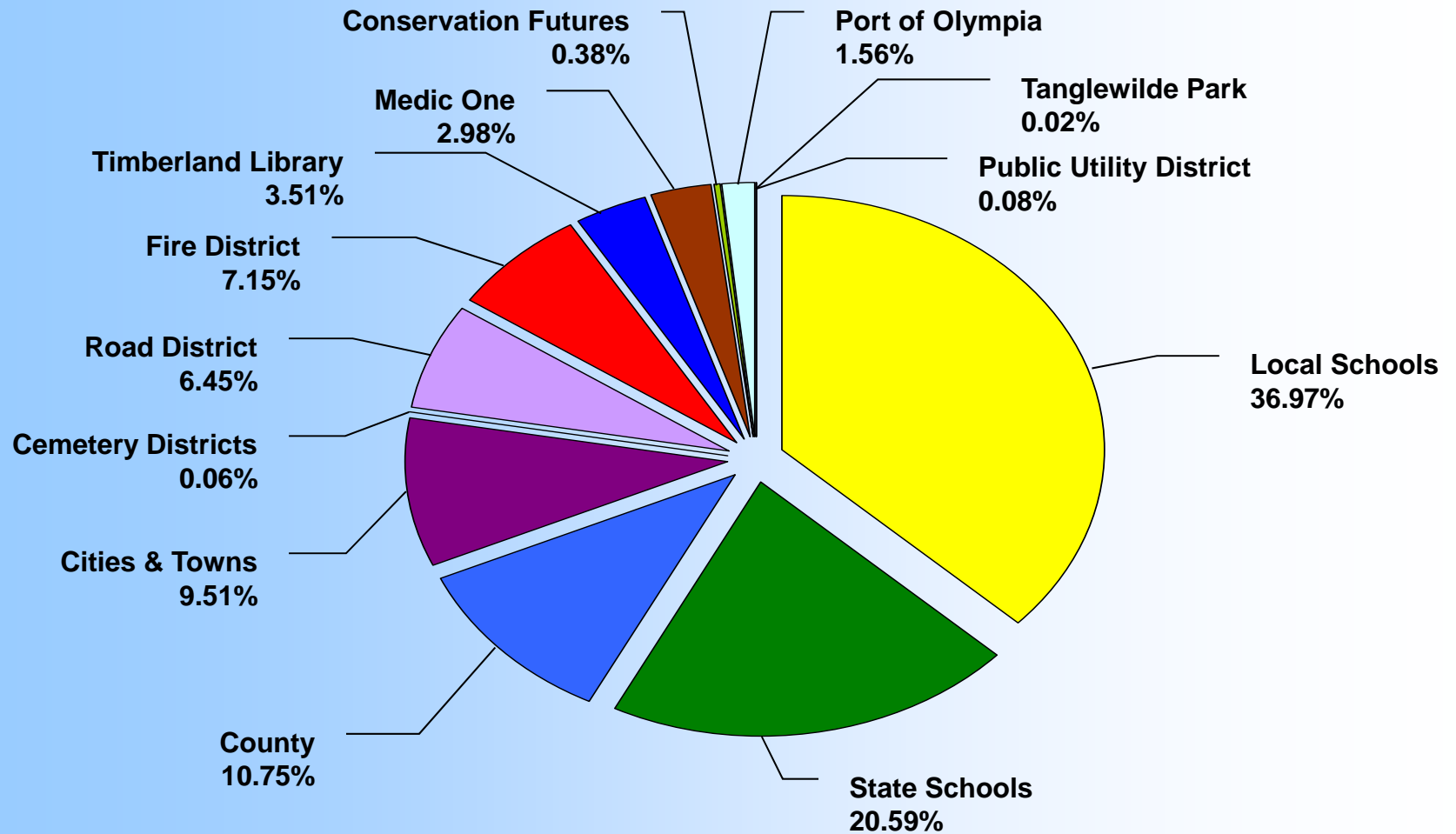
- County workforce reduced by 58.29 FTEs
- Proposes increases in utility and permitting fees and charges
- Resolve Sheriff's Office budget target
- Good News: Rebuilds General Fund ending balance by 25%

# County Budget is Complex

- 78 separate funds
- 23 distinct departments and offices
  - 11 offices headed by independently elected officials
  - 2 lead by independent governing boards
  - 10 under the direction of County Manager on behalf of the Board
- \$317,104,585 combined fund budget



# Distribution of Property Tax



# Comparison of 2010 Estimated Revenue to Proposed Expenditures, by Fund Type

Type of Fund	Revenue	Expenditures
General Fund	\$ 75,705,666	\$ 73,939,826
Special Revenue Funds	\$ 114,711,666	\$ 131,516,649
Debt & Bond Funds	\$ 17,895,393	\$ 17,208,044
Capital Funds	\$ 26,850,328	\$ 29,724,229
Enterprise Funds	\$ 37,726,806	\$ 38,448,688
Internal Services Funds	\$ 23,698,438	\$ 26,267,149
<b>TOTAL, All Funds</b>	<b>\$ 296,588,297</b>	<b>\$317,104,585</b>

# Summary of Expenditures by Fund Type

Type of Fund	2009	2010	Change
General Fund	\$ 75,603,050	\$ 73,939,826	-2.2%
Special Revenue Funds	\$136,584,817	\$131,516,649	-3.7%
Debt & Bond Funds	\$ 53,780,550	\$ 17,208,044	-68.0%
Capital Funds	\$ 45,576,286	\$ 29,724,229	-34.8%
Enterprise Funds	\$ 37,518,726	\$ 38,448,688	2.5%
Internal Services Funds	\$ 35,727,633	\$ 26,267,149	-26.5%
<b>TOTAL, All Funds</b>	<b>\$384,791,062</b>	<b>\$317,104,585</b>	<b>-17.6%</b>

# General Fund Workforce Trends

	1993	2008	15 yr Diff.	2009	2010	2009 to 2010 Diff.
Sheriff	160.00	115.25		109.00	103.50	
Sheriff - Corrections	incl ^	111.00		103.00	100.00	
Prosecuting Attorney	46.64	66.45		63.95	60.75	
Juvenile Court/Probation	36.00	59.00		61.00	61.00	
Superior Court	25.03	41.55		41.65	40.65	
Clerk	26.00	39.00		32.00	32.00	
District Court	25.00	33.00		24.50	24.50	
Assigned Counsel	4.60	17.00		19.00	18.00	
Coroner	5.00	6.00		6.00	6.00	
Civil Service	1.08	1.00		1.00	1.00	
<b>Law &amp; Justice Total FTEs</b>	<b>329.35</b>	<b>489.25</b>	<b>159.90</b>	<b>461.10</b>	<b>447.40</b>	<b>(13.70)</b>
Auditor	33.00	41.00		39.50	38.50	
Assessor	38.00	37.00		29.25	28.25	
Human Resources	10.53	12.60		10.90	11.00	
Treasurer	13.00	11.90		9.89	8.90	
Commissioners	13.17	11.00		13.00	13.00	
Program & Budget Development	13.07	6.55		--	--	
WSU Extension	3.50	2.50		1.50	1.55	
Non-Departmental	2.50	--		--	--	
Planning Department	--	--		6.00	7.00	
<b>General Government Total FTEs</b>	<b>126.77</b>	<b>122.55</b>	<b>(4.22)</b>	<b>110.04</b>	<b>108.20</b>	<b>(1.84)</b>
<b>General Fund Workforce</b>	<b>456.12</b>	<b>611.80</b>	<b>155.68</b>	<b>571.14</b>	<b>555.60</b>	<b>(15.54)</b>

# Tough Choices Still Ahead

- Cuts made in 2009 simplify 2010 choices
- Revenues remain flat despite a growing population base
- First quarter cash flow in the General Fund remains a problem
- Other non-General Fund revenues also affected significantly
- Structural deficit will remain even as economy improves
- 2012 suggest systemic reductions will be necessary at that time

# Budget Discussion and Deliberations Schedule

Oct. 27	Presentation of 2010 Preliminary Budget
Oct. 28 – Nov. 5	Board Review of 2010 Preliminary Budget
Nov. 12 - 13	Department Presentations
Dec. 7	Public Hearing, 5:30 p.m., Rm 280
Dec. 9 – 11	Formal Budget Deliberations
Dec. 18	Board Adopts 2010 Final Budget, 10 a.m., Rm 280

# For More Information or To Comment

- Attend Public Hearing, December 7, 2009,  
5:30 p.m., Rm 280
- In writing on or before December 7, 2009:  
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