

2022-2023 Budget Retreat



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April 15, 2021



A Few Facts:

Pierce County Is A Big Operation



3200 Employees



70,000 Sewer
Customers



5250 Acres of Parks
& Open Space



1567 miles of roads



1.66 million square
feet of facilities



Total Budget \$2.5
billion



Council Priorities 2021

Covid-19 Response and Recovery

Housing Affordability and Supply

Homelessness and Stable Housing

Social Justice and Equity

Economy and Workforce

Behavioral Health Systems

Youth and Young Adults

Environment and Sustainability

Infrastructure Needs

Leadership and Innovation



Property Tax Levies 2021

- **General Property Tax – Collected County-wide – General Fund**
- **Veteran’s Relief – Countywide – Special Revenue**
- **Social Services – Countywide – Various uses**
- **County Road – Unincorporated only – Special Revenue**
- **Law Enforcement Levy – Unincorporated Only – General Fund**

- **Conservation Futures – County-wide – Special Revenue Fund**



Property Tax Levies 2021

Property Tax Levies	Tax Rate	Revenue
General Fund	.92254	\$126,811,880
Veterans' Relief	.01370	\$1,919,432
Social Services	.01315	\$1,843,070
Total County Levy	.94939	\$130,775,856
Conservation Futures	.03553	\$ 4,894,537
Allocated to Road Fund	1.0530	\$61,959,503
Law Enforcement Levy	.2567	\$15,489,876
Total Road District Levy	1.3097	\$77,449,379
Total County Tax Levies	2.2965	\$213,119,772





Pierce County Sales Taxes –

Volatile but Growing Source of Revenue

General Fund	Non-General Fund
Regular and Optional Tax 1%	Parks Tax .1% (Distribution Formula)
Juvenile Detention Tax .1%	Mental Health Tax .1% (July 2021 – Outside of Tacoma)
Criminal Justice Tax .1% (Distribution Formula)	E911 Taxes .1% - South Sound 911
Rental Car Tax 1% - Parks	

[Washington State Department of Revenue](#)



REET

- REET is collected on real estate transactions in unincorporated Pierce County.
- REET funds are used for capital purposes. Revenues go into special revenue funds.

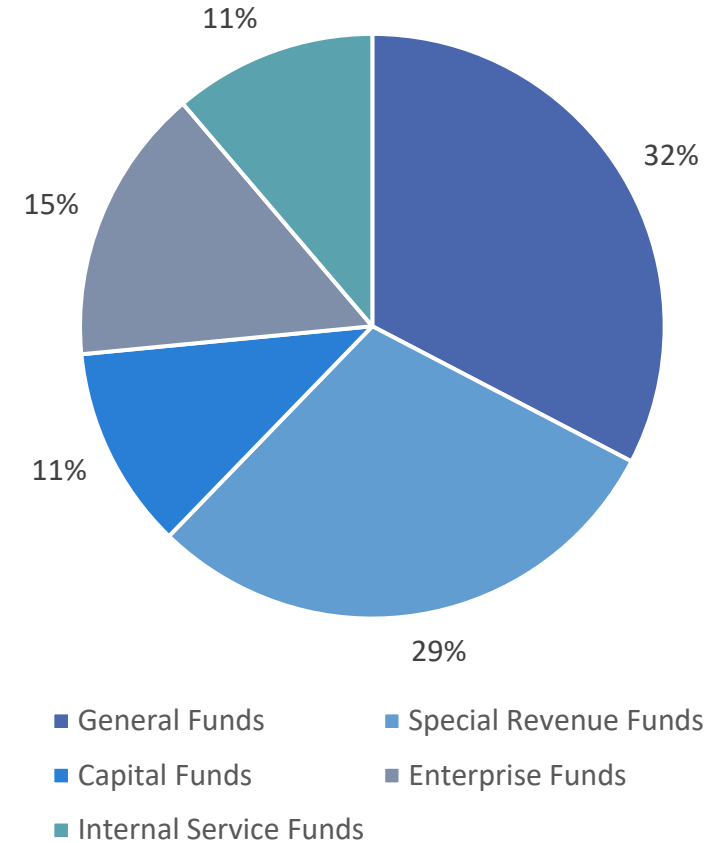
First REET : .25% - Real Estate Excise Tax Fund
REET Capital Improvement Fund – County Facilities
Surface Water Management Construction Fund

Second REET: .25%
75% Second REET Roads
25% Second REET Parks

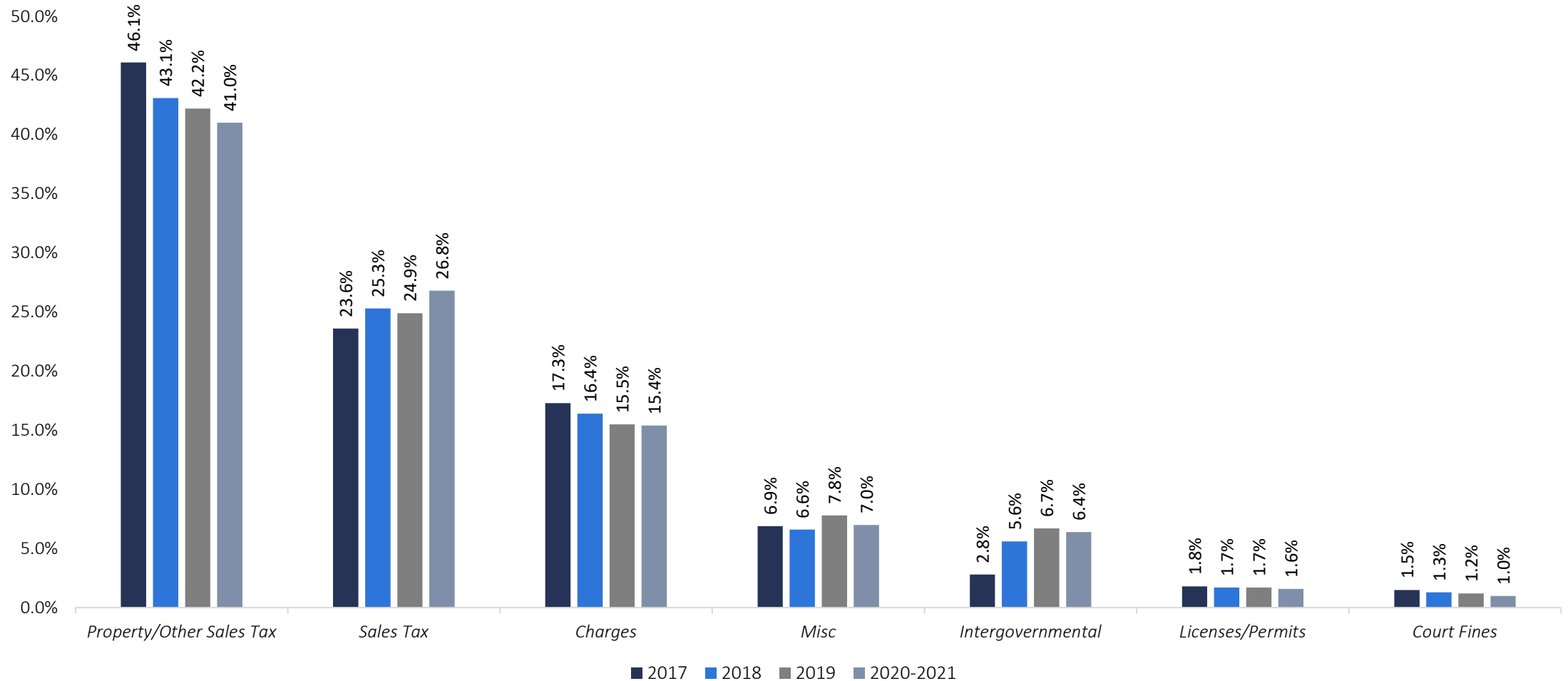
REET funds are very volatile.

Five Types of Budget Funds

	% of County Expenditures for 2020-2021
General Funds	32%
Special Revenue Funds	29%
Capital Funds	11%
Enterprise Funds	15%
Internal Service Funds	11%



2020-2021 General Fund Revenues



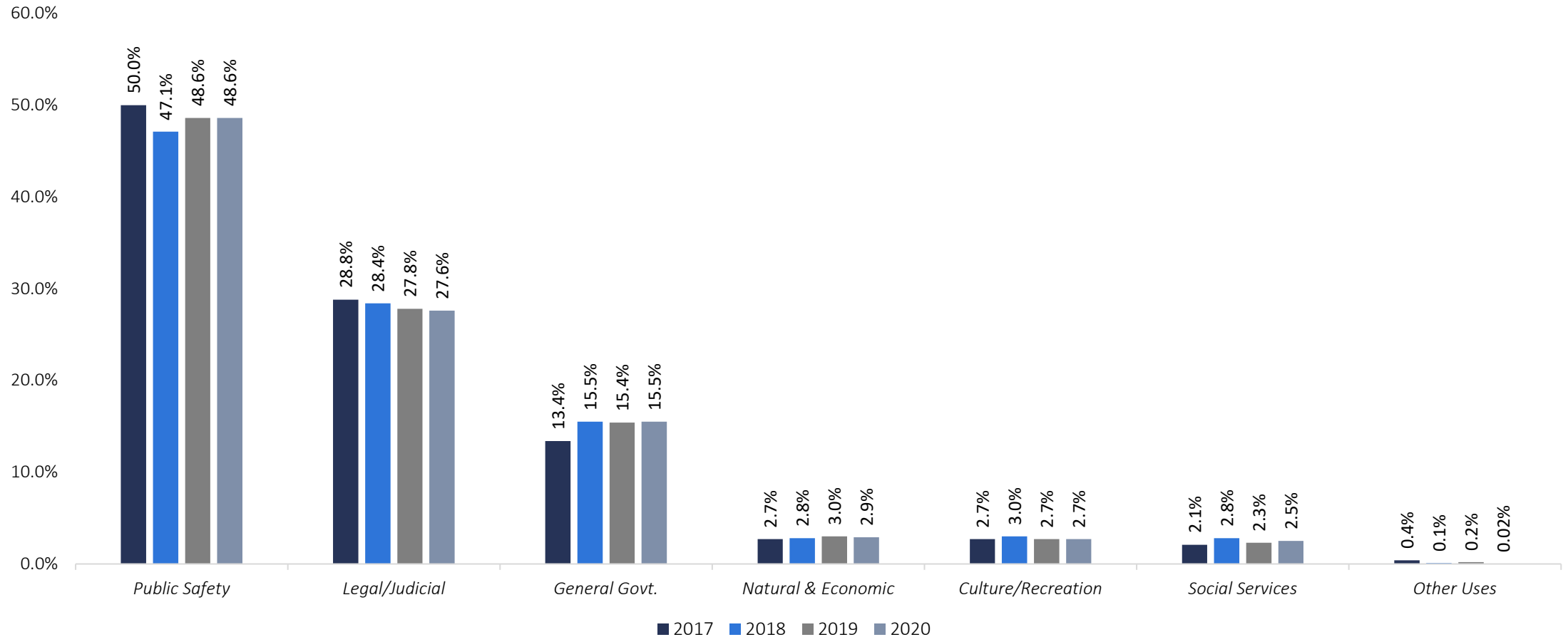


General Fund Expenditures

- Public Safety
- Law & Justice
- General Government
- Natural and Economic
- Culture and Recreation



2020-2021 General Fund Expenses by Function



General Government: Assessor-Treasurer, Auditor, Budget & Finance, Communications, County Council, County Executive, as well as other departments whose activities are of a general government nature.



Special Revenue Funds

- Usually have a defined source of revenue
 - County Road Fund – Property tax, grants
 - Human Services – Intergovernmental Revenue
 - Surface Water Management – SWM fees (charges for services)
 - Planning and Land Services Building & Development – Fees
 - Conservation Futures – Property tax



- Housing Shortage – Tight inventory
- Homelessness
- Pierce County is still growing – much of it is in unincorporated
- Behavioral Health – New funding source starting in July
- Long-term impact of COVID-19 pandemic
- How will “normal” spending dovetail with ARPA



- **Executive** puts revenue and expenditure projections together. Gives **departments** preliminary budget estimates.
- **Executive** meets with departments to go over budget requests. **Departments** may propose “supplemental” requests for additional programs, staff, and/or capital expenditures.
- **Executive** formulates budget and sends to **Council**



- Next Biennium 2022-2023
- Budget must arrive 100 days from the end of 2021 (September 23rd)
- Budget process is usually completed prior to Thanksgiving. Must be done 30 days prior to year end.
- Retreats are held to review the proposed budget.
- Committees of the Whole (COW) are used for presentations from the departments
- **Council** controls the content and timing



2022-2023 Budget Calendar

- **Budget Retreats**
 - Early October.
 - Usually 2-3 days
- **Committees of the Whole (COWS)**
 - Department hearings
 - Usually held on Wednesday, Thursday, Friday
 - Morning and afternoon meetings
 - Starting Late October to early November
- **Final Action (COW)**
 - November 12 COW
- **Final Action (Council)**
 - November 16 or 23

Budget must be passed by end of November



Discussion & Next Steps