



2009 Preliminary Budget

Preliminary Budget

- Submitted by Departments & Offices
 - All County Offices & Departments have stepped up to help with difficult budget issues
- Reviewed by Budget Team for balancing and FTEs
- Now to be reviewed by Commissioners

Adoption Schedule

Budget Presented	<i>Nov 17</i>
Board Discussions	<i>Nov 18 – Dec 5</i>
Adoption	<i>Dec 15</i>

County Budget is Complex

- 80+ Funds
- 30 Departments & Offices
- \$374 million combined fund budget

This inherent complexity is compounded by:

- Significant utility, fuel & supply cost increases
- Economic fluctuations creating uncertain revenue forecast

Challenge and Opportunity

The Challenge:

- County financing is a “2-legged stool”
 - Property tax
 - Sales tax
- No 3rd “leg” for balancing

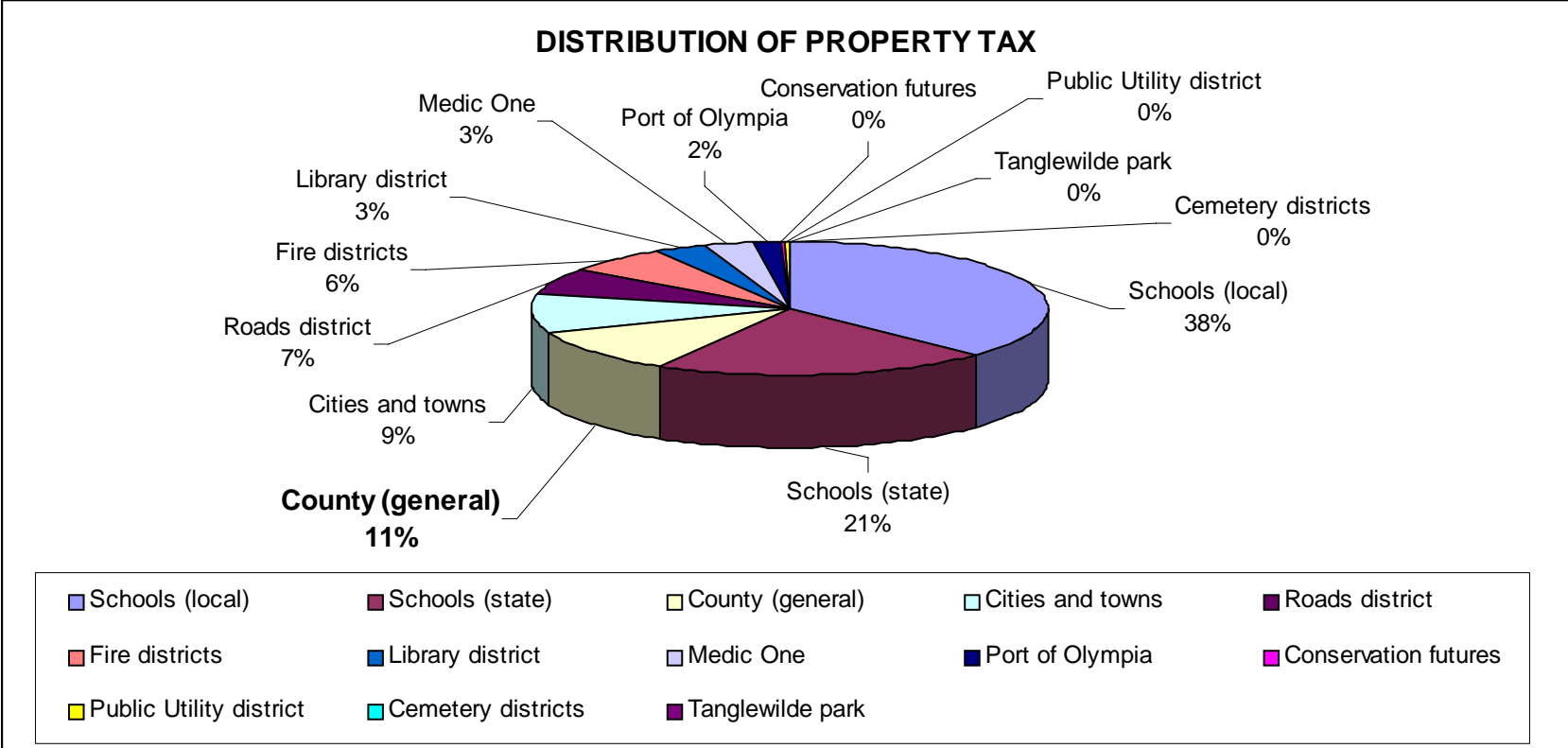
Challenge and Opportunity

Additional Challenges:

- Property tax – total collected can only grow 1% annually (plus new construction)
- Sales tax – sudden dramatic decline from economic downturn
- Ripple effect in building permit applications, Solid Waste tipping volumes, REET, Detention Sales Tax, etc.

Property Tax

Note that Thurston County gets very little of the property tax that is collected



Challenge and Opportunity

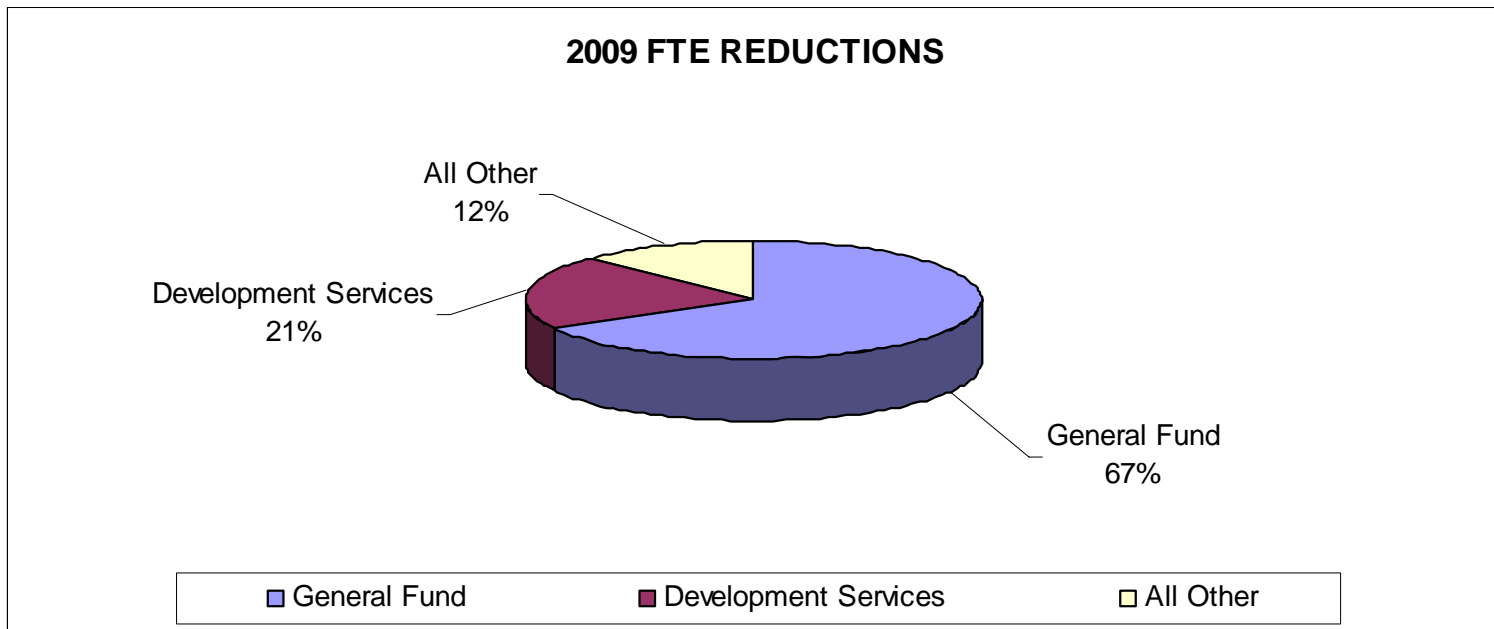
As a result of these financial challenges:

- FTEs have been reduced
- Rates and fees will be increased
- Levels of service will not be what they have been

Challenge and Opportunity

*Thurston County's
FTEs will be reduced
by 7%*

General Fund	55.3
Development Services	17.0
All Other	10.4
Total FTE Reduction	82.7



Challenge and Opportunity

The Opportunity:

- Prioritize
- Simplify
- Be Creative

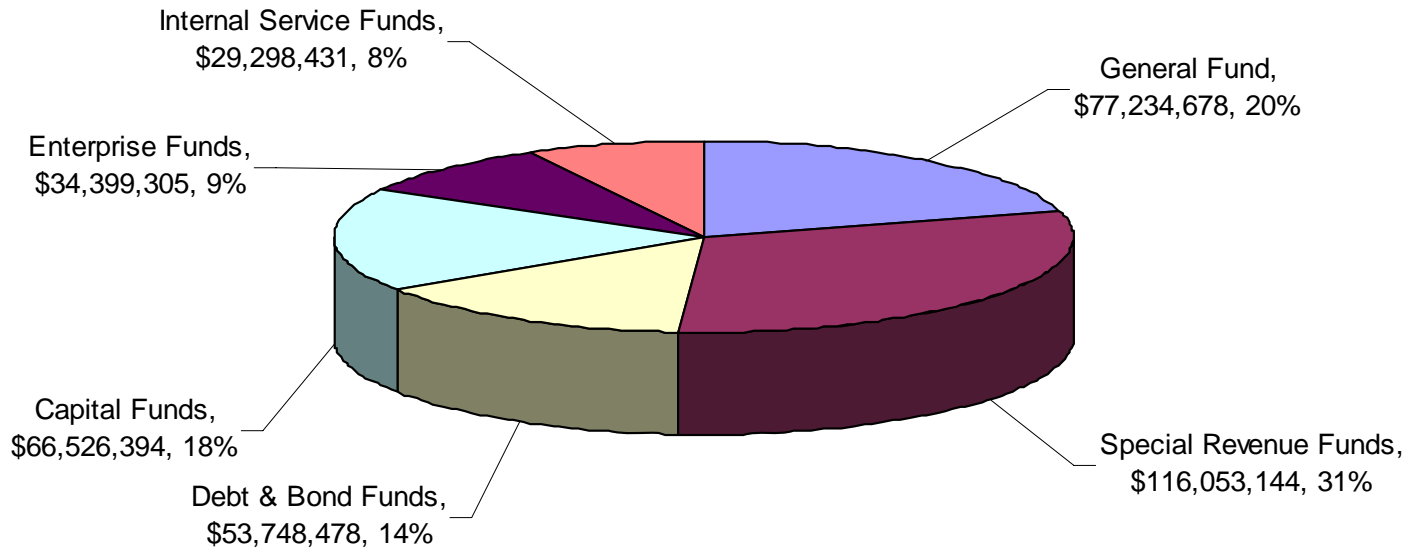
Budget Summary

2009 Estimated Revenues & Proposed Expenditures by Fund Type

Type of Fund	Revenue	Expenditure
General Fund	\$77,234,678	\$76,244,911
Special Revenue Funds	\$116,053,144	\$123,714,490
Debt & Bond Funds	\$53,748,478	\$53,258,450
Capital Funds	\$66,526,394	\$48,137,579
Enterprise Funds	\$34,399,305	\$37,890,644
Internal Service Funds	\$29,298,431	\$34,841,096
Total	\$377,260,430	\$374,087,170

Budget Summary

2009 REVENUE BY FUND TYPE



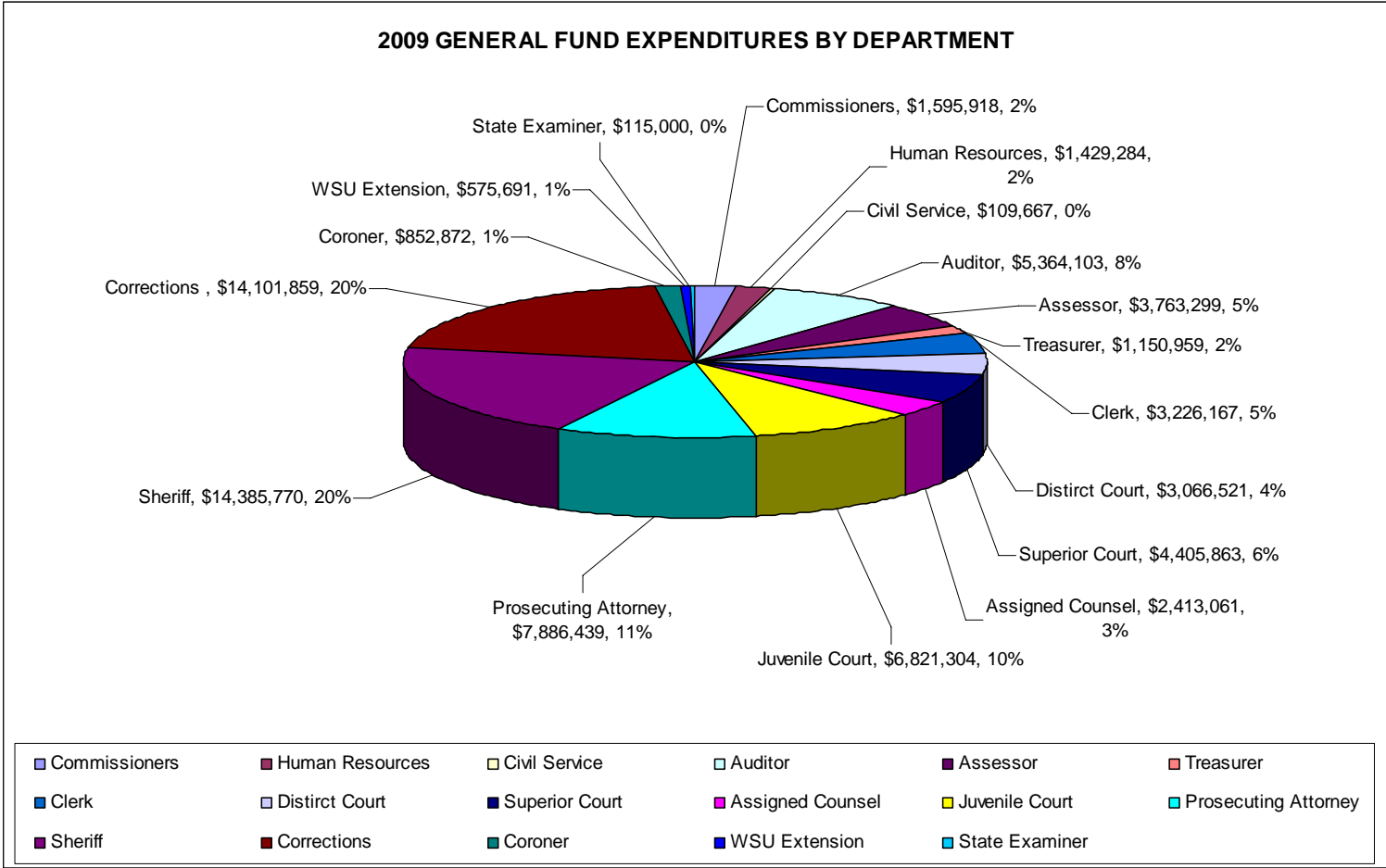
■ General Fund ■ Special Revenue Funds ■ Debt & Bond Funds ■ Capital Funds ■ Enterprise Funds ■ Internal Service Funds

Budget Summary

Summary of Expenditures by Fund Type

Type of Fund	2008 Modified Budget	2009 Proposed Budget	Change
General Fund	\$79,428,261	\$76,244,911	-4.0%
Special Revenue Funds	\$132,278,567	\$123,714,490	-6.5%
Debt & Bond Funds	\$30,712,661	\$53,258,450	73.4%
Capital Funds	\$47,000,246	\$48,137,579	2.4%
Enterprise Funds	\$43,605,184	\$37,890,644	-13.1%
Internal Service Funds	\$31,106,712	\$34,841,096	12.0%
Total, Combined Expenditures	\$364,131,631	\$374,087,170	2.7%

Budget Summary



Tough Choices Still Ahead

- Retail sales are continuing to decline
- Streamlined sales tax this year is not likely to be as helpful as originally anticipated
- General Fund budgets still \$1.3 million higher than necessary to meet financial plan goals

Tough Choices Still Ahead

- Budget book is laid out by program to support Board decisions about 2009 level of service priorities
- CAO & ACAO will offer recommendations
- Budget team, department directors and elected officials on hand to answer questions

Thank You

Questions?