THURSTON COUNTY
COMPREHENSIVE ANNUAL FINANCIAL REPORT

TABLE OF CONTENTS
Fiscal Year Ended December 31, 2007

I. INTRODUCTORY SECTION: Page

Letter of Transmittal ---- 1
Certificate of Achievement for Excellence in Financial Reporting ---- 7
Organizational Chart ---- 8
Elected Officials ---- 9

II. FINANCIAL SECTION:

Independent Auditor's Opinion ---- 11
Management Discussion and Analysis ---- 13
Basic Financial Statements:
Government Wide Financial Statements
Statement of Net Assets ---- 34
Statement of Activities ---- 36
Fund Financial Statements:
Balance Sheet – Governmental Funds ---- 39
Reconciliation of the Balance Sheet of Governmental Funds
To The Statement of Net Assets ---- 41
Statement of Revenues, Expenditures and Changes in Fund
Balances – Governmental Funds ---- 42
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities ---- 44
General Fund Statement of Revenues, Expenditures, and Changes
In Fund Balance – Budget (GAAP Basis) and Actual ---- 45
Statement of Revenue, Expenditures, and Changes in Fund Balance –
Budget (GAAP Basis) and Actual – Other Major Funds ---- 50
Statement of Net Assets – Proprietary Funds ---- 55
Reconciliation of the Statement of Net Assets of Proprietary
Funds to the Statement of Net Assets ---- 57
Statement of Revenues, Expenses, and Changes in Fund
Net Assets – Proprietary Funds ---- 58

Reconciliation of the Statement of Revenues, Expenses, and Changes in Fund Net Assets of Proprietary Funds to the Statement of Activities ---- 59
Statement of Cash Flows – Proprietary Funds ---- 60
Statement of Fiduciary Net Assets – Fiduciary Funds ---- 62
Statement of Changes in Fiduciary Net Assets – Fiduciary Funds ---- 63
Notes to the Financial Statements ---- 65
Combining and Individual Fund Statements and Schedules:
Non Major Governmental Funds:
Combining Balance Sheet Nonmajor Governmental Funds ---- 111
Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds ---- 112
Description of Nonmajor Special Revenue Funds ---- 113
Combining Balance Sheet Nonmajor Special Revenue Funds ---- 116
Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds ---- 124
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget (GAAP Basis) and Actual Nonmajor Special Revenue Funds ---- 132
Non Major Debt Service Funds:
Description of Nonmajor Debt Service Funds ---- 171
Combining Balance Sheet Nonmajor Debt Service Funds ---- 172
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Debt Service Funds ---- 173
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget (GAAP Basis) and Actual Nonmajor Debt Service Funds ---- 174
Non Major Capital Project Funds:
Description of Nonmajor Capital Project Funds ---- 180
Combining Balance Sheet Nonmajor Capital Project Funds ---- 181
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Capital Project Funds ---- 182
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget (GAAP Basis) and Actual Nonmajor Capital Project Funds ---- 183
Non Major Enterprise Funds:
Description of Nonmajor Enterprise Funds ---- 187
Combining Statement of Net Assets Nonmajor Enterprise Funds ---- 188
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets Nonmajor Enterprise Funds ---- 190
Combining Statement of Cash Flows Nonmajor Enterprise Funds ---- 192

Internal Service Funds:
Description of Internal Service Funds ---- 197
Combining Statement of Net Assets Internal Service Funds ---- 198
Combining Statement of Revenues, Expenses, and Changes in Fund
Net Assets Internal Service Funds ---- 200
Combining Statement of Cash Flows Internal Service Funds ---- 202
Fiduciary Funds:
Description of Fiduciary Funds ---- 207
Combining Statement of Fiduciary Net Assets Agency Funds ---- 208
Combining Statement of Changes in Assets and Liabilities Agency Funds ---- 209
Grant Schedules:
Schedule of Expenditures of Federal Awards ---- 211
Washington State BARS Schedule 16
Schedule of Expenditures of State and Local Awards ---- 219
Notes to the Schedule of Expenditures of Federal, State,
And Local Awards ---- 223

III. STATISTICAL SECTION

Statistical Section Overview ---- 225
Net Assets by Category ---- 226
Changes in Net Assets ---- 228
Fund Balances, Governmental funds ---- 232
Changes in Fund Balances, Governmental Funds ---- 234
Property Tax Revenue Base Information ---- 236
Property Tax Construction Activity ---- 237
Revenue Rate Information Property Tax Levy Rate - Direct and Overlapping ---- 238
Principal Tax Payer Information ---- 239
Property Tax Levies and Collections Information ---- 240
Legal Debt Margin Information ---- 241
Total Outstanding Debt Information Ratios of Outstanding Debt by Type ---- 242
Ratio of Net General Obligation Bonded Debt to Assessed Value ---- 243
Computation of Direct and Overlapping Bonded Debt General Obligation Bonds ---- 244
Demographic and Economic Information ---- 245
Principal Employers ---- 246
Government Employment Information
Authorized Thurston County Positions by Function ---- 247
Operating Indicators by Function/Program ---- 249
Capital Asset Information ---- 253

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THURSTON COUNTY
WASHINGTON
Since 1852

KIM WYMAN
AUDITOR

June 26, 2008

To the Honorable Board of Commissioners and Citizens of Thurston County:

In accordance with provisions of Chapter 36.22 of the Revised Code of Washington, I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of Thurston County for the fiscal year ended December 31, 2007. The CAFR is prepared in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by independent auditors from the Office of the Washington State Auditor.

The CAFR is developed to provide meaningful financial information to legislative bodies, creditors, investors, bond counsels, students of public finance, political researchers, and the public we serve. It is presented in four sections: introductory, financial, required supplemental information, and statistical. The introductory section includes this transmittal letter, the County's organizational chart, and a list of principal elected officials. The financial section includes the independent auditor's report, management discussion and analysis, government-wide statements, fund statements, and notes to financial statements. The supplemental information section contains both required and non-required information on non-major funds and agencies. The statistical section presents financial and demographic information, which is generally presented on a multi-year basis.

Thurston County has prepared this annual report in compliance with Governmental Accounting Standards Board Statement (GASB) 34, with the inclusion of government-wide statements that are based on full accrual accounting and include capital assets and long term debt. Fiscal year 2007 also includes an actuarial-based accrued liability for post employment benefits in compliance with GASB 45. A full discussion of these statements is included in the Management Discussion and Analysis Section and the Notes to Financial Statements.

The CAFR consists of management's representations concerning the finances of the County. Responsibility for the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of Thurston County. Thurston County has established a comprehensive internal control framework to provide a reasonable basis for making these representations. Management of the County has established internal controls that are designed to both protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the presentation of the financial statements in conformity with GAAP. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable assurance that the financial statements are free of any material misstatements. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements.

The Office of the Washington State auditor conducts an annual audit of the financial statements of Thurston County as required by law. For the fiscal year ending December 31, 2007, the auditor issued an unqualified ("clean") opinion on Thurston County's financial statements. The independent auditor's report is located at the front of the financial section of this report.

Profile of the County

Thurston County, Washington is located at the southern end of Puget Sound in the beautiful Pacific Northwest. Majestic Mount Rainier and the rugged Cascade Mountains are nearby to the east, while Washington's Pacific Ocean coast is just an hour's drive to the west. Thurston County is 60 miles south of Seattle, Washington and is 100 miles north of Portland, Oregon. Thurston County is home to more than 230,000 residents. Nearly 148,000 residents live in the more urban north county areas in and around the cities of Lacey, Olympia, and Tumwater. The rest live in and around the smaller towns of Bucoda, Tenino, Rainier, and Yelm and in the more rural areas of Thurston County. Thurston County is the sixth most populated county among Washington State's 39 counties and is among the fastest growing counties in the Pacific Northwest.

Thurston County was created on January 12, 1852, by the Oregon Territorial Legislature and operates under the laws of the State of Washington applicable to county governments. The county is managed by a three member board of commissioners and provides a full range of municipal services, including: public safety, construction and maintenance of roads and bridges, water and waste management, public health and social services, cultural and recreational facilities and activities, planning and zoning services, job training, and general administrative services. The financial statements present Thurston County as the primary government as required by generally accepted accounting principles.

Thurston County is a statute county, which means the organization of the county is prescribed by state statue. Locally elected officials include the county assessor, auditor, clerk, prosecuting attorney, sheriff, treasurer, coroner, eight superior court judges, three district court judges and the three-member board of county commissioners. These elected officials govern the county and establish policies on the basis of the local community's needs and preferences. The board of county commissioners acts as the county's legislative body and appoints a county administrator who acts as the chief administrative officer of the county and oversees twelve major departments. By virtue of the county's authority over their operations, this annual financial report includes financial data for all the funds and account groups of the county, including activities considered to meet the entity definition criteria established in Governmental Accounting Standards Board Statement Numbers 14, 34, 39, and 45.

The County's annual budget serves as the foundation for financial planning and control. Washington State law (RCW 36.40) establishes the general requirements of Thurston County's budget process. Budgets are prepared and maintained by establishing detailed line items. Office and department heads have the authority to move budget authorizations between objects within their funds, but the chief administrative officer is the only position authorized to transfer budget authority between offices and departments within a fund. On-line access reports are available for all elected officials and department managers, comparing current budget appropriation levels to actual revenues and expenditures by detailed line item. The county budget team reviews the budget status of offices and departments at the mid-point of the fiscal year. If there is a need for budget modifications, requests are submitted to the County Auditor's Office, Chief Administrative Officer, and/or Board of County Commission (BoCC). Only the BoCC can approve budget increases. The Board of County Commissioners is required to adopt a final budget by no later than the close of the fiscal year. After adoption, the budget is systematically monitored on the fund level for special revenue and capital project funds and on a department level for the general fund. The acquisition of capital items is approved on an item by item basis in accordance with a long-term capital acquisition plan.

Local Economy

Economic conditions play a significant role in the financial stability of Thurston County. The economy is dependent on many factors, including (a) population and demographic trends; (b) employment and housing factors; (c) per capita income and inflation; and (d) retail sales. From 1990 to 2000, the economy of Thurston County increased steadily, but not at the same rate as the prior two decades. The economy took a downturn in 2001 and 2002, fueled first by the cutbacks in Boeing and then by the aftermath of the tragic events of September 11, 2001. This was somewhat mitigated by the opening of two large retail stores and two large warehouse distribution centers. In 2003 the economy in Thurston County began a steady recovery, peaking in 2006. An emphasis was placed on business recruitment and retention and the creation of quality jobs in technology-based businesses, light manufacturing, educational services, and real estate services. The year 2007 was also a good economic year as employment remained stable, but it became evident toward the end of the year that the economy was slowing down again.

The population of Thurston County has grown from 186,400 in 1995 to 238,000 in 2007. This is an increase of 51,600 residents and an average growth rate of 2.3 percent per year. Over 70 percent of the population increase has been due to the continued in-migration of people into the county. Thurston County continues to be a desirable place to live, and has been one of the fastest growing of our state's 39 counties over the past decade. In 2007 the county's population increased slightly from 231,100 to 238,100. This is a growth rate from the previous year of 3 percent.

Between 1990 and 2000, the number of jobs available in the county increased by 32 percent. By far, the largest percentage of increase over this 10-year span occurred in the service industry, with an increase of over 50 percent. In 2005 (the latest statistical year) the number of full-time and part-time jobs in Thurston County was 124,661. For the period 2004 to 2005, the professional and technical sector showed the greatest growth rate, increasing by 454 employees or 8 percent. The health care and social assistance sector showed the next greatest growth, increasing from 12,290 jobs to 12,715, an increase of 425 jobs. This was followed closely by increases of 421 jobs in the food service and accommodations sector and 402 jobs in the construction industry. Within the government sector, state government employment increased by 333 jobs, while local government employment increased slightly by 95 jobs.

While professional/technical and health care were the fastest growing job sectors in Thurston County in 2005, manufacturing companies continued to be job losers. Even though real estate employment decreased slightly, new housing starts and related real estate excise taxes continued to grow rapidly.

Over the past decade, new housing starts in Thurston County have fluctuated significantly. There was a constant downward trend from 1990 to 2000. There were 2,789 residential housing permits in 1990, 2,026 in 1995, and 1,532 in 2000. That trend has reversed itself in the last few years and new housing starts increased from 2,417 in 2004 to 3,012 in 2006. Sixty-six percent of these permits were located within Thurston County cities, 9 percent in the urban growth boundaries, and 25 percent in the unincorporated areas of the county.

The average sales price for a home in 2004 was $209,165 and in 2005 the average sales price rose sharply to $252,452. Sales prices continued to increase in 2006 to an average of $282,373. This is an increase of 12 percent over the previous year. Housing affordability continues to be relatively good compared to the statewide average. In the first quarter of 2007, the index was 110.1 vs. 88.9 statewide (an index of 100.0 is considered a good balance between monthly income and housing costs). However the affordability index dropped slightly from 111.6 in the corresponding time period in the previous year. The higher the index is, the more affordable the housing. For first time homebuyers, the index was 65.3 vs. 65.9 in 2006. A drop in both measures reflects less accessibility to affordable housing.

In 2005 (the last year of complete data), the estimated median household income for Thurston County was $51,317, a slight decrease of 1.4 percent from an estimate of $52,079 in 2004. Projections for 2006 show a healthy rise of 4.9 percent to $53,850. Compared with adjacent counties, Thurston County continues to experience a higher median household income than adjacent Lewis, Mason, and Grays Harbor counties, but remain lower than Pierce County. Thurston County is projected to be approximately $3,000 lower than the overall median household income average for Washington State in 2006.

Real personal income for Thurston County, which is measured by dividing total personal income by population and adjusted for inflation, has increased slightly from $29,276 to $33,501 during the ten year period from 1994 to 2004. This is a real per capita increase of $4,225, using 2005 dollars. During the same time period, Washington State's real personal income increased from $31,039 to $35,935, an increase of $4,896. In 2005 (the latest statistical year), Thurston County's per capita income increased slightly by $244 to $33,745. This compares with an overall statewide decrease from 2004 to 2005 of $456.

Another indication of economic conditions, especially as it applies to local government, is "taxable retail sales". This indicator measures purchasing and consumption activity in the county. In the last reported year, from 2005 to 2006, the rate of growth in taxable retail sales continued to increase, primarily due to the building and service industries. During this one year period, the county experienced an increase of 10 percent compared to an amazing 16 percent increase in taxable retail sales from 2004 to 2005. The "taxable retail sales" for the county has increased by an average of 6 percent annually from 1990 to 2000, and by an average of almost 8 percent over the six year period, 2000 to 2006.

Thurston Regional Planning Council (TRPC) predicts that the population will increase from 238,000 in 2007 to 255,000 in the year 2010 and by 2030 will be at 373,000, an average increase of 2.5 percent over this twenty-three year period. The economy and employment growth is also expected to continue to grow, but not at the same rate as recent years. Thurston Regional Planning Council projects an increase in employment for Thurston County from 124,500 persons in 2005 to 184,500 by the year 2030. This is an increase of 60,000 jobs or 2.1 percent per year over the twenty-five year period. The number of local government jobs is expected to increase at rate of approximately 3 percent per year, with state government continuing at a slightly slower growth rate of 2 percent. The service industry is expected to be the most dominant employment base, with an expected 62,000 jobs in 2030 compared with 37,000 in 2005.

Thurston County's economic vitality has traditionally come from being the state capital. Growth in state government has slowed over the past decade, with only 2,400 jobs added to the local economy during the past ten-year period. The proposed budget for the 2007-09 Biennium would add over 4,000 new government jobs, a third of which would be in Thurston County. State government, with its substantial employment base, has significant ripple effects in the consumer business trade and services sectors. However, Thurston County continues to have more people who commute outside of the county each day than commute into our county. Recently Thurston County has been very active in solidifying its role as a regional retail and service center. The new shopping center on Marvin Road in Lacey has added thousands of jobs, and the Gateway Project at Hawks Prairie, with Cabelas as their anchor tenant, is expected to add hundreds more. Another major employer is the Chehalis Tribe. Currently employing close to 600 people in their casino and hotel, the recent opening of the new Great Wolf Lodge Resort and Convention Center is expected to employ another 700 persons. Tumwater has just completed a major annexation that will be compatible with their several new office buildings in Town Square. Plans for additional big box retail stores are in the works for Lacey, Olympia, Tumwater, and Yelm.

Local governments in Thurston County, including the county, are also experiencing the challenges of rising public safety and health care costs. Passage of recent initiatives and potential for new voter-approved initiatives has placed tight limits on revenue increases from traditional sources such as property taxes and motor vehicle excise taxes. The combination of the reduction of state revenue sources and a slow down in the housing market caused many local cities and the county to tighten their budgetary positions.

The long-term outlook will depend on a combination of the strength in local economic recovery and the availability of dedicated revenue sources to support new and ongoing program growth opportunities. The recent passage of the sales tax streamlining legislation and the likelihood of increased state funding for public and mental health programs will help in supporting these important county programs. The biggest challenge will be the construction and operation of the new regional Accountability and Restitution Center and the ability of local governments, including Thurston County, to retain an adequate reserve base.

Long-Term Financial Planning

The County's main capital investment for the next several years is the construction of a new Accountability and Restitution Center (ARC) detention facility. The ARC distinguishes itself from a conventional detention center in that its focus is on assessment, intervention and monitoring in inmates. Since its conception in 2005, the planning for the ARC has experienced several revisions. Construction of the first phase is already underway and is being financed, up to $40 million, by Detention Facility Sales Tax. The next phase of the ARC, expected to take place sometime in 2010, is projected to cost approximately $20 million and will be financed by Real Estate Excise Tax (REET) proceeds. Once construction is completed, the County's General Fund will be impacted by an estimated increase of $5.7 million in annual operating costs.

Major Initiatives

The major initiative facing the County currently is related to its General Fund budget. The 2008 General Fund expenditure budget exceeds the revenue forecast by nearly $5 million. Although the 2008 budget is fully funded using prior reserves, the gap between expenditures and revenues is expected to continue to widen in the next few years. The primary reason is that the property tax, which is the largest single source of revenues to the General Fund, is capped at 1% growth on all properties except new construction, and sales tax collections have stabilized. Since normal inflation to meet current service levels is usually much higher than 1% per year, and new construction has slowed considerably, expenditures must be closely monitored.

As described above, the County expects to add at least $5.7 million to its General Fund operating budget due to the ARC, beginning in 2010. While it is expected that the passing of Washington State's new Destination Based Sales Tax Law will result in net revenue gains to Thurston County, the exact amount of the proceeds is unknown at this time. As a result, the County has developed a financial plan that will include at least $2 million in cost savings in 2008 and $4 million in 2009.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Thurston County for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2006. In order to be awarded a Certificate of Achievement, the County had to publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The professional and dedicated staff of the financial services division of the County Auditor's Office and the County Treasurer's Office jointly prepared this report. In addition, the report could not be accomplished without the valuable assistance of accounting personnel of other County departments. I appreciate their efforts, and appreciate also the sound and progressive approach of the Board of County Commissioners, in their conduct of the financial affairs of the County. We also recognize the professional efforts of the State Auditor's Office in their audit and the direction they provide us throughout the year.

Respectfully Submitted,

Kim Wyman
Thurston County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Thurston County
Washington

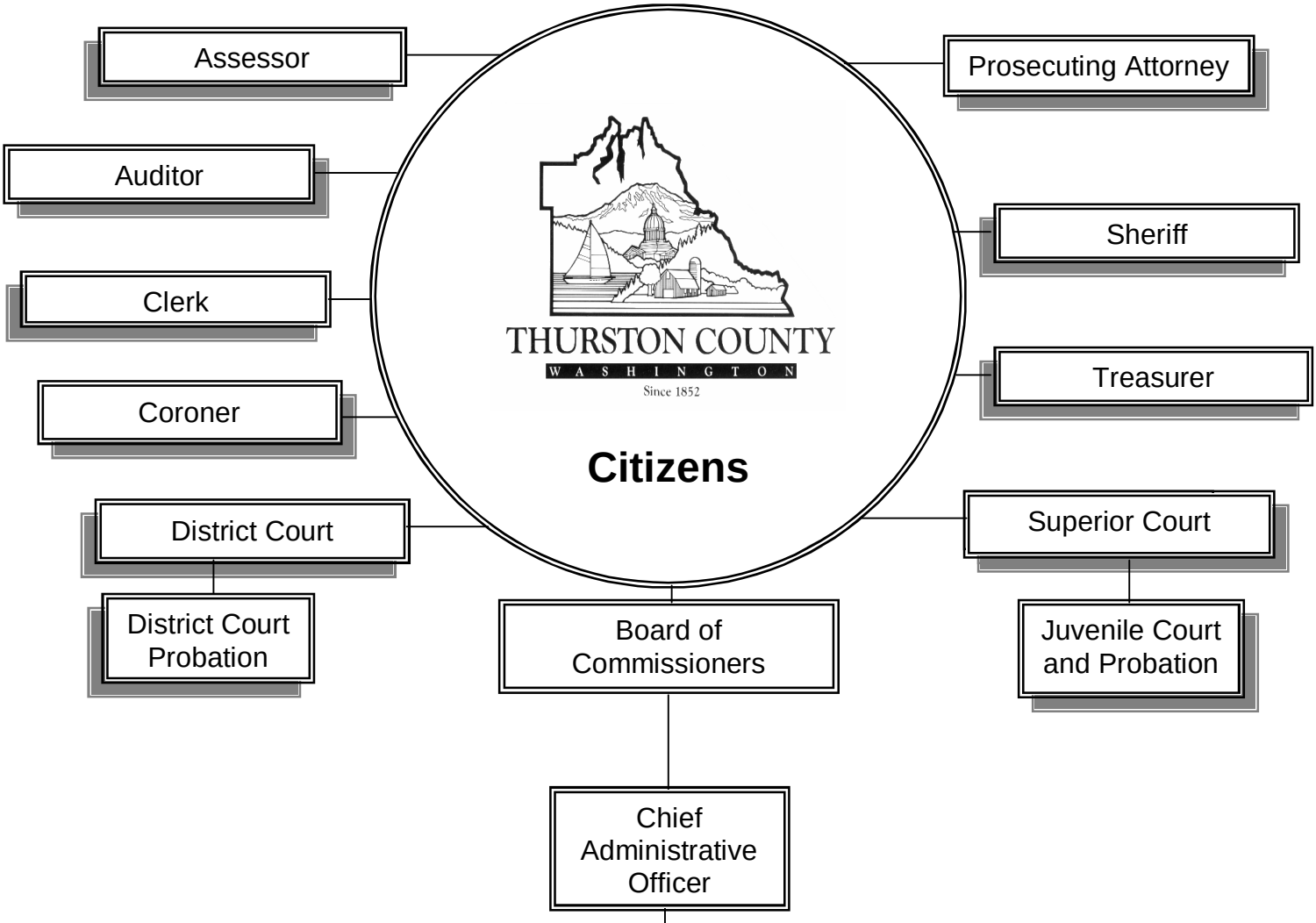
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

THURSTON COUNTY ORGANIZATION CHART



Assigned Counsel	Central Services & Facilities	Civil Service	WSU Extension
County Fair	Development Services	Emergency Communications	Human Resources
Medic One	Noxious Weeds Control	Office of Program & Budget Development	Pacific Mountain Workforce Consortium
Parks and Recreation	Public Health & Social Services	Roads and Transportation	Water & Waste Management

Elected Officials

December 31, 2007

Thurston County Board of Commissioners

Honorable Cathy Wolfe, **District One**
Honorable Diane Oberquell, **District Two**
Honorable Robert N. Macleod, **District Three**

Honorable Patricia Costello, **Assessor**

Honorable Kim Wyman, **Auditor**

Honorable Betty J. Gould, **Clerk**

Honorable Gary Warnock, **Coroner**

Honorable Edward G. Holm, **Prosecuting Attorney**

Honorable Dan Kimball, **Sheriff**

Honorable Robin Hunt, **Treasurer**

District Court Judges

Honorable Susan A. Dubuisson
Honorable Clifford L. Stilz, Jr.
Honorable M. Brett Buckley

Superior Court Judges

Honorable Paula Casey
Honorable Richard A. Strophy
Honorable Wm. Thomas McPhee
Honorable Richard D. Hicks
Honorable Christine A. Pomeroy
Honorable Gary R. Tabor
Honorable Chris Wickham
Honorable Anne Hirsch

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Washington State Auditor
Brian Sonntag

INDEPENDENT AUDITOR'S REPORT

June 20, 2008

Board of Commissioners
Thurston County
Olympia, Washington

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Thurston County, Washington, as of and for the year ended December 31, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Thurston County, Washington, as of December 31, 2007, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General, Detention Facilities Sales Tax Holding, Real Estate Excise Tax, Roads and Transportation, Medic One, and Public Health & Social Services funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 11, during the year ended December 31, 2007, the County has implemented the Governmental Accounting Standards Board's Statement 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.

The management's discussion and analysis on pages 13 through 32 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted

principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying information listed as Combining and Individual Fund Statements and Schedules on pages 111 through 223 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The information identified in the table of contents as the Introductory and Statistical Sections is presented for purposes of additional analysis and is not a required part of the basic financial statements of the County. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Sincerely,

BRIAN SONNTAG, CGFM
STATE AUDITOR

MANAGEMENT DISCUSSION AND ANALYSIS

Thurston County's management discussion and analysis is a narrative overview of County financial activities for the year ended December 31, 2007. We encourage readers of our financial report to use this information in conjunction with the letter of transmittal, financial statements and notes to the financial statements to analyze our County's financial health and activities.

FINANCIAL HIGHLIGHTS

Entity-Wide Statements

- Thurston County's overall financial position improved in 2007. The combined total of Governmental and business net assets in 2007 were greater than the combined total of governmental and business net assets in 2006. This report will further explain some of the details behind these increases.

- Governmental net assets increased by $9.8 million to $491.6 million at December 31, 2007. This represents a 2% increase over net assets of the prior year. This increase is a result of revenues exceeding expenses by $8.9 million and a prior period adjustment of $0.9 million. The 2007 change in governmental net assets is $6.9 million, or 41%, less than the 2006 change in governmental net assets, including prior period adjustments. One factor causing this reduction was the one time payout of $2.7 million in legal settlement for the Juvenile Detention Center in 2006.

- Business net assets decreased by $1,068,678 to $33.9 million at December 31, 2007. This represents a 3.1% decrease from net assets of the prior year. This decrease is a net result of business expenses exceeding revenues by $892,744 or 2.6% and a prior period negative adjustment of $175,934.

- The County's governmental change in net assets of $8.9 million in the Statement of Net Assets exceeds the County's governmental change in fund balance of $5.9 million in the statement of revenues, expenditures and changes in fund balances by $3 million (excluding prior period adjustments). This difference is a net result of several activities. For example, capital outlays of $12.4 million are not reported in the statement of activities while depreciation of $8.3 million is shown. Another significant factor is the Other Post Employment Benefits (OPEB) of $2.1 million, per GASB 45, which are not reported as governmental funds but are included as an expense in the statement of activities. The detailed reconciliation is described further under Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities in the section Major Fund Statements.

- The County's governmental net assets of $491.6 million exceed the County's governmental fund balance by $382.3 million. The additional net assets are a result of recognizing $350.3 million of net capital assets and another $83.4 million for internal service balances and receivables that are not reported in governmental funds. These increases are then offset by long term debt obligations of $43.3 million and compensated absences, other post employment benefits, and interfund balances of $8 million. This is described further in the Reconciliation of the Balance Sheet of Governmental Funds to Statement of Net Assets.

Major Funds Statements

- Governmental cash balance increased by $5.3 million in 2007 compared to 2006. The cash balance increased by $7.7 million in the Real Estate Excise Tax, Roads, and Medic One Funds and was then offset by a $2.4 million decrease in the General Fund and a $700,000 decrease in the Public Health and Social Services Fund. The remaining difference of $700,000 is the net result of the creation of a new major fund "Detention Facilities Sales Tax Holding Fund" with $13.4 million in cash and a reduction in Other Governmental Fund cash of $12.7 million.

- Governmental revenues in 2007 exceeded revenues in 2006 by a net $7.3 million or 4.3%. There were two major areas of increase. Tax revenues increased by $8.8 million and intergovernmental revenues increased by $4.9 million. These increases were offset by reductions in revenues from licenses and permits of $2.7 million, miscellaneous revenues of $3.4 million, and charges for services and fines and forfeits of $156,482. In terms of individual funds, General Fund revenues increased by $2.7 million, Public Health and Social Services Fund revenues increased by $4.3 million, the Roads Fund by $1.4 million and the Medic One Fund by $563,073. The new Detention Facilities Sales Tax Holding Fund received $5.1 million in revenues. Revenue fund reductions occurred in the Real Estate Excise Tax Fund and Other Governmental Funds totaling $6.7 million.

- Governmental expenditures in 2007 exceeded 2006 expenditures by a net $12.3 million or 7.6%. The major areas of increase included Public Safety of $7.5 million, Culture and Recreation of $2.7 million, Health and Human Services of $2.2 million, and Transportation of $1.9 million. The most significant decrease in governmental fund expenditures of $3.1 million occurred in the category of Economic Environment. The overall expenditure growth in the General Fund was $4.4 million or 7 percent.

- The County Treasurer is responsible for managing, receipting, investing and disbursing $465.8 million in cash as valued on December 31, 2007. Of this total, $310.4 million was managed for outside agencies and organizations; and $27.9 and $24.6 million were for enterprise and internal service operations respectively. The remaining $102.9 million was comprised of the following governmental funds: general fund - $4.0 million, detention facility sales tax holding - $13.4 million, real estate excise tax - $20.1 million, roads - $18.8 million, medic one - $16.4 million, public health and social services - $4.3 million, and other governmental funds - $25.9 million.

- The Solid Waste Utility is the dominant business activity because it comprises 74% of the County's business type operating revenues and 64% of the business operating expenses. The Grand Mound Utility is the other major business type activity for Thurston County, comprising 2.4% of the business revenues and 4.7% of the expenses.

COUNTY GOVERNMENT OVERVIEW

Governmental activities provided by Thurston County include:

General Government Services*:* Commissioners, Human Resources, Auditor, Assessor, and the Treasurer

Culture and Recreation*:* Fair, Parks and Recreation, and WSU Cooperative Extension

Economic Environment: Community Development, Pacific Mountain Job Training Consortium, and Veterans Services

Health & Human Services: Public Health, Social Services, and Medical Aid (Medic One)

Utilities and Environment*:* Noxious Weeds, Conservation Futures, and Lakes Management Districts for Long, Lawrence and South Pattison lakes

Public Safety: Sheriff, Corrections, Juvenile Services, Emergency Services and Communications, Civil Services, Clerk, District Court, Superior Court, Assigned Council, Prosecuting Attorney, and the Coroner's Office

Transportation*:* Road Construction and Maintenance, Road Improvement Districts, Roads Development Review, and the Geo-Data Center

Business type activities*:* Water and Wastewater Utilities (for unincorporated parts of the County including Tamoshan, Grand Mound, Boston Harbor, and Olympic View), Solid Waste, Storm Drainage, and Septic System Repair Financing

OVERVIEW OF THE FINANCIAL STATEMENTS

The Comprehensive Annual Financial Report (CAFR) is presented in four sections: introductory, financial, supplementary, and statistical. The introductory section includes a transmittal letter, the County's organization chart, and a list of principal elected officials as of December 31, 2007. The transmittal letter reports on financial events and conditions that complement other sections of this report including the County's economic condition and demographics, identification of current and prospective financial issues and recent governmental accomplishments. The financial section contains the management discussion and analysis (MD&A), government-wide financial statements, major fund financial and budgetary statements, and notes to the financial statements. The supplementary section contains combining fund and other supplemental information required for a CAFR. The statistical section presents a summary of County financial, revenue, debt, economic, demographic and performance information over the past ten years.

Government-wide Financial Statements

Government-wide financial statements present a broad overview of County finances. Both long and short term assets and liabilities are reported using full accrual accounting. Revenues and expenses are recognized when they are incurred as opposed to when the cash is received or transferred. The statements therefore resemble a private-sector financial report.

Governmental activities are segregated from business type activities. Governmental activities are principally supported by taxes and intergovernmental revenues whereas business-type activities are principally supported by user fees and charges.

The statement of net assets reports the County's assets, liabilities and remaining net assets. Over time, increases or decreases in net assets are a measure of the County's financial health. However, other non-financial factors impact financial health including the condition of the County's infrastructure (roads, bridges, drainage systems, etc.), property tax base and general economic and demographic conditions within the County.

The statement of activities reports tax flows and service revenues and costs. The report initially measures program funding by offsetting program costs with revenues which includes charges for services, grants and contributions. The resulting excess cost is then offset by taxes and other general revenues. The net effect is the County's annual change in net assets.

Fund Financial Statements

Fund financial statements report balances and activities for the County's larger and more significant funds. Funds are a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. Thurston County also uses fund accounting to comply with finance-related legal requirements.

This report segregates County operations into governmental, proprietary and fiduciary funds. Governmental operations are primarily supported by tax dollars. These funds exclude long-term assets and obligations and therefore provide a short-term (1 year) overview of fund financial health.

Proprietary funds account for business type activities where part or all of the cost is directly financed by user fees and charges. These funds include both short -term and long-term assets and obligations and therefore provide both a short-term and long-term overview of fund financial health.

Fiduciary funds account for resources held by the County Treasurer as a trustee or agent for parties outside County government or for balances temporarily held in a suspense account. The resources of fiduciary funds are not used to support County operations and programs.

The County maintains budgetary control for all governmental and proprietary funds. The County adopted the 2007 General Fund budget at the department level. Budgetary control is adopted at the fund level for all other funds. Capital projects are approved by project group, project or project item basis.

Governmental Funds

The balance sheet and statement of revenues, expenditures and changes in fund balances for governmental funds present separate financial columns for the General Fund, Detention Facility Sales Tax Holding Fund, Real Estate Excise Tax Fund , Roads, Medic One and Public Health and Social Services Funds. The General Fund is always a major fund. However, other funds are major funds based on criteria established by GASB Statement 34. A fund is a major fund if assets, liabilities, revenues or expenses/expenditures comprise:

1) 10% of the total amount for all governmental and enterprise funds, and
2) 5% of the total amount of governmental or enterprise funds based on fund type.

Four reconciliation statements are included within this report. These statements reconcile governmental and proprietary balances and activities between the government-wide and major fund financial statements. The proprietary reconciliation statements reconcile only internal balances generated in the preparation of the government-wide statements. However, the governmental reconciliation statements reconcile fund balances and changes in fund balances in the major fund financial statements to net assets and changes in the net assets in the government-wide financial statements. The governmental reconciliation statements therefore report the prior and current long-term financial impact on net assets and changes in net assets from current financing decisions reported in the major fund financial statements in current and prior year financial reports.

Thurston County budgets by both fund and by office or department within the fund. Budgets are also developed for major categories of expenses, such as personnel costs, supplies, professional services, repairs and maintenance, and fixed indirect costs like insurance, records management, communications, space usage and data processing costs. A budgetary comparison showing budget versus actual is provided for the General Fund, which is discussed in detail later in this analysis.

Proprietary Funds

Enterprise and internal service comprise the two types of proprietary funds used by the County. Enterprise funds are reported as business-type activities in the government-wide financial statements. Enterprise funds account for services provided by solid waste, development services, utilities planning and development, septic assistance community loan and storm, clean and waste water programs.

Internal service funds accumulate and allocate program service costs to other funds and intergovernmental jurisdictions. The County's internal service funds include: risk management, engineering services, benefits and utilities administration, central services (facilities maintenance and construction and information technology support) and equipment rental and replacement. Internal service revenues and expenses are excluded from the government-wide statements since the charges for these services are already included as costs in all other serviced County funds.

Proprietary funds and government-wide statements report balances and activities using the economic resources measurement focus and full accrual basis of accounting. The Solid Waste and Grand Mound utility programs are reported separately. All other non-major enterprise funds are aggregated into a separate columnar presentation (similar to the single columnar presentation for all non-major governmental funds in the governmental fund financial statements). Internal service funds are also combined and reported separately. Proprietary fund financial statements are presented after the governmental fund financial statements.

Fiduciary Funds

Fiduciary Funds account for resources held for the benefit of parties other than Thurston County and for amounts temporarily held in suspense. Fiduciary funds are not included in the government-wide statements since these resources do not support or fund County programs. The accounting method used to account for fiduciary external trust funds is similar to that used for proprietary funds.

Thurston County has three types of fiduciary funds: 1) investment trust funds (which report the County's external investment pool), 2) private purpose trust funds (which report amounts deposited with the County Clerk through Superior Court trust arrangements and agreements), and 3) agency funds (which are clearing accounts for assets held by the County in its role as custodian until the funds are distributed to private parties, organizations, or other government agencies). Fiduciary fund statements are presented after the proprietary fund financial statements.

Notes to Financial Statements

The notes to the financial statements provide additional information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements in this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Assets

The following table reflects the condensed Government-Wide Statement of Net Assets. Thurston County's net assets as of December 31, 2007 are $525.5 million. This reflects a net increase of $8.7 million from fiscal year 2006. The annual increase in the net assets for 2007 was 1.7%.

Thurston County Net Assets

	Governmental Activities		Business-type Activities		Total	
Account	**2007**	**2006**	**2007**	**2006**	**2007**	**2006**
Assets	$ 158,805,573	$ 150,634,182	$ 34,736,338	$ 37,080,480	$ 193,541,911	$ 187,714,662
Capital Assets	395,805,860	392,036,681	33,695,040	33,557,655	429,500,900	425,594,336
Total Assets	554,611,433	542,670,863	68,431,378	70,638,135	623,042,811	613,308,998
Current Liabilities	14,735,664	13,300,272	2,294,776	2,008,690	17,030,440	15,308,962
Long Term Liabilities	48,332,750	47,559,232	32,198,876	33,623,041	80,531,626	81,182,273
Total Liabilities	63,068,414	60,859,504	34,493,652	35,631,731	97,562,066	96,491,235
Net Assets:						
Invested in Capital Assets, Net of Related Debt	355,096,136	351,868,678	21,723,075	20,358,678	376,819,211	372,227,356
Restricted	107,897,449	111,379,265	5,361,448	5,643,212	113,258,897	117,022,477
Unrestricted	28,549,434	18,563,416	6,853,203	9,004,514	35,402,637	27,567,930
Total Net Assets	$ 491,543,019	$ 481,811,359	$ 33,937,726	$ 35,006,404	$ 525,480,745	$ 516,817,763

Thurston County's total assets were $623 million as of December 31, 2007. Of this total, $429.5 million was reported as capital assets, which includes infrastructure and construction in progress. The remaining assets include approximately $155.4 million or 80% in cash and pooled investments, $29.6 million in current receivables and prepayments, and $8.5 million in other long-term assets.

Thurston County's total liabilities were $97.5 million as of December 31, 2007. Of this total, $17 million is due within the next fiscal year. Long-term general obligation bonds are 51.5% of total liabilities and 20.6% are due to accumulated landfill closure costs. The other significant liability is compensated absences and the new OPEB payable for $9.1 million or 9.4% of total liabilities. The notes to the financial statements have additional details on these liabilities.

Total governmental assets increased by $11.9 million whereas total governmental liabilities increased by $2.2 million. The largest increases in assets were in cash and pooled investments of $6.6 million, customer account receivables of $1.9 million, and depreciable governmental capital assets of $8.7 million. Non-depreciable assets decreased by $5 million due primarily to a reclassification of road assets to depreciable.

Total assets increased by $9.7 million; other than capital assets increased by $5.8 million, while capital assets increased by $3.9 million. Of the total increase in non-capital assets, $6.4 million is attributable to restricted and unrestricted cash and pooled investments and $1.9 million is from increases in customer account receivables. This is offset by a decrease of $2.5 million from special assessment revenues, due from other governments, and other investments.

Of the total net assets of $525.5 million, 71.7% or $376.9 million is investments in capital assets net of related debt. These assets provide services to County citizens and are not available for future spending purposes. However, resources needed to repay this debt must be provided by other sources since capital assets cannot be readily liquidated to pay these liabilities. Of the remaining $148.6 million in net assets (excluding investments in capital assets) 76.2% are subject to external spending restrictions. External restrictions include those provided in state law or by contractual agreement with outside entities, primarily state and federal agencies.

For governmental activities, $107.9 million is restricted for various purposes in almost every major service area in the County. Restricted net assets decreased by $3.5 million from the prior year primarily due to decreases in restricted net assets for the major functional service areas of economic environment of $2.1 million, general government of $4.4 million, and physical environment of $1.6 million. Service areas that increased in restricted net assets included transportation of $2.6 million, internal services of $1.1 million, public safety of $1.2 million, and culture and recreation of $169,000.

For business-type activities, 99.5% of the $5.4 million in restricted net assets is for landfill post-closure and the small remainder is for debt repayment. At the close of 2007, $20.6 million in restricted cash and investments funds has been set aside to meet the accumulated landfill closure cost liability of $20.1 million. Of the remaining net assets, $35.4 million is unrestricted and available to fund any future County financial obligation. Of this total, 81% is available to fund governmental activities and the remaining 19% is available to fund business-type activities in 2007.

The County's governmental net assets of $491.6 million in the statement of net assets exceed the County's governmental fund balance in the governmental balance sheet by $382.3 million as noted in the "Financial Highlights to the Entity-Wide Statements". The adjustments that increase governmental net assets over governmental fund balance are summarized in the following table.

Reconciliation Of Governmental Fund Balance To Net Assets

Balances & Adjustments		Amount
Governmental Fund Balance	$	109,300,510
Capitalized Net Capital Assets		350,256,111
Internal Service Net Assets & Receivables		83,373,608
Long Term Debt & Compensated Absences		(51,387,210)
Governmental Net Assets	$	491,543,019

Statement of Activities

The following chart presents key elements in the Statement of Activities. Total County revenues (including net general revenues and adjustments) were increased by $14 million from $188.7 million in 2006 to $202.7 million in 2007. Total County expenses were increased by $23.3 million from $171.6 million in 2006 to $194.7 million in 2007. The annual growth in total net assets therefore decreased by $9.1 million before any prior period adjustments.

Thurston County's Statement of Activities

	Governmental Activities		Business-Type Activities		Total Primary Government	
Account	**2007**	**2006**	**2007**	**2006**	**2007**	**2006**
Program Revenues:						
Charges for Services	$ 19,244,740	$ 20,747,902	$ 22,650,457	$ 18,139,718	$ 41,895,197	$ 38,887,620
Operating Grants & Contrib.	43,981,345	39,764,951	284,147	284,458	44,265,492	40,049,409
Capital Grants & Contrib.	5,967,081	5,815,999	217,312	977,843	6,184,393	6,793,842
General Revenues:						
Taxes	101,151,580	91,775,978	-	-	101,151,580	91,775,978
Interest and Invest. Earnings	6,900,520	7,598,430	1,713,000	1,455,460	8,613,520	9,053,890
Other General Revenues	517,886	2,615,862	61,783	(512,705)	579,669	2,103,157
Total Revenues	177,763,152	168,319,122	24,926,699	20,344,774	202,689,851	188,663,896
Program Expenses: (Net)						
General Government	9,729,554	9,906,700	-	-	9,729,554	9,906,700
Culture and Recreation	5,848,770	3,032,683	-	-	5,848,770	3,032,683
Economic Environment	10,968,763	14,204,195	-	-	10,968,763	14,204,195
Health and Human Services	45,933,859	43,346,401	-	-	45,933,859	43,346,401
Utilities and Environment	1,636,119	1,593,881	-	-	1,636,119	1,593,881
Public Safety	64,826,213	55,514,228	-	-	64,826,213	55,514,228
Transportation	25,223,760	22,354,754	-	-	25,223,760	22,354,754
Interest	1,911,474	1,826,956	-	-	1,911,474	1,826,956
Solid Waste	-	-	18,115,101	16,150,450	18,115,101	16,150,450
Grand Mound	-	-	1,352,425	1,311,225	1,352,425	1,311,225
Other Business-Type Exp.	-	-	9,217,284	2,375,838	9,217,284	2,375,838
Total Expenses	166,078,512	151,779,798	28,684,810	19,837,513	194,763,322	171,617,311
Excess (Deficiency) of Revenues over (under) Expenses before Transfers	11,684,640	16,539,324	(3,758,111)	507,261	7,926,529	17,046,585
Transfers	(2,865,367)	213,024	2,865,367	(213,024)	-	-
Change in Net Assets	8,819,273	16,752,348	(892,744)	294,237	7,926,529	17,046,585
Ending Net Assets January 1	481,811,359	465,185,564	35,006,404	34,712,167	516,817,763	499,897,731
Prior Period Adjustment	912,387	(126,553)	(175,934)	-	736,453	(126,553)
Restated Net Assets January1	482,723,746	465,059,011	34,830,470	34,712,167	517,554,216	499,771,178
Ending Net Assets	$ 491,543,019	$ 481,811,359	$ 33,937,726	$ 35,006,404	$ 525,480,745	$ 516,817,763

Governmental activities provided $177.8 million in revenues (88%), while business-type activities provided $24.9 million (12%). The 2007 ratio of total revenues between governmental and business-type is consistent with 2006. The two largest governmental revenues are taxes at $101.2 million or 57% of total governmental revenues and operating grants and contributions at $44 million or 25% of total governmental revenues. The remaining 18% of governmental revenues include charges for services, interest and investment earnings and other general revenues.

The net change in governmental revenues was $9.4 million. The largest increases in governmental revenues were taxes of $9.4 million, operating grants and contributions of $4.2 million, and a slight increase of capital grants and contributions of $151,082. This was offset by decreases in governmental revenues occurring in charges for services of $1.5 million, other general revenues of $2.1 million, and interest and investment earnings of $697,910.

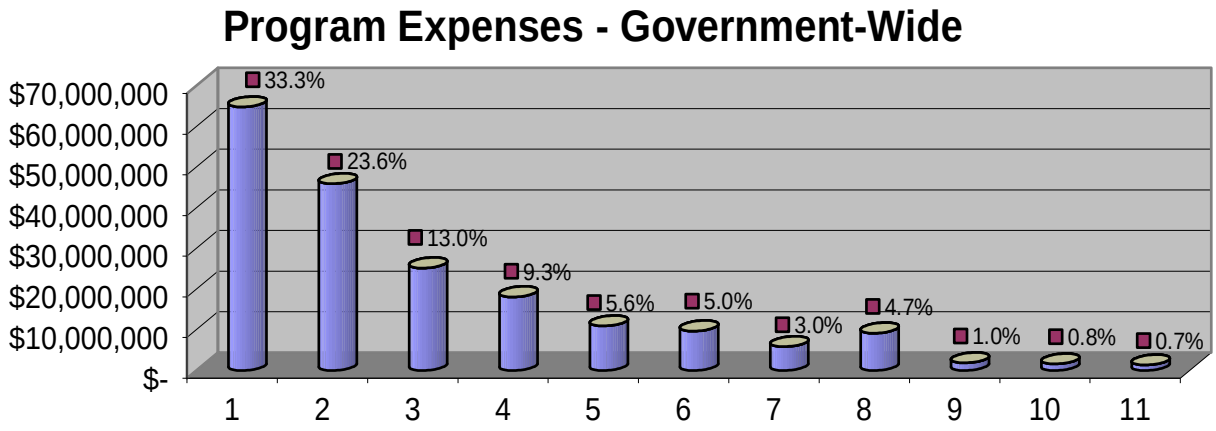
Charges for services account for 91% of total business-type revenues. Solid waste revenues account for 75% of business-type charges for services. Solid waste revenues increased by $758,525 in 2007 due to a combination of a rate increase and an increase in tons of disposed waste. The remaining revenues include 2% for operating and capital grants and contributions and 5% for Interest and other miscellaneous and general revenues. The decrease in other general revenues is primarily due to a re-classification of storm water revenues from taxes to charges for services.

The County increased expenses by $23.1 million to $194.7 million in 2007. The governmental and business-type expense distribution in 2007 closely resembles the distribution from the prior year: $166 million or 85% was in governmental activities and $28.7 million or 15% was in business-type activities.

Public safety, health and human services, transportation, and economic environment programs comprise 89% of governmental expenses and 76% of total expenses. The largest increases in expenses include a $9.3 million increase in public safety and a $6.8 million increase in other business-type expenses. Other significant increases occurred in culture and recreation of $2.8 million health and human services of $2.6 million, and transportation of $2.9 million. There was a decrease of $3.2 million in economic environment activities.

The solid waste and grand mound utilities comprise 68% of the $28.7 million in business-type expenses. The $1.5 million increase in solid waste expenses out of a total $8.2 million increase from 2006 was primarily due to an increase in disposed tons in 2007. The utility incurs a contracting and disposal fee through Lemay to provide long-hall and regional waste disposal services.

The following graph illustrates the distribution of expenses by program for both governmental and business type activities.



Legend:

1.Public Safety	4. Solid Waste	7.Culture & Recreation	10.Utilities & Env.
2.Health & Human Serv.	5. Economic Env	8. Other Business Type	11.Grand Mound
3.Transportation	6.Gen Government	9. Interest	

As noted in the "Financial Highlights to the Entity-Wide Statements", the County's governmental change in net assets of $8.7 million in the "Statement of Net Assets" exceeds the County's governmental change in fund balance of $5.9 million in the "Statement Of Revenues, Expenditures And Changes In Fund Balances" by $2.8 million. The major changes and adjustments in the Statement of Activities for capital assets, debt, and interfund transactions are summarized and illustrated in the following table.

Reconciliation Of Governmental Change In Fund Balance To Change In Net Assets

Balances & Adjustments		Amount
Net Changes in Governmental Fund Balances	$	5,850,214
Capital Outlay		12,434,621
Debt Issuance and Premium on Debt Issuance		(5,019,195)
Debt & Lease Principal Payments		3,062,950
Net Change After Excluding Amounts Excluded from the Statement of Activities		16,328,590
Depreciation & Gain On Capital Assets		(7,835,573)
Interfund Elimination & Revenue Deferral Recognition		2,618,581
Debt & Liability Expense & Adjustments		(2,292,325)
Net Change After Including Additional Adjustments in the Statement of Activities	$	8,819,273

FINANCIAL ANALYSIS OF THE COUNTY'S MAJOR FUNDS

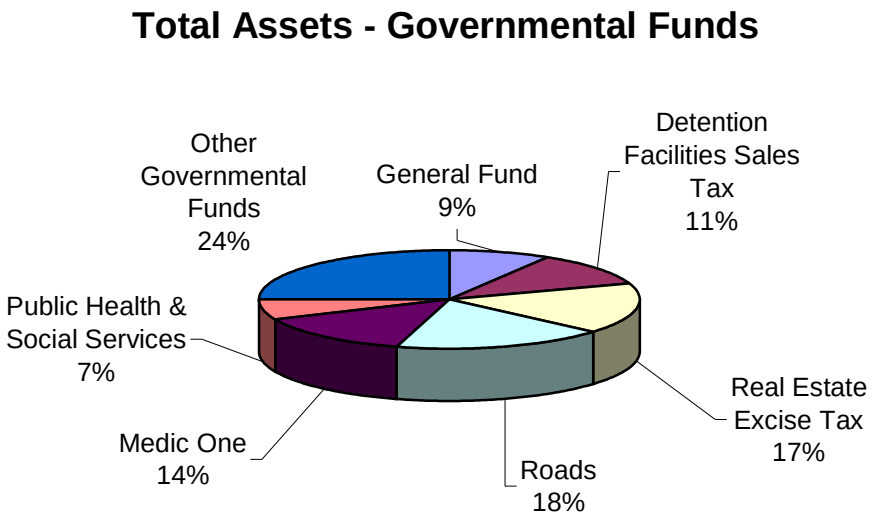
Following is an analysis of the county's major governmental and proprietary funds.

Governmental Funds Balance Sheet Analysis

Thurston County's governmental funds provide information on the short-term inflows, outflows and balances of expendable resources. The County's major funds account for 75% of total governmental fund assets and 75% of total governmental fund balance. Unreserved fund balance, as reported in the major governmental funds balance sheet, provides a useful measure of a fund's net resources available to be spent at year end. Of the $109.3 million total fund balance, all but $115,236 for debt service is unreserved. However, while unreserved, most of the funds are in essence restricted to fund specific activities and programs.

The General Fund is the chief operating fund of the County. The General Fund unreserved fund balance was $6.5 million at the end of 2007, which is 5.9% of the total governmental fund balance. Likewise, General Fund total assets of $10.5 million are 8.6% of total governmental fund assets. For 2007, General Fund expenditures exceeded revenues by $1,167,117 and after further reductions from other financing sources of $753,947, the total decrease in the General Fund balance was $1.9 million.

The following chart shows the distribution of total assets for all major governmental funds:



The Real Estate Excise Tax (REET) Fund cash and investments increased by $4.2 million due to an increase in revenues and limited transfers of expenditures in 2007. This special revenue fund accounts for excise taxes collected from real estate transactions. Each real estate transaction is charged ½ of 1 percent of the value of transacted property. These moneys are restricted for various capital expenditures as stipulated in state statutes.

The REET fund balance increased by $4.3 million as the only significant expenditures in 2007 were net transfers of $1.5 million to fund debt payments associated with prior year projects. This fund represents 16.7% of total governmental assets and 18.6% of the total governmental fund balance.

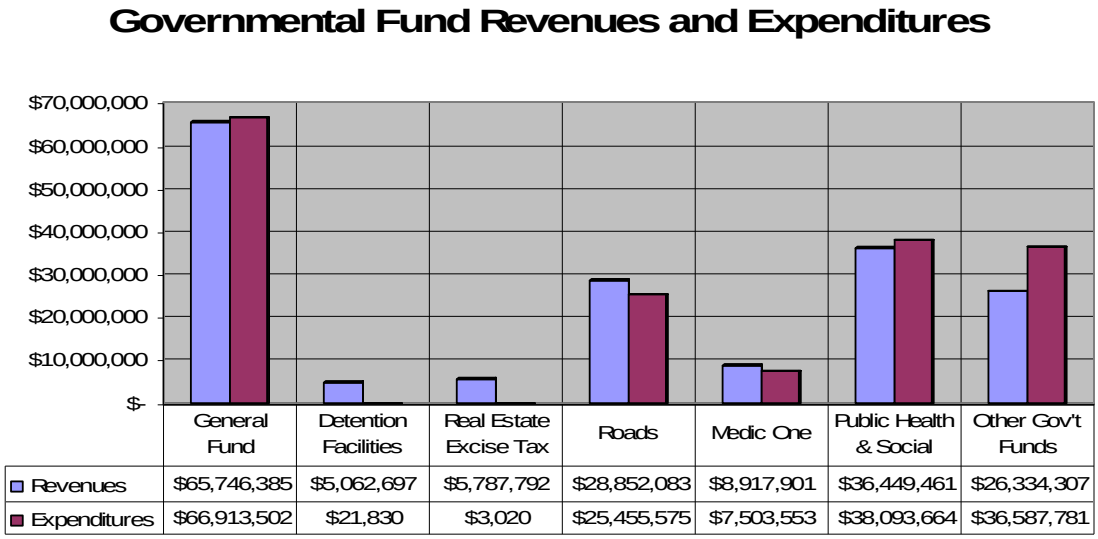
Roads total assets increased by $2.1 million in 2007. The net increase was primarily due to increases of $2.9 million in cash and pooled investments and account receivables and decreases of $808,086 in due from other governments and other funds. Two of the larger grant funded road projects in 2007 include the Hawks Prairie Road and the old Hwy 99 bridge projects. Road Fund liabilities decreased by $1.4 million in 2007 due primarily to a decrease of deferred revenues of $835,360. The Roads Fund balance correspondingly realized a slight increase of $647,430.

Public Health and Social Services total assets decreased in 2007 by $786,719 whereas total liabilities decreased by $367,455. The result was a net decrease in the Public Health and Social Services fund balance of $419, 264. In 2007, Public Health and Social Services was 6.6% of total governmental assets and 5.1% of the total governmental fund balance, as opposed to 7.7% and 5.9% respectively in 2006.

Medic One's total assets comprise 13.7% of total governmental fund assets. The largest asset increase was an increase of $628,761 in cash and pooled investments. Liabilities were reduced substantially with a reduction in accounts payable of $525,120. Medic One liabilities and fund balance comprise 7% and 14% of total governmental liabilities and fund balance, respectively.

Governmental Funds Revenue/Expenditure Analysis

The following chart shows revenues and expenditures for six major governmental funds and for all other governmental funds. Charted revenues and expenditures exclude other financing sources/uses and transfers.



	General Fund	Detention Facilities	Real Estate Excise Tax	Roads	Medic One	Public Health & Social	Other Gov't Funds
Revenues	$65,746,385	$5,062,697	$5,787,792	$28,852,083	$8,917,901	$36,449,461	$26,334,307
Expenditures	$66,913,502	$21,830	$3,020	$25,455,575	$7,503,553	$38,093,664	$36,587,781

The General Fund, Public Health and Social Services Fund and Roads Fund account for 74% of total revenues and 75% of total expenditures. Total governmental fund balance increased by $7.8 million in 2007, excluding $600,431 in prior period adjustments. Total revenues increased by $7.3 million. The total net revenue increase is primarily due to increases of: $8.8 million in taxes and $4.9 million in intergovernmental revenues. These increases were offset by revenue decreases of $2.7 million in licenses and permits and $3.4 million in miscellaneous revenues. Total governmental expenditures increased by $12.3 million in 2007. The two largest expenditure increases from 2006 occurred in the General Fund of $4.4 million and in other governmental funds of $4.7 million.

Within total governmental funds, General Fund expenditures increased in 2007 by $4.4 million. Within the General Fund, public safety and general government expenditures accounted for $4.1 million of that increase. Whereas total General Fund revenues, excluding other financing sources and uses, increased by only $2.7 million. This $1.7 million difference accounts for almost 90% of the decrease in the General Fund balance from $8.4 million to $6.5 million.

Real Estate Excise Tax (REET) revenues were down $2.5 million or 30% in 2007 as compared to 2006. Revenues within this fund are directly tied to activity in the real-estate market. This reduction was due to a decrease in tax revenues of $1.1 million and a decrease in miscellaneous revenues of $1.4 million due to a contractual remediation settlement for the juvenile detention center in the previous year. While revenues were down, there was again limited expenditure activity in the REET fund in 2007, resulting in a net increase in the fund balance of $4.3 million.

The Roads Fund provides road maintenance and construction services to the citizens of Thurston County. Revenues increased by $1.4 million or 5% and expenditures increased by $757,892 million or 3%. The Roads Fund expended $17.2 million on transportation projects and $7 million on capital outlays in 2007, which includes the Hawks Prairie Road ($1.8 million), Old Highway 99 and 93rd street intersection ($465 thousand), Bald Hill Road ($354 thousand) and the Morris Road Curve ($209 thousand). Roads public safety expenditures decreased by $453,534 in 2007.

The Public Health and Social Services Fund provides social and health services to the citizens of Thurston County. Revenues increased by 13% whereas expenditures increased by only 4% in 2007. Increases in revenues were primarily due to a $3.4 million increase in intergovernmental revenues and a $752,523 increase in revenues from taxes and charges for services. The majority of the increase in intergovernmental revenue occurred in mental health outpatient programs. The increase in taxes and charges for services was primarily due to service fees generated at the Evaluation and Treatment facility and overall improved service fee collections.

The Medic One Fund provides basic and advanced life support services to the citizens of Thurston County. The primary revenue source for this service is voter approved property taxes. Revenues increased by 7% whereas expenditures increased by 17% in 2007. The increase in expenditures was mainly due to the start of an internal ER&R fund requested by the Medic One EMS Council. The new internal fund would better allow planning, tracking, and reporting on capital and minor equipment purchases. Other reasons included assigning a new paramedic unit to the northeast count area, where the unit completed its first year of 12 hour peak time staffing service. This unit has 4 full time employees and costs roughly $300 thousand to operate on a yearly basis. Results of operations still resulted in an increase of $1.4 million to fund balance. The Medic One Fund balance was $15.9 million at year end which includes $7.4 million in reserves for major Medic One projects.

The Other Governmental Funds comprise all non-major Special Revenue, Capital Projects, and Debt Service funds of the County. During 2007, revenues in these funds decreased by over $4 million compared to 2006. The reason for this decrease is twofold. First, in 2007, the Special Revenue fund Detention Facility Sales Tax, is considered a “major” Special Revenue fund for GASB 34 reporting purposes, whereas in 2006, it was considered a “non-major” Special Revenue fund. Second, the County opted to reclassify its Development Services fund from a Special Revenue fund in 2006, to an Enterprise Fund in 2007. This fund’s revenues totaled $4.9 million in 2006. The County also elected to reclassify its Communications Fund from an Internal Service fund in 2006 to a Special Revenue fund in 2007. Reclassifying this fund in 2007, added $6.8 million in revenues to the Other Governmental Fund category. During 2007, expenditures for Other Governmental Funds increased by just over $4.5 million. An increase of $1.5 million in construction costs for a new jail and an increase of $2.1 million in the County’s Regional Athletic Complex joint venture were the main sources of this expenditure increase.

Enterprise Funds Net Assets Analysis

The following table reflects the enterprise fund statement of net assets as of December 31, 2007.

Thurston County
Enterprise Net Assets

Assets	Solid Waste	Grand Mound	Other Enterprise Funds	Total Enterprise Funds
Cash & Pooled Investments	$ 4,210,225	$ 376,471	$2,372,243	$ 6,958,939
Other Current Assets	2,781,554	279,094	453,553	3,514,201
Restricted Assets:				
Cash and Pooled Investments	-	99,990	288,599	388,589
Total Current Assets	6,991,779	755,555	3,114,395	10,861,729
Long-Term Assets:				
Receivables and Deff Chrgs.	25,533	3,170,808	1,178,239	4,374,580
Capital Assets	32,583,440	14,836,836	15,915,323	63,335,599
Less Accumulated Depreciation	(21,128,102)	(2,413,701)	(6,098,756)	(29,640,559)
Restrict Assets: Cash and Pooled Investments	20,558,312	-	-	20,558,312
Total Long Term Assets	32,039,183	15,593,943	10,994,806	58,627,932
Total Assets	39,030,962	16,349,498	14,109,201	69,489,661
Liabilities				
Current Liabilities:				
Accounts Payable/ Due To's	2,151,432	257,360	540,647	2,949,439
Lim.Tax G.O.Bond-Current	-	479,768	-	479,768
Total Current Liabilities	2,151,432	737,128	540,647	3,429,207
Long-Term Liabilities:				
Limited G.O. Bonds Payable	-	10,057,447	-	10,057,447
Compensated Absences Payable	-	-	410,889	410,889
Intergov. Loans & Contracts Payable	-	100,753	1,737,969	1,838,722
Advances From Other Funds	-	20,000	5,533	25,533
Accumulated Landfill Closure Costs	20,091,050	-	-	20,091,050
Total Long Term Liabilities	20,091,050	10,178,200	2,154,391	32,423,641
Total Liabilities	22,242,482	10,915,328	2,695,038	35,852,848
Net Assets				
Invested in Capital Assets, net rel. debt	11,455,338	1,771,685	8,496,052	21,723,075
Restricted For:				
Postclosure, Net Of Related Liability	5,333,142	-	-	5,333,142
Debt Service	-	-	28,306	28,306
Unrestricted (Deficit)	-	3,662,485	2,889,805	6,552,290
Total Net Assets	$ 16,788,480	$ 5,434,170	$ 11,414,163	$ 33,636,813

The Solid Waste and Grand Mound utilities are the only major enterprise funds for Thurston County. The Solid Waste Fund provides solid waste disposal and reduction services to the citizens of Thurston County. The Grand Mound Fund provides water and waste water services to residents of Grand Mound in southern Thurston County. These funds comprise 80% of enterprise assets and 92% of enterprise liabilities (essentially the same percentages as 2006).

Combined net assets for enterprise funds were $33.6 million in 2007 of which $22.2 million or 66% resided in major funds. Of the combined net assets, $21.7 million or 64% are capital assets net of related debt, whereas $6.6 million or 19% are unrestricted. Unrestricted net assets decreased by $1.7 million in 2007. Total current assets for enterprise funds continued to decrease in 2007 by $3.7 million due primarily to a decrease of $2.4 million in cash and investments. Total assets decreased by $2 million in 2007. The restricted assets for the landfill increased from $18.3 million to $20.6 million.

Enterprise Funds Revenue/Expense Analysis

The following table is a summary of enterprise fund revenues and expenses in 2007.

Thurston County Washington
Enterprise Funds Revenues and Expenses

	Solid Waste	Grand Mound	Other Enterprise Funds	Total Enterprise Funds
Revenues:				
Charges for Services	$ 16,888,809	$ 341,512	$ 5,384,025	$ 22,614,346
Miscellaneous	46,462	5,402	238,375	290,239
Interest Revenue	1,248,498	232,318	232,184	1,713,000
Other Nonoperating Revenue	-	1,753	78,957	80,710
Total Revenues	18,183,769	580,985	5,933,541	24,698,295
Expenses:				
Salaries and Benefits	2,007,260	258,607	5,634,868	7,900,735
Other Supplies and Expenses	337,186	35,377	327,716	700,279
Contractual Services	2,044,426	73,016	859,474	2,976,916
Longhaul Contract	11,534,875	-	-	11,534,875
Interfund Services and Charges	904,354	41,006	1,388,424	2,333,784
Depreciation/Amortization	833,086	368,135	693,778	1,894,999
Misc. Nonoperating Expenses	295,847	544,582	50,265	890,694
Total Expenses	17,957,034	1,320,723	8,954,525	28,232,282
Income (Loss) Before Contrib. and Trans.	226,735	(739,738)	(3,020,984)	(3,533,987)
Capital Contributions	-	171,965	30,340	202,305
Transfers In (Out)	-	174,609	2,690,758	2,865,367
Change in Net Assets	226,735	(393,164)	(299,886)	(466,315)
Net Assets as of January 1	16,561,745	5,827,334	11,889,983	34,279,062
Prior Period Adjustments	-	-	(175,934)	(175,934)
Net Assets as of January 1-Restated	16,561,745	5,827,334	11,714,049	34,103,128
Net Assets as of December 31	$ 16,788,480	$ 5,434,170	$ 11,414,163	$ 33,636,813

Total operating revenues from charges for services in 2007 are $22.6 million and comprise 92% of total enterprise operating and non-operating revenues. Total operating revenues for enterprise funds increased by $4.5 million in 2007. Please note that operating revenues and expenses are not segregated within the accompanying summarized table whereas they are segregated within the fund financial statements.

The Solid Waste Fund has provided waste disposal and reduction services through a solid waste transfer facility since 1999 at the Hawk's Prairie Solid Waste and Recovery Center. Solid waste was disposed at a landfill at this site prior to that time. Maintenance of the closed landfill is fully funded through post closure reserves generated from landfill revenues prior to closure. Solid Waste Fund revenues comprise 74% of total enterprise revenues and 64% of total enterprise expenditures.

The Grand Mound Fund has provided water and waste water services to the Grand Mound area since 1999. Grand Mound Fund revenues comprise 2% of total enterprise revenues and 5% of total enterprise expenditures. Interest revenues comprise 40% of total revenues in the Grand Mound Fund, primarily from funds reserved for the repayment of general obligation debt. In 2007, net assets in the Grand Mound Fund decreased by $393,164.

The County has usually funded utility capital construction and major replacement with general facility charges and assessments. Consequently, depreciation expense comprises 47% of the $776,141 Grand Mound Fund operating expenses in 2007. In April of 2007 the County signed an agreement with the Chehalis Tribe for a $1.6 million water-line construction and service agreement for a Great Wolf Lodge water park, convention center and hotel. The agreement states that the Grand Mound utility will provide up to 85,000 gallons of water per day to this facility. The lodge opened in the spring of 2008.

General Fund Budgetary Highlights

Thurston County adopts an annual budget in December of the preceding year. Adjustments are made to the budget throughout the year with a major review in June. The following table shows the changes between the original and final budget as of December 31, 2007. A positive variance is reported if final budget revenues exceed original budget revenues whereas a negative variance is reported if final budget revenues are less than the original budgeted revenues. The reverse is shown for expenditures. A negative variance is reported if final budget expenditures exceed original budget expenditures and a positive variance is shown if the original budget expenditures exceeds the final budgeted expenditures.

See Next Page

Thurston County
General Fund Changes in Budget

	Original Budget	Final Budget	Variance Positive (Negative)
Revenues:			
Taxes	$ 48,027,498	$ 47,604,102	$ (423,396)
Licenses & Permits	51,075	51,075	-
Intergovernmental	6,507,780	8,017,327	1,509,547
Charges for Services	7,020,020	7,138,864	118,844
Fines & Forfeitures	1,513,027	1,513,027	-
Miscellaneous	3,111,939	3,115,439	3,500
Total General Revenues	**66,231,339**	**67,439,834**	**1,208,495**
Other Financing Sources:			
Capital Lease Financing	-	-	-
Other Finance Sources - Capital Asset Sales	400	400	-
Transfers In	1,604,390	1,733,460	129,070
Total Other Financing Sources	1,604,790	1,733,860	129,070
Total Revenues	**$ 67,836,129**	**$ 69,173,694**	**$ 1,337,565**
Expenditures by Department:			
Total Assessor's Office	$ 3,363,347	$ 3,372,937	$ (9,590)
Total Auditor's Office	4,448,481	5,201,271	(752,790)
Total Assigned Counsel	2,662,945	2,786,574	(123,629)
Total Civil Service	116,883	116,883	-
Total Clerk's Office	3,100,752	3,100,752	-
Total Commissioner's Office	1,139,805	1,139,805	-
Total Coroner's Office	626,915	721,463	(94,548)
Total Corrections	12,890,138	13,062,232	(172,094)
Total District Court	2,824,804	2,897,611	(72,807)
Total Human Resources	1,387,459	1,429,569	(42,110)
Total Juvenile Probation	6,123,190	6,213,190	(90,000)
Total Non-Departmental	4,373,773	4,251,457	122,316
Total Prosecuting Attorney	7,259,264	7,622,998	(363,734)
Total State Examiner	112,335	115,000	(2,665)
Total Sheriff	14,176,941	14,255,241	(78,300)
Total Superior Court	4,066,436	4,410,614	(344,178)
Total Treasurer's Office	1,039,029	1,064,564	(25,535)
Total WSU Extension	505,288	556,963	(51,675)
Total General Fund Expenditures	**70,217,785**	**72,319,124**	**(2,101,339)**
Net Changes in Fund Balances	(2,381,656)	(3,145,430)	(763,774)
Fund Balances as of January 1	6,794,262	7,081,659	287,397
Fund Balances as of December 31	**$ 4,412,606**	**$ 3,936,229**	**$ (476,377)**

Tax revenues in the final 2007 budget were reduced by $423,396 or .9% while intergovernmental charges were increased by $1.5 million or 23%. The net revenue increase for the General Fund from the original budget to the final adopted budget, including other financing sources, was $1.3 million or 2%.

With regard to expenditures, the net increase in total budget expenditures from the original budget to the final budget was $2.1 million or 3%. The most significant dollar value change in budget expenditures was for the Auditor's Office, with an increase of $752,790. This was due to the additional budgetary request for a Help America Vote Act (HAVA) grant for a new elections ballot sorter and a new voter registration system. The next largest increase was in the Prosecuting Attorney's Office at $363,734 resulting from increased grant funds for the Weed and Seed Program and Crime Victims Advocate Network. The Superior Court budget was increased by $344,178 to help respond to increased costs related to jury trials, mandated use of professional services, and continued funding for four court security officers. The Corrections Office budget was also increased by $172,094 due to new grant activity, making up the remaining significant change.

Total final budget revenues increased by $5.3 million or 8.3% from 2006 whereas budget expenditures increased by $5.4 million or 8% from the prior year.

General Fund Budget to Actual Variances

The table on the following page summarizes differences between budget and actual for revenues and expenditures in the General Fund. Operating transfers are included within amounts reported for revenues and expenditures for each department.

The final results for 2007 show actual revenues at $1.7 million or 2.5% below the final budget and actual expenditures at $2.9 million or 4% under budget. When compared to the prior year, actual revenues increased by $2.9 million or 4.4% whereas actual expenditures (including transfers out) increased by $4.6 million or 7%.

The ending General Fund balance in 2007 was $6.5 million. This was a $1.9 million decrease from 2006. While the actual General Fund balance decreased by $1.9, there was a $2.6 million positive ending fund balance variance from the budgeted ending fund balance of $3.9 million after including other financing sources, uses and transfers.

Within the $4.6 million increase in General Fund expenditures in 2007 (including capital outlays, debt service and transfers out), the largest increases from 2006 were in the area of Public Safety. The Sheriff's Office increased by $613,000, Corrections by $760,467, Superior Court by $537,777, District Court by $370,814, Juvenile Probation by $507,922 and the Prosecuting Attorney's Office by $505,363. The Sheriff's Office increase was the result of adding one Sergeant, a new on-line timekeeping and reporting system, and $357,000 in internal service fund charges. The major increase for Corrections was the addition of five new correctional officers. Superior Court added six new positions and District Court added two new positions, one of which addressed a separation of duties issue in a prior audit. Prosecuting Attorney added three project positions to support their grant activity and Juvenile Court's increase was principally in extra help to meet caseloads.

Thurston County
General Fund Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
As of December 31, 2007

	Final 2007 Budget	2007 Actuals	Variance Positive (Negative)
Revenues:			
Taxes	$ 47,604,102	$ 46,415,174	$ (1,188,928)
Licenses & Permits	51,075	58,475	7,400
Intergovernmental	8,017,327	7,745,602	(271,725)
Charges for Services	7,138,864	6,784,522	(354,342)
Fines & Forfeitures	1,513,027	1,812,688	299,661
Miscellaneous	3,115,439	2,929,924	(185,515)
Total General Revenues	**67,439,834**	**65,746,385**	**(1,693,449)**
Other Financing Sources:			
Capital Lease Financing	-	164,942	164,942
Other Finance Sources - Capital Asset Sales	400	250	(150)
Transfers In	1,733,460	1,548,857	(184,603)
Total Other Financing Sources	1,733,860	1,714,049	(19,811)
Total Revenues	**$ 69,173,694**	**$ 67,460,434**	**$ (1,713,260)**
Expenditures by Department:			
Total Assessor's Office	$ 3,372,937	$ 3,368,973	$ 3,964
Total Auditor's Office	5,201,271	4,334,958	866,313
Total Assigned Counsel	2,786,574	2,604,465	182,109
Total Civil Service	116,883	108,189	8,694
Total Clerk's Office	3,100,752	3,075,743	25,009
Total Commissioner's Office	1,139,805	1,158,511	(18,706)
Total Coroner's Office	721,463	658,661	62,802
Total Corrections	13,062,232	12,769,243	292,989
Total District Court	2,897,611	2,828,266	69,345
Total Human Resources	1,429,569	1,343,709	85,860
Total Juvenile Probation	6,213,190	6,064,726	148,464
Total Non-Departmental	4,251,457	3,411,496	839,961
Total Prosecuting Attorney	7,622,998	7,628,120	(5,122)
Total State Examiner	115,000	114,217	783
Total Sheriff	14,255,241	13,950,991	304,250
Total Superior Court	4,410,614	4,369,000	41,614
Total Treasurer's Office	1,064,564	1,061,865	2,699
Total WSU Extension	556,963	530,365	26,598
Total General Fund Expenditures	**72,319,124**	**69,381,498**	**2,937,626**
Net Changes in Fund Balances	(3,145,430)	(1,921,064)	1,224,366
Fund Balances as of January 1	7,081,659	8,426,916	1,345,257
Fund Balances as of December 31	**$ 3,936,229**	**$ 6,505,852**	**$ 2,569,623**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Thurston County's total net investment in governmental and business-type capital assets was $429.5 million at year end. Of this total, $278.8 million (65%) are non-depreciable assets and $150.7 million (35%) are depreciated. Capital assets comprise 69% of total assets. Capital assets include land, construction in progress, buildings, improvements, machinery and equipment, and infrastructure. A capital asset breakdown is provided in Note VI within the financial statement section.

Net depreciable assets increased by $9.2 million in 2007, while non-depreciable assets decreased by $5.3 million. A significant part of the increase in depreciable assets was due to $1.7 million in storm water projects, $1.7 million in road capitalized equipment through the ER&R fund, improvements to Heritage Hall at the fairgrounds of $1 million, and improvements to Park facilities at Kennydell, Griffin, and the new Regional Athletic Center of $681,000. The most significant part of the decrease in non-depreciable assets was a conversion of construction in progress road projects from non-depreciable to depreciable.

Long-Term Debt

Total general obligation debt outstanding at year end was $52.9 million ($42.4 million in governmental activities and $10.5 million in Business-type activities). Loans, contracts and leases were $2.9 million at year end. The County did issue $5 million in new general obligation debt during 2007 to finance the new Accountability and Restitution Center (ARC) and conversion of warehouse to office space.

The County has the capacity to issue $432 million in debt without a vote under the limitation of indebtedness statute. Debt liabilities exceed assets reserved for debt repayment by $52.7 million. This leaves $379.4 million of additional indebtedness available under the 1.5% limit of taxable property value.

See financial statement note VII for more information on the various debt issuances outstanding and the original reason for their issuance.

Government Wide Financial Statements

Statement Of Net Assets
December 31, 2007
Page 1 of 2

ASSETS	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total
Current Assets:			
Cash & Pooled Investments	$ 127,457,636	$ 6,958,939	$ 134,416,575
Receivables:			
Taxes Receivable	2,013,932	-	2,013,932
Special Assessment Receivables	63,265	386,985	450,250
Accrued Interest & Penalties	2,983,103	363,896	3,346,999
Customer Account Receivables	12,330,506	1,575,451	13,905,957
Internal Balances	432,286	(432,286)	-
Due from Other Government Units	7,881,120	587,405	8,468,525
Inventory	982,907	-	982,907
Prepayments	409,650	-	409,650
Restricted Assets:			
Cash & Pooled Investments	-	388,589	388,589
Investments at Cost	-	-	-
Total Current Assets	154,554,405	9,828,979	164,383,384
Long-Term Assets:			
Deferred Charges	234,456	188,551	423,007
Community Loans Receivable	-	154,949	154,949
Other Long-Term Receivables	-	-	-
Special Assessment Receivables	232,147	4,005,547	4,237,694
Advances To Other Funds	-	-	-
Investment in Joint Ventures, Net	3,784,565	-	3,784,565
Capital Assets:			
Non-Depreciable	274,253,350	4,538,293	278,791,643
Depreciable, Net	121,552,510	29,156,747	150,709,257
Restricted Assets: Cash and Pooled Investments	-	20,558,312	20,558,312
Total Noncurrent Assets	400,057,028	58,602,399	458,659,427
Total Assets	554,611,433	68,431,378	623,042,811

See accompanying notes to the financial statements

Statement Of Net Assets
December 31, 2007
Page 2 of 2

	Primary Government		
LIABILITIES	**Governmental Activities**	**Business-Type Activities**	**Total**
Current Liabilities:			
Accounts Payable	7,106,701	1,461,319	8,568,020
Due To Other Funds	-	-	-
Notes Payable	381,252	146,760	528,012
Due to Other Government Units	600,692	7,697	608,389
Compensated Absences	4,248,232	199,232	4,447,464
Limited G.O. Bonds Payable	2,282,355	479,768	2,762,123
Unearned Revenue	116,432	-	116,432
Total Current Liabilities	14,735,664	2,294,776	17,030,440
Long-Term Liabilities:			
Limited G.O. Bonds Payable	40,161,961	10,057,447	50,219,408
Compensated Absences & OPEB Payable	4,466,002	211,657	4,677,659
Claims & Judgments Payable	3,158,870	-	3,158,870
Intergovernmental Loans & Contracts Payable	545,917	1,838,722	2,384,639
Advances From Other Funds	-	-	-
Accumulated Landfill Closure Costs	-	20,091,050	20,091,050
Total Noncurrent Liabilities	48,332,750	32,198,876	80,531,626
Total Liabilities	63,068,414	34,493,652	97,562,066
NET ASSETS			
Investment in Capital Assets, Net of Related Debt	355,096,136	21,723,075	376,819,211
Restricted Net Assets:			
Culture & Recreation	432,900	-	432,900
Economic Environment	3,681,800	-	3,681,800
General Government	19,376,900	-	19,376,900
Health and Human Services	18,078,400	-	18,078,400
Internal Service	20,542,249	-	20,542,249
Public Safety	23,657,300	-	23,657,300
Physical Environment	1,928,700	-	1,928,700
Transportation	20,199,200	-	20,199,200
Debt Service	-	28,306	28,306
Landfill Postclosure	-	5,333,142	5,333,142
Unrestricted (Deficit)	28,549,434	6,853,203	35,402,637
Total Net Assets	$ 491,543,019	$ 33,937,726	$ 525,480,745

See accompanying notes to the financial statements

Statement Of Activities
For The Year Ended December 31, 2007
Page 1 of 2

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues: Charges for Services	Program Revenues: Operating Grants And Contributions	Program Revenues: Capital Grants & Contributions
PRIMARY GOVERNMENT					
Governmental Activities:					
General Government	$ 13,751,270	$ (4,021,716)	$ 2,465,701	$ 29,199	$ 252,065
Culture & Recreation	5,756,924	91,846	1,119,202	166,671	-
Economic Environment	10,871,287	97,476	2,443,618	8,568,377	828,811
Health & Human Services	45,151,943	781,916	2,503,671	31,616,470	-
Public Safety	63,503,092	1,323,121	8,262,962	3,413,353	16,694
Transportation	24,384,644	839,116	1,685,740	159,887	4,869,511
Utilities & Environment	1,597,895	38,224	763,846	27,388	-
Interest and Fiscal Charges	1,911,474	-	-	-	-
Total Governmental Activities	166,928,529	(850,017)	19,244,740	43,981,345	5,967,081
Business-Type Activities:					
Solid Waste	18,033,293	81,808	16,890,041	182,531	-
Grand Mound	1,331,573	20,852	341,512	308	184,420
Other	8,469,927	747,357	5,418,904	101,308	32,892
Total Business-Type Activities	27,834,793	850,017	22,650,457	284,147	217,312
Total Primary Government	$ 194,763,322	$ -	$ 41,895,197	$ 44,265,492	$ 6,184,393

See accompanying notes to the financial statements

Statement Of Activities
For The Year Ended December 31, 2007
Page 2 of 2

Functions/Programs	Net (Expense) Revenue and Changes In Net Assets — Primary Government: Governmental Activities	Business-Type Activities	Total
PRIMARY GOVERNMENT			
Governmental Activities:			
General Government	$ (6,982,589)	**$ -**	$ (6,982,589)
Culture & Recreation	(4,562,897)	-	(4,562,897)
Economic Environment	872,043	-	872,043
Health & Human Services	(11,813,718)	-	(11,813,718)
Public Safety	(53,133,204)	-	(53,133,204)
Transportation	(18,508,622)	-	(18,508,622)
Utilities & Environment	(844,885)	-	(844,885)
Interest and Fiscal Charges	(1,911,474)	-	(1,911,474)
Total Governmental Activities	(96,885,346)	-	(96,885,346)
Business-Type Activities:			
Solid Waste	-	(1,042,529)	(1,042,529)
Grand Mound	-	(826,185)	(826,185)
Other	-	(3,664,180)	(3,664,180)
Total Business-Type Activities	-	(5,532,894)	(5,532,894)
Total Primary Government	$ (96,885,346)	$ (5,532,894)	$ (102,418,240)
General Revenues:			
Taxes:			
Property Taxes, Levied for Specific Purposes	25,849,728	-	25,849,728
Franchise and Public Serv. Taxes, Assessed for Specific Purposes	27,934,302	-	27,934,302
Property Taxes, Levied for General Purposes	30,957,804	-	30,957,804
Franchise and Public Serv. Taxes, Assessed for General Purposes	16,409,746	-	16,409,746
Other General Revenues:			
Interest & Investment Earnings	6,900,520	1,713,000	8,613,520
Miscellaneous	517,886	61,783	579,669
Transfers In/(Out)	(2,865,367)	2,865,367	-
Total General Revenues, Special Items and Transfers	105,704,619	4,640,150	110,344,769
Change in Net Assets	8,819,273	(892,744)	7,926,529
Net Assets as of January 1	481,811,359	35,006,404	516,817,763
Prior Period Adjustment	912,387	(175,934)	736,453
Net Assets as of January 1 - Restated	482,723,746	34,830,470	517,554,216
Net Assets as of December 31	$ 491,543,019	$ 33,937,726	$ 525,480,745

See accompanying notes to the financial statements

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Balance Sheet
Governmental Funds
December 31, 2007
Page 1 of 2

ASSETS	General Fund	Detention Facility Sales Tax Holding	Real Estate Excise Tax	Roads
Current Assets:				
Cash & Pooled Investments	$ 3,953,958	$ 13,376,237	$ 20,113,994	$ 18,775,876
Receivables:				
Taxes Receivable	1,023,028	-	-	649,107
Special Assessment Receivables	-	-	-	-
Accrued Interest & Penalties	1,973,066	83,196	108,054	55,784
Customer Account Receivables	2,438,072	-	-	-
Due from Other Funds	202,737	2,327	180,000	82,551
Due from Other Government Units	877,761	-	-	1,817,921
Inventory	-	-	-	780,733
Prepayments	23,632	-	-	-
Total Assets	$ 10,492,254	$ 13,461,760	$ 20,402,048	$ 22,161,972
LIABILITIES				
Current Liabilities:				
Accounts Payable	$ 988,240	$ -	$ -	$ 629,263
Due to Other Funds	47,529	41,029	62,598	45,789
Due to Other Government Units	787	-	-	5,358
Deferred Revenues	2,949,846	-	-	748,063
Total Liabilities	3,986,402	41,029	62,598	1,428,473
FUND BALANCES				
Reserved For:				
Debt Service	-	-	-	-
Unreserved-Designated for Inventories				
Special Revenue Funds	-	-	-	780,733
Unreserved-Designated for Petty Cash				
General Fund	25,000	-	-	-
Special Revenue Funds	-	-	-	300
Unreserved - Undesignated, Reported In:				
General Fund	6,480,852	-	-	-
Special Revenue Funds	-	13,420,731	20,339,450	19,952,466
Capital Projects Funds	-	-	-	-
Total Fund Balance	6,505,852	13,420,731	20,339,450	20,733,499
Total Liabilities & Fund Balances	$ 10,492,254	$ 13,461,760	$ 20,402,048	$ 22,161,972

See accompanying notes to the financial statements

Balance Sheet
Governmental Funds
December 31, 2007
Page 2 of 2

ASSETS	Medic One	Public Health & Social Services	Other Governmental Funds	Total Governmental Funds
Current Assets:				
Cash & Pooled Investments	$ 16,365,843	$ 4,335,452	$ 25,945,040	$ 102,866,400
Receivables:				
Taxes Receivable	276,060	17,742	47,995	2,013,932
Special Assessment Receivables	-	7,255	56,010	63,265
Accrued Interest & Penalties	112,725	105,835	387,896	2,826,556
Customer Account Receivables	-	35,239	628,781	3,102,092
Due from Other Funds	1,888	194,835	1,503,125	2,167,463
Due from Other Government Units	7,000	3,374,207	1,804,231	7,881,120
Inventory	-	-	1,309	782,042
Prepayments	-	-	301,351	324,983
Total Assets	$ 16,763,516	$ 8,070,565	$ 30,675,738	$ 122,027,853
LIABILITIES				
Current Liabilities:				
Accounts Payable	$ 535,481	$ 1,942,660	$ 2,331,237	$ 6,426,881
Due to Other Funds	490	39,620	1,301,510	1,538,565
Due to Other Government Units	76,271	512,955	5,321	600,692
Deferred Revenues	276,060	24,997	162,239	4,161,205
Total Liabilities	888,302	2,520,232	3,800,307	12,727,343
FUND BALANCES				
Reserved For:				
Debt Service	-	-	115,236	115,236
Unreserved-Designated for Inventories				
Special Revenue Funds	-	-	1,309	782,042
Unreserved-Designated for Petty Cash				
General Fund	-	-	-	25,000
Special Revenue Funds	100	2,850	17,975	21,225
Unreserved - Undesignated, Reported In:				
General Fund	-	-	-	6,480,852
Special Revenue Funds	15,875,114	5,547,483	18,876,755	94,011,999
Capital Projects Funds			7,864,156	7,864,156
Total Fund Balance	15,875,214	5,550,333	26,875,431	109,300,510
Total Liabilities & Fund Balances	$ 16,763,516	$ 8,070,565	$ 30,675,738	$ 122,027,853

See accompanying notes to the financial statements

Reconciliation Of The Balance Sheet Of Governmental Funds To The Statement Of Net Assets

December 31, 2007

	Governmental Funds
Fund balance as shown in the Governmental Funds Balance Sheet	$ 109,300,510
The cost of capital assets and joint ventures, which is expended and not recognized in governmental funds, is deferred to future periods in the statement of net assets	350,256,111
Debt, which is not reported in governmental funds, is reported in the statement of net assets	(43,346,658)
Assets, liabilities and resulting net assets of internal service funds, which are separately reported in proprietary fund statements, are included and combined with governmental balances in the statement of net assets	69,866,332
Long term special assessment receivables and unamortized debt discount on long term debt, which is not reported in governmental funds, is reported in the statement of net assets	466,603
Long term (non-available) receivables, which are deferred in governmental funds, are recognized and accrued as revenues in the statement of net assets	13,040,673
Compensated absences and other post employment benefits, which are not reported in governmental funds, are reported as an accrued liability in the statement of net assets	(7,739,639)
Interfund balances, which are reported in governmental and proprietary funds, are eliminated in the statement of net assets (except for a residual amount outstanding between governmental and enterprise activities)	(300,913)
Net assets for governmental funds as shown in Statement of Net Assets	$ 491,543,019

See accompanying notes to the financial statements

Statement Of Revenues, Expenditures And Changes In Fund Balances
Governmental Funds
For The Year Ended December 31, 2007
Page 1 of 2

	General Fund	Detention Facility Sales Tax Holding	Real Estate Excise Tax	Roads
Revenues:				
Taxes	$ 46,415,174	$ 4,421,898	$ 4,843,208	$ 16,761,782
Licenses & Permits	58,475	-	-	-
Intergovernmental	7,745,602	-	-	10,645,920
Charges for Services	6,784,522	-	15,575	1,331,796
Fines & Forfeits	1,812,688	151	-	-
Miscellaneous Revenue	2,929,924	640,648	929,009	112,585
Total Revenues	65,746,385	5,062,697	5,787,792	28,852,083
Expenditures:				
General Government	11,469,945	-	-	-
Culture & Recreation	541,461	-	-	-
Economic Environment	283,217	-	-	-
Health & Human Services	-	-	-	-
Public Safety	53,599,768	21,830	-	1,230,675
Transportation	936	-	3,020	17,183,047
Utilities & Environment	503,706	-	-	-
Capital Outlay	450,699	-	-	7,036,511
Debt Service:				
Principal	45,560	-	-	3,345
Interest & Fiscal Charges	18,210	-	-	1,997
Total Expenditures	66,913,502	21,830	3,020	25,455,575
Excess (Deficiency) of Revenues Over Expenditures	(1,167,117)	5,040,867	5,784,772	3,396,508
Other Financing Sources (Uses)				
Capital Lease Financing	164,942	-	-	11,270
Sale of Capital Assets	250	-	-	163,007
Debt Issuance				
Premium on Debt Issuance	-	-	-	-
Transfers In	1,548,857	-	832,785	42,787
Transfers Out	(2,467,996)	(2,866,010)	(2,285,874)	(1,054,665)
Total Other Financing Sources (Uses)	(753,947)	(2,866,010)	(1,453,089)	(837,601)
Net Changes In Fund Balances	(1,921,064)	2,174,857	4,331,683	2,558,907
Fund Balances as of January 1	8,426,916	11,245,874	16,007,767	17,262,205
Prior Period Adjustments	-	-	-	912,387
Fund Balances as of January 1-Restated	8,426,916	11,245,874	16,007,767	18,174,592
Fund Balances as of December 31	$ 6,505,852	$ 13,420,731	$ 20,339,450	$ 20,733,499

See accompanying notes to the financial statements

Statement Of Revenues, Expenditures And Changes In Fund Balances
Governmental Funds
For The Year Ended December 31, 2007
Page 2 of 2

	Medic One	Public Health & Social Services	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	$ 7,989,701	$ 874,363	$ 9,807,866	$ 91,113,992
Licenses & Permits	-	511,199	312,948	882,622
Intergovernmental	161,102	32,205,305	10,252,945	61,010,874
Charges for Services	50	2,498,647	3,738,221	14,368,811
Fines & Forfeits	-	-	35,330	1,848,169
Miscellaneous Revenue	767,048	359,947	2,186,997	7,926,158
Total Revenues	8,917,901	36,449,461	26,334,307	177,150,626
Expenditures:				
General Government	-	-	1,735,623	13,205,568
Culture & Recreation	-	-	4,736,274	5,277,735
Economic Environment	-	108,084	10,524,206	10,915,507
Health & Human Services	7,203,720	37,956,600	17,626	45,177,946
Public Safety	-	-	7,164,153	62,016,426
Transportation	-	-	1,779,267	18,966,270
Utilities & Environment	-	-	1,114,946	1,618,652
Capital Outlay	293,986	19,702	4,633,723	12,434,621
Debt Service:				
Principal	4,324	5,625	3,004,096	3,062,950
Interest & Fiscal Charges	1,523	3,653	1,877,867	1,903,250
Total Expenditures	7,503,553	38,093,664	36,587,781	174,578,925
Excess (Deficiency) of Revenues Over Expenditures	1,414,348	(1,644,203)	(10,253,474)	2,571,701
Other Financing Sources (Uses)				
Capital Lease Financing	25,732	-	25,509	227,453
Sale of Capital Assets	-	-	-	163,257
Debt Issuance			5,000,000	5,000,000
Premium on Debt Issuance	-	-	19,195	19,195
Transfers In	-	1,294,594	11,783,785	15,502,808
Transfers Out	(35,746)	(69,655)	(8,854,254)	(17,634,200)
Total Other Financing Sources (Uses)	(10,014)	1,224,939	7,974,235	3,278,513
Net Changes In Fund Balances	1,404,334	(419,264)	(2,279,239)	5,850,214
Fund Balances as of January 1	14,470,880	5,969,597	28,088,089	101,471,328
Prior Period Adjustments	-	-	1,066,581	1,978,968
Fund Balances as of January 1-Restated	14,470,880	5,969,597	29,154,670	103,450,296
December 31	$ 15,875,214	$ 5,550,333	$ 26,875,431	$ 109,300,510

See accompanying notes to the financial statements

Reconciliation Of The Statement Of Revenues, Expenditures And Changes in Fund Balances Of Governmental Funds To The Statement Of Activities
For The Year Ended December 31, 2007

		Governmental Funds
Change in fund balance as shown in the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances		$ 5,850,214
Capital Assets:		
Capital outlays, which are reported as expenditures in governmental funds, are capitalized and deferred to future periods and therefore not reported in the statement of activities	12,434,621	
Depreciation (asset usage), which is not reported in governmental funds, is recognized and reported in the statement of activities	(8,318,051)	
Gain (Loss) on the sale and disposition of governmental capital assets, which is not reported in governmental funds, is reported in the statement of activities	482,478	4,599,048
Long-Term Debt:		
Bond and capital lease principal payments (which are reported as expenditures in governmental funds), are not reported as expenditures in the statement of activities (however, they are reported as reductions in the amount owed in the statement of net assets)	3,085,256	
Debt issues costs, and other similar costs on debt issues, which are reported as expenditures in governmental funds, are deferred in the statement of net assets and then expensed over the life of the bond issue in the statement of activities	(8,224)	
Long-term bond and capital lease financing proceeds (which are reported as "other financing sources" in governmental funds), are not recognized or reported in the statement of activities (however, they are reported as an increase in the amount owed in the statement of net assets for new debt). Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(5,246,648)	(2,169,616)
Interfund Transactions:		
Profit or (loss) from internal service funds, which is reported separately in proprietary fund statements, is credited or charged to governmental expenses in the statement of activities	801,217	
Other interfund transactions, which are reported in governmental funds, are eliminated in the statement of activities, except for a residual amount outstanding between governmental and business activities	(423,588)	
Unbilled internal service costs from the County's cost allocation plan, which is not allocated to service users in governmental fund statements, is allocated to service users in the statement of activities, resulting in a residual amount outstanding between governmental and business activities	850,017	1,227,646
Other:		
Long term (non-available) revenues, which are deferred in governmental funds, are reported as revenues (or as a debit adjustment) in the statement of activities	1,390,935	
Compensated absences and other post employment benefits, which are not reported in governmental funds, are reported as an expense in the statement of activities	(2,078,954)	(688,019)
Change in net assets for governmental funds as shown in the Statement of Activities		$ 8,819,273

See accompanying notes to the financial statements

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007
Page 1 of 5

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues By Funding Source				
General Revenues:				
Taxes	$ 48,027,498	$ 47,604,102	$ 46,415,174	$ (1,188,928)
Licenses & Permits	51,075	51,075	58,475	7,400
Intergovernmental	6,507,780	8,017,327	7,745,602	(271,725)
Charges for Services	7,020,020	7,138,864	6,784,522	(354,342)
Fines & Forfeits	1,513,027	1,513,027	1,812,688	299,661
Miscellaneous Revenue	3,111,939	3,115,439	2,929,924	(185,515)
Total General Revenues	66,231,339	67,439,834	65,746,385	(1,693,449)
Other Financing Sources:				
Capital Lease Financing	-	-	164,942	164,942
Other Finance Sources - Capital Asset Sales	400	400	250	(150)
Transfers In	1,604,390	1,733,460	1,548,857	(184,603)
Total Other Financing Sources	1,604,790	1,733,860	1,714,049	(19,811)
Total Revenues	$ 67,836,129	$ 69,173,694	$ 67,460,434	$ (1,713,260)

See accompanying notes to the financial statements

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007
Page 2 of 5

Expenditures by Department	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Assessor's Office:				
General Government	$ 3,363,347	$ 3,372,937	$ 3,368,973	$ 3,964
Total Assessor's Office	3,363,347	3,372,937	3,368,973	3,964
Auditor's Office:				
General Government	4,443,248	4,623,220	4,217,558	405,662
Capital Outlay	-	565,901	105,256	460,645
Debt Service:				
Principal	3,729	4,650	4,647	3
Interest and Fiscal Charges	1,504	1,500	1,497	3
Transfers Out	-	6,000	6,000	-
Total Auditor's Office	4,448,481	5,201,271	4,334,958	866,313
Assigned Counsel:				
Public Safety	2,662,945	2,786,419	2,600,564	185,855
Debt Service:				
Principal	-	20	2,759	(2,739)
Interest and Fiscal Charges	-	135	1,142	(1,007)
Total Assigned Counsel	2,662,945	2,786,574	2,604,465	182,109
Civil Service:				
Public Safety	116,883	116,883	108,189	8,694
Total Civil Service	116,883	116,883	108,189	8,694
Clerk's Office:				
Public Safety	3,095,052	3,095,052	3,044,133	50,919
Capital Outlay	-	-	17,384	(17,384)
Debt Service:				
Principal	5,100	5,100	9,876	(4,776)
Interest and Fiscal Charges	600	600	4,350	(3,750)
Total Clerk's Office	3,100,752	3,100,752	3,075,743	25,009

See accompanying notes to the financial statements

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007
Page 3 of 5

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Commissioner's Office:				
General Government	1,134,649	1,134,649	1,130,333	4,316
Capital Outlay	-	-	23,845	(23,845)
Debt Service:				
Principal	3,208	3,208	3,148	60
Interest and Fiscal Charges	1,948	1,948	1,185	763
Total Commissioner's Office	1,139,805	1,139,805	1,158,511	(18,706)
Coroner's Office:				
Public Safety	624,765	719,313	648,890	70,423
Capital Outlay	-	-	7,707	(7,707)
Debt Service:				
Principal	1,500	1,500	1,474	26
Interest and Fiscal Charges	650	650	590	60
Total Coroner's Office	626,915	721,463	658,661	62,802
Corrections:				
Public Safety	12,890,138	13,062,232	12,740,747	321,485
Transfers Out	-	-	28,496	(28,496)
Total Corrections	12,890,138	13,062,232	12,769,243	292,989
District Court				
Public Safety	2,824,804	2,897,611	2,828,266	69,345
Total District Court	2,824,804	2,897,611	2,828,266	69,345
Human Resources:				
General Government	1,383,009	1,419,119	1,310,942	108,177
Public Safety	2,450	2,450	1,229	1,221
Capital Outlay	-	-	20,504	(20,504)
Debt Service:				
Principal	2,000	2,000	3,447	(1,447)
Interest and Fiscal Charges	-	-	1,587	(1,587)
Transfers Out	-	6,000	6,000	-
Total Human Resources	1,387,459	1,429,569	1,343,709	85,860

See accompanying notes to the financial statements

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007
Page 4 of 5

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Juvenile Probation:				
Public Safety	6,123,190	6,213,190	6,040,234	172,956
Capital Outlay	-	-	23,941	(23,941)
Debt Service:				
Principal	-	-	282	(282)
Interest and Fiscal Charges	-	-	269	(269)
Total Juvenile Probation	6,123,190	6,213,190	6,064,726	148,464
Non-Departmental:				
General Government	1,179,780	1,057,464	289,831	767,633
Public Safety	13,500	13,500	13,500	-
Utilities & Environment	503,706	503,706	503,706	-
Transportation	994	994	936	58
Economic Environment	286,137	286,137	283,217	2,920
Culture and Recreation	83,815	83,815	14,465	69,350
Transfers Out	2,305,841	2,305,841	2,305,841	-
Total Non-Departmental	4,373,773	4,251,457	3,411,496	839,961
Prosecuting Attorney:				
Public Safety	7,259,264	7,622,998	7,538,499	84,499
Capital Outlay	-	-	71,561	(71,561)
Debt Service:				
Principal	-	-	13,291	(13,291)
Interest and Fiscal Charges	-	-	4,769	(4,769)
Total Prosecuting Attorney	7,259,264	7,622,998	7,628,120	(5,122)
State Examiner:				
General Government	112,335	115,000	114,217	783
Total State Examiner	112,335	115,000	114,217	783
Sheriff:				
Public Safety	14,153,441	14,129,757	13,774,670	355,087
Capital Outlay	23,500	125,484	156,727	(31,243)
Transfers Out	-	-	19,594	(19,594)
Total Sheriff	14,176,941	14,255,241	13,950,991	304,250

See accompanying notes to the financial statements

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007
Page 5 of 5

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Superior Court:				
Public Safety	3,981,850	4,308,549	4,260,847	47,702
Debt Service:				
Principal	-	-	4,639	(4,639)
Interest and Fiscal Charges	-	-	1,449	(1,449)
Transfers Out	84,586	102,065	102,065	-
Total Superior Court	4,066,436	4,410,614	4,369,000	41,614
Treasurer's Office				
General Government	1,039,029	1,064,564	1,038,091	26,473
Capital Outlay	-	-	23,774	(23,774)
Total Treasurer's Office	1,039,029	1,064,564	1,061,865	2,699
WSU Extension				
Culture and Recreation	501,918	553,593	526,996	26,597
Debt Service:				
Principal	1,575	1,575	1,997	(422)
Interest and Fiscal Charges	1,795	1,795	1,372	423
Total WSU Extension	505,288	556,963	530,365	26,598
Total General Fund Expenditures	$ 70,217,785	$ 72,319,124	$ 69,381,498	$ 2,937,626
Net Changes in Fund Balances	(2,381,656)	(3,145,430)	(1,921,064)	1,224,366
Fund Balances as of January 1	6,794,262	7,081,659	8,426,916	1,345,257
Fund Balances as of December 31	$ 4,412,606	$ 3,936,229	$ 6,505,852	$ 2,569,623

See accompanying notes to the financial statements

Detention Facilities Sales Tax Holding
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Taxes	$ 4,295,717	$ 4,295,717	$ 4,421,898	$ 126,181
Fines & Forfeits	-	-	151	151
Miscellaneous Revenue	276,670	276,670	640,648	363,978
Total Revenues	4,572,387	4,572,387	5,062,697	490,310
Expenditures:				
Public Safety	39,000	39,000	21,830	17,170
Total Expenditures	39,000	39,000	21,830	17,170
Excess (Deficiency) of Revenues Over Expenditures	4,533,387	4,533,387	5,040,867	507,480
Other Financing Sources (Uses)				
Transfers Out	(2,823,582)	(2,905,934)	(2,866,010)	39,924
Total Other Financing Sources (Uses)	(2,823,582)	(2,905,934)	(2,866,010)	39,924
Net Changes In Fund Balances	1,709,805	1,627,453	2,174,857	547,404
Fund Balances as of January 1	9,946,526	11,245,874	11,245,874	-
Fund Balances as of December 31	$ 11,656,331	$ 12,873,327	$ 13,420,731	$ 547,404

See accompanying notes to the financial statements

Real Estate Excise Tax
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Taxes	$ 6,000,000	$ 6,000,000	$ 4,843,208	$ (1,156,792)
Charges for Services	15,900	15,900	15,575	(325)
Miscellaneous Revenue	452,357	452,357	929,009	476,652
Total Revenues	6,468,257	6,468,257	5,787,792	(680,465)
Expenditures:				
Transportation	4,070	4,070	3,020	1,050
Capital Outlay	137,693	137,693	-	137,693
Total Expenditures	141,763	141,763	3,020	138,743
Excess (Deficiency) of Revenues Over Expenditures	6,326,494	6,326,494	5,784,772	(541,722)
Other Financing Sources (Uses)				
Transfers In	-	-	832,785	832,785
Transfers Out	(8,569,860)	(8,929,506)	(2,285,874)	6,643,632
Total Other Financing Sources (Uses)	(8,569,860)	(8,929,506)	(1,453,089)	7,476,417
Net Changes In Fund Balances	(2,243,366)	(2,603,012)	4,331,683	6,934,695
Fund Balances as of January 1	15,681,212	16,007,767	16,007,767	-
Fund Balances as of December 31	$ 13,437,846	$ 13,404,755	$ 20,339,450	$ 6,934,695

See accompanying notes to the financial statements

Roads and Transportation
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Taxes	$ 17,207,750	$ 17,207,750	$ 16,761,782	$ (445,968)
Intergovernmental	11,233,611	13,348,611	10,645,920	(2,702,691)
Charges for Services	738,600	738,600	1,331,796	593,196
Miscellaneous Revenue	163,500	163,500	112,585	(50,915)
Total Revenues	29,343,461	31,458,461	28,852,083	(2,606,378)
Expenditures:				
Public Safety	1,101,014	1,165,088	1,230,675	(65,587)
Transportation	20,197,780	20,197,780	17,183,047	3,014,733
Capital Outlay	11,198,571	11,536,168	7,036,511	4,499,657
Debt Service:				
Principal	-	-	3,345	(3,345)
Interest & Fiscal Charges	-	-	1,997	(1,997)
Total Expenditures	32,497,365	32,899,036	25,455,575	7,443,461
Excess (Deficiency) of Revenues Over Expenditures	(3,153,904)	(1,440,575)	3,396,508	4,837,083
Other Financing Sources (Uses)				
Capital Lease Financing	-	-	11,270	11,270
Sale of Capital Assets	656,000	656,000	163,007	(492,993)
Transfers In	1,100,000	1,050,000	42,787	(1,007,213)
Transfers Out	(1,083,766)	(1,133,766)	(1,054,665)	79,101
Total Other Financing Sources (Uses)	672,234	572,234	(837,601)	(1,409,835)
Net Changes In Fund Balances	(2,481,670)	(868,341)	2,558,907	3,427,248
Fund Balances as of January 1	12,624,983	17,261,906	17,262,205	299
Prior Period Adjustments	-	-	912,387	912,387
Fund Balances as of January 1 - Restated	12,624,983	17,261,906	18,174,592	912,686
Fund Balances as of December 31	$ 10,143,313	$ 16,393,565	$ 20,733,499	$ 4,339,934

See accompanying notes to the financial statements

Medic One
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Taxes	$ 7,960,576	$ 7,960,576	$ 7,989,701	$ 29,125
Intergovernmental	126,000	126,000	161,102	35,102
Charges for Services	230	230	50	(180)
Miscellaneous Revenue	341,800	341,800	767,048	425,248
Total Revenues	8,428,606	8,428,606	8,917,901	489,295
Expenditures:				
Health & Human Services	7,971,901	8,038,826	7,203,720	835,106
Capital Outlay	1,181,650	1,516,650	293,986	1,222,664
Debt Service:				
Principal	1,454	1,454	4,324	(2,870)
Interest & Fiscal Charges	4,256	4,256	1,523	2,733
Total Expenditures	9,159,261	9,561,186	7,503,553	2,057,633
Excess (Deficiency) of Revenues Over Expenditures	(730,655)	(1,132,580)	1,414,348	2,546,928
Other Financing Sources (Uses)				
Capital Lease Financing	-	-	25,732	25,732
Transfers In	5,250	6,250	-	(6,250)
Transfers Out	(21,823)	(22,823)	(35,746)	(12,923)
Total Other Financing Sources (Uses)	(16,573)	(16,573)	(10,014)	6,559
Net Changes In Fund Balances	(747,228)	(1,149,153)	1,404,334	2,553,487
Fund Balances as of January 1	13,207,800	14,470,780	14,470,880	100
Fund Balances as of December 31	$ 12,460,572	$ 13,321,627	$ 15,875,214	$ 2,553,587

See accompanying notes to the financial statements

Public Health & Social Services
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Taxes	$ 714,375	$ 928,375	$ 874,363	$ (54,012)
Licenses & Permits	943,005	943,005	511,199	(431,806)
Intergovernmental	31,411,858	32,367,544	32,205,305	(162,239)
Charges for Services	2,752,214	2,574,968	2,498,647	(76,321)
Miscellaneous Revenue	165,300	225,300	359,947	134,647
Total Revenues	35,986,752	37,039,192	36,449,461	(589,731)
Expenditures:				
Economic Environment	112,166	112,166	108,084	4,082
Health & Human Services	37,651,478	38,724,099	37,956,600	767,499
Capital Outlay	1,000,000	1,000,000	19,702	980,298
Debt Service:				
Principal	-	-	5,625	(5,625)
Interest & Fiscal Charges	-	-	3,653	(3,653)
Total Expenditures	38,763,644	39,836,265	38,093,664	1,742,601
Excess (Deficiency) of Revenues Over Expenditures	(2,776,892)	(2,797,073)	(1,644,203)	1,152,870
Other Financing Sources (Uses)				
Transfers In	1,425,114	1,432,114	1,294,594	(137,520)
Transfers Out	(69,655)	(69,655)	(69,655)	-
Total Other Financing Sources (Uses)	1,355,459	1,362,459	1,224,939	(137,520)
Net Changes In Fund Balances	(1,421,433)	(1,434,614)	(419,264)	1,015,350
Fund Balances as of January 1	7,732,563	5,969,247	5,969,597	350
Fund Balances as of December 31	$ 6,311,130	$ 4,534,633	$ 5,550,333	$ 1,015,700

See accompanying notes to the financial statements

Statement Of Net Assets
Proprietary Funds
December 31, 2007
Page 1 of 2

Assets	Enterprise Funds: Solid Waste	Enterprise Funds: Grand Mound	Enterprise Funds: Other Enterprise Funds	Enterprise Funds: Total Enterprise Funds	Internal Service Funds
Current Assets:					
Cash & Pooled Investments	$ 4,210,225	$ 376,471	$ 2,372,243	$ 6,958,939	$ 24,591,236
Receivables:					
Special Assessment Receivables	-	207,214	179,771	386,985	-
Accrued Interest & Penalties	286,017	6,076	71,803	363,896	156,547
Customer Account Receivables	1,488,953	39,142	47,356	1,575,451	232,514
Due From Other Funds	546,698	4,486	49,280	600,464	466,982
Due From Other Government Units	459,886	22,176	105,343	587,405	-
Inventory	-	-	-	-	200,865
Prepayments	-	-	-	-	84,667
Restricted Assets:					
Cash and Pooled Investments	-	99,990	288,599	388,589	-
Total Current Assets	6,991,779	755,555	3,114,395	10,861,729	25,732,811
Noncurrent Assets:					
Deferred Charges	-	188,551	-	188,551	-
Community Loans Receivable	-	-	154,949	154,949	-
Special Assessment Receivables	-	2,982,257	1,023,290	4,005,547	-
Advances to Other Funds	25,533	-	-	25,533	-
Capital Assets	32,583,440	14,836,836	15,915,323	63,335,599	79,732,740
Accumulated Depreciation	(21,128,102)	(2,413,701)	(6,098,756)	(29,640,559)	(30,398,426)
Restricted Assets : Cash and Pooled Investments	20,558,312	-	-	20,558,312	-
Total Noncurrent Assets	32,039,183	15,593,943	10,994,806	58,627,932	49,334,314
Total Assets	39,030,962	16,349,498	14,109,201	69,489,661	75,067,125

See accompanying notes to the financial statements

Statement Of Net Assets
Proprietary Funds
December 31, 2007
Page 2 of 2

	Enterprise Funds				
LIABILITIES	**Solid Waste**	**Grand Mound**	**Other Enterprise Funds**	**Total Enterprise Funds**	**Internal Service Funds**
Current Liabilities:					
Accounts Payable	1,260,874	21,692	178,753	1,461,319	679,820
Notes Payable	-	13,482	133,278	146,760	14,596
Due To Other Funds	882,861	222,186	228,616	1,333,663	362,681
Due To Other Government Units	7,697	-	-	7,697	-
Lim.Tax G.O.Bond-Current Portion	-	479,768	-	479,768	-
Total Current Liabilities	2,151,432	737,128	540,647	3,429,207	1,057,097
Noncurrent Liabilities:					
Limited G.O. Bonds Payable	-	10,057,447	-	10,057,447	-
Compensated Absences & OPEB Payable	-	-	410,889	410,889	974,595
Claims and Judgments Payable		-	-	-	3,158,870
Intergovernmental Loans & Contracts Payable	-	100,753	1,737,969	1,838,722	10,231
Advances From Other Funds	-	20,000	5,533	25,533	-
Accumulated Landfill Closure Costs	20,091,050	-	-	20,091,050	-
Total Noncurrent Liabilities	20,091,050	10,178,200	2,154,391	32,423,641	4,143,696
Total Liabilities	22,242,482	10,915,328	2,695,038	35,852,848	5,200,793
NET ASSETS					
Invested in Capital Assets, Net Of Related Debt	11,455,338	1,771,685	8,496,052	21,723,075	49,324,083
Restricted For:					
Postclosure	5,333,142	-	-	5,333,142	-
Debt Service	-	-	28,306	28,306	-
Unrestricted (Deficit)	-	3,662,485	2,889,805	6,552,290	20,542,249
Total Net Assets	$ 16,788,480	$ 5,434,170	$ 11,414,163	$ 33,636,813	$ 69,866,332

See accompanying notes to the financial statements

Reconciliation Of The Statement Of Net Assets Of Proprietary Funds To The Statement Of Net Assets
December 31, 2007

	Business Type Funds
Enterprise net assets as shown in the Proprietary Funds Statement of Net Assets	$ 33,636,813
Internal balances for additional amounts owed between governmental and business units have not been included in governmental fund statements.	300,913
Net assets for business-type funds as shown in Statement of Net Assets	$ 33,937,726

See accompanying notes to the financial statements

Statement Of Revenues, Expenses And Changes In Fund Net Assets
Proprietary Funds
For The Year Ended December 31, 2007

	Enterprise Funds				
	Solid Waste	Grand Mound	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating Revenues:					
Charges for Services	$ 16,888,809	$ 341,512	$ 5,384,025	$ 22,614,346	$ 69,381
Equipment Rental	-	-	-	-	5,877,344
Interfund Contributions	7,493	-	220,963	228,456	17,501,554
Miscellaneous	38,969	5,402	17,412	61,783	13,716
Total Operating Revenues	16,935,271	346,914	5,622,400	22,904,585	23,461,995
Operating Expenses:					
Salaries and Benefits	2,007,260	258,607	5,634,868	7,900,735	10,761,273
Other Supplies and Expenses	337,186	35,377	327,716	700,279	2,517,499
Contractual Services	2,044,426	73,016	859,474	2,976,916	4,390,229
Longhaul Contract	11,534,875	-	-	11,534,875	-
Interfund Services and Charges	904,354	41,006	1,388,424	2,333,784	1,128,975
Depreciation/Amortization	833,086	368,135	693,778	1,894,999	3,364,572
Claims Payments	-	-	-	-	765,619
Total Operating Expenses	17,661,187	776,141	8,904,260	27,341,588	22,928,167
Operating Income (Loss)	(725,916)	(429,227)	(3,281,860)	(4,437,003)	533,828
Nonoperating Revenue (Expenses):					
Interest Revenue	1,248,498	232,318	232,184	1,713,000	850,949
Other Nonoperating Revenue (Expense)	(295,847)	1,753	78,957	(215,137)	50,515
Interest Expense & Fiscal Charges	-	(544,582)	(50,265)	(594,847)	(1,952)
Total Nonoperating Revenue (Expense)	952,651	(310,511)	260,876	903,016	899,512
Income Before Contributions and Transfers:	226,735	(739,738)	(3,020,984)	(3,533,987)	1,433,340
Capital Contributions	-	171,965	30,340	202,305	101,852
Transfers In (Out)	-	174,609	2,690,758	2,865,367	(733,975)
Change in Net Assets	226,735	(393,164)	(299,886)	(466,315)	801,217
Net Assets as of January 1	16,561,745	5,827,334	11,889,983	34,279,062	29,566,333
Prior Period Adjustments	-	-	(175,934)	(175,934)	39,498,782
Net Assets as of January 1 - Restated	16,561,745	5,827,334	11,714,049	34,103,128	69,065,115
Net Assets as of December 31	$ 16,788,480	$ 5,434,170	$ 11,414,163	$ 33,636,813	$ 69,866,332

See accompanying notes to the financial statements

Reconciliation Of The Statement Of Revenues, Expenses And Changes in Fund Net Assets Of Proprietary Funds To The Statement Of Activities
For The Year Ended December 31, 2007

	Business-Type Funds
Change in enterprise net assets as shown in the Statement of Revenues, Expenses and Changes in Fund Net Assets	$ (466,315)
Internal services, provided primarily by internal service funds, also occurs between other County funds. The net effect of the elimination of these services is reflected in the statement of activities:	
Other interfund transactions	423,588
Allocated direct and indirect costs from the County's cost plan	(850,017)
Change in net assets for business-type funds as shown in the Statement of Activities	$ (892,744)

See accompanying notes to the financial statements

Statement Of Cash Flows
Proprietary Funds
For The Year Ended December 31, 2007
Page 1 of 2

	Enterprise Funds				
	Solid Waste	Grand Mound	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash Flows from Operating Activities:					
Cash Received from Customers	$ 17,154,214	$ 325,963	$ 5,571,944	$ 23,052,121	$ 23,774,588
Cash Paid for Goods & Services	(15,711,771)	(137,210)	(2,449,987)	(18,298,968)	(8,661,262)
Cash Paid to Employees	(2,007,260)	(86,597)	(5,183,863)	(7,277,720)	(10,777,196)
Net Cash Provided (Used) by Operating Activities	(564,817)	102,156	(2,061,906)	(2,524,567)	4,336,130
Cash Flows from Noncapital Financing Activities:					
Transfers In	525,827	70,792	3,625,288	4,221,907	1,509,847
Transfers Out	(525,827)	(70,792)	(1,084,385)	(1,681,004)	(2,243,822)
Grant Proceeds	301,929	96,330	125,492	523,751	7,581
Receipts On Community Loans	-	-	(21,972)	(21,972)	-
Payments On Community Loans	-	-	38,073	38,073	-
Insurance Recoveries	-	-	-	-	289
Tax Payments	(442,575)	(11,010)	(32,725)	(486,310)	(8,757)
Net Cash Provided (Used) by Noncapital Financing Activities	(140,646)	85,320	2,649,771	2,594,445	(734,862)
Cash Flows from Capital & Related Financing Activities:					
Cash Proceeds from Sale of Capital Assets	19,383	-	-	19,383	60,948
Cash Disbursements for Purchases of Capital Assets	(841,806)	(156,497)	(872,220)	(1,870,523)	(2,303,133)
Bond/Loan Payments	-	(464,769)	(802,095)	(1,266,864)	(880,161)
Bond/Loan Proceeds	-	-	18,673	18,673	-
Contributed Capital	-	171,965	26,877	198,842	2,749
Assessment Receipts	-	604,026	186,053	790,079	-
Interest Payments	-	(560,587)	(52,825)	(613,412)	(5,771)
Net Cash Provided (Used) by Capital & Related Financing Activities	(822,423)	(405,862)	(1,495,537)	(2,723,822)	(3,125,368)
Cash Flows from Investing Activities:					
Interest Receipts	1,281,182	29,404	179,376	1,489,962	889,177
Net Cash Provided (Used) by Investing Activities	1,281,182	29,404	179,376	1,489,962	889,177
Net Increase (Decrease) in Cash & Cash Equivalents	(246,704)	(188,982)	(728,296)	(1,163,982)	1,365,077
Cash & Cash Equivalents as of January 1	25,015,241	665,443	3,389,138	29,069,822	23,226,159
Cash & Cash Equivalents as of December 31	$ 24,768,537	$ 476,461	$ 2,660,842	$ 27,905,840	$ 24,591,236

See accompanying notes to the financial statements

Statement Of Cash Flows
Proprietary Funds
For The Year Ended December 31, 2007
Page 2 of 2

	Enterprise Funds				
	Solid Waste	Grand Mound	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of Operating Income To Net Cash Provided (Used) by Operating Income:					
Operating Income	$ (725,916)	$ (429,227)	$ (3,281,860)	$ (4,437,003)	$ 533,828
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	833,086	368,135	693,778	1,894,999	3,364,572
(Increase) Decrease in:					
Customer Account Receivables	43,335	(16,514)	(10,282)	16,539	(122,468)
Due from Other Funds	175,608	(4,437)	(40,174)	130,997	405,946
Due from Other Government Units	-	-	-	-	29,115
Inventories	-	-	-	-	(8,138)
Prepaid Expense	-	-	-	-	391,180
Increase (Decrease) in:					
Accounts Payable	154,054	12,189	125,627	291,870	(175,901)
Due to Other Funds	(435,473)	172,010	40,116	(223,347)	81,001
Due to Other Government Units	7,697	-	-	7,697	-
Claims and Judgments	-	-	-	-	(208,716)
Compensated Absences Payable	-	-	410,889	410,889	45,711
Accumulated Landfill Closure	(617,208)	-	-	(617,208)	-
Total Adjustments	161,099	531,383	1,219,954	1,912,436	3,802,302
Net Cash Provided (Used) by Operating Activities	$ (564,817)	$ 102,156	$ (2,061,906)	$ (2,524,567)	$ 4,336,130
Noncash Investing, Capital, and Financing Activities:					
Gain on Purchase/Sale of Fixed Assets	$ -	$ -	9,276	$ 9,276	$ -
Loss on Purchase/Sale of Fixed Assets	$ (35,804)	$ -	(21,865)	$ (57,669)	$ (2,547)
Prior Period Adjustment - Fund Reclassification	$ -	$ -	(175,934)	$ (175,934)	$ 39,498,782
Contribution of Capital Assets	$ -	$ -	3,463	$ 3,463	$ 101,852

See accompanying notes to the financial statements

Statement Of Fiduciary Net Assets
Fiduciary Funds
December 31, 2007

ASSETS	Investment Trust Funds	Private Purpose Trust Funds	Agency Funds
Assets:			
Cash & Pooled Investments	$ 288,143,504	$ 1,942,034	$ 15,610,869
Cash and Investments in Trust	-	-	444,718
Deposits with Fiscal Agent	-	-	210,000
Investments at Cost	420,000	-	-
Receivables:			
Accrued Interest Receivables	102,366	-	-
Investments at Fair Value:			
US Agency & Instrumentality Securities	3,622,408	-	-
Total Assets	292,288,278	1,942,034	16,265,587
LIABILITIES			
Liabilities:			
Warrant Payable	-	-	12,991,396
Accounts Payable	-	-	374,626
Payroll Payable	-	-	2,244,847
Due to Other Governments	-	-	654,718
Total Liabilities	-	-	16,265,587
NET ASSETS			
Investments Held in Trust for Pool Participants	292,288,278	-	-
Investments Held in Trust for Other Purposes	-	1,942,034	-
Total Net Assets	$ 292,288,278	$ 1,942,034	$ -

See accompanying notes to the financial statements

Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For The Year Ended December 31, 2007

	Investment Trust Funds	Private Purpose Trust Funds
Additions:		
Contributions:		
Additions By Participants	$ 1,117,467,402	$ 11,893,085
Trust Revenues	149,892	-
Total Contributions	1,117,617,294	11,893,085
Investment Income:		
Net Increase In Fair Value Of Investments	6,710,811	-
Interest, Dividends and Other	-	25,165
Total Investment Income	6,710,811	25,165
Total Additions	1,124,328,105	11,918,250
Deductions:		
Distributions to Participants	1,083,806,720	13,368,243
Trust Administrative Costs	149,892	-
Total Deductions	1,083,956,612	13,368,243
Change in Net Assets Held for Individuals, Organizations and Other Governments	40,371,493	(1,449,993)
Net Assets as of January 1	251,916,785	3,392,027
Net Assets as of December 31	$ 292,288,278	$ 1,942,034

See accompanying notes to the financial statements

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NOTES TO THE FINANCIAL STATEMENTS

Guide to Notes

Year ended December 31, 2007

Note I - Summary of Significant Accounting Policies 66

Note II - Reconciliation of Government Wide and Fund Financial Statements 73

Note III - Stewardship, Compliance and Accountability 75

Note IV - Deposits and Investments 76

Note V – Property Taxes 80

Note VI - Capital Assets and Commitments 82

Note VII - Long-Term And Other Significant Debt 84

Note VIII - Interfund Transactions 91

Note IX - Pension Plans 93

Note X - Risk Management 100

Note XI – Other Post-Employment Benefits 102

Note XII - Joint Ventures/Jointly Governed Organizations 107

Note XIII - Closure And Post Closure Care Costs 108

Note XIV - Other Disclosures 109

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2007

Note I - Summary of Significant Accounting Policies

The financial statements of Thurston County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989 are generally followed in both government wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private sector guidance for their business type activities and enterprise funds, subject to the same limitations. The County has elected not to apply subsequent private sector guidance.

A. REPORTING ENTITY

The financial statements present Thurston County as the primary government as required by generally accepted accounting principles.

Component Unit

The financial statements do not include any component units for which the County is financially accountable.

B. COMPREHENSIVE ANNUAL FINANCIAL REPORT

This report is segregated into introductory, financial, supplementary information and statistical sections. The introductory section complements the other sections and may include information (for example - prospective and economic information) that would normally be excluded from the financial section of this report.

The financial section includes all statements required by GASB for the year end financial report. The financial section includes the following statements: independent auditor's opinion, management discussion and analysis, government-wide financial statements, major fund financial statements, notes to the financial statements, and required supplementary information. The auditor's opinion provides an independent opinion by the Washington State Auditor's Office on the overall accuracy of this report. The management discussion and analysis provides our analysis of the financial condition and activities of Thurston County based on supporting facts and decisions by the County.

The supplementary information section includes all the combining statements required for a Comprehensive Annual Financial Report (CAFR) by the Government Finance Officers Association. The supplementary information section includes financial statements for the following types of funds: non-major governmental, non-major enterprise, internal service and fiduciary funds. Grant schedules are also included within this section that detail federal, state and local grants and awards.

Government wide financial statements, major fund financial statements and the notes to the financial statements comprise the basic financial statements within the financial section of this report. Balances and activities are reported differently in the government wide and major fund financial statements because each set of statements uses a different measurement focus and basis of accounting, as explained in more detail in note I.C. below.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

1. Government-Wide Financial Statements

Government wide financial statements provide an overview of the financial condition and activity of the entire governmental unit. This overview is reported in the statement of net assets and the statement of activities.

The statement of net assets reports assets, liabilities and net assets or equity of the entire governmental unit. Likewise, the statement of activities reports revenues, expenses and resulting change in net assets of the entire governmental unit. Governmental balances and activities are segregated from business-type balances and activities in both statements. These amounts are segregated since governmental activities are primarily supported by taxes and intergovernmental revenues whereas business type activities are primarily supported by user fees and charges.

The government wide financial statements are prepared using the economic resources measurement focus and accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. All assets and liabilities (whether current or non-current) are reported in the balance sheet. Operating statements present increases (revenues and gains) and decreases (expenses and losses) in net total assets. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Consequently, all revenues and service costs are reported each year regardless whether they were received or paid in the current year or soon thereafter.

Internal service balances are summarized with governmental balances in the statement of net assets since most internal services are provided to governmental functions. However, the doubling effect of internal service activities has been removed from the statement of activities.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Purchased capital assets are capitalized as assets in the statement of net assets and therefore not expensed in the statement of activities. Capital assets include governmental infrastructure (primarily road) assets (See Note VI). The use of these assets over time is recognized as a depreciation expense in the statement of activities (See Note VI for depreciation expenses reported in the statement of activities).

Long-term debt proceeds are reported as liabilities in the statement of net assets and therefore not reported as general revenues in the statement of activities. Amounts paid to reduce long-term indebtedness are reported as a reduction in the related liability in the statement of net assets and therefore not reported as an expense in the statement of activities.

Program revenues in the statement of activities include:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges
- Fines & forfeitures
- Special assessments
- Grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or segment

Taxes, entitlements, unrestricted grants, interest and other special and extraordinary items are non-exchange revenues and reported as general revenues in the statement of activities. Non-exchange revenues occur when the County gives (or receives) value without directly receiving (or giving) equal value in exchange.

Taxes and entitlements are reported as either property taxes or franchise and public service taxes and then segregated as either unrestricted for general use or restricted for specific purposes. Franchise and public service taxes in the statement of activities include the following general tax revenues and regulatory fees: cable TV, document preservation, forest board, government land lease, harvest, leasehold excise, liquor excise, motel/hotel, motor vehicle license/excise, pull tabs, punch board, real estate, retail sales, and timber sales.

Property tax revenues are recognized in the fiscal year for which the taxes are levied. Grant, entitlement, and donation revenues are recognized in the fiscal year in which all eligibility requirements have been satisfied.

The County's cost allocation plan allocates unbilled indirect and direct service costs to individual functions. The full allocation of these costs has been included, and separately reported, as program expenses for each reported activity.

The effect of interfund activity has been eliminated, as a general rule, from the government wide financial statements. Exceptions to this general rule include internal charges for exchange or exchange-like transactions for internal services that are normally provided internally or to the public. This excludes internal services of internal service funds, as noted above, since the doubling effect of the cost of these services has already been removed from the financial statements.

2. Governmental Fund Financial Statements

All governmental funds are accounted on a current financial resources or "financial flow" measurement focus. This means only current assets and current liabilities are included in the balance sheet. Likewise, governmental fund operating statements focus on measuring changes in current financial position. They report increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

These funds are also reported using the modified accrual basis of accounting. Revenues are recognized when measurable and available. Consequently, fund balance measures "available spendable resources." Revenues are considered to be available when they are collectible within the current period or soon thereafter to pay liabilities of the current period. Revenues that are measurable but not available are recorded as a receivable and offset by deferred revenues. See Note D.2. for revenue availability policies and guidelines.

Expenditures are generally recorded when the related fund liability is incurred. However, the modified accrual measurement focus and basis of accounting differs from full accrual in the following ways:

- Purchases of capital assets are expenditures
- Redemptions of long-term debt are expenditures when due
- Interest on long-term debt is not accrued but is recorded as an expenditure when due
- Accumulated unpaid vacation and sick leave are considered expenditures when paid

Thurston County reports the following major governmental funds:

- The General Fund is the County's primary operating fund. It is used to account for all activities of the general government not accounted for in another fund.
- The County Road Fund accounts for the design, construction, and maintenance of County roads.
- Detention Facility Sales Tax Holding is a holding fund for local option sales taxes levied to construct adult and juvenile detention facilities.
- The Medic One Fund accounts for countywide delivery of advanced life support response and transport services.
- The Public Health and Social Services Fund accounts for the following services: mental health, developmental disabilities, substance abuse prevention & treatment, children and family, environmental, and personal health.
- The Real Estate Excise Tax Fund accounts for proceeds dedicated to capital projects from the one-half percent tax on real property sales in unincorporated Thurston County.

3. Proprietary Fund Financial Statements

Proprietary funds are reported using the economic resources measurement focus and accrual basis of accounting as noted above. However, only proprietary funds disclose cash flows in a separate statement that reports cash flows from operating, financing and investing activities. Proprietary funds also distinguish operating from non-operating revenues and expenses in their operating statements. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses include the cost of personnel and contractual services, other supplies and expenses and depreciation on capital assets. All revenues and expenses not meeting this definition, including capital and non-capital financing and investing activities and non-exchange and exchange like transactions, are reported as non-operating revenues and expenses.

The County reports the following major proprietary funds:

- The Solid Waste Fund accounts for solid waste activities county-wide which primarily includes disposal maintenance and operations of the County's waste and recovery center.
- The Grand Mound Water and Wastewater Fund accounts for maintenance and operations of the Grand Mound water & wastewater systems.

Proprietary funds provide fee based services to external customers as enterprise funds and internally as internal service funds to the County's internal customers or funds (which may at times include other governmental units).

The County's internal service funds account for technology, building maintenance, equipment and vehicle operation and acquisition, risk management, benefits, and unemployment compensation provided to other departments or agencies of the County on a cost reimbursement basis. The County's internal service funds are reported in total in the proprietary fund statements. Reported internal service balances in the proprietary statement of net assets are blended within governmental fund balances in the governmental activities section of the entity-wide statement of net assets. Internal service activity is excluded from the statement of activities and profit/loss is allocated to the serviced governmental activity.

4. Fiduciary Fund Financial Statements

Fiduciary funds account for resources held for the benefit of parties other than Thurston County. Fiduciary funds are not reflected in the government-wide financial statements since resources of those funds are not available to support Thurston County's programs.

Thurston County has three types of fiduciary funds:

- Investment Trust funds report pooled investments held on behalf of external participants in the County's investment program.
- Private Purpose Trust funds report amounts deposited with the County Clerk through Superior Court trust arrangements and agreements.
- Agency Funds are custodial funds for assets that the County holds for others in an agency capacity.

Fiduciary trust funds are reported using the economic resources measurement focus and accrual basis of accounting. However, fiduciary agency funds do not present results of operations and have no measurement focus. Agency assets and liabilities are the only amounts reported in the fiduciary fund statements. These funds primarily comprise clearing accounts for assets held by the County in its role as custodian until the funds are allocated to private parties, organizations, or government agencies to which they belong.

D. ASSETS, LIABILITIES AND NET ASSETS OR FUND BALANCE

1. Cash, Deposits, and Investments

The County pools internal and external cash and investments into one pool for investment purposes with the County Treasurer, except as otherwise requested, in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. A segment, activity or fund's portion of total cash and pooled investments is summarized in the government-wide and major fund financial statements under the classification of cash and pooled investments. As such, for purposes of the statement of cash flows, the County considers all amounts invested in its cash pool to be cash and cash equivalents. All other investments, if applicable, are reported as investments at cost.

Balances in cash and pooled investments are available on a demand basis to each fund. Earnings on cash and pooled investments are allocated to participating funds on an average daily balance basis. For purposes of the statement of cash flows, unrestricted and restricted cash and pooled investments are treated as cash and cash equivalents since balances are available as demand deposits.

Amounts reported as cash and pooled investments also include compensatory balances maintained with certain banks. These balances are in addition to payments made for banking services rendered. The book value of deposits does not differ materially from the bank balances of deposits. The average compensatory balance maintained during 2007 was approximately $868,000.

2. External Receivables

Taxes receivable consist of current and delinquent property taxes (See Note V) and are partially offset by deferred revenue for amounts uncollected and unavailable in the governmental funds balance sheet. The County considers property taxes to be available if they are collected within sixty days after year end. However, the County does not accrue these amounts as revenue unless they are material to the amount collected or to the outstanding balance.

Sales taxes are accrued and reported as taxes receivable in the financial statements. The amount reported and accrued is based on schedules and reports from the State of Washington.

Accrued interest receivable includes interest and penalties on property taxes, interest on investments (See Note III) and on current special assessments at year end. The County considers interest on investments to be available if they will be collected within sixty days after year-end.

Special assessments receivable are recorded when levied. Current special assessments consist of current and delinquent assessments. Long term special assessments are outstanding unbilled special assessments. This includes any related interest and liens against the property benefited. Long term special assessments are offset by deferred revenues in the governmental balance sheet.

Customer account receivables are amounts owed from private individuals or organizations for County services which primarily includes receivables for court, incarceration and public health services. Customer account receivables are considered to be available if they are expected to be collected within twelve months after year end. Receivables include amounts owed for which billings have not been prepared and are recorded net of estimated uncollectible amounts.

Property taxes, special assessments and utility billings are collectible through liens on property. Therefore, no estimates of uncollectible amounts are established. Deferred revenues are revenues that have been deferred, and therefore not recognized as income, until received or earned. Deferred revenues primarily include tax and assessment revenue deferrals and amounts received but not earned.

3. Internal Receivables and Payables

Inter-fund activity representative of lending/borrowing arrangements and outstanding at year end are either inter-fund loans or advances. Inter-fund loans are due within one year and advances are due beyond one year. All other outstanding balances between funds are reported as “due to/from other funds” in the governmental funds balance sheet and proprietary funds statement of net assets. However, “due to/from other funds” are netted within “internal balances” in the statement of net assets. See Note VII for a balanced summary schedule of interfund balances by major fund and by non-major fund category.

Due to and from other funds and governments is reported as a cash flow change impacting operating activities in the statement of cash flows. However, cash flows from governmental receivables are treated differently for enterprise and internal service funds in the statement of cash flows. Due from other governments for enterprise funds is reported as a cash flow change impacting grant cash proceeds from non-capital financing activities. Due from other governments for internal service funds is reported as a cash flow change that impacts operating activities.

4. Inventories and Prepaid Items

Inventories are assets held for internal consumption or for resale. Any material inventory remaining at year-end is included in the balance sheet of the appropriate fund.

The purchase method, where the cost is expended when the item is purchased, is used in governmental funds, except for the Roads Fund. The perpetual inventory method is used in the Roads Fund. The perpetual inventory method capitalizes the cost when inventory is purchased and then expends the cost when the item is consumed. Inventories recorded in the Roads Fund are stated at cost on a moving weighted average basis. Proprietary funds had no reportable material inventories at year end.

Prepayments are payments in advance of the receipt of goods and services in an exchange transaction and are recorded as an expenditure or expense only when consumed. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government wide and fund financial statements. These items primarily include prepaid rents for computer software.

5. Long-Term Liabilities

General obligation bonds and intergovernmental loans/contracts directly related to or financed from enterprise funds are accounted for in the respective enterprise fund. All other long-term debt is reported as governmental debt in the entity-wide statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line interest method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, gain/loss and issuance costs during the current period. The face amount of debt is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, is reported as debt service expenditures.

Amounts reserved for the current portion of long-term debt is shown as a reservation of fund balance in the fund financial statements and a restriction of fund balance in the statement of net assets. Specific debt service requirements are described in Note VII – Long-Term and Other Significant Debt.

6. Capital Assets and Depreciation

Thurston County defines capital assets as assets (including capital leases) valued at $5,000 or more (including ancillary costs) with an estimated useful life in excess of one year. Capital assets include land and land improvements, easements, buildings and building improvements, machinery and equipment, construction in progress, and all other tangible and intangible assets used in operations.

Infrastructure assets are stationary long-lived assets. Infrastructure assets primarily include roads, bridges, drainage systems, sidewalks, trails and paths, and water and sewer systems. Infrastructure assets acquired after July 1, 1980 are reported in the statement of net assets. Some infrastructure assets are reported at historical costs using County Road Administration Board and Washington State Department of Transportation annual reports. Other infrastructure assets are reported at estimated historical costs on a discounted and depreciated current replacement value basis. Infrastructure acquired prior to June 30, 1980, except for roads right of way and easements, is not reported.

Capital assets are valued at cost where historical records are available and at estimated historical cost where no records exist. Donated capital assets are valued at their estimated fair market value, if estimable, or donor's net book value on the date received.

Improvements to capital assets that materially add to the value or extend the life of the asset are capitalized. However, infra-structure costs are capitalized when the depreciated cost component is replaced. The net book value of the replaced component is then removed from the system. The cost of normal maintenance and repairs that does not significantly impact asset value or materially extend the assets' life is expensed in the year incurred.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Life
Machinery & Equipment	3-20 years
Improvements	10-40 years
Buildings	10-40 years
Infrastructure	20-40 years

Interest expense was not capitalized during asset construction since interest costs were offset by interest earnings on the investments of funds for these projects.

7. Rebatable Arbitrage

If applicable, rebatable arbitrage is treated as a liability in accrual based statements when the underlying event has occurred. Otherwise, a liability is recognized only when amounts become due and payable.

8. Net Assets and Fund Balance

Restrictions, commitments and other limitations significantly affecting availability of net assets and fund balances are reported and classified in the statement of net assets and fund financial statements. Net assets is reported as (a) an investment in capital assets, net of related debt, (b) restricted or (c) unrestricted. Fund balance is reported as (a) reserved, (b) unreserved–designated or (c) unreserved–undesignated.

Fees and charges for services (except for the General Fund), as reported in the entity wide statements, are usually considered to be restricted since they have been charged or levied for a specific purpose or use. Operating/capital grants are also considered to be restricted if the use of the proceeds is restricted by the grantor. When both restricted and unrestricted resources are available for use, it is the County's policy to use these resources proportionately based on their overall contribution to the total resources of that fund, function or program.

Net assets is restricted in proprietary fund statements and fund equity is reserved in governmental fund statements if "outside" restrictions have been placed on the use of these funds (see Note I.D.5. above for debt service restrictions and reservations). Solid waste cash and investments are restricted to fund a 30 year landfill post-closure care period (see Note XIII – Closure and Post Closure Care Costs). Solid waste net assets restricted for this purpose comprise the remainder of the net asset balance.

Note II - Reconciliation of Government Wide and Fund Financial Statements

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

Account balances in the governmental fund balance sheet are reconciled to balances in the government-wide statement of net assets within the accompanying "Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets" statement. Three line items in this reconciliation are described and explained in more detail below.

The first line item adjustment, as detailed below, was for $350,256,111 because the cost of capital assets, which is expended in governmental funds, is deferred to future periods in the statement of net assets:

Governmental Net Book Value - 01/01/07	$	385,155,845
Reclassification of Governmental Assets as Internal Service Assets		(39,498,782)
Gains (Losses) on Dispositions of Capital Assets		482,478
Governmental Capital Outlays		12,434,621
Governmental Depreciation Expense		(8,318,051)
Governmental Net Book Value - 12/31/07	$	350,256,111

The second line item adjustment, as detailed below, was for $43,346,658 because long-term debt, which is not reported in governmental funds, is reported in the statement of net assets:

Governmental Debt - 01/01/07	$	40,362,885
Reclassification of Internal Service Debt to Governmental Debt		866,424
Bond Proceeds		5,000,000
Debt Principal Payments		(3,085,256)
Lease Financing Proceeds and Adjustments		202,605
Computed Governmental Debt - 12-31-07	$	43,346,658

The third line item adjustment, as detailed below, was for $69,866,332 because assets and liabilities of internal service funds, which are separately reported in proprietary fund statements, are included and combined with governmental balances in the statement of net assets:

Net Assets - 01/01/07	$	29,566,333
Reclassification of Governmental Assets as Internal Service Assets		39,498,782
Net Transfers & Profit		801,217
Net Assets - 12/31/07	$	69,866,332
Interfund Receivables	$	466,982
Capital Assets		49,334,314
Other Assets		25,265,829
Interfund Payables		(362,681)
Debt		(999,422)
Other Liabilities		(3,838,690)
Net Assets - 12/31/07	$	69,866,332

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities

Account balances in the governmental income statement (statement of revenues, expenditures and changes in fund balances) are reconciled to balances in the government-wide statement of activities within the accompanying "Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities" statement. These line item reconciliations are available and reported in detail within this statement.

Note III - Stewardship, Compliance and Accountability

A. BUDGETS AND BUDGETARY ACCOUNTING

The County prepares its budgets in accordance with state law. In November 2006, the County Administrator submitted to the Board of County Commissioners a proposed operating budget for 2007. The operating budget includes proposed expenditures and the means of financing them. Public hearings were conducted at the County Courthouse to obtain taxpayer comments. On December 18, 2006 the budget was legally enacted through passage of a resolution.

For 2007, appropriations were authorized by department in the General Fund and at the total fund level for all other funds. These are the legal levels of budgetary control. The Board of County Commissioners must approve any revisions that increase the total appropriation of any General Fund department or other County fund. These changes must be approved through a resolution by a majority of the Board of County Commissioners after holding a public hearing.

Administrative control is maintained through the establishment of detailed line-item budgets and formal budgetary integration is employed as a management control device during the year for all budgeted funds. Budgets for all County funds are adopted on a GAAP basis. Budgets are recorded in the financial system for management use for some Non-County agency funds. However, the Board of County Commissioners does not adopt Non-County agency budgets and the County is not responsible for enforcing legal limits on these expenditures. The Governmental Accounting Standards Board does not require, and the financial statements do not present, budgetary comparisons for proprietary fund types.

Budgeted amounts reflect the budget adopted on December 18, 2006 and various amendments to the adopted budget in 2007. All appropriations lapse each year. Thurston County's expenditures did not exceed the legally authorized level allowed by state statute or the legally authorized level allowed by County budget appropriation policies. The following reported budget over expenditures did not violate these statutes and policies as described below:

1. Expenditures for Commissioner and Prosecuting Attorney exceeded budget by $18,706 and $5,122 respectively. The reported over expenditures are due to lease purchase accruals. The actual cash outlay for these leases is approved by the board and in compliance with the reported budget and county budget policies.

2. Expenditures, including operating transfers out, for the 2005 Debt Holding, Development Services and Special Projects special revenue funds, and the 1997 G. O. Bonds debt service fund exceeded budget by $18,897, $2,579,399, $832,785 and $29,127 respectively. These funds were closed out in 2007 with residual fund equities being transferred to other funds. The close out and transfer of fund equities for these funds was specifically authorized by Commissioner approved resolutions and is in compliance with County budget policies.

3. The Investment Administration, Tax Refund and Treasurer's M & O Funds were excluded from the special revenue combining schedules of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual because these funds are not statutorily required to have budget authority and County budget policies do not require budgets for these funds.

The Roads Development Review and Jail Capital Projects funds had deficit fund balances of ($67,252) and ($28,968) at December 31, 2007. Additional cash flows are budgeted for these funds in 2008 to address and eliminate the carry forward effect of deficit fund balance from 2007.

The proprietary fund Development Services had a deficit in net assets at December 31, 2007 of $199,847. Additional fee increases are budgeted in 2008 to eliminate the carry forward effects of deficit net assets from 2007.

Note IV - Deposits and Investments

The Thurston County Treasurer, acting in their legal capacity as Treasurer for the County and other taxing districts, receipts, disburses and invests all cash.

A. DEPOSITS

All receipts received by the Treasurer are deposited into qualified bank depositaries as specified by the Washington Public Deposit Protection Commission (PDPC). All deposits, including money markets and certificates of deposits are entirely covered by federal depositary insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington PDPC. The PDPC is a statutory authority established under Chapter 39.58 of the Revised Code of Washington. PDPC coverage is of the nature of insurance pursuant to the Governmental Accounting Standards Board Statement No. 3. All deposits held at December 31, 2007 and throughout the year were insured or collateralized with securities held by the County Treasurer or by their agent in the County Treasurer's name. Total undistributed cash deposits at December 31, 2007 were $5,192,230.

B. INVESTMENTS

Investments are governed by State statute and County investment policy. All investment instruments are those allowed by statute, which include U.S. Treasury Notes, Federal Agencies, bankers' acceptances, short-term commercial paper, money market account and the State Treasurer's Local Government Investment Pool (LGIP). There is no statutory regulatory oversight of the LGIP other than annual audits through the Washington State Auditor's Office. The fair value of County shares in the LGIP is dollar for dollar equal to the value of pool shares.

The investment policy dictates that all investment instruments be transacted on the delivery vs. payment basis. Union Bank of California acts as safekeeping agent for the Thurston County Treasurer. During 2007 we did not buy or own any securities earning interest at a rate which varied depending on an underlying rate or index.

As of December 31, 2007, the County's investment values and maturities for pool and individual fund investments are as follows:

Investment Type	Book Value	Weighted Average Maturity (Years)
Pool Investments:		
State Treasurer's LGIP	$ 29,000,000	0.0
Money Market Account	30,000,000	0.0
U.S. agencies	395,263,807	5.6
Pool Investments	454,263,807	4.9
Investments:		
Municipal Bonds	420,000	0.2
Investments	420,000	0.2
Total Investments	$ 454,683,807	

The interest rate, credit and concentration risks are described below:

Interest Rate Risk – The adopted investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law and the adopted investment policy limit investment in securities that have one of the three highest ratings of a national rating agency at the time of investment.
The ratings of debt securities as of December 31, 2007 are:

Debt Security	S&P Rating
Fannie Mae (Federal National Mortgage Association)	AAA
Freddie Mac (Federal Home Loan Mortgage Corporation)	AAA
Federal Home Loan Bank	AAA
Federal Farm Credit Bank	AAA
Washington State Investment Pool	Not Rated

Concentration of Credit Risk – The adopted investment policy requires that no more than 25% of the investments will be in a single security type, with the exception of U.S. treasury and agency securities and the State Local Government Investment Pool. The investments held are in compliance with this requirement.

A reconciliation of pool investments, investments, cash and cash deposits to the fund and entity wide statements is as follows:

Reconciliation of Deposits and Investments
December 31, 2007

	Total		Cash & Pool Investments	Investments
Pool Investments:				
State Treasurer's Local Govt. Investment Pool (LGIP)	$ 29,000,000		$ 29,000,000	$ -
Money Market Account	30,000,000		30,000,000	-
U.S. Agency & Instrumentality Securities	395,263,807		395,263,807	-
Investments:				
Municipal Bonds	420,000		-	420,000
Total Investments	454,683,807		454,263,807	420,000
Cash and Cash Deposits:				
Cash with Fiscal Agent and Deposits With Financial Institutions	5,192,230		5,192,230	-
Cash with Fiscal Agent	210,000		210,000	-
Cash with Fiscal Agent (Communications)	54,843	*	54,843	-
Petty Cash, Change, Revolving, and Advance Travel Funds	88,588		88,588	-
Clerk's Trust Funds	1,942,034		1,942,034	-
Total Cash & Investments	462,171,502		461,751,502	420,000
Net Increase (Decrease) in the Fair Value of Investments	3,622,408		3,621,250	1,158
Total Reported Cash & Investments	$ 465,793,910		$ 465,372,752	$ 421,158

Reconciliation to Statements:	
Statement of Net Assets:	
Cash & Pooled Investments - Unrestricted	$ 134,416,575
Cash & Pooled Investments - Restricted	20,946,901
Statement of Fiduciary Net Assets:	
Pooled Investment Trust Funds	288,143,504
Investments at Cost	420,000
Net Increase (Decrease) in Investment Fair Value	3,622,408
Private Purpose Trust Funds	1,942,034
Agency Funds	15,610,869
Agency Petty Cash	36,901
Cash and Investments in Trust	444,718
Cash and Deposits with Fiscal Agent	210,000
Total Reported Cash & Investments	$ 465,793,910

* Note Cash with Fiscal Agent (Communications) is not held or managed through the Treasurers Office

A summary of current and restricted assets for pooled investments and investments is as follows:

Current and Restricted Assets
December 31, 2007

	Total	Current Assets	Restricted Assets
Pooled Investments	$ 454,263,807	$ 433,316,906	$ 20,946,901
Investments	420,000	-	420,000
Total	$ 454,683,807	$ 433,316,906	$ 21,366,901

C. THURSTON COUNTY INVESTMENT POOL (TCIP)

The Thurston County Investment Pool (TCIP) operates on an amortized cost-book value basis. The County Treasurer, the County Auditor and the Chairman of the Board of County Commissioners, as the statutory County Finance Committee, perform oversight of the pool's performance. There are no legally binding guarantees for the TCIP. Authorized investments for the TCIP are the same as investments held outside of the pool. These are defined in statute and discussed in Note IV (B). The TCIP also has holdings in the State Treasurer's Local Government Investment Pool (LGIP). The LGIP operates in a manner consistent with SEC Rule 2a7. As a 2a7-like pool, investments in the LGIP are reported at amortized cost.

All funds deposited in the TCIP are available to the participant at full face value without regard to current market values of the investment pool. Earnings distributions, including any realized transactions in the pool, are distributed monthly, calculated on the average daily balance of the participant's cash balances. The Thurston County Treasurer, by law, is the Treasurer of most local governments and districts within the County, including schools, fire and library districts. These districts do not have a legal option to have their cash handled by other than the County Treasurer.

The TCIP experienced a net increase in the fair value of the investments during 2007, as market interest rates decreased. At 12/31/2007, the market value of investments was $3,621,250 greater than the amortized cost. These unrealized gains will not be recognized in the various funds as management intends to hold these investments to maturity. During 2007, TCIP sold 5 investments with a total realized gain of $158,483.

Fair value of the TCIP is reviewed by the County Treasurer, on an ad hoc basis, and monthly by the County Finance Committee. Fair value is determined using information from our safekeeping agent, Union Bank of California and with "Bloomberg", an on-line financial services system.

There is no involuntary participation in the TCIP. Districts do have the option to participate in the TCIP or they can have the Treasurer manage their cash in investments outside of the TCIP by requesting specific investment amounts and maturity dates.

A condensed statement of net assets and statement of changes in net assets for the TCIP including the external and internal portions of the pool, at December 31, 2007, is reported in the following schedule:

Condensed Statement of Net Assets
December 31, 2007

Cash, Cash Equivalents and Pooled Investments	$ 454,263,807
Total Assets	454,263,807
Accrued Interest Payable	-
Total Liabilities	-
Net Assets Held in Trust for Pool Participants	$ 454,263,807

Condensed Statement of Changes in Net Assets
December 31, 2007

Changes in Net Assets Resulting from Operations	$ 21,775,674
Distribution to Participants	(21,775,674)
Changes in Net Assets Resulting from Cash Transactions	35,826,431
Net Assets Available	35,826,431
Net Assets - 1/1	418,437,376
Net Assets - 12/31	$ 454,263,807
Internal Investment Pool	$ 155,363,476
External Investment Pool	298,900,331
Thurston County Investment Pool - 12/31	$ 454,263,807

Note V – Property Taxes

The County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities.

Property Tax Calendar	
January 1	Taxes are levied and become an enforceable lien against the properties.
February 14	First day tax payments can be made.
April 30	First of two equal installment payments is due.
October 31	Second installment is due.

Property taxes are recorded as receivables when levied, but revenue is not recognized until collected. No allowance for uncollectible taxes is established because delinquent taxes are considered fully collectible. An enforceable lien attaches at the point of levy. Interest accrues on delinquent taxes at a rate of 12% per annum. Penalties of 3% are assessed in June and 8% in December, in the first year of delinquency.

The County is permitted by law to levy up to a combined amount of $4.05 per $1,000 of assessed valuation. A maximum of $1.80 per $1,000 of assessed valuation may be levied on all property in the County for general government services. A maximum of $2.25 per $1,000 of assessed valuation may be levied on property in unincorporated Thurston County for the County Road Fund for road construction and maintenance. However a county is authorized to increase its levy from $1.80 to a rate not to exceed $2.475 per $1,000 of assessed value for general county purposes if the total levies for both the County and the County Road District do not exceed $4.05 per $1,000 of assessed value, and no other taxing district has its levy reduced as a result of the increased County levy. These levies may be reduced subject to three limitations:

1. Initiative 747 limits annual regular property tax increases to 1% or the Implicit Price Deflator, whichever is less. An increase above 1% is allowed only with voter approval. The 1% limit excludes increases due to the addition of new construction and state assessed utility increases.

2. The Washington State Constitution limits total regular property taxes to 1 percent of true and fair market valuation. This would equate to a regular levy rate of $10 per $1,000 of value if the property were assessed at its true and fair value. If taxes of regular districts (excluding the Port & PUD) exceed this amount, the junior taxing districts taxes are reduced first and then the other entities are proportionately reduced until the total is at the 1 percent limit.

3. Most taxing districts are authorized by state law to levy a certain rate each year without approval by the voters; these are commonly referred to as regular levies. The aggregate levies of junior taxing districts and senior taxing districts, other than the state, shall not exceed five dollars and ninety cents per thousand dollars of assessed valuations (RCW 84.52.043). At the county level this limitation does not apply to the Conservation Futures or Medic One levies.

The County may voluntarily levy taxes below the legal limit. Special levies approved by the voters are not subject to the above limitations.

The following identifies the tax rates levied in 2006 for collection in 2007:

	Levy In Dollars Per Thousand	Assessed Value	Total Levy
County	$ 1.2122	$ 23,474,474,955	$ 28,455,739
Roads	1.3664	$ 12,601,176,200	17,217,888
	$ 2.5786		$ 45,673,627

Note VI - Capital Assets and Commitments

A. CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2007 was as follows:

GOVERNMENTAL TYPE ACTIVITIES	Beginning Balance 01/01/07	Increases	Decreases	Ending Balance 12/31/07
Capital Assets - Non-Depreciable:				
Land	$ 250,812,363	$ 5,153,861	$ 4,879,444	$ 251,086,780
Construction in Progress	28,391,835	16,758,845	21,984,110	23,166,570
Capital Assets - Non-Depreciable	279,204,198	21,912,706	26,863,554	274,253,350
Capital Assets - Depreciable:				
Buildings	61,830,385	50,332,533	49,441,962	62,720,956
Improvements Other Than Buildings	5,119,524	1,615,499	585,477	6,149,546
Machinery & Equipment	38,478,927	10,400,497	8,348,167	40,531,257
Infrastructure	102,022,503	15,024,916	3,700,997	113,346,422
Original Cost	207,451,339	77,373,445	62,076,603	222,748,181
Less Accumulated Depreciation:				
Buildings	(15,985,495)	(1,821,967)	(119,747)	(17,687,715)
Improvements Other Than Buildings	(1,632,084)	(202,002)	(2,801)	(1,831,285)
Machinery & Equipment	(25,295,574)	(3,646,090)	(1,545,472)	(27,396,192)
Infrastructure	(51,705,703)	(6,012,563)	(3,437,787)	(54,280,479)
Accumulated Depreciation	(94,618,856)	(11,682,622)	(5,105,807)	(101,195,671)
Capital Assets - Depr, Net	112,832,483	65,690,823	56,970,796	121,552,510
Total Orginal Cost	486,655,537	99,286,151	88,940,157	497,001,531
Total Accumulated Depreciation	(94,618,856)	(11,682,622)	(5,105,807)	(101,195,671)
Governmental Capital Assets, Net	$ 392,036,681	$ 87,603,529	$ 83,834,350	$ 395,805,860

Depreciation Expense was charged to funtions as follows:	
General Government	$ 531,725
Public Safety	1,107,397
Utilities and Environment	3,318
Transportation	6,040,921
Economic Environment	118,443
Health and Human Services	46,410
Culture and Recreation	469,836
Subtotal	8,318,050
In addition, depreciation on capital assets held by the County's internal service funds is charged to the various functions based upon their usage of the assets.	3,364,572
Total Governmental Activities Depreciation Expense	$ 11,682,622

Business Type Activities for the year ended December 31, 2007 was as follows:

BUSINESS TYPE ACTIVITIES	Beginning Balance 01/01/07	Increases	Decreases	Ending Balance 12/31/07
Capital Assets, Not Being Depreciated:				
Land	$ 1,611,725	$ 5,702	$ -	$ 1,617,427
Construction In Progress	3,283,391	1,778,141	2,140,666	2,920,866
Total Capital Assets, Not Being Depreciated	4,895,116	1,783,843	2,140,666	4,538,293
Capital Assets, Being Depreciated:				
Buildings	22,524,777	87,005	-	22,611,782
Improvements Other Than Buildings	29,918,148	2,012,170	226,152	31,704,166
Machinery & Equipment	3,962,149	668,412	149,201	4,481,360
Total Capital Assets, Being Depreciated	56,405,074	2,767,587	375,353	58,797,308
Less Accumulated Depreciation For:				
Buildings	(4,285,830)	(641,421)	-	(4,927,251)
Improvements Other Than Buildings	(21,491,902)	(893,088)	(214,064)	(22,170,926)
Machinery & Equipment	(1,964,803)	(360,490)	217,091	(2,542,384)
Total Accumulated Depreciation	(27,742,535)	(1,894,999)	3,027	(29,640,561)
Total Capital Assets Being Depreciated, Net	28,662,539	872,588	378,380	29,156,747
Business Type Activities Capital Assets, Net	$ 33,557,655	$ 2,656,431	$ 2,519,046	$ 33,695,040

Depreciation expense was charged to functions as follows:

Solid Waste	$ 833,086
Grand Mound	368,135
Other Enterprise Funds	693,778
Total	$ 1,894,999

B. CONSTRUCTION COMMITMENTS

Thurston County has the following active construction commitments, including the Accountability and Restitution Center and Customer Service Center project, as of December 31, 2007:

Project	Spent-to-Date	Remaining Commitment
Accountability and Restitution Center	$ 2,591,604	$ 1,983,497
Customer Service Center	195,656	2,695,178
Devoe Housing (Renovations)	843,829	43,671
Tolmie Apartments (Renovations)	64,154	96,905
Deschutes Cove Apartments (Renovations)	46,336	115,852
City of Tenino (Homeowner Rehabliltation)	-	242,884
	$ 3,741,579	$ 5,177,987

These projects are financed with general obligation bonds which are then repaid with sales and real estate excise taxes. There was a reduction in the amount spent and committed for the Customer Service Center In 2007 due to the re-location and re-design of this project.

Note VII - Long-Term And Other Significant Debt

A. DISCLOSURES ABOUT EACH SIGNIFICANT DEBT INCURRED

1. General Obligation Bonded Indebtedness

The County issues general obligation bonds to provide funds for the acquisition, construction, and improvement of capital facilities, and major equipment purchases. General obligation bonds have been issued for both general government and proprietary activities. The proprietary portion of general obligation debt is reported in proprietary funds because repayments will eventually come from proprietary fund revenues. General obligation bonds are direct obligations and pledge the full faith and credit of the government. Payments on these bonds are funded from voter approved levies, real estate excise tax fees and proprietary revenues.

1999 Grand Mound Limited General Obligation Bonds of $11,720,000 were issued in annual principal installments of $250,000 to $1,300,000 beginning in 2004 and running through 2019. The issue is serviced by the Grand Mound Debt Service Redemption Fund. Proceeds were used for constructing and equipping Grand Mound water and wastewater facilities. The bonds bear an interest rate of 5.0% to 5.6%. $7,500,000 was refunded with 2005 Advanced Refunding Bonds. The remaining outstanding balance as of December 31, 2007 was $2,970,000.

2002 Limited General Obligation Bonds of $10,635,000 were issued in annual principal installments of $320,000 to $790,000 beginning in 2002 and running through 2022. Proceeds were used to payoff the 2000 General Obligation Bonds and for improvements to various county facilities. The bonds bear an interest rate of 4.0% to 5.13% with $8,395,000 outstanding as of December 31, 2007.

2004 Limited General Obligation Bonds of $11,000,000 were issued in 2004. The proceeds were used to acquire property and for improvements to various county facilities including: a) acquiring land to construct a jail facility, b) expanding the county/regional park system, c) acquiring a building adjacent to the courthouse to ease overcrowding and relieve existing space problems and d) replacing the County's 20-year old central phone system. The bonds bear an interest rate of 2.5% to 4.50% semi annually with principal repayments from $400,000 to $800,000 a year. The term of the bonds is 20 years with the final payment due in 2024. The balance at December 31, 2007 was $9,915,000

2005 Limited General Obligation Bonds of $26,135,000 were issued in 2005. The bonds were used as follows: $15,700,000 was used for a partial advance refunding of $16,175,000 of outstanding 1997 bonds and $7,510,000 was used for an advance refunding of $7,500,000 of outstanding 1999 bonds. The other portion of the issue amounting to $2,925,000 will be utilized to finance park acquisitions and other capital improvements. The bonds bear an interest rate of 3.0% to 5.0% semi annually with principal repayments ranging from $100,000 to $3,000,000 a year. The term of the bonds is 20 years with the final payment due in 2025. The balance at December 31, 2007 was $25,935,000.

2007 Limited General Obligation Bonds of $5,000,000 were issued in 2007. The bonds will be primarily used to fund a second county jail and to remodel a fish processing warehouse into office space. The term of the bonds is 20 years with the final payment due in 2027. The bonds bear interest rates of 3.75% to 4.0% payable semi-annually with principal repayments ranging from $125,000 to $375,000 a year. The balance at December 31, 2007 was $5,000,000.

2. Loans and Contracts Payable

The County has entered into an agreement with the Department of Community Development, State of Washington, for three loans from the State of Washington, Public Works Trust Fund. The loans are to finance in part the construction of the Olympic View drain field, the Sunrise Beach Landslide Mitigation Project (also known as Road Improvement District #2) and the Grand Mound water corrosion control project. The County has agreed to repay the Public Works Trust Fund loans from water and sewer utility revenues, general obligation tax assessments, and other available County monies.

Olympic View Debt Redemption Fund (Enterprise Fund) has a Public Works Trust Fund loan, which is not to exceed $110,000 with an interest rate of 5% per annum. Yearly loan payments are due on July 1 and are equal to 1/19th of the principal balance plus interest on the unpaid balance of the loan. The term of the loan is for twenty years. The loan is due in 2016 and has a balance at December 31, 2007 of $52,394.

Road Improvement District #2 Fund (Debt Service Fund) has a Public Works Trust Fund loan that is not to exceed $500,000 with an interest rate of 4% per annum. Yearly loan payments are due on July 1 and are equal to 1/19th of the principal balance plus interest on the unpaid balance of the loan. The term of the loan is for twenty years. The loan is due in 2020 and has a balance at December 31, 2007 of $67,105.

Grand Mound-water has a Public Works Trust Fund loan that is not to exceed $37,358 with an interest rate of 2% per annum. Yearly loan payments are due on July 1 and are equal to 1/4th of the principal balance plus interest on the unpaid balance of the loan starting in 2007. The term of the loan is for five years. The balance at December 31, 2007 is $28,018.

The Community Loan Repayment Funds (Enterprise Funds) entered into six state revolving fund (SRF) loan agreements with the State of Washington Department of Ecology to create a community loan program to provide low interest loans for the repair of failing on-site septic systems. The loan programs are 80% federal from the Environmental Protection Agency, and 20% State from the Department of Ecology. The first loan is not to exceed $300,000 with an interest rate of 5% per annum. Repayment began in 1996. The term of the loan is for twenty years. The balance at December 31, 2007 is $121,881. The second loan is not to exceed $200,000 with an interest rate of 0%. The term of the loan is for twenty years. The balance at December 31, 2007 is $59,617. The third loan is not to exceed $200,000 with an interest rate of 4.3%. Repayment began in 2003. The term of the loan is for twenty years. The balance at December 31, 2007 is $121,948. A fourth loan began in 2000 and is not to exceed $100,000 with an interest rate of 0%. Repayments began in 2003. The balance at December 31, 2007 is $16,871. During 2002 a fifth loan began with borrowing not to exceed the value of $150,000 and an interest rate of 1.5%. Repayment began after project completion on December 31, 2005. The balance as of December 31, 2007 is $90,909. The sixth loan is not to exceed $200,000 with an interest rate of 1.5%. Repayment will begin when the draws are substantially complete. The term of the loan is for twenty years and the balance at December 31, 2007 was $87,110.

Water and Waste Management entered into a state revolving fund (SRF) loan agreement with the State of Washington Department of Ecology to create a new Utility Local Improvement District for Tamoshan/Beverly Beach Wastewater Plant Improvements in 2002. Repayments began in 2004 and the loan balance at December 31, 2007 was $1,252,519. The interest rate of the loan is 0% with a 20-year repayment term.

Water and Waste Management entered into a state revolving fund (DWSRF) loan agreement with the State of Washington Department of Community Development to construct a corrosion control system for the Grand Mound water system in 2006. The term of the loan is for 20 years and the amount to be financed is $132,518 with an interest rate of 1%. The balance at December 31, 2007 was $86,217.

Communications entered into an agreement with Government Capital Corporation to fund a new computer aided dispatch system during 2003. Principal payments began in 2003 and the note will be complete in 2009 with principal payments varying from $142,611 to $259,611. The total financed is $1,522,000 with an effective interest rate of 4.94%. The amount outstanding at December 31, 2007 is $505,680.

3. Leases

a. Capital Lease Liabilities

The County has entered into the transactions that are recorded as a capital lease purchases. These long-term contracts incorporate some or all of the benefits and risks of ownership. These lease agreements qualify as capital leases and recorded at the present value of future minimum lease payments as of the inception date. Leases payable totaled $422,380 at December 31, 2007.

The future minimum lease obligations and net present value of minimum lease payments for assets acquired through capital leases as of December 31, 2007 were as follows

	Governmental Activities
Machinery & Equipment	$ 608,253
Less: Accumulated Depreciation	(185,873)
Present Value of Minimum Lease Payments	422,380
Plus amount representing interest	81,997
Total minimum lease payments	$ 504,377

b. Operating Lease Liabilities

The County has lease commitments for leases of buildings and office space that are cancelable and non-cancelable with lease terms primarily from month to month. Operating lease expenditures for the year ended December 31, 2007 were $409,615. The future minimum lease payments for these leases are:

Year	Amount
2008	$ 279,923
2009	$ 267,622
2010	$ 219,255
2011	$ 59,784
2012	$ 59,784

c. Lease Receivables

The County has contracts with various businesses to lease County owned buildings for office space. The leases are cancelable and non-cancelable with month to month terms of five years with one that extends to 2016. The county received $264,084 cancelable and non-cancelable operating lease revenues in 2007. Amounts that will be received in future years under these lease agreements are noted below:

Year Ending December 31,	Amount
2008	$ 251,418
2009	$ 210,137
2010	$ 181,466
2011	$ 131,033
2012	$ 107,063
2013-2016	$ 343,773

4. Long-term Compensated Absences

Thurston County has traditional and alternative leave plans. Thurston County employees who chose the traditional leave plan earn 12 days of sick leave and 12-22 days of vacation leave per year depending upon the employee's length of service. A maximum of 140 days of sick leave may be accrued and a maximum of 45 days of vacation may be accrued. Thurston County employees who were hired after May 31, 1996, or who chose the alternative leave plan, earn 18-28 days of annual or personal leave (a combination of sick leave and vacation leave) per year depending upon the employee's length of service. A maximum of 185 days of personal leave may be accrued. Accumulated unpaid vacation/annual leave is recorded as earned by employees. Terminating employees are entitled to be paid for unused vacation up to a maximum of 240 hours (280 hours for alternative leave) and, if retiring, half of unused sick leave to a maximum of 360 hours.

The County reported a liability of $6,671,197 at December 31, 2007 for that portion of unpaid accumulated vacation and personal leave payable in the statement of net assets. $4,447,464 of this liability is expected to be incurred in 2008. Leave costs are paid from governmental funds that fund the personnel costs for those employees. This long-term liability for accumulated vacation and personal leave payable includes $5,616,528 for governmental funds, $755,821 for internal service funds and $298,848 for enterprise funds. Payroll, benefits and associated administrative services for enterprise funds administered by the Department of Water & Waste Management are billed to these enterprise funds by two internal service funds. Consequently, balances for compensated absences in these enterprise funds is rolled up into internal service funds which is in turn included within governmental activities in the following table and in the statement of net assets. Vested sick leave is not considered material and is not accrued.

5. Other Post Employment Benefits

Thurston County administers two post employment benefit programs that provide primarily post employment medical benefits to retired Thurston County employees. These programs are for retired Law Enforcement Officers and Fire Fighters (LEOFF) under the LEOFF 1 retirement act and for all Thurston County employees through the state managed Public Employees Benefits Board (PEBB). A long term governmental liability of $367,546 was recognized for LEOFF 1 benefits in the statement of net assets in 2007. A long term liability of $2,086,380 was also recognized for PEBB benefits in the financial statements. This liability was allocated between the governmental and proprietary funds based on current active full time employees. Consequently, $1,974,339 was recognized in the statement of net assets for governmental and internal service funds and $112,041 was recognized for enterprise funds. Note XI contains detailed information on these two post employment benefit programs including the computation of the current accrued cost and the associated long term liability.

B. CHANGES IN LONG-TERM AND OTHER SIGNIFICANT DEBT

The following is a summary of long-term and other significant debt transactions of the County:

Schedule Of Changes In Long-term And Other Significant Debt
For The Period Ended December 31, 2007

	Balance At January 1 2007	New Issues	Reductions And Adjustments	Balance At December 31, 2007 Total Ending Balance	Current	Long Term
Governmental Activities:						
Loans & Contracts Payable	$ 1,108,894	$ -	$ (536,108)	$ 572,786	$ 272,941	$ 299,845
Leases Payable	248,666	227,453	(121,736)	354,383	108,311	246,072
Notes Payable	1,357,560	227,453	(657,844)	927,169	381,252	545,917
General Obligation Bonded Debt	39,218,807	5,000,000	(2,448,557)	41,770,250	2,245,000	39,525,250
Deferred Amount On Refunding	(638,170)	-	33,587	(604,583)	(33,588)	(570,995)
Unamortized Premium	1,329,677	-	(51,028)	1,278,649	70,943	1,207,706
Limited G.O. Bonds Payable	39,910,314	5,000,000	(2,465,998)	42,444,316	2,282,355	40,161,961
Compensated Absences & OPEB	6,389,412	7,640,895	(5,316,073)	8,714,234	4,248,232	4,466,002
Balance at Dec 31, 2007	47,657,286	12,868,348	(8,439,915)	52,085,719	6,911,839	45,173,880
Business-Type Activities:						
Loans & Contracts Payable	2,204,439	159,851	(446,805)	1,917,485	128,087	1,789,398
Leases Payable	-	45,898	22,099	67,997	18,673	49,324
Notes Payable	2,204,439	205,749	(424,706)	1,985,482	146,760	1,838,722
General Obligation Bonded Debt	11,470,000	-	(990,000)	10,480,000	475,000	10,005,000
Deferred Amount On Refunding	(484,218)	-	58,475	(425,743)	(35,479)	(390,264)
Unamortized Premium	525,503	-	(42,545)	482,958	40,247	442,711
Limited G.O. Bonds Payable	11,511,285	-	(974,070)	10,537,215	479,768	10,057,447
Compensated Absences & OPEB	-	410,889	-	410,889	199,232	211,657
Balance at Dec 31, 2007	13,715,724	616,638	(1,398,776)	12,933,586	825,760	12,107,826
Total Long-term Debt	$ 61,373,010	$ 13,484,986	$ (9,838,691)	$ 65,019,305	$ 7,737,599	$ 57,281,706

Enterprise segment information is not disclosed since revenue streams are not pledged to support proprietary long-term debt.

C. DEBT SERVICE REQUIREMENTS

Annual debt requirements for all outstanding bonded and contractual debt is as follows:

Schedule Of Annual Requirements
Debt Payment Schedule
As Of December 31, 2007

	General Obligation Bonded Debt		Leases Payable		Loans/Contracts/Notes Payable		
	Principal	Interest	Principal	Interest	Principal	Interest	Total
2008	$ 2,755,250	$ 2,421,894	$ 137,214	$ 37,485	$ 396,815	$ 45,141	$ 5,793,799
2009	3,060,000	2,282,533	113,780	24,839	416,309	30,843	5,928,304
2010	3,335,000	2,160,258	84,908	13,617	148,507	15,244	5,757,534
2011	3,440,000	2,005,545	64,119	5,200	125,894	13,013	5,653,771
2012	3,585,000	1,845,708	22,359	856	127,126	11,491	5,592,540
2013-2017	20,605,000	6,934,678	-	-	612,155	33,397	28,185,230
2018-2022	11,550,000	2,253,755	-	-	519,375	10,476	14,333,606
2023-2028	3,920,000	369,783	-	-	144,090	2,388	4,436,261
Total	$ 52,250,250	$ 20,274,154	$ 422,380	$ 81,997	$ 2,490,271	$ 161,993	$ 75,681,045

D. ASSETS AVAILABLE FOR DEBT SERVICE

The County is meeting debt service requirements. The County has sufficient assets in variety of different funds, including the General Fund, Real Estate Excise Tax Fund, debt holding funds and proprietary funds to meet current and future debt service payments. At December 31, 2007, the County had an additional $143,542 available in reserve in the Debt Service Funds to service general obligation debt.

E. LEGAL DEBT MARGIN

State law sets Thurston County's limitation on external long-term debt as follows:

Purpose of Indebtedness	Total Capacity	Remaining Capacity
General Government (No vote required)	$ 432,140,775	$ 379,407,539
General Government (With 3/5-majority vote)	$ 720,234,625	$ 667,501,389

F. CONTINGENT LIABILITY FOR REFUNDED AND DEFEASED DEBT

In prior years, the County issued general obligation refunding (new) bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments on the refunded (old) debt. As a result, the refunded bonds are considered to be defeased and the liability for the defeased bonds is not included in the County's financial statements. Currently the County has one outstanding refunded issue.

Schedule Of Refunded And Defeased Bonds, Assets, And Liabilities
As of December 31, 2007

Refunded & Defeased Bonds Outstanding	01/01/07	Increases	Decreases	12/31/07
	$ 23,675,000	$ -	$ 16,175,000	$ 7,500,000

General Obligation Bonds of $26,135,000 were issued in 2005 of which $7,510,000 was used for an advance refunding of $7,500,000 of outstanding 1999 enterprise bonds. The advance refunding of the 1999 bonds resulted in an economic gain of $440,635 with a $567,825 reduction in debt service payments over the next 14 years.

Note VIII - Interfund Transactions

A. INTERFUND RECEIVABLES AND PAYABLES

Revenues, expenditures and expenses between County funds are reported as if they were from external organizations in the fund financial statements. These balances and transactions were eliminated in the government-wide financial statements if they did not represent an exchange of goods and services in a normal business relationship (see Notes I.C.1. and I.D.3. above). The composition of interfund receivables and payables in the fund financial statements as of December 31, 2007 is shown in the following table.

	Due From Other Funds	Due To Other Funds
General Fund	$ 202,737	$ 47,529
Detention Facilities Sales Tax Holding	2,327	41,029
Real Estate Excise Tax	180,000	62,598
Roads	82,551	45,789
Medic One	1,888	490
Public Health & Social Services	194,835	39,620
Non-Major Governmental Funds	1,503,125	1,301,510
Internal Service Funds	466,982	362,681
TOTAL GOVERNMENTAL & INTERNAL SERVICE FUNDS	2,634,445	1,901,246
Enterprise Funds		
Solid Waste	546,698	882,861
Grand Mound	4,486	222,186
Non-Major Enterprise Funds	49,280	228,616
TOTAL ENTERPRISE FUNDS	600,464	1,333,663
TOTAL COUNTY FUNDS	3,234,909	3,234,909
TOTAL	$ 3,234,909	$ 3,234,909

B. INTERFUND LOANS AND ADVANCES

Interfund loans and advances are fund transfers, usually interest bearing, that will be repaid in a future years. Interfund loans are fund transfers for less than a year that are outstanding at year end and advances are fund transfers for more than one year. The following advances were outstanding as of December 31, 2006:

1. The Solid Waste Utility advanced $30,000 to the Grand Mound Utility in 2004. The repayment period started in 2005 and will end in 2009. The advance bears an annual interest rate of 3%. Interest only was repaid during the first two years with equal interest and principal payments scheduled to be repaid the last three years of the repayment period. The remaining balance at December 31, 2007 was $20,000.

2. The Solid Waste Utility advanced $8,300 to the Tamoshan Utility in 2006. The advance will be repaid with equal interest and principal payments over 3 years. The advance bears an interest rate of 4%. The remaining balance at December 31, 2007 was $5,533.

C. INTERFUND TRANSFERS

Interfund transfers are subsidies or contributions provided by one fund to another fund with no corresponding promise for repayment. These amounts, which are reported in the fund financial statements, were eliminated in the government-wide statements. Transfers out from the General Fund are usually made to subsidize other activities in other funds such as Parks, Fair and Public Health that are not self supporting through other taxes, grants or program and service fees. Transfers in to the General Fund are primarily from sales tax holding funds for public safety purposes. Transfers out of Detention Facilities Sales Tax Holding are primarily to fund public safety capital projects in capital project funds and public safety operations in the General Fund. Transfers in to Public Health and Social Services comprise subsidies and support service payments from the General and Development Service Funds. Transfers into and out of proprietary and non-major governmental funds are primarily for debt service and associated capital projects. Transfers also include transfers of residual fund balances to active ongoing funds from funds that were closed out and terminated in 2007.

Interfund transfers occurring between major funds, non-major governmental funds, non-major enterprise funds and internal service funds of the County during the year ended December 31, 2007 are summarized below:

	Transfers In	Transfers Out
General Fund	$ 1,548,857	$ 2,467,996
Detention Facilities Sales Tax Holding	-	2,866,010
Real Estate Excise Tax	832,785	2,285,874
Roads	42,787	1,054,665
Medic One	-	35,746
Public Health & Social Services	1,294,594	69,655
Non-Major Governmental Funds	11,783,785	8,854,254
Internal Service Funds	1,243,156	1,977,131
TOTAL GOVERNMENTAL & INTERNAL SERVICE FUNDS	16,745,964	19,611,331
Enterprise Funds		
Solid Waste	525,827	525,827
Grand Mound	245,401	70,792
Non-Major Enterprise Funds	3,949,752	1,258,994
TOTAL ENTERPRISE FUNDS	4,720,980	1,855,613
TOTAL COUNTY FUNDS	$ 21,466,944	$ 21,466,944

Note IX - Pension Plans

Substantially all county full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, P.O. Box 48380, Olympia, WA 98504-8380. The following disclosures are made pursuant to GASB Statement 27, *Accounting for Pensions by State and Local Government Employers*.

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

1. Plan Description

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component.

Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts (other than judges currently in a judicial retirement system); employees of legislative committees; community and technical colleges, college and university employees not participating in national higher education retirement programs; judges of district and municipal courts; and employees of local governments.

PERS participants who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members unless they exercise an option to transfer their membership to Plan 3. PERS participants joining the system on or after March 1, 2002 for state and higher education employees, or September 1, 2002 for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or PERS Plan 3. The option must be exercised within 90 days of employment. An employee is reported in Plan 2 until a choice is made. Employees who fail to choose within 90 days default to PERS Plan 3.

PERS defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions. PERS retirement benefit provisions are established in state statute and may be amended only by the State Legislature.

Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement at any age after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. The annual benefit is two percent of the average final compensation per year of service, capped at 60 percent. The average final compensation is based on the greatest compensation during any 24 eligible consecutive compensation months. Plan 1 retirements from inactive status prior to the age of 65 may receive actuarially reduced benefits. The benefit is actuarially reduced to reflect the choice of a survivor option. A cost-of living allowance (COLA) is granted at age 66 based upon years of service times the COLA amount, increased by three percent annually. Plan 1 members may also elect to receive an additional COLA amount (indexed to the Seattle Consumer Price Index), capped at three percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members may retire at the age of 65 with five years of service, or at the age of 55 with 20 years of service, with an allowance of two percent of the average final compensation per year of service. The average final compensation is based on the greatest compensation during any eligible consecutive 60-month period. Plan 2 retirements prior to the age of 65 receive reduced benefits. If retirement is at age 55 or older with at least 30 years of service, a three percent per year reduction applies; otherwise an actuarial reduction will apply. The benefit is also actuarially reduced to reflect the choice of a survivor option. There is no cap on years of service credit; and a cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index), capped at three percent annually.

Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component, and member contributions finance a defined contribution component. The defined benefit portion provides a benefit calculated at one percent of the average final compensation per year of service. The average final compensation is based on the greatest compensation during any eligible consecutive 60-month period. Effective June 7, 2006, Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service, if twelve months of that service are earned after age 44; or after five service credit years earned in PERS Plan 2 prior to June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan. Vested Plan 3 members are eligible to retire with full benefits at age 65, or at age 55 with 10 years of service. Retirements prior to the age of 65 receive reduced benefits. If retirement is at age 55 or older with at least 30 years of service, a three percent per year reduction applies; otherwise an actuarial reduction will apply. The benefit is also actuarially reduced to reflect the choice of a survivor option. There is no cap on years of service credit, and Plan 3 provides the same cost-of-living allowance as Plan 2.

The defined contribution portion can be distributed in accordance with an option selected by the member, either as a lump sum or pursuant to other options authorized by the Employee Retirement Benefits Board.

2. Judicial Benefit Multiplier

Beginning January 1, 2007 through December 31, 2007, judicial members of PERS may choose to participate in the Judicial Benefit Multiplier Program (JBM). Current justices or judges in PERS Plan 1 and 2 may make a one-time irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit would be capped at 75 percent of average financial compensation. Judges in PERS Plan 3 can elect a 1.6 percent of pay per year of service benefit, capped at 37.5 percent of average compensation.

Members who choose to participate in JBM will accrue service credit at the higher multiplier beginning with the date of their election, pay higher contributions, stop contributing to the Judicial Retirement Account (JRA), and be given the option to increase the multiplier on past judicial service. Members who do not choose to participate will: continue to accrue service credit at the regular multiplier; continue to participate in JRA, if applicable; never be a participant in the JBM Program; and continue to pay contributions at the regular PERS rate.

Justices and judges who are newly elected or appointed to judicial service and choose to become PERS members on or after January 1, 2007, or who have not previously opted into PERS membership, are required to participated in the JBM Program.

Justices and judges who are newly elected or appointed to judicial service will: return to prior PERS Plan if membership had previously been established; be mandated into Plan 2 and not have a Plan 3 transfer choice, if a new PERS member; accrue the higher multiplier for all judicial service; not contribute to JRA; and not have the option to increase the multiplier for past judicial service.

There are 1,188 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of September 30, 2006:

Retirees and Beneficiaries Receiving Benefits	70,201
Terminated Plan Members Entitled to but not yet Receiving Benefits	25,610
Active Plan Members Vested	105,215
Active Plan Members Non-vested	49,812
Total	**250,838**

3. Funding Policy

Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent for state agencies and local government unit employees, and at 7.5 percent for state government elected officials. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. All employers are required to contribute at the level established by the Legislature. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan, and member contributions finance the defined contribution portion. The Employee Retirement Benefits Board sets Plan 3 employee contribution rates. Six rate options are available ranging from 5 to 15 percent; two of the options are graduated rates dependent on the employee's age. As a result of the implementation of the Judicial Benefit Multiplier Program in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program. The methods used to determine the contribution requirements are established under state statute in accordance with chapters 41.40 and 41.45 RCW.

The required contribution rates expressed as a percentage of current year covered payroll, as of December 31, 2007, were as follows:

Members not participating in JBM:

	PERS Plan 1	***PERS Plan 2***	***PERS Plan 3***
Employer*	6.13%**	6.13%**	6.13%***
Employee	6.00%****	4.15%****	*****

* The employer rates include the employer administrative expense fee currently set at 0.16%.
** The employer rate for state elected officials is 9.12% for Plan 1 and 6.13% for Plan 2 and Plan 3.
*** Plan 3 defined benefit portion only.
**** The employee rate for state elected officials is 7.50% for Plan 1 and 4.15% for Plan 2.
***** Variable from 5.0% minimum to 15.0% maximum based on rate selected by the PERS 3 member.

Members participating in JBM:

	PERS Plan 1	***PERS Plan 2***	***PERS Plan 3***
Employer-State Agency*	8.63%	8.63%	8.63%**
Employer-Local Govt.*	6.13%	6.13%	6.13%**
Employee-State Agency	9.76%	7.88%	7.50%***
Employee-Local Govt.	12.26%	10.38%	7.50%***

* The employer rates include the employer administrative expense fee currently set at 0.16%.
** Plan 3 defined benefit portion only.
*** Minimum rate.

Both county and the employees made the required contributions. The county's required contributions for the years ended December 31 were as follows:

	PERS Plan 1	**PERS Plan 2**	**PERS Plan 3**
2007	$ 337,846	$ 2,681,836	$ 234,290
2006	$ 182,179	$ 1,411,628	$ 109,874
2005	$ 114,466	$ 857,198	$ 58,489

B. LAW ENFORCEMENT OFFICERS AND FIRE FIGHTERS (LEOFF)

1. Plan Description

LEOFF is a cost-sharing multiple-employer retirement system comprised of two separate defined benefit plans. LEOFF participants who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 are Plan 2 members. Membership in the system includes all full-time, fully compensated, local law enforcement officers and firefighters. LEOFF membership is comprised primarily of non-state employees, with Department of Fish and Wildlife enforcement officers, who were first included prospectively effective July 27, 2003, being an exception. In addition, effective July 24, 2005, current members of PERS who are emergency medical technicians can elect to become members of LEOFF Plan 2.

Effective July 1, 2003, the LEOFF Plan 2 Retirement Board was established to provide governance of LEOFF Plan 2. The Board's duties include adopting contribution rates and recommending policy changes to the Legislature for the LEOFF Plan 2 retirement plan.

LEOFF defined benefit retirement benefits are financed from a combination of investment earnings, employer and employee contributions, and a special funding situation in which the state pays through state legislative appropriations. LEOFF retirement benefit provisions are established in state statute and may be amended by the State Legislature.

Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement with five years of service at the age of 50. The benefit per year of service calculated as a percent of final average salary is as follows:

Term of Service	Percent of Final Average Salary
20 or more years	2.0%
10 but less than 20 years	1.5%
5 but less than 10 years	1.0%

The final average salary is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest consecutive 24 months' salary within the last ten years of service. If membership was established in LEOFF after February 18, 1974, the service retirement benefit is capped at 60 percent of final average salary. A cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index).

Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members may retire at the age of 50 with 20 years of service, or at the age of 53 with five years of service, with an allowance of two percent of the final average salary per year of service. The final average salary is based on the highest consecutive 60 months. Plan 2 retirements prior to the age of 53 are actuarially reduced for each year that the benefit commences prior to age 53 and to reflect the choice of a survivor option. If the member has at least 20 years of service and is age 50, the reduction is three percent for each year prior to age 53. There is no cap on years of service credit; and a cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index), capped at three percent annually.

There are 383 participating employers in LEOFF. Membership in LEOFF consisted of the following as of the latest actuarial valuation date for the plans of September 30, 2006:

Retirees and Beneficiaries Receiving Benefits	8,951
Terminated Plan Members Entitled to but not yet Receiving Benefits	602
Active Plan Members Vested	12,711
Active Plan Members Non-vested	3,603
Total	**25,867**

2. Funding Policy

Starting on July 1, 2000, Plan 1 employers and employees contribute zero percent as long as the plan remains fully funded. Employer and employee contribution rates are developed by the Office of the State Actuary to fully fund the plan. Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board. All employers are required to contribute at the level required by state law. The Legislature by means of a special funding arrangement appropriated money from the state General Fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the requirements of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. However, this special funding situation is not mandated by the state constitution and this funding requirement could be returned to the employers by a change of statute.

The required contribution rates expressed as a percentage of current year covered payroll, as of December 31, 2007, were as follows:

	LEOFF Plan 1	LEOFF Plan 2
Employer*	0.16%	5.35%**
Employee	0.00%	8.64%
State	N/A	3.45%

*The employer rates include the employer administrative expense fee currently set at 0.16%.
** The employer rate for ports and universities is 8.80%.

Both county and the employees made the required contributions. The county's required contributions for the years ended December 31 were as follows:

	LEOFF Plan 1	LEOFF Plan 2
2007	$ 383	$ 342,931
2006	$ 680	$ 297,739
2005	$ 894	$ 230,683

C. PUBLIC SAFETY EMPLOYEE'S RETIREMEMT SYSTEM (PSERS)

1. Plan Description

PSERS was created by the 2004 legislature and became effective July 1, 2006. PSERS is a cost-sharing multiple-employer retirement system comprised of a single defined benefit plan, PSERS Plan 2.

PSERS Plan 2 membership includes full-time employees of a covered employer on or before July 1, 2006, who met at least one of the PSERS eligibility criteria, and elected membership during the election period of July 1, 2006 to September 30, 2006; and those full-time employees, hired on or after July 1, 2006 by a covered employer, that meet at least one of the PSERS eligibility criteria.

A "covered employer" is one that participates in PSERS. Covered employers include: State of Washington agencies: Department of Corrections, Department of Natural Resources, Parks and Recreation Commission, Gambling Commission, Washington State Patrol, Liquor Control Board; Washington state counties; and Washington state cities except for Seattle, Tacoma and Spokane.

To be eligible for PSERS, an employee must work on a full-time basis and:

- have completed a certified criminal justice training course with authority to arrest, conduct criminal investigations, enforce the criminal laws of Washington, and carry a firearm as part of the job: or
- have primary responsibility to ensure the custody and security of incarcerated or probationary individuals; or
- function as a limited authority Washington peace officer, as defined in RCW 10.93.020; or
- have primary responsibility to supervise eligible members who meet the above criteria.

PSERS defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions. PSERS retirement benefit provisions are established in state statute and may be amended only by the State Legislature.

Plan 2 members are vested after the completion of five years of eligible service. PSERS Plan 2 members may retire at the age of 65 with five years of service, or at the age of 60 with at least 10 years of PSERS service credit, with an allowance of two percent of the average final compensation per year of service. The average final compensation is the monthly average of the member's 60 consecutive highest-paid service credit months, excluding any severance pay such as lump-sum payments for deferred sick leave, vacation or annual leave. Plan 2 retirees prior to the age of 60 receive reduced benefits. If retirement is at age 53 or older with at least 20 years of service, a three percent per year reduction for each year between the age at retirement and age 60 applies. There is no cap on years of service credit; and a cost-of-living allowance is granted (indexed to the Seattle Consumer Price Index), capped at three percent annually.

There are 69 participating employers in PSERS. Membership in PSERS consisted of the following as of the latest actuarial valuation date for the plan of September 30, 2006:

Retirees and Beneficiaries Receiving Benefits	0
Terminated Plan Members Entitled to but not yet Receiving Benefits	0
Active Plan Members Vested	0
Active Plan Members Non-vested	2,073
Total	**2,073**

2. Funding Policy

Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates. The employer and employee contribution rates for Plan 2 are developed by the Office of the State Actuary to fully fund Plan 2. All employers are required to contribute at the level established by the Legislature. The methods used to determine the contribution requirements are established under state statute in accordance with chapters 41.37 and 41.45 RCW.

The required contribution rates expressed as a percentage of current year covered payroll, as of December 31, 2007, were as follows:

	PSERS Plan 2
Employer*	8.55%
Employee	6.57%

* The employer rate includes an employer administrative expense fee of 0.16%.

Both county and the employees made the required contributions. The county's required contributions for the years ended December 31 were as follows:

	PSERS Plan 2
2007	$ 464,949
2006	$ 107,702

Note X - Risk Management

A. RISK POOL AND GENERAL LIABILITY INSURANCE

Thurston County is a member of the Washington Counties Risk Pool (Pool). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the extent that they may individually purchase insurance, self insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The Pool was formed on August 18, 1988 when several counties in the State of Washington joined together by signing an Interlocal Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. Thirty counties have participated in the Pool, while twenty eight counties remain as present members.

The Pool allows members to establish a plan of self-insurance, jointly purchase excess or reinsurance and provide related services. All Pool joint self-insurance liability coverage, including public officials' errors and omissions, and property insurance program are on an "occurrence" basis. The Pool provides the following forms of group purchased insurance coverage for its members: "following form" excess liability, and property that includes vehicles, mobile equipment, and EDP equipment. Special events/concessionaires are another optional group purchase insurance coverage.

Members make an annual contribution to fund the pool. The Pool acquires liability reinsurance and "following form" excess insurance from unrelated underwriters that is subject to a per-occurrence self-insured retention of $100,000, or the member-selected deductible, whichever is greater. Members are responsible for their elected deductible amounts ranging from $10,000 to $500,000 of each covered claim while the pool is responsible for the remaining difference up to the pool's $100,000 to the maximum limits of each policy. The reinsurance and excess insurance carriers cover losses exceeding the greater of the Pool's retention or the member county's deductible to the maximum limits of each policy.

The pool is governed by a board of directors that is comprised of one designated representative from each participating member. An executive committee is elected at the annual meeting, and is responsible for conducting the business affairs of the pool. Members contract to remain in the pool for a minimum of five years, and must give notice one year before terminating participation. Thurston County rejoined the pool on October 1, 2000, after a one-year absence. The contract with the pool is renewed automatically each year until terminated. Each member is responsible for contributions to the pool for any unresolved, unreported, and in-process claims for the period(s) during which it was a signatory to the interlocal agreement, even after termination of the contractual relationship.

The pool is fully funded by its member participants as a cooperative program with joint liability among the participating members. Claims are filed by members with the pool. Any deficits or program assets which are insufficient to cover program liabilities are financed through retroactive assessments of responsible members.

The County has recorded in its financial statements all material liabilities. This includes estimates for expense, defense and/or payment of pending claims and claims incurred but not reported. Furthermore, the County's settlements have not exceeded the County's insurance coverage in each of the past three years. In the opinion of management, the County's insurance policies, including it's participation in the Washington Counties Risk Pool, in conjunction with our funded retention are adequate to pay all known or pending claims as they come due.

The County paid general claims costs of $256,103 during 2007. The County's suggested minimum claim reserves, and therefore the County's potential liability for claims and costs not covered by the risk pool, were estimated by the pool's actuary on December 31, 2007 as $3,576,302. The suggested reserve includes reserves for open claims plus an estimate of incurred but not reported (IBNR) claims. It should be recognized that portions of the estimated additional liability incurred are projections. As estimates, these values are subject to inherent variability and may or may not become payable over the course of several years.

Schedule of Claims and Judgments Payable

	2007	2006
Beginning Claims Liability	$ 3,367,586	$ 3,505,000
Claims Incurred during the year Including IBNRs)*	464,819	516,412
Claims Payments	(256,103)	(653,826)
Ending Claims Liability	$ 3,576,302	$ 3,367,586

*Includes total provision for events of the current fiscal year and any changes in the provision for events for prior fiscal years.

B. OTHER

The County is not self insured for other types of risks and losses except as described above under “Risk Pool and General Liability Insurance”. The County reimburses Washington State Employment Security for unemployment compensation claims. These claims are funded through employee related fund transfers into the County’s Unemployment Compensation fund. The County also pays Washington State Labor and Industries a stipulated amount per employee per payroll period for a state mandated industrial insurance program for worker compensation claims. As discussed in Note VII.F., the County also has a contingent financial liability for the payment of refunded debt.

Note XI – Other Post-Employment Benefits

The County provides other post-employment benefits (OPEB) In addition to the pension benefits described in Note IX.

A. LEOFF

Lifetime full medical coverage is provided to uniformed law enforcement officers as members of the Law Enforcement Officers and Fire Fighters (LEOFF 1) retirement system. A liability for the accumulated unfunded actuarially required contribution is reported in the Statement of Net Assets. The actual medical costs are reported as expenditures in the year they are incurred.

1. Plan Description

The County provides lifetime medical care In accordance with the Washington LEOFF 1 Act (RCW 41.26) for retired full time, fully compensated, law enforcement officers who established membership in the LEOFF 1 retirement system on or before September 30, 1977. All or most of the County’s LEOFF 1 officers are eligible for benefits when they reach normal retirement age through a defined benefit healthcare plan administered by the County.

Thurston County reimburses retired LEOFF 1 officers for reasonable medical charges usually provided by one of the County’s employee medical insurance programs. Under the authorization of the LEOFF Disability Board, direct payment is made for other retiree medical expenses not covered by standard medical plan benefit provisions. Financial reporting for the LEOFF retiree healthcare plan is included in the County’s Comprehensive Annual Financial Report.

In 2007, 20 retirees received benefits under this act. As of December 31, 2007, there were 2 active officers who may become eligible for those benefits when they reach normal retirement age.

2. Funding Policy

Funding for LEOFF retiree healthcare costs is provided entirely by the County as required by RCW. The County’s funding policy is based upon pay-as-you-go financing requirements.

3. Annual OPEB Cost and Net OPEB Obligation

The County's annual OPEB cost is calculated based upon the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period of thirty years as of January 1, 2007. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation. The net OPEB obligation of $367,545 is reported as a non-current liability on the Statement of Net Assets.

	Year Ending 12/31/2007
Determination of Annual Required Contribution:	
Normal Cost at Year End	$ 34,096
Amortization of UAAL*	570,644
Annual Required Contribution	$ 604,740
Determination of Net OPEB Obligation:	
Annual Required Contribution	$ 604,740
Interest on Prior Year Net OPEB Obligation	-
Adjustment to ARC	-
Annual OPEB Cost	604,740
Contributions Made	(237,195)
Increase in Net OPEB Obligation	$ 367,545
Net OPEB Obligation - End Of Year:	
Net OPEB Obligation - Beginning of Year	$ -
Increase in Net OPEB Obligation	367,545
Net OPEB Obligation-end of year	$ 367,545

*Unfunded Actuarial Accrued Liability (UAAL)

The County's OPEB cost, the percentage of OPEB cost contributed to the plan, and the net OPEB obligation for 2007 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
12/31/2007	$ 604,740	39.2%	$ 367,545

4. Funded Status and Funding Progress

As of December 31, 2007, the most recent actuarial valuation date, the plan was 0% funded. The accrued liability for benefits was $6,128,459 and the actuarial value of the assets was $0 resulting in a UAAL of $6,128,459.

The cost of retiree health care benefits is recognized in the General Fund as claims are paid. For 2007, these costs total $74,015 with a cost per retiree of $3,701. Thurston County uses the Long Term Care Special Revenue Fund to purchase additional long-term care insurance for LEOFF 1 retirees.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits.

5. Actuarial Methods and Assumptions

We have used the alternative measurement method permitted under GASB Statement No. 45. A single retirement age of 56.22 was assumed for all active members to determine the actuarial accrued liability. Termination and mortality rates were assumed to follow the LEOFF 1 termination and mortality rates used in the September 30, 2006 actuarial valuation report issued by the Office of the State Actuary (OSA). Healthcare costs and trends were determined by Milliman and used by OSA in the state-wide LEOFF 1 medical study performed in 2007. The results were based on grouped data with 4 active groupings and 4 inactive groupings. The actuarial cost method used to determine the actuarial accrued liability was Projected Unit Credit. These assumptions are individually and collectively reasonable for the purposes of this valuation.

The UAAL is being amortized on a closed basis at the assumed discount rate. The remaining amortization period at January 1, 2007 was 30 years.

B. PEBB

Thurston County provides to its retirees employer provided subsidies for post-employment medical and life insurance benefits provided through the Public Employee Benefits Board (PEBB). A liability for the accumulated unfunded actuarially required contribution is reported in the entity-wide and proprietary statements of net assets. The actual medical costs are paid through annual fees and premiums to the PEBB.

1. Plan Description

The PEBB was created within the Washington State Health Care Authority to administer medical, dental, and life insurance plans for public employees and retirees. The subsidies provided by PEBB to the County include the following:

- Explicit Medical Subsidy for Post-65 retirees
- Explicit Life Insurance Subsidy for all retirees
- Implicit Medical Subsidy for Pre-65 retirees

The explicit subsidies are monthly amounts per retiree. The implicit medical subsidy is the difference between the total cost of pre-65 medical benefits and the pre-65 contributions paid by retirees.

2. Eligibility

County members are eligible for retiree medical benefits after becoming eligible for service retirement pension benefits (either reduced or full pension benefits) under Plan 2 of the PERS.

- Age 65 with 5 years of service
- Age 55 with 20 years of service

Former members who are entitled to a deferred vested pension benefit are not eligible to receive medical benefits after pension benefit commencement. Survivors of members who die are also not eligible for medical benefits.

3. Medical and Life Benefits

Upon retirement, members are permitted to receive medical benefits. Retirees currently pay the following monthly rates for pre-65 medical coverage:

	Type of Coverage - 2008			
Plan	**Employee Only**	**Employee & Spouse**	**Employee & Children**	**Full Family**
Community Health Plan	$ 484.32	$ 957.20	$ 838.98	$ 1,311.86
Group Health Classic	454.89	898.34	787.48	1,230.93
Group Health Value	400.19	788.94	691.75	1,080.50
Kaiser Permanente Classic	481.87	952.30	834.69	1,305.12
Regence Classic	439.15	866.86	759.93	1,187.64
Uniform Medical Plan	408.76	806.08	706.75	1,104.07

Retired members, after age 65, receive a subsidy of 50% for their monthly medical premiums up to $164.08 in 2008. Retirees also receive an explicit subsidy of $4.77 per month for life insurance premiums in 2008.

4. Funding Policy

The funding policy is based upon pay-as-you-go financing requirements.

5. Annual OPEB Cost and Net OPEB Obligation

The County's annual OPEB cost is calculated based upon the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period of thirty years as of January 1, 2007. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB.

	Year Ending 12/31/2007
Determination of Annual Required Contribution:	
Normal Cost at Year End	$ 1,541,152
Amortization of UAAL*	780,202
Annual Required Contribution	$ 2,321,354
Determination of Net OPEB Obligation:	
Annual Required Contribution	$ 2,321,354
Interest on Prior Year Net OPEB Obligation	-
Adjustment to ARC	-
Annual OPEB Cost	2,321,354
Contributions Made	(234,975)
Increase in Net OPEB Obligation	$ 2,086,379
Net OPEB Obligation - End Of Year:	
Net OPEB Obligation - Beginning of Year	$ -
Increase in Net OPEB Obligation	2,086,379
Net OPEB Obligation-end of year	$ 2,086,379

*Unfunded Actuarial Accrued Liability (UAAL)

The County's annual OPEB cost, the percentage of OPEB cost contributed to the plan, and the net OPEB obligation for 2007 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
12/31/2007	$ 2,321,354	10.1%	$ 2,086,379

6. Funded Status and Funding Progress

As of December 31, 2007, the most recent actuarial valuation date, the plan was 0% funded. The accrued liability for benefits was $23.4 million, and the actuarial value of assets was $0, resulting in a UAAL of $23.4 million.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

7. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities, consistent with the long-term perspective of the calculations.

In the December 31, 2007 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions used included a 4.50% discount rate, which is based upon the long-term investment yield on the investments that are expected to be used to finance the payment of benefits.

The UAAL is being amortized on a closed basis at the assumed discount rate. The remaining amortization period at December 31, 2007 was 30 years.

Note XII - Joint Ventures/Jointly Governed Organizations

Thurston County participates in inter-local agreements with five other Thurston County governmental units or agencies. The County participates inter-locally with Animal Control Services, the Inter-local Drug Control Unit, Olympia Region Clean Air Agency (ORCAA), the Thurston Regional Planning Council (TRPC) and the Regional Athletic Complex.

Animal Control Services is a joint venture governed by a six-member board of which Thurston County is a member. Each member's contribution is based on a formula factoring population and basic service components. The county contributed $446,803 as its share of operations in 2007. The 2007 contribution was 55.52% of Animal Control Services' total budget. The financial health of this joint venture remains strong mainly due to a steady stream of revenue received from the Cities of Olympia, Lacey, and Tumwater, and Thurston County. Net Assets for Animal Control at the end of 2007 totaled just over $2.8 million. Complete financial statements for Animal Control can be obtained from its administrative office at the City of Lacey, Post Office Box 3400, Lacey, Washington 98509-3400.

The Inter-local Drug Control Unit is a joint venture governed by a five member executive committee of which Thurston County is a member. Thurston County did not have a computable equity interest in the Inter-local Drug Control Unit in 2007. The Inter-local Drug Control Unit is funded by grants and seizures of drug funds. Financial information on the Inter-local Drug Control Unit can be obtained from its administrative office at the City of Lacey, Post Office Box 3400, Lacey, Washington 98509-3400.

Olympic Region Clean Air Agency is a jointly governed organization governed by a nine-member board of which Thurston County is a member. Thurston County contributed $56,903 as its share of operations in 2007. The assessment was based on population and violation fees collected. Thurston County did not have an equity interest in ORCAA in 2007. Complete financial statements for ORCAA can be obtained from its administrative office at 2940 B Limited Lane NW, Olympia, Washington 98502.

Thurston Regional Planning Council is a jointly governed organization governed by a fifteen-member council of which Thurston County is a member. Thurston County contributed $195,482 as its share of operations in 2007. Of that $965 went to the Historic Commission and $194,517 was for intergovernmental professional services. The assessment was based on population and contractual commitments. Thurston County did not have an equity interest in TRPC in 2007. Complete financial statements for TRPC can be obtained from its administrative office at 2424 Heritage Court SE Suite A, Olympia, Washington 98502.

The Regional Athletic Complex is governed by Thurston County and the City of Lacey. In 1998, Thurston County and the City of Lacey agreed to purchase, develop and jointly share the costs of a Regional Athletic Complex. Total net capital investment as of December 31, 2007 for Thurston County and the City of Lacey was $3,161,793 and $2,633,282 respectively. This represents an equity interest of 54.56% for Thurston County and 45.44% for the City of Lacey. In September, 2005 the complex was dedicated and opened for the benefit of the citizens of Thurston County. The remaining park improvements for phase II of the complex are scheduled for completion in 2008. Any excess costs for maintenance, operation and capital expenditures are the joint and equal responsibility of Thurston County and the City of Lacey. The County's only ongoing financial responsibility is an equal share in the operating profit or loss in the athletic complex that was constructed on the 26 acre parcel as stipulated in the 1998 inter-local agreement with the City of Lacey. The County may, in its sole discretion, transfer its share of ownership to the City of Lacey after 2014. Additional financial information may be obtained from Thurston County Financial Services, 2000 Lakeridge Drive SW, Olympia, Washington 98502.

The following is condensed financial information for the Regional Athletic Complex as of December 31, 2007:

Animal Control	
Total Assets	$3,178,902
Liablilities	(315,491)
Net Assets	$2,863,411
Net Assets 1/1	
Revenues	$ 1,526,905
Expenses	(1,392,421)
Net Income 12/31	$ 134,484

Regional Athletic Complex	
Total Assets	$ 5,795,075
Liabilities	-
Net Assets - 12/31	$ 5,795,075
Net Assets - 1/1	
Revenues	$ 389,246
Expenses	316,911
Net increase (Decrease) in Net Assets	72,335
Beginning Net Assets, Restated	5,722,740
Net Assets - 12/31	$ 5,795,075

The County's residual equity interests in investments in joint ventures for Animal Control Services and the Regional Athletic Complex for the year ended December 31, 2007 were as follows:

GOVERNMENTAL TYPE ACTIVITIES	Beginning Balance 01/01/07	Increases	Decreases	Ending Balance 12/31/07
Regional Athletic Center	$ 4,044,379	$ -	$ (959,438)	$ 3,084,941
Animal Shelter	-	959,298	-	959,298
Less Accumulated Depreciation	(110,688)	(148,986)	-	(259,674)
Investment in Joint Ventures, Net	$ 3,933,691	$ 810,312	$ (959,438)	$ 3,784,565

Note XIII - Closure And Post Closure Care Costs

State and federal laws and regulations require Thurston County to perform landfill maintenance and monitoring activities for thirty years after closure. An expense provision and related liability for these activities was recognized in the Solid Waste Enterprise Fund before the landfill was closed. This expense provision was based on estimated future post closure care costs after closure.

Cell No. 1, the last landfill cell used for waste disposal at the Hawke's Prairie landfill site, was closed on April 30, 2000. The County's long haul of waste to a regional landfill in Klickitat County was initiated on May 1, 2000. Post closure costs were funded with operating fees through December 31, 2002. The post closure care period was subsequently initiated on January 1, 2003. The estimated remaining liability for post closure care costs is $20,091,050 on December 31, 2007.

Thurston County, as required by state and federal laws and regulations, made annual contributions to finance post closure care. The County is in compliance with these requirements, and at December 31, 2007, cash and pooled investments of $20,558,312 are held for these purposes and reported as restricted cash and pooled investments on the balance sheet.

The post closure care cost was based on the amount that would have been paid if all equipment, facilities and services required to monitor and maintain the landfill site were acquired as of December 31, 2000. However, the actual cost of post closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. It is anticipated that future inflation costs will be financed in part from earnings on the cash and investments. The remaining portion of anticipated future inflation costs (including inadequate earnings on investments, if any) and additional costs that may arise from changes in post closure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users, taxpayers, or both.

Note XIV - Other Disclosures

A. PRIOR PERIOD ADJUSTMENTS

There was a prior period adjustment increasing Roads and Transportation fund balance by $912,387 and decreasing deferred revenues by the same amount in 2007. Deferral of road mitigation revenues was adjusted to reflect the proper amount of current and prior year's revenue deferrals based on meeting agreed upon requirements and obligations of the County.

B. ACCOUNTING RECLASSIFICATIONS

Several funds were re-classified into different fund types in 2007. The Special Projects Fund, which is a sub-fund of the Central Services Fund, was reclassified from a special revenue fund to an internal service fund in 2007. The County transferred $42,144,643 in buildings maintained and managed by this Fund to the Central Services internal service fund in 2007. The Communications fund was also reclassified from an internal service fund to a special revenue fund in 2007 since sales taxes had replaced inter-governmental service charges as the primary revenue source for this fund. The County transferred $2,645,861 out of this fund in 2007 which represented this Fund's net equity in capital assets, debt and compensated absences. However, because the reclassification took place between funds with a different measurement focus, the amount that represents a prior period adjustment in the Governmental funds is $1,066,581. The net effect of these two adjustments comprise the $39,498,782 in prior period adjustments reported for internal service funds in the Statement of Revenues, Expenses and Changes in Fund Net Assets for Proprietary Funds. These adjustments are not carried forward to the entity wide statements since they are offsetting adjustments within the entity wide statements. However, since the $1,066,581 involves a Special Revenue Fund, this amount is reported in the Statement of Revenues, Expenditures And Changes in Fund Balances, Governmental Funds.

The Development Services Fund was reclassified from a special revenue fund to an enterprise fund in 2007 since service charges are now the primary revenue source for this Fund. The County reported a $175,934 prior period adjustment reducing fund balance primarily due to compensated absences transferred into this Fund in 2007. The net effect of these transactions is not reported as a prior period adjustment for governmental activities in the Statement of Activities because other methods were used to record these transactions. For example, the net book value of capital assets transferred to the new enterprise fund is reported as a loss on sale of assets for governmental activities in the Statement of Net Assets.

C. FUND CHANGES

During 2007, the following funds were added: GO Bonds 2007 debt service fund, 2007 Debt Holding special revenue fund, and Development Services enterprise fund.

During 2007, the following funds were abolished: Special Projects, 2005 Debt Holding and Development Services special revenue funds, and Communications internal service fund.

D. CONTINGENCIES

Thurston County has other claims and lawsuits pending at this time that could be a liability to the County over the next few years. The amount of these other claims cannot be reasonably estimated.

Required Supplementary Information
Retiree Medical Benefits
Schedule of Funding Progress

LEOFF 1 Retiree Medical Benefits

Fiscal Year Ended	Actuarial Value of Assets	Acutarial Accrued Liability Entry Age	Unfunded Actuarial Accrued Liabilities	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2006	$ -	$ 6,128,459	$ 6,128,459	0%	$ 376,492	1627.78%
12/31/2007	$ -	$ 6,128,459	$ 6,128,459	0%	$ 266,054	2303.46%

PEBB Retiree Medical Benefits

Fiscal Year Ended	Actuarial Value of Assets	Acutarial Accrued Liability Entry Age	Unfunded Actuarial Accrued Liabilities	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2006	$ -	$ 23,406,060	$ 23,406,060	0%	$ 71,244,403	32.85%
12/31/2007	$ -	$ 23,406,060	$ 23,406,060	0%	$ 75,802,799	30.88%

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2007

ASSETS	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total
Current Assets:				
Cash & Pooled Investments	$ 18,295,236	$ 113,055	$ 7,536,749	$ 25,945,040
Receivables:				
Taxes Receivable	47,995	-	-	47,995
Special Assessment Receivables	56,010	-	-	56,010
Accrued Interest & Penalties	257,741	2,527	127,628	387,896
Customer Account Receivables	628,781	-	-	628,781
Due from Other Funds	156,815	-	1,346,310	1,503,125
Due from Other Government Units	1,804,231	-	-	1,804,231
Inventory	1,309	-	-	1,309
Prepayments	301,351	-	-	301,351
Total Assets	21,549,469	115,582	9,010,687	30,675,738
LIABILITIES				
Current Liabilities:				
Accounts Payable	1,396,553	346	934,338	2,331,237
Due to Other Funds	1,089,317	-	212,193	1,301,510
Due to Other Government Units	5,321	-	-	5,321
Deferred Revenues	162,239	-	-	162,239
Total Liabilities	2,653,430	346	1,146,531	3,800,307
FUND BALANCES				
Reserved For:				
Debt Service	-	115,236	-	115,236
Unreserved - Designated, Reported In:				
Inventories	1,309	-	-	1,309
Petty Cash	17,975	-	-	17,975
Unreserved Undesignated	18,876,755	-	7,864,156	26,740,911
Total Fund Balance	18,896,039	115,236	7,864,156	26,875,431
Total Liabilities & Fund Balances	$ 21,549,469	$ 115,582	$ 9,010,687	$ 30,675,738

Combining Statement Of Revenues, Expenditures And Changes In Fund Balances Nonmajor Governmental Funds

For The Year Ended December 31, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total
Revenues:				
Taxes	$ 9,807,866	$ -	$ -	$ 9,807,866
Licenses & Permits	312,948	-	-	312,948
Intergovernmental	10,252,945	-	-	10,252,945
Charges for Services	3,733,639	-	4,582	3,738,221
Fines & Forfeits	35,330	-	-	35,330
Miscellaneous Revenue	1,678,538	9,418	499,041	2,186,997
Total Revenues	25,821,266	9,418	503,623	26,334,307
Expenditures:				
General Government	849,219	-	886,404	1,735,623
Culture & Recreation	4,736,274	-	-	4,736,274
Economic Environment	10,524,206	-	-	10,524,206
Health & Human Services	-	-	17,626	17,626
Public Safety	7,027,590	-	136,563	7,164,153
Transportation	1,779,267	-	-	1,779,267
Utilities & Environment	1,114,946	-	-	1,114,946
Capital Outlay	696,160	-	3,937,563	4,633,723
Debt Service:				
Principal	685,543	2,318,553	-	3,004,096
Interest & Fiscal Charges	145,264	1,732,603	-	1,877,867
Total Expenditures	27,558,469	4,051,156	4,978,156	36,587,781
Excess (Deficiency) of Revenues Over Expenditures	(1,737,203)	(4,041,738)	(4,474,533)	(10,253,474)
Other Financing Sources (Uses)				
Capital Lease Financing	25,509	-	-	25,509
Debt Issuance	5,000,000	-	-	5,000,000
Premium on Debt Issuance	19,195	-	-	19,195
Transfers In	4,091,410	4,149,767	3,542,608	11,783,785
Transfers Out	(8,117,282)	(31,469)	(705,503)	(8,854,254)
Total Other Financing Sources (Uses)	1,018,832	4,118,298	2,837,105	7,974,235
Net Changes In Fund Balances	(718,371)	76,560	(1,637,428)	(2,279,239)
Fund Balances as of January 1	18,547,829	38,676	9,501,584	28,088,089
Prior Period Adjustments	1,066,581	-	-	1,066,581
Fund Balances as of January 1 - Restated	19,614,410	38,676	9,501,584	29,154,670
Fund Balances as of December 31	$ 18,896,039	$ 115,236	$ 7,864,156	$ 26,875,431

NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are established pursuant to state statutes or local ordinances to segregate resources designated for specific purposes.

Anti-Profiteering – A fund that uses proceeds from anti-profiteering cases to investigate and prosecute similar cases.

Auditor - Election Reserve – A fund that uses election service surcharges to acquire and replace election equipment.

Auditor - Maintenance and Operations – A fund that uses service charges (including election service surcharges, duplicating fees and document preservation fees) and grants for the replacement of recording equipment and for historic document preservation.

Clerk's Collection – A fund that uses intergovernmental service revenues to collect past due court ordered financial obligations.

Communications – A fund that uses primarily sales and excise taxes to finance an intergovernmental agency that provides countywide emergency communication services within Thurston County.

Community Development – A fund that uses business, occupation and excise taxes, grants, recording surcharges and interfund payments to provide the following services: administrative and budget support to the BOCC, preparation of the County's capital facilities plan, managing debt and tax holding funds, administering grant funded environmental and community services, administering Cable TV franchise agreements and providing information services to other departments.

Conservation Futures – A fund that uses property taxes to acquire, maintain and preserve park lands and open spaces.

Debt Holding - 2004 – A holding fund for 2004 general obligation debt proceeds pending transfer to construction funds to fund capital projects authorized by this issue.

Debt Holding - 2005 – A holding fund for 2005 general obligation debt proceeds pending transfer to construction funds to fund capital projects authorized by this issue.

Debt Holding - 2007 – A holding fund for 2007 general obligation debt proceeds pending transfer to construction funds to fund capital projects authorized by this issue.

Development Services – A fund that uses development license fees and service charges to provide planning, permitting and development inspection services within the unincorporated sections of Thurston County (this fund was reclassified to an enterprise fund in 2007 and is therefore also reported in the combining statements for enterprise funds).

Emergency Management – A fund established to use intergovernmental service and miscellaneous revenues from local jurisdictions to fund joint emergency management activities.

Fair – A fund that uses event service charges, general fund subsidies and grants to fund the annual fair and other activities at the County's fairgrounds.

Family Court Services – A fund that uses grants (federal and state), service charges (family court, civil filing and transcription) and general fund transfers to provide court ordered services to indigent parties for medication counseling, psychological evaluation, guardians ad litem and custody investigations.

Geodata Center – A fund established to use roads property tax assessments to administer and operate a spatial data support service facility for roads, other County departments and other agencies and businesses.

Investment Administration – A fund that uses Treasurer's investment service fees on outside agencies to administer Thurston County's Investment Pool.

Lake Lawrence L. M. D. – A fund established to levy assessments to manage water quality and for aquatic weed removal at Lake Lawrence.

Lakes Management Administration – A fund established to use transfers (General Fund, Noxious Weed and LMDs) to provide limited assistance in the formation of lake management districts and for monitoring water quality at public swimming beaches and boat accessed lakes.

Law Library – A fund that uses filing fees to fund a legal law library for Thurston County's Superior Courts.

LEOFF 1 Long Term Care – A fund that uses proceeds from the General Fund to fund a reserve to pay unfunded premiums for law enforcement long-term care insurance.

Long Lake L. M. D. – A fund established to levy assessments to manage water quality and for aquatic weed removal at Long Lake.

Noxious Weed Control – A fund established to levy and use tax assessments and inter-governmental revenues to control noxious weeds.

Pacific Mountain Job Training – A fund that administers federal workforce investment act grants to provide employment training, placement and development services for Thurston County and four other adjacent counties.

Parks and Recreation – A fund that uses primarily transfers from the General Fund and secondarily park usage fees to acquire, develop and maintain County parks, preserves, open spaces, historic sites, and trails.

Prisoner Concession – A fund established to use prisoner concession and booking fees to fund prisoner commissary sales and inmate rehabilitative activities.

REET Technology – A fund established to use real estate excise taxes and treasurer collection fees to develop and implement technology to process real estate excise tax affidavits.

Road Improvement District No. 2 – A fund that uses special assessments for principal and interest payments that were used to finance a landslide stabilization project on Sunrise Beach Road.

Roads Development Review – A fund established to use transfers from Roads and Development Services to review and inspect road and road frontage for privately funded land development projects constructed in unincorporated Thurston County.

RSN - IRMA (Cowlitz, Grays Harbor and Thurston) – Three reserve funds funded by these three counties that will fund inpatient and outpatient care if there is a cash shortage to fund these services in the future.

Sheriff's Special Programs – A fund that uses vessel registration fees to fund boating enforcement and other programs.

South Pattison Lake L. M. D. – A primarily dormant fund that uses interest earnings for invasive aquatic weed monitoring at South Pattison Lake.

Special Projects – A fund that uses real estate excise taxes to fund capital additions and improvements for the Courthouse Complex and associated sites.

Regional Athletic Complex – A fund that uses property and sales taxes, grants and donations and funds from the City of Lacey to develop maintain and operate a jointly owned athletic complex facility in northeast Thurston County.

Stadium Convention and Arts Center – A fund that uses hotel/motel tax proceeds to promote tourism and economic development.

Tax Refunds – An abolished fund established to return taxes improperly collected as mandated by court order.

Treasurer's Maintenance and Operations – A revolving fund that uses Treasurer's assessment collection fees to defray costs of foreclosing and selling property due to delinquent property taxes.

Trial Court Improvement – A fund established to use judicial salary contributions from the state to fund improvements to superior and district courts.

Veterans – A fund that uses property taxes to fund emergency assistance to eligible veterans in Thurston County.

Victim Advocate Program – A fund that uses court penalties and assessments from the County's crime victim/witness program and grant proceeds to fund services to victims of crimes.

WRIA Water and Waste – A fund that uses grant proceeds to identify comprehensive water resource management strategies for the Deschutes River Watershed.

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2007
Page 1 of 8

ASSETS	Anti-Profiteering	Auditor - Election Reserve	Auditor - M & O	Clerk's Collection	Communications
Current Assets:					
Cash & Pooled Investments	$ 19,537	$ 306,451	$ 1,073,685	$ 389,091	$ 3,086,300
Receivables:					
Taxes Receivable	-	-	-	-	-
Special Assessment Receivables	-	-	-	-	-
Accrued Interest & Penalties	-	5,272	-	6,629	12,708
Customer Account Receivables	-	73,015	-	139,513	-
Due from Other Funds	-	-	-	-	238
Due from Other Government Units	-	-	-	-	-
Inventory	-	-	-	-	-
Prepayments	-	-	-	-	301,351
Total Assets	$ 19,537	$ 384,738	$ 1,073,685	$ 535,233	$ 3,400,597
LIABILITIES					
Current Liabilities:					
Accounts Payable	$ 50	$ 1,408	$ 1,119	$ 349	$ 160,767
Due to Other Funds	-	-	-	-	291
Due to Other Government Units	-	-	-	-	-
Deferred Revenues	-	-	-	-	17,722
Total Liabilities	50	1,408	1,119	349	178,780
FUND BALANCES					
Unreserved - Designated, Reported In:					
Inventories	-	-	-	-	-
Petty Cash	-	-	-	-	-
Unreserved Undesignated	19,487	383,330	1,072,566	534,884	3,221,817
Total Fund Balance	19,487	383,330	1,072,566	534,884	3,221,817
Total Liabilities & Fund Balances	$ 19,537	$ 384,738	$ 1,073,685	$ 535,233	$ 3,400,597

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2007
Page 2 of 8

ASSETS	Community Development	Conservation Futures	Debt Holding - 2004	Debt Holding - 2005	Debt Holding - 2007
Current Assets:					
Cash & Pooled Investments	$ 4,283,358	$ 1,906,695	$ -	$ -	$ 3,543,912
Receivables:					
Taxes Receivable	-	34,949	-	-	-
Special Assessment Receivables	731	-	-	-	-
Accrued Interest & Penalties	30,760	37,639	-	-	-
Customer Account Receivables	18,553	-	-	-	-
Due from Other Funds	12,556	-	-	-	122,601
Due from Other Government Units	1,052,827	-	-	-	-
Inventory	-	-	-	-	-
Prepayments	-	-	-	-	-
Total Assets	$ 5,398,785	$ 1,979,283	$ -	$ -	$ 3,666,513
LIABILITIES					
Current Liabilities:					
Accounts Payable	$ 382,751	$ -	$ -	$ -	$ 6,516
Due to Other Funds	80,704	-	-	-	998,236
Due to Other Government Units	-	-	-	-	-
Deferred Revenues	11,922	34,949	-	-	-
Total Liabilities	475,377	34,949	-	-	1,004,752
FUND BALANCES					
Unreserved - Designated, Reported In:					
Inventories	-	-	-	-	-
Petty Cash	-	-	-	-	-
Unreserved Undesignated	4,923,408	1,944,334	-	-	2,661,761
Total Fund Balance	4,923,408	1,944,334	-	-	2,661,761
Total Liabilities & Fund Balances	$ 5,398,785	$ 1,979,283	$ -	$ -	$ 3,666,513

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2007
Page 3 of 8

ASSETS	Development Services	Emergency Management	Fair	Family Court Services	GeoData Center
Current Assets:					
Cash & Pooled Investments	$ -	$ 9,688	$ 138,425	$ 189,813	$ 106,911
Receivables:					
Taxes Receivable	-	-	-	-	-
Special Assessment Receivables	-	-	-	-	-
Accrued Interest & Penalties	-	157	884	1,632	735
Customer Account Receivables	-	-	1,800	5,225	-
Due from Other Funds	-	-	-	-	1,275
Due from Other Government Units	-	-	-	55,579	-
Inventory	-	-	-	-	-
Prepayments	-	-	-	-	-
Total Assets	$ -	$ 9,845	$ 141,109	$ 252,249	$ 108,921
LIABILITIES					
Current Liabilities:					
Accounts Payable	$ -	$ -	$ 9,058	$ 472	$ 4,969
Due to Other Funds	-	-	-	-	-
Due to Other Government Units	-	-	-	-	-
Deferred Revenues	-	-	6,285	1,220	-
Total Liabilities	-	-	15,343	1,692	4,969
FUND BALANCES					
Unreserved - Designated, Reported In:					
Inventories	-	-	-	-	-
Petty Cash	-	-	150	-	100
Unreserved Undesignated	-	9,845	125,616	250,557	103,852
Total Fund Balance	-	9,845	125,766	250,557	103,952
Total Liabilities & Fund Balances	$ -	$ 9,845	$ 141,109	$ 252,249	$ 108,921

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2007
Page 4 of 8

ASSETS	Investment Admin.	Lake Lawrence - L. M. D.	Lakes Management Admin.	Law Library	LEOFF 1 Long Term Care
Current Assets:					
Cash & Pooled Investments	$ 182,657	$ 12,603	$ 343	$ 61,909	$ 26,326
Receivables:					
Taxes Receivable	-	-	-	-	-
Special Assessment Receivables	-	4,815	-	-	-
Accrued Interest & Penalties	138,426	184	380	-	1,486
Customer Account Receivables	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Due from Other Government Units	-	-	-	-	-
Inventory	-	-	-	-	-
Prepayments	-	-	-	-	-
Total Assets	$ 321,083	$ 17,602	$ 723	$ 61,909	$ 27,812
LIABILITIES					
Current Liabilities:					
Accounts Payable	$ 24,687	$ 133	$ -	$ 19,942	$ 19,335
Due to Other Funds	-	902	280	-	-
Due to Other Government Units	-	-	-	-	-
Deferred Revenues	-	4,815	-	-	-
Total Liabilities	24,687	5,850	280	19,942	19,335
FUND BALANCES					
Unreserved - Designated, Reported In:					
Inventories	-	-	-	-	-
Petty Cash	-	-	-	-	-
Unreserved Undesignated	296,396	11,752	443	41,967	8,477
Total Fund Balance	296,396	11,752	443	41,967	8,477
Total Liabilities & Fund Balances	$ 321,083	$ 17,602	$ 723	$ 61,909	$ 27,812

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2007
Page 5 of 8

ASSETS	Long Lake - L. M. D.	Noxious Weed	Pacific Mountain Job Training	Parks And Recreation	Prisoner Concession	REET Technology
Current Assets:						
Cash & Pooled Investments	$ 118,728	$ 77,316	$ 153,611	$ 318,591	$ 142,096	$ 121,331
Receivables:						
Taxes Receivable	-	-	-	-	-	-
Special Assessment Receivables	2,484	24,464	-	-	-	-
Accrued Interest & Penalties	81	883	655	3,118	-	51
Customer Account Receivables	-	-	7,830	200	30,968	-
Due from Other Funds	-	-	9,916	5,445	-	-
Due from Other Government Units	12,586	-	677,839	-	-	-
Inventory	-	-	-	-	-	-
Prepayments	-	-	-	-	-	-
Total Assets	$ 133,879	$ 102,663	$ 849,851	$ 327,354	$ 173,064	$ 121,382
LIABILITIES						
Current Liabilities:						
Accounts Payable	$ 22,383	$ 50	$ 551,100	$ 65,001	$ 22,900	$ -
Due to Other Funds	3,340	2,649	-	335	-	-
Due to Other Government Units	-	-	5,321	-	-	-
Deferred Revenues	2,484	24,464	-	-	-	-
Total Liabilities	28,207	27,163	556,421	65,336	22,900	-
FUND BALANCES						
Unreserved - Designated, Reported In:						
Inventories	-	-	-	-	-	-
Petty Cash	-	-	10,000	225	-	-
Unreserved Undesignated	105,672	75,500	283,430	261,793	150,164	121,382
Total Fund Balance	105,672	75,500	293,430	262,018	150,164	121,382
Total Liabilities & Fund Balances	$ 133,879	$ 102,663	$ 849,851	$ 327,354	$ 173,064	$ 121,382

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2007
Page 6 of 8

ASSETS	Road Improvement District No. 2	Roads Development Review	RSN - IRMA - Cowlitz	RSN - IRMA - Grays Harbor	RSN - IRMA - Thurston	Sheriff's Special Programs
Current Assets:						
Cash & Pooled Investments	$ 35,098	$ -	$ 105,136	$ 72,560	$ 1,036,141	$ 137,149
Receivables:						
Taxes Receivable	-	-	-	-	-	-
Special Assessment Receivables	23,516	-	-	-	-	-
Accrued Interest & Penalties	352	961	1,062	733	4,980	1,714
Customer Account Receivables	-	-	-	-	-	-
Due from Other Funds	-	4,784	-	-	-	-
Due from Other Government Units	-	-	-	-	-	-
Inventory	-	-	-	-	-	1,309
Prepayments	-	-	-	-	-	-
Total Assets	$ 58,966	$ 5,745	$ 106,198	$ 73,293	$ 1,041,121	$ 140,172
LIABILITIES						
Current Liabilities:						
Accounts Payable	$ -	$ 70,481	$ -	$ -	$ -	$ 22,642
Due to Other Funds	-	2,516	-	-	-	-
Due to Other Government Units	-	-	-	-	-	-
Deferred Revenues	23,516	-	-	-	-	-
Total Liabilities	23,516	72,997	-	-	-	22,642
FUND BALANCES						
Unreserved - Designated, Reported In:						
Inventories	-	-	-	-	-	1,309
Petty Cash	-	-	-	-	-	-
Unreserved Undesignated	35,450	(67,252)	106,198	73,293	1,041,121	116,221
Total Fund Balance	35,450	(67,252)	106,198	73,293	1,041,121	117,530
Total Liabilities & Fund Balances	$ 58,966	$ 5,745	$ 106,198	$ 73,293	$ 1,041,121	$ 140,172

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2007
Page 7 of 8

ASSETS	South Pattison Lake - L. M. D.	Special Projects	Regional Athletic Complex	Stadium Convention & Arts Center	Tax Refunds	Treasurer's M & O
Current Assets:						
Cash & Pooled Investments	$ 5,655	$ -	$ 3,962	$ 71,041	$ 6,110	$ 40,628
Receivables:						
Taxes Receivable	-	-	-	-	4,585	-
Special Assessment Receivables	-	-	-	-	-	-
Accrued Interest & Penalties	69	-	3,957	496	-	817
Customer Account Receivables	-	-	-	-	183,070	21,816
Due from Other Funds	-	-	-	-	-	-
Due from Other Government Units	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Prepayments	-	-	-	-	-	-
Total Assets	$ 5,724	$ -	$ 7,919	$ 71,537	$ 193,765	$ 63,261
LIABILITIES						
Current Liabilities:						
Accounts Payable	$ -	$ -	$ -	$ -	$ 781	$ 1,031
Due to Other Funds	-	-	-	-	-	-
Due to Other Government Units	-	-	-	-	-	-
Deferred Revenues	-	-	-	-	4,585	21,816
Total Liabilities	-	-	-	-	5,366	22,847
FUND BALANCES						
Unreserved - Designated, Reported In:						
Inventories	-	-	-	-	-	-
Petty Cash	-	-	-	-	-	-
Unreserved Undesignated	5,724	-	7,919	71,537	188,399	40,414
Total Fund Balance	5,724	-	7,919	71,537	188,399	40,414
Total Liabilities & Fund Balances	$ 5,724	$ -	$ 7,919	$ 71,537	$ 193,765	$ 63,261

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2007
Page 8 of 8

ASSETS	Trial Court Improvement	Veterans	Victim Advocate Program	WRIA Water & Waste	Total
Current Assets:					
Cash & Pooled Investments	$ 97,725	$ 334,752	$ 60,345	$ 19,557	$ 18,295,236
Receivables:					
Taxes Receivable	-	8,461	-	-	47,995
Special Assessment Receivables	-	-	-	-	56,010
Accrued Interest & Penalties	-	266	246	408	257,741
Customer Account Receivables	-	-	146,791	-	628,781
Due from Other Funds	-	-	-	-	156,815
Due from Other Government Units	-	-	-	5,400	1,804,231
Inventory	-	-	-	-	1,309
Prepayments	-	-	-	-	301,351
Total Assets	$ 97,725	$ 343,479	$ 207,382	$ 25,365	$ 21,549,469
LIABILITIES					
Current Liabilities:					
Accounts Payable	$ 90	$ 8,398	$ 140	$ -	$ 1,396,553
Due to Other Funds	-	-	-	64	1,089,317
Due to Other Government Units	-	-	-	-	5,321
Deferred Revenues	-	8,461	-	-	162,239
Total Liabilities	90	16,859	140	64	2,653,430
FUND BALANCES					
Unreserved - Designated, Reported In:					
Inventories	-	-	-	-	1,309
Petty Cash	-	7,500	-	-	17,975
Unreserved Undesignated	97,635	319,120	207,242	25,301	18,876,755
Total Fund Balance	97,635	326,620	207,242	25,301	18,896,039
Total Liabilities & Fund Balances	$ 97,725	$ 343,479	$ 207,382	$ 25,365	$ 21,549,469

Combining Statement Of Revenues, Expenditures And Changes In Fund Balances
Nonmajor Special Revenue Funds
For The Year Ended December 31, 2007
Page 1 of 8

	Anti-Profiteering	Auditor - Election Reserve	Auditor - M & O	Clerk's Collection	Communications
Revenues:					
Taxes	$ -	$ -	$ -	$ -	$ 6,138,067
Licenses & Permits	-	-	-	-	-
Intergovernmental	-	-	135,798	202,851	142,877
Charges for Services	-	73,585	250,211	-	267,595
Fines & Forfeits	490	-	-	10,939	-
Miscellaneous Revenue	1,021	16,654	16,483	20,675	201,932
Total Revenues	1,511	90,239	402,492	234,465	6,750,471
Expenditures:					
General Government	-	64,635	139,228	-	-
Culture & Recreation	-	-	-	-	-
Economic Environment	-	-	-	-	-
Public Safety	10,692	-	-	207,341	5,344,279
Transportation	-	-	-	-	-
Utilities & Environment	-	-	-	-	-
Capital Outlay	-	12,392	-	-	495,472
Debt Service:					
Principal	-	-	-	-	363,351
Interest & Fiscal Charges	-	-	-	-	41,308
Total Expenditures	10,692	77,027	139,228	207,341	6,244,410
Excess (Deficiency) of Revenues Over Expenditures	(9,181)	13,212	263,264	27,124	506,061
Other Financing Sources (Uses)					
Capital Lease Financing	-	-	-	-	25,509
Debt Issuance	-	-	-	-	-
Premium on Debt Issuance	-	-	-	-	-
Transfers In	-	-	-	-	1,654,698
Transfers Out	-	-	-	-	(31,032)
Total Other Financing Sources (Uses)	-	-	-	-	1,649,175
Net Changes In Fund Balances	(9,181)	13,212	263,264	27,124	2,155,236
Fund Balances as of January 1	28,668	370,118	809,302	507,760	-
Prior Period Adjustments	-	-	-	-	1,066,581
Fund Balances as of January 1 - Restated	28,668	370,118	809,302	507,760	1,066,581
Fund Balances as of December 31	$ 19,487	$ 383,330	$ 1,072,566	$ 534,884	$ 3,221,817

Combining Statement Of Revenues, Expenditures And Changes In Fund Balances
Nonmajor Special Revenue Funds
For The Year Ended December 31, 2007
Page 2 of 8

	Community Development	Conservation Futures	Debt Holding - 2004	Debt Holding - 2005	Debt Holding - 2007
Revenues:					
Taxes	$ 1,636,572	$ 1,010,911	$ -	$ -	$ -
Licenses & Permits	-	-	-	-	-
Intergovernmental	1,985,976	13,434	-	-	-
Charges for Services	1,123,310	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous Revenue	213,972	139,010	21,399	-	51,022
Total Revenues	4,959,830	1,163,355	21,399	-	51,022
Expenditures:					
General Government	423,315	-	-	-	-
Culture & Recreation	-	2,553,756	-	-	-
Economic Environment	2,840,889	-	-	-	-
Public Safety	-	-	-	-	-
Transportation	40,514	-	-	-	-
Utilities & Environment	409,966	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest & Fiscal Charges	-	-	-	-	75,788
Total Expenditures	3,714,684	2,553,756	-	-	75,788
Excess (Deficiency) of Revenues Over Expenditures	1,245,146	(1,390,401)	21,399	-	(24,766)
Other Financing Sources (Uses)					
Capital Lease Financing	-	-	-	-	-
Debt Issuance	-	-	-	-	5,000,000
Premium on Debt Issuance	-	-	-	-	19,195
Transfers In	-	-	18,897	-	-
Transfers Out	(559,058)	(586,935)	(1,121,270)	(18,897)	(2,332,668)
Total Other Financing Sources (Uses)	(559,058)	(586,935)	(1,102,373)	(18,897)	2,686,527
Net Changes In Fund Balances	686,088	(1,977,336)	(1,080,974)	(18,897)	2,661,761
Fund Balances as of January 1	4,237,320	3,921,670	1,080,974	18,897	-
Prior Period Adjustments	-	-	-	-	-
Fund Balances as of January 1 - Restated	4,237,320	3,921,670	1,080,974	18,897	-
Fund Balances as of December 31	$ 4,923,408	$ 1,944,334	$ -	$ -	$ 2,661,761

Combining Statement Of Revenues, Expenditures And Changes In Fund Balances
Nonmajor Special Revenue Funds
For The Year Ended December 31, 2007
Page 3 of 8

	Development Services	Emergency Management	Fair	Family Court Services	GeoData Center
Revenues:					
Taxes	$ -	$ -	$ -	$ -	$ -
Licenses & Permits	-	-	-	-	-
Intergovernmental	-	925	39,971	91,622	1,100
Charges for Services	-	-	135,068	157,931	31,689
Fines & Forfeits	-	-	-	-	-
Miscellaneous Revenue	-	432	300,338	18,006	6,781
Total Revenues	-	1,357	475,377	267,559	39,570
Expenditures:					
General Government	-	-	-	-	-
Culture & Recreation	-	-	551,364	-	-
Economic Environment	-	-	-	-	-
Public Safety	-	779	-	306,100	-
Transportation	-	-	-	-	853,821
Utilities & Environment	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest & Fiscal Charges	-	-	-	-	-
Total Expenditures	-	779	551,364	306,100	853,821
Excess (Deficiency) of Revenues Over Expenditures	-	578	(75,987)	(38,541)	(814,251)
Other Financing Sources (Uses)					
Capital Lease Financing	-	-	-	-	-
Debt Issuance	-	-	-	-	-
Premium on Debt Issuance	-	-	-	-	-
Transfers In	-	-	129,228	102,065	860,000
Transfers Out	(2,579,399)	-	-	-	-
Total Other Financing Sources (Uses)	(2,579,399)	-	129,228	102,065	860,000
Net Changes In Fund Balances	(2,579,399)	578	53,241	63,524	45,749
Fund Balances as of January 1	2,579,399	9,267	72,525	187,033	58,203
Prior Period Adjustments	-	-	-	-	-
Fund Balances as of January 1 - Restated	2,579,399	9,267	72,525	187,033	58,203
Fund Balances as of December 31	$ -	$ 9,845	$ 125,766	$ 250,557	$ 103,952

Combining Statement Of Revenues, Expenditures And Changes In Fund Balances
Nonmajor Special Revenue Funds
For The Year Ended December 31, 2007
Page 4 of 8

	Investment Admin.	Lake Lawrence - L. M. D.	Lakes Management Admin.	Law Library	LEOFF 1 Long Term Care
Revenues:					
Taxes	$ -	$ 69,007	$ -	$ -	$ -
Licenses & Permits	-	-	-	-	-
Intergovernmental	-	15,000	-	-	-
Charges for Services	-	-	-	101,815	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous Revenue	116,486	3,273	242	2,391	1,162
Total Revenues	116,486	87,280	242	104,206	1,162
Expenditures:					
General Government	92,413	-	-	-	-
Culture & Recreation	-	-	-	-	-
Economic Environment	-	-	-	-	-
Public Safety	-	-	-	117,980	154,002
Transportation	-	-	-	-	-
Utilities & Environment	-	80,364	7,279	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest & Fiscal Charges	-	-	-	-	-
Total Expenditures	92,413	80,364	7,279	117,980	154,002
Excess (Deficiency) of Revenues Over Expenditures	24,073	6,916	(7,037)	(13,774)	(152,840)
Other Financing Sources (Uses)					
Capital Lease Financing	-	-	-	-	-
Debt Issuance	-	-	-	-	-
Premium on Debt Issuance	-	-	-	-	-
Transfers In	-	-	-	-	157,000
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	157,000
Net Changes In Fund Balances	24,073	6,916	(7,037)	(13,774)	4,160
Fund Balances as of January 1	272,323	4,836	7,480	55,741	4,317
Prior Period Adjustments	-	-	-	-	-
Fund Balances as of January 1 - Restated	272,323	4,836	7,480	55,741	4,317
Fund Balances as of December 31	$ 296,396	$ 11,752	$ 443	$ 41,967	$ 8,477

Combining Statement Of Revenues, Expenditures And Changes In Fund Balances
Nonmajor Special Revenue Funds
For The Year Ended December 31, 2007
Page 5 of 8

	Long Lake - L. M. D.	Noxious Weed	Pacific Mountain Job Training	Parks And Recreation	Prisoner Concession	REET Technology
Revenues:						
Taxes	$ 181,794	$ 281,932	$ -	$ -	$ -	$ -
Licenses & Permits	-	-	-	31,773	-	-
Intergovernmental	83,589	51,410	7,220,006	25,764	-	41,587
Charges for Services	-	70,466	76,234	580,961	196,114	-
Fines & Forfeits	-	-	-	-	-	-
Miscellaneous Revenue	4,275	3,587	115,082	114,754	181,895	4,817
Total Revenues	269,658	407,395	7,411,322	753,252	378,009	46,404
Expenditures:						
General Government	-	-	-	-	-	-
Culture & Recreation	-	-	-	1,631,154	-	-
Economic Environment	-	-	7,357,186	142,165	-	-
Public Safety	-	-	-	-	566,164	-
Transportation	-	-	-	-	-	-
Utilities & Environment	196,330	417,200	-	-	-	-
Capital Outlay	-	-	10,114	14,701	-	-
Debt Service:						
Principal	-	-	-	3,090	-	-
Interest & Fiscal Charges	1,845	-	-	211	-	-
Total Expenditures	198,175	417,200	7,367,300	1,791,321	566,164	-
Excess (Deficiency) of Revenues Over Expenditures	71,483	(9,805)	44,022	(1,038,069)	(188,155)	46,404
Other Financing Sources (Uses)						
Capital Lease Financing	-	-	-	-	-	-
Debt Issuance	-	-	-	-	-	-
Premium on Debt Issuance	-	-	-	-	-	-
Transfers In	-	-	-	1,082,082	-	-
Transfers Out	-	(2,500)	-	(37,440)	-	-
Total Other Financing Sources (Uses)	-	(2,500)	-	1,044,642	-	-
Net Changes In Fund Balances	71,483	(12,305)	44,022	6,573	(188,155)	46,404
Fund Balances as of January 1	34,189	87,805	249,408	255,445	338,319	74,978
Prior Period Adjustments	-	-	-	-	-	-
Fund Balances as of January 1 - Restated	34,189	87,805	249,408	255,445	338,319	74,978
Fund Balances as of December 31	$ 105,672	$ 75,500	$ 293,430	$ 262,018	$ 150,164	$ 121,382

Combining Statement Of Revenues, Expenditures And Changes In Fund Balances
Nonmajor Special Revenue Funds
For The Year Ended December 31, 2007
Page 6 of 8

	Road Improvement District No. 2	Roads Development Review	RSN - IRMA - Cowlitz	RSN - IRMA - Grays Harbor	RSN - IRMA - Thurston	Sheriff's Special Programs
Revenues:						
Taxes	$ 25,273	$ -	$ -	$ -	$ -	$ -
Licenses & Permits	-	281,175	-	-	-	-
Intergovernmental	-	-	-	-	-	76,101
Charges for Services	-	371,255	-	-	-	-
Fines & Forfeits	-	-	-	-	-	-
Miscellaneous Revenue	23,927	3,096	5,020	3,464	49,475	7,063
Total Revenues	49,200	655,526	5,020	3,464	49,475	83,164
Expenditures:						
General Government	-	-	-	-	-	-
Culture & Recreation	-	-	-	-	-	-
Economic Environment	-	-	-	-	-	-
Public Safety	-	-	-	-	-	69,267
Transportation	-	884,932	-	-	-	-
Utilities & Environment	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	14,496
Debt Service:						
Principal	318,313	-	-	-	-	-
Interest & Fiscal Charges	25,810	-	-	-	-	-
Total Expenditures	344,123	884,932	-	-	-	83,763
Excess (Deficiency) of Revenues Over Expenditures	(294,923)	(229,406)	5,020	3,464	49,475	(599)
Other Financing Sources (Uses)						
Capital Lease Financing	-	-	-	-	-	-
Debt Issuance	-	-	-	-	-	-
Premium on Debt Issuance	-	-	-	-	-	-
Transfers In	-	50,000	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	50,000	-	-	-	-
Net Changes In Fund Balances	(294,923)	(179,406)	5,020	3,464	49,475	(599)
Fund Balances as of January 1	330,373	112,154	101,178	69,829	991,646	118,129
Prior Period Adjustments	-	-	-	-	-	-
Fund Balances as of January 1 - Restated	330,373	112,154	101,178	69,829	991,646	118,129
Fund Balances as of December 31	$ 35,450	$ (67,252)	$ 106,198	$ 73,293	$ 1,041,121	$ 117,530

Combining Statement Of Revenues, Expenditures And Changes In Fund Balances
Nonmajor Special Revenue Funds
For The Year Ended December 31, 2007
Page 7 of 8

	South Pattison Lake - L. M. D.	Special Projects	Regional Athletic Complex	Stadium Convention & Arts Center	Tax Refunds	Treasurer's M & O
Revenues:						
Taxes	$ -	$ -	$ -	$ 19,859	$ 194,723	$ -
Licenses & Permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	107,612
Fines & Forfeits	-	-	-	-	-	-
Miscellaneous Revenue	285	-	5,054	3,294	-	2,107
Total Revenues	285	-	5,054	23,153	194,723	109,719
Expenditures:						
General Government	-	-	-	-	-	129,628
Culture & Recreation	-	-	-	-	-	-
Economic Environment	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Utilities & Environment	418	-	-	-	-	-
Capital Outlay	-	-	148,985	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest & Fiscal Charges	-	-	-	-	-	-
Total Expenditures	418	-	148,985	-	-	129,628
Excess (Deficiency) of Revenues Over Expenditures	(133)	-	(143,931)	23,153	194,723	(19,909)
Other Financing Sources (Uses)						
Capital Lease Financing	-	-	-	-	-	-
Debt Issuance	-	-	-	-	-	-
Premium on Debt Issuance	-	-	-	-	-	-
Transfers In	-	-	37,440	-	-	-
Transfers Out	-	(832,785)	-	(15,298)	-	-
Total Other Financing Sources (Uses)	-	(832,785)	37,440	(15,298)	-	-
Net Changes In Fund Balances	(133)	(832,785)	(106,491)	7,855	194,723	(19,909)
Fund Balances as of January 1	5,857	832,785	114,410	63,682	(6,324)	60,323
Prior Period Adjustments	-	-	-	-	-	-
Fund Balances as of January 1 - Restated	5,857	832,785	114,410	63,682	(6,324)	60,323
Fund Balances as of December 31	$ 5,724	$ -	$ 7,919	$ 71,537	$ 188,399	$ 40,414

Combining Statement Of Revenues, Expenditures And Changes In Fund Balances
Nonmajor Special Revenue Funds
For The Year Ended December 31, 2007
Page 8 of 8

	Trial Court Improvement	Veterans	Victim Advocate Program	WRIA Water & Waste	Total
Revenues:					
Taxes	$ -	$ 249,728	$ -	$ -	$ 9,807,866
Licenses & Permits	-	-	-	-	312,948
Intergovernmental	67,257	3,322	46,816	7,539	10,252,945
Charges for Services	-	-	189,793	-	3,733,639
Fines & Forfeits	-	-	23,901	-	35,330
Miscellaneous Revenue	2,540	13,320	3,384	820	1,678,538
Total Revenues	69,797	266,370	263,894	8,359	25,821,266
Expenditures:					
General Government	-	-	-	-	849,219
Culture & Recreation	-	-	-	-	4,736,274
Economic Environment	-	183,966	-	-	10,524,206
Public Safety	-	-	250,986	-	7,027,590
Transportation	-	-	-	-	1,779,267
Utilities & Environment	-	-	-	3,389	1,114,946
Capital Outlay	-	-	-	-	696,160
Debt Service:					
Principal	-	-	789	-	685,543
Interest & Fiscal Charges	-	-	302	-	145,264
Total Expenditures	-	183,966	252,077	3,389	27,558,469
Excess (Deficiency) of Revenues Over Expenditures	69,797	82,404	11,817	4,970	(1,737,203)
Other Financing Sources (Uses)					
Capital Lease Financing	-	-	-	-	25,509
Debt Issuance	-	-	-	-	5,000,000
Premium on Debt Issuance	-	-	-	-	19,195
Transfers In	-	-	-	-	4,091,410
Transfers Out	-	-	-	-	(8,117,282)
Total Other Financing Sources (Uses)	-	-	-	-	1,018,832
Net Changes In Fund Balances	69,797	82,404	11,817	4,970	(718,371)
Fund Balances as of January 1	27,838	244,216	195,425	20,331	18,547,829
Prior Period Adjustments	-	-	-	-	1,066,581
Fund Balances as of January 1 - Restated	27,838	244,216	195,425	20,331	19,614,410
Fund Balances as of December 31	$ 97,635	$ 326,620	$ 207,242	$ 25,301	$ 18,896,039

Anti-Profiteering
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Fines & Forfeits	$ 100,000	$ 100,000	$ 490	$ (99,510)
Miscellaneous Revenue	-	-	1,021	1,021
Total Revenues	100,000	100,000	1,511	(98,489)
Expenditures:				
Public Safety	100,000	100,000	10,692	89,308
Total Expenditures	100,000	100,000	10,692	89,308
Excess (Deficiency) of Revenues Over Expenditures	-	-	(9,181)	(9,181)
	-	-	(9,181)	(9,181)
Fund Balances as of January 1	402	28,665	28,668	3
Fund Balances as of December 31	$ 402	$ 28,665	$ 19,487	$ (9,178)

Auditor - Election Reserve
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Charges for Services	$ 145,033	$ 145,033	$ 73,585	$ (71,448)
Miscellaneous Revenue	-	-	16,654	16,654
Total Revenues	145,033	145,033	90,239	(54,794)
Expenditures:				
General Government	120,731	120,731	64,635	56,096
Capital Outlay	265,000	265,000	12,392	252,608
Total Expenditures	385,731	385,731	77,027	308,704
Excess (Deficiency) of Revenues Over Expenditures	(240,698)	(240,698)	13,212	253,910
Net Changes In Fund Balances	(240,698)	(240,698)	13,212	253,910
Fund Balances as of January 1	411,708	370,118	370,118	-
Fund Balances as of December 31	$ 171,010	$ 129,420	$ 383,330	$ 253,910

Auditor - M & O
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Intergovernmental	$ 120,000	$ 120,000	$ 135,798	$ 15,798
Charges for Services	254,000	254,000	250,211	(3,789)
Miscellaneous Revenue	12,936	12,936	16,483	3,547
Total Revenues	386,936	386,936	402,492	15,556
Expenditures:				
General Government	582,293	582,293	139,228	443,065
Capital Outlay	62,500	62,500	-	62,500
Total Expenditures	644,793	644,793	139,228	505,565
Excess (Deficiency) of Revenues Over Expenditures	(257,857)	(257,857)	263,264	521,121
Net Changes In Fund Balances	(257,857)	(257,857)	263,264	521,121
Fund Balances as of January 1	435,865	809,302	809,302	-
Fund Balances as of December 31	$ 178,008	$ 551,445	$ 1,072,566	$ 521,121

Clerk's Collection
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Intergovernmental	$ 130,000	$ 130,000	$ 202,851	$ 72,851
Fines & Forfeits	-	-	10,939	10,939
Miscellaneous Revenue	16,000	16,000	20,675	4,675
Total Revenues	146,000	146,000	234,465	88,465
Expenditures:				
Public Safety	181,037	233,989	207,341	26,648
Total Expenditures	181,037	233,989	207,341	26,648
Excess (Deficiency) of Revenues Over Expenditures	(35,037)	(87,989)	27,124	115,113
Net Changes In Fund Balances	(35,037)	(87,989)	27,124	115,113
Fund Balances as of January 1	380,346	507,760	507,760	-
Fund Balances as of December 31	$ 345,309	$ 419,771	$ 534,884	$ 115,113

Communications
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Taxes	$ 5,349,153	$ 5,349,153	$ 6,138,067	$ 788,914
Intergovernmental	22,618	22,618	142,877	120,259
Charges for Services	309,693	309,693	267,595	(42,098)
Miscellaneous Revenue	132,458	132,458	201,932	69,474
Total Revenues	5,813,922	5,813,922	6,750,471	936,549
Expenditures:				
Public Safety	5,376,895	5,487,074	5,344,279	142,795
Capital Outlay	145,537	441,923	495,472	(53,549)
Debt Service:				
Principal	361,512	364,114	363,351	763
Interest & Fiscal Charges	41,820	41,820	41,308	512
Total Expenditures	5,925,764	6,334,931	6,244,410	90,521
Excess (Deficiency) of Revenues Over Expenditures	(111,842)	(521,009)	506,061	1,027,070
Other Financing Sources (Uses)				
Capital Lease Financing	-	-	25,509	25,509
Transfers In	-	-	1,654,698	1,654,698
Transfers Out	(31,032)	(31,032)	(31,032)	-
Total Other Financing Sources (Uses)	(31,032)	(31,032)	1,649,175	1,680,207
Net Changes In Fund Balances	(142,874)	(552,041)	2,155,236	2,707,277
Fund Balances as of January 1	1,820,814	2,702,106	-	(2,702,106)
Prior Period Adjustments	-	-	1,066,581	1,066,581
Fund Balances as of January 1 - Restated	1,820,814	2,702,106	1,066,581	(1,635,525)
Fund Balances as of December 31	$ 1,677,940	$ 2,150,065	$ 3,221,817	$ 1,071,752

Community Development
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Taxes	$ 1,231,600	$ 1,231,600	$ 1,636,572	$ 404,972
Intergovernmental	1,389,317	2,334,179	1,985,976	(348,203)
Charges for Services	884,874	884,874	1,123,310	238,436
Miscellaneous Revenue	57,000	57,000	213,972	156,972
Total Revenues	3,562,791	4,507,653	4,959,830	452,177
Expenditures:				
General Government	460,402	460,402	423,315	37,087
Economic Environment	1,832,715	3,127,577	2,840,889	286,688
Transportation	47,096	47,096	40,514	6,582
Utilities & Environment	466,928	466,928	409,966	56,962
Total Expenditures	2,807,141	4,102,003	3,714,684	387,319
Excess (Deficiency) of Revenues Over Expenditures	755,650	405,650	1,245,146	839,496
Other Financing Sources (Uses)				
Transfers Out	(653,216)	(660,216)	(559,058)	101,158
Total Other Financing Sources (Uses)	(653,216)	(660,216)	(559,058)	101,158
Net Changes In Fund Balances	102,434	(254,566)	686,088	940,654
Fund Balances as of January 1	3,500,000	4,237,320	4,237,320	-
Fund Balances as of December 31	$ 3,602,434	$ 3,982,754	$ 4,923,408	$ 940,654

Conservation Futures
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Taxes	$ 1,019,389	$ 1,019,389	$ 1,010,911	$ (8,478)
Intergovernmental	10,000	10,000	13,434	3,434
Miscellaneous Revenue	33,163	33,163	139,010	105,847
Total Revenues	1,062,552	1,062,552	1,163,355	100,803
Expenditures:				
Culture & Recreation	7,161	7,161	2,553,756	(2,546,595)
Capital Outlay	3,000,000	3,000,000	-	3,000,000
Total Expenditures	3,007,161	3,007,161	2,553,756	453,405
Excess (Deficiency) of Revenues Over Expenditures	(1,944,609)	(1,944,609)	(1,390,401)	554,208
Other Financing Sources (Uses)				
Transfers Out	(454,886)	(589,614)	(586,935)	2,679
Total Other Financing Sources (Uses)	(454,886)	(589,614)	(586,935)	2,679
Net Changes In Fund Balances	(2,399,495)	(2,534,223)	(1,977,336)	556,887
Fund Balances as of January 1	3,703,053	3,921,670	3,921,670	-
Fund Balances as of December 31	$ 1,303,558	$ 1,387,447	$ 1,944,334	$ 556,887

Debt Holding - 2004
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Miscellaneous Revenue	$ 5,000	$ 50,000	$ 21,399	$ (28,601)
Total Revenues	5,000	50,000	21,399	(28,601)
Excess (Deficiency) of Revenues Over Expenditures	5,000	50,000	21,399	(28,601)
Other Financing Sources (Uses)				
Transfers In	-	-	18,897	18,897
Transfers Out	(605,000)	(1,130,974)	(1,121,270)	9,704
Total Other Financing Sources (Uses)	(605,000)	(1,130,974)	(1,102,373)	28,601
Net Changes In Fund Balances	(600,000)	(1,080,974)	(1,080,974)	-
Fund Balances as of January 1	600,000	1,080,974	1,080,974	-
Fund Balances as of December 31	$ -	$ -	$ -	$ -

Debt Holding - 2005
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Other Financing Sources (Uses)				
Transfers Out	$ -	$ -	$ (18,897)	$ (18,897) *
Total Other Financing Sources (Uses)	-	-	(18,897)	(18,897)
Net Changes In Fund Balances	-	-	(18,897)	(18,897)
Fund Balances as of January 1	-	-	18,897	18,897
Fund Balances as of December 31	$ -	$ -	$ -	$ -

*** - Transfer was authorized by the budget resolution that closed out this fund**

Debt Holding - 2007
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Miscellaneous Revenue	$ 30,000	$ 30,000	$ 51,022	$ 21,022
Total Revenues	30,000	30,000	51,022	21,022
Expenditures:				
Debt Service:				
Interest & Fiscal Charges	100,000	100,000	75,788	24,212
Total Expenditures	100,000	100,000	75,788	24,212
Excess (Deficiency) of Revenues Over Expenditures	(70,000)	(70,000)	(24,766)	45,234
Other Financing Sources (Uses)				
Debt Issuance	21,600,000	21,600,000	5,000,000	(16,600,000)
Premium on Debt Issuance	-	-	19,195	19,195
Transfers Out	(20,959,141)	(20,959,141)	(2,332,668)	18,626,473
Total Other Financing Sources (Uses)	640,859	640,859	2,686,527	2,045,668
Net Changes In Fund Balances	570,859	570,859	2,661,761	2,090,902
Fund Balances as of January 1	-	-	-	-
Fund Balances as of December 31	$ 570,859	$ 570,859	$ 2,661,761	$ 2,090,902

Development Services
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Other Financing Sources (Uses)				
Transfers Out	$ -	$ -	$ (2,579,399)	$ (2,579,399)
Total Other Financing Sources (Uses)	-	-	(2,579,399)	(2,579,399)
Net Changes In Fund Balances	-	-	(2,579,399)	(2,579,399)
Fund Balances as of January 1	-	-	2,579,399	2,579,399
Fund Balances as of December 31	$ -	$ -	$ -	$ -

Emergency Management
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Intergovernmental	$ 1,000	$ 1,000	$ 925	$ (75)
Miscellaneous Revenue	500	500	432	(68)
Total Revenues	1,500	1,500	1,357	(143)
Expenditures:				
Public Safety	5,050	5,050	779	4,271
Total Expenditures	5,050	5,050	779	4,271
Excess (Deficiency) of Revenues Over Expenditures	(3,550)	(3,550)	578	4,128
Net Changes In Fund Balances	(3,550)	(3,550)	578	4,128
Fund Balances as of January 1	4,059	9,267	9,267	-
Fund Balances as of December 31	$ 509	$ 5,717	$ 9,845	$ 4,128

Fair
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Intergovernmental	$ 41,000	$ 41,000	$ 39,971	$ (1,029)
Charges for Services	121,650	121,650	135,068	13,418
Miscellaneous Revenue	249,500	249,500	300,338	50,838
Total Revenues	412,150	412,150	475,377	63,227
Expenditures:				
Culture & Recreation	565,886	565,886	551,364	14,522
Total Expenditures	565,886	565,886	551,364	14,522
Excess (Deficiency) of Revenues Over Expenditures	(153,736)	(153,736)	(75,987)	77,749
Other Financing Sources (Uses)				
Transfers In	129,228	129,228	129,228	-
Total Other Financing Sources (Uses)	129,228	129,228	129,228	-
Net Changes In Fund Balances	(24,508)	(24,508)	53,241	77,749
Fund Balances as of January 1	70,000	72,275	72,525	250
Fund Balances as of December 31	$ 45,492	$ 47,767	$ 125,766	$ 77,999

Family Court Services
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Intergovernmental	$ 27,405	$ 73,654	$ 91,622	$ 17,968
Charges for Services	133,350	133,350	157,931	24,581
Miscellaneous Revenue	5,500	5,500	18,006	12,506
Total Revenues	166,255	212,504	267,559	55,055
Expenditures:				
Public Safety	344,403	409,153	306,100	103,053
Capital Outlay	8,000	8,000	-	8,000
Debt Service:				
Principal	7,200	7,200	-	7,200
Interest & Fiscal Charges	2,000	2,000	-	2,000
Total Expenditures	361,603	426,353	306,100	120,253
Excess (Deficiency) of Revenues Over Expenditures	(195,348)	(213,849)	(38,541)	175,308
Other Financing Sources (Uses)				
Transfers In	84,586	84,586	102,065	17,479
Total Other Financing Sources (Uses)	84,586	84,586	102,065	17,479
Net Changes In Fund Balances	(110,762)	(129,263)	63,524	192,787
Fund Balances as of January 1	145,357	187,033	187,033	-
Fund Balances as of December 31	$ 34,595	$ 57,770	$ 250,557	$ 192,787

GeoData Center
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Intergovernmental	$ 20,000	$ 20,000	$ 1,100	$ (18,900)
Charges for Services	53,000	53,000	31,689	(21,311)
Miscellaneous Revenue	5,000	5,000	6,781	1,781
Total Revenues	78,000	78,000	39,570	(38,430)
Expenditures:				
Transportation	966,827	966,827	853,821	113,006
Total Expenditures	966,827	966,827	853,821	113,006
Excess (Deficiency) of Revenues Over Expenditures	(888,827)	(888,827)	(814,251)	74,576
Other Financing Sources (Uses)				
Transfers In	860,000	860,000	860,000	-
Total Other Financing Sources (Uses)	860,000	860,000	860,000	-
Net Changes In Fund Balances	(28,827)	(28,827)	45,749	74,576
Fund Balances as of January 1	65,426	58,103	58,203	100
Fund Balances as of December 31	$ 36,599	$ 29,276	$ 103,952	$ 74,676

Lake Lawrence - L.M.D.
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Taxes	$ 67,294	$ 67,294	$ 69,007	$ 1,713
Intergovernmental	-	15,000	15,000	-
Miscellaneous Revenue	150	150	3,273	3,123
Total Revenues	67,444	82,444	87,280	4,836
Expenditures:				
Utilities & Environment	68,194	83,194	80,364	2,830
Total Expenditures	68,194	83,194	80,364	2,830
Excess (Deficiency) of Revenues Over Expenditures	(750)	(750)	6,916	7,666
Net Changes In Fund Balances	(750)	(750)	6,916	7,666
Fund Balances as of January 1	949	4,836	4,836	-
Fund Balances as of December 31	$ 199	$ 4,086	$ 11,752	$ 7,666

Lake Management Administration
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Intergovernmental	$ 9,706	$ 9,706	$ -	$ (9,706)
Miscellaneous Revenue	600	600	242	(358)
Total Revenues	10,306	10,306	242	(10,064)
Expenditures:				
Utilities & Environment	20,206	17,694	7,279	10,415
Total Expenditures	20,206	17,694	7,279	10,415
Excess (Deficiency) of Revenues Over Expenditures	(9,900)	(7,388)	(7,037)	351
Net Changes In Fund Balances	(9,900)	(7,388)	(7,037)	351
Fund Balances as of January 1	16,459	7,480	7,480	-
Fund Balances as of December 31	$ 6,559	$ 92	$ 443	$ 351

Law Library
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Charges for Services	$ 85,000	$ 85,000	$ 101,815	$ 16,815
Miscellaneous Revenue	-	-	2,391	2,391
Total Revenues	85,000	85,000	104,206	19,206
Expenditures:				
Public Safety	98,383	118,383	117,980	403
Total Expenditures	98,383	118,383	117,980	403
Excess (Deficiency) of Revenues Over Expenditures	(13,383)	(33,383)	(13,774)	19,609
Net Changes In Fund Balances	(13,383)	(33,383)	(13,774)	19,609
Fund Balances as of January 1	13,383	55,741	55,741	-
Fund Balances as of December 31	$ -	$ 22,358	$ 41,967	$ 19,609

LEOFF I Long Term Care
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Miscellaneous Revenue	$ 1,200	$ 1,200	$ 1,162	$ (38)
Total Revenues	1,200	1,200	1,162	(38)
Expenditures:				
Public Safety	155,216	155,216	154,002	1,214
Total Expenditures	155,216	155,216	154,002	1,214
Excess (Deficiency) of Revenues Over Expenditures	(154,016)	(154,016)	(152,840)	1,176
Other Financing Sources (Uses)				
Transfers In	157,000	157,000	157,000	-
Total Other Financing Sources (Uses)	157,000	157,000	157,000	-
Net Changes In Fund Balances	2,984	2,984	4,160	1,176
Fund Balances as of January 1	-	4,317	4,317	-
Fund Balances as of December 31	$ 2,984	$ 7,301	$ 8,477	$ 1,176

Long Lake - L.M.D.
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Taxes	$ 188,000	$ 188,000	$ 181,794	$ (6,206)
Intergovernmental	-	40,000	83,589	43,589
Miscellaneous Revenue	1,950	1,950	4,275	2,325
Total Revenues	189,950	229,950	269,658	39,708
Expenditures:				
Utilities & Environment	234,928	262,294	196,330	65,964
Debt Service:				
Interest & Fiscal Charges	1,845	1,845	1,845	-
Total Expenditures	236,773	264,139	198,175	65,964
Excess (Deficiency) of Revenues Over Expenditures	(46,823)	(34,189)	71,483	105,672
Net Changes In Fund Balances	(46,823)	(34,189)	71,483	105,672
Fund Balances as of January 1	46,823	34,189	34,189	-
Fund Balances as of December 31	$ -	$ -	$ 105,672	$ 105,672

Noxious Weed
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Taxes	$ 285,592	$ 285,592	$ 281,932	$ (3,660)
Intergovernmental	11,068	76,068	51,410	(24,658)
Charges for Services	66,228	66,228	70,466	4,238
Miscellaneous Revenue	4,593	4,593	3,587	(1,006)
Total Revenues	367,481	432,481	407,395	(25,086)
Expenditures:				
Utilities & Environment	406,630	471,630	417,200	54,430
Capital Outlay	2,000	2,000	-	2,000
Total Expenditures	408,630	473,630	417,200	56,430
Excess (Deficiency) of Revenues Over Expenditures	(41,149)	(41,149)	(9,805)	31,344
Other Financing Sources (Uses)				
Transfers Out	(2,500)	(2,500)	(2,500)	-
Total Other Financing Sources (Uses)	(2,500)	(2,500)	(2,500)	-
Net Changes In Fund Balances	(43,649)	(43,649)	(12,305)	31,344
Fund Balances as of January 1	117,153	87,805	87,805	-
Fund Balances as of December 31	$ 73,504	$ 44,156	$ 75,500	$ 31,344

Pacific Mountain Job Training
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Intergovernmental	$ 7,917,805	$ 7,917,805	$ 7,220,006	$ (697,799)
Charges for Services	-	-	76,234	76,234
Miscellaneous Revenue	960	960	115,082	114,122
Total Revenues	7,918,765	7,918,765	7,411,322	(507,443)
Expenditures:				
Economic Environment	7,918,765	7,918,765	7,357,186	561,579
Capital Outlay	-	-	10,114	(10,114)
Total Expenditures	7,918,765	7,918,765	7,367,300	551,465
Excess (Deficiency) of Revenues Over Expenditures	-	-	44,022	44,022
Net Changes In Fund Balances	-	-	44,022	44,022
Fund Balances as of January 1	-	234,408	249,408	15,000
Fund Balances as of December 31	$ -	$ 234,408	$ 293,430	$ 59,022

Parks & Recreation
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Licenses & Permits	$ 32,638	$ 32,638	$ 31,773	$ (865)
Intergovernmental	23,197	26,131	25,764	(367)
Charges for Services	688,374	738,374	580,961	(157,413)
Miscellaneous Revenue	98,553	98,553	114,754	16,201
Total Revenues	842,762	895,696	753,252	(142,444)
Expenditures:				
Culture & Recreation	1,689,103	1,742,037	1,631,154	110,883
Economic Environment	157,820	157,820	142,165	15,655
Capital Outlay	177,000	139,560	14,701	124,859
Debt Service:				
Principal	3,091	3,091	3,090	1
Interest & Fiscal Charges	211	211	211	-
Total Expenditures	2,027,225	2,042,719	1,791,321	251,398
Excess (Deficiency) of Revenues Over Expenditures	(1,184,463)	(1,147,023)	(1,038,069)	108,954
Other Financing Sources (Uses)				
Transfers In	981,056	1,115,784	1,082,082	(33,702)
Transfers Out	-	(37,440)	(37,440)	-
Total Other Financing Sources (Uses)	981,056	1,078,344	1,044,642	(33,702)
Net Changes In Fund Balances	(203,407)	(68,679)	6,573	75,252
Fund Balances as of January 1	221,275	255,156	255,445	289
Fund Balances as of December 31	$ 17,868	$ 186,477	$ 262,018	$ 75,541

Prisoner Concession
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Charges for Services	$ 318,000	$ 147,500	$ 196,114	$ 48,614
Miscellaneous Revenue	188,500	188,500	181,895	(6,605)
Total Revenues	506,500	336,000	378,009	42,009
Expenditures:				
Public Safety	478,765	574,050	566,164	7,886
Total Expenditures	478,765	574,050	566,164	7,886
Excess (Deficiency) of Revenues Over Expenditures	27,735	(238,050)	(188,155)	49,895
Net Changes In Fund Balances	27,735	(238,050)	(188,155)	49,895
Fund Balances as of January 1	345,590	338,319	338,319	-
Fund Balances as of December 31	$ 373,325	$ 100,269	$ 150,164	$ 49,895

REET Technology
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Intergovernmental	$ 70,000	$ 70,000	$ 41,587	$ (28,413)
Miscellaneous Revenue	-	-	4,817	4,817
Total Revenues	70,000	70,000	46,404	(23,596)
Expenditures:				
General Government	50,000	50,000	-	50,000
Total Expenditures	50,000	50,000	-	50,000
Excess (Deficiency) of Revenues Over Expenditures	20,000	20,000	46,404	26,404
Net Changes In Fund Balances	20,000	20,000	46,404	26,404
Fund Balances as of January 1	59,013	74,978	74,978	-
Fund Balances as of December 31	$ 79,013	$ 94,978	$ 121,382	$ 26,404

Road Improvement District No. 2
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Taxes	$ 28,000	$ 28,000	$ 25,273	$ (2,727)
Miscellaneous Revenue	26,500	26,500	23,927	(2,573)
Total Revenues	54,500	54,500	49,200	(5,300)
Expenditures:				
Debt Service:				
Principal	43,430	318,430	318,313	117
Interest & Fiscal Charges	25,950	25,950	25,810	140
Total Expenditures	69,380	344,380	344,123	257
Excess (Deficiency) of Revenues Over Expenditures	(14,880)	(289,880)	(294,923)	(5,043)
Net Changes In Fund Balances	(14,880)	(289,880)	(294,923)	(5,043)
Fund Balances as of January 1	301,619	330,373	330,373	-
Fund Balances as of December 31	$ 286,739	$ 40,493	$ 35,450	$ (5,043)

Roads Development Review
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Licenses & Permits	$ 143,721	$ 283,721	$ 281,175	$ (2,546)
Intergovernmental	18,000	18,000	-	(18,000)
Charges for Services	756,540	616,540	371,255	(245,285)
Miscellaneous Revenue	4,100	4,100	3,096	(1,004)
Total Revenues	922,361	922,361	655,526	(266,835)
Expenditures:				
Transportation	856,617	897,323	884,932	12,391
Total Expenditures	856,617	897,323	884,932	12,391
Excess (Deficiency) of Revenues Over Expenditures	65,744	25,038	(229,406)	(254,444)
Other Financing Sources (Uses)				
Transfers In	-	50,000	50,000	-
Total Other Financing Sources (Uses)	-	50,000	50,000	-
Net Changes In Fund Balances	65,744	75,038	(179,406)	(254,444)
Fund Balances as of January 1	84,799	112,154	112,154	-
Fund Balances as of December 31	$ 150,543	$ 187,192	$ (67,252)	$ (254,444)

R.S.N. - I.R.M.A. - Cowlitz
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Miscellaneous Revenue	$ 3,000	$ 3,000	$ 5,020	$ 2,020
Total Revenues	3,000	3,000	5,020	2,020
Expenditures:				
Health & Human Services	90,000	90,000	-	90,000
Total Expenditures	90,000	90,000	-	90,000
Excess (Deficiency) of Revenues Over Expenditures	(87,000)	(87,000)	5,020	92,020
Net Changes In Fund Balances	(87,000)	(87,000)	5,020	92,020
Fund Balances as of January 1	100,000	101,178	101,178	-
Fund Balances as of December 31	$ 13,000	$ 14,178	$ 106,198	$ 92,020

R.S.N. - I.R.M.A. - Grays Harbor
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Miscellaneous Revenue	$ 2,000	$ 2,000	$ 3,464	$ 1,464
Total Revenues	2,000	2,000	3,464	1,464
Expenditures:				
Health & Human Services	60,000	60,000	-	60,000
Total Expenditures	60,000	60,000	-	60,000
Excess (Deficiency) of Revenues Over Expenditures	(58,000)	(58,000)	3,464	61,464
Net Changes In Fund Balances	(58,000)	(58,000)	3,464	61,464
Fund Balances as of January 1	69,000	69,829	69,829	-
Fund Balances as of December 31	$ 11,000	$ 11,829	$ 73,293	$ 61,464

R.S.N. - I.R.M.A. - Thurston
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Miscellaneous Revenue	$ 30,000	$ 30,000	$ 49,475	$ 19,475
Total Revenues	30,000	30,000	49,475	19,475
Expenditures:				
Health & Human Services	925,000	925,000	-	925,000
Total Expenditures	925,000	925,000	-	925,000
Excess (Deficiency) of Revenues Over Expenditures	(895,000)	(895,000)	49,475	944,475
Net Changes In Fund Balances	(895,000)	(895,000)	49,475	944,475
Fund Balances as of January 1	980,000	991,646	991,646	-
Fund Balances as of December 31	$ 85,000	$ 96,646	$ 1,041,121	$ 944,475

Sheriff's Special Programs
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Intergovernmental	$ 72,000	$ 85,659	$ 76,101	$ (9,558)
Miscellaneous Revenue	3,125	3,125	7,063	3,938
Total Revenues	75,125	88,784	83,164	(5,620)
Expenditures:				
Public Safety	109,638	123,297	69,267	54,030
Capital Outlay	-	-	14,496	(14,496)
Total Expenditures	109,638	123,297	83,763	39,534
Excess (Deficiency) of Revenues Over Expenditures	(34,513)	(34,513)	(599)	33,914
Net Changes In Fund Balances	(34,513)	(34,513)	(599)	33,914
Fund Balances as of January 1	133,337	118,129	118,129	-
Fund Balances as of December 31	$ 98,824	$ 83,616	$ 117,530	$ 33,914

South Pattison Lake - L.M.D.
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Miscellaneous Revenue	$ 130	$ 130	$ 285	$ 155
Total Revenues	130	130	285	155
Expenditures:				
Utilities & Environment	4,469	4,469	418	4,051
Total Expenditures	4,469	4,469	418	4,051
Excess (Deficiency) of Revenues Over Expenditures	(4,339)	(4,339)	(133)	4,206
Net Changes In Fund Balances	(4,339)	(4,339)	(133)	4,206
Fund Balances as of January 1	5,260	5,857	5,857	-
Fund Balances as of December 31	$ 921	$ 1,518	$ 5,724	$ 4,206

Special Projects
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Other Financing Sources (Uses)				
Transfers Out	$ -	$ -	$ (832,785)	$ (832,785) *
Total Other Financing Sources (Uses)	-	-	(832,785)	(832,785)
Net Changes In Fund Balances	-	-	(832,785)	(832,785)
Fund Balances as of January 1	-	-	832,785	832,785
Fund Balances as of December 31	$ -	$ -	$ -	$ -

*** - Transfer was authorized by the budget resolution that closed out this fund**

Regional Athletic Complex
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Miscellaneous Revenue	$ 37,539	$ 99	$ 5,054	$ 4,955
Total Revenues	37,539	99	5,054	4,955
Expenditures:				
Culture & Recreation	10,000	10,000	-	10,000
Capital Outlay	140,000	140,000	148,985	(8,985)
Total Expenditures	150,000	150,000	148,985	1,015
Excess (Deficiency) of Revenues Over Expenditures	(112,461)	(149,901)	(143,931)	5,970
Other Financing Sources (Uses)				
Transfers In	-	37,440	37,440	-
Total Other Financing Sources (Uses)	-	37,440	37,440	-
Net Changes In Fund Balances	(112,461)	(112,461)	(106,491)	5,970
Fund Balances as of January 1	112,461	114,410	114,410	-
Fund Balances as of December 31	$ -	$ 1,949	$ 7,919	$ 5,970

Stadium Convention & Arts Center
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Taxes	$ 14,000	$ 14,000	$ 19,859	$ 5,859
Miscellaneous Revenue	2,000	2,000	3,294	1,294
Total Revenues	16,000	16,000	23,153	7,153
Excess (Deficiency) of Revenues Over Expenditures	16,000	16,000	23,153	7,153
Other Financing Sources (Uses)				
Transfers Out	(15,298)	(15,298)	(15,298)	-
Total Other Financing Sources (Uses)	(15,298)	(15,298)	(15,298)	-
Net Changes In Fund Balances	702	702	7,855	7,153
Fund Balances as of January 1	60,010	63,682	63,682	-
Fund Balances as of December 31	$ 60,712	$ 64,384	$ 71,537	$ 7,153

Trial Court Improvement
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Intergovernmental	$ 23,000	$ 23,000	$ 67,257	$ 44,257
Miscellaneous Revenue	1,500	1,500	2,540	1,040
Total Revenues	24,500	24,500	69,797	45,297
Expenditures:				
Public Safety	54,850	52,338	-	52,338
Total Expenditures	54,850	52,338	-	52,338
Excess (Deficiency) of Revenues Over Expenditures	(30,350)	(27,838)	69,797	97,635
Net Changes In Fund Balances	(30,350)	(27,838)	69,797	97,635
Fund Balances as of January 1	30,350	27,838	27,838	-
Fund Balances as of December 31	$ -	$ -	$ 97,635	$ 97,635

Veterans
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Taxes	$ 252,475	$ 252,475	$ 249,728	$ (2,747)
Intergovernmental	100	100	3,322	3,222
Miscellaneous Revenue	5,100	5,100	13,320	8,220
Total Revenues	257,675	257,675	266,370	8,695
Expenditures:				
Economic Environment	281,527	281,527	183,966	97,561
Total Expenditures	281,527	281,527	183,966	97,561
Excess (Deficiency) of Revenues Over Expenditures	(23,852)	(23,852)	82,404	106,256
Net Changes In Fund Balances	(23,852)	(23,852)	82,404	106,256
Fund Balances as of January 1	165,652	236,716	244,216	7,500
Fund Balances as of December 31	$ 141,800	$ 212,864	$ 326,620	$ 113,756

Victim Advocate Program
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Intergovernmental	$ 58,440	$ 58,440	$ 46,816	$ (11,624)
Charges for Services	185,000	185,000	189,793	4,793
Fines & Forfeits	10,000	10,000	23,901	13,901
Miscellaneous Revenue	1,000	1,000	3,384	2,384
Total Revenues	254,440	254,440	263,894	9,454
Expenditures:				
Public Safety	259,516	259,516	250,986	8,530
Debt Service:				
Principal	-	-	789	(789)
Interest & Fiscal Charges	-	-	302	(302)
Total Expenditures	259,516	259,516	252,077	7,439
Excess (Deficiency) of Revenues Over Expenditures	(5,076)	(5,076)	11,817	16,893
Net Changes In Fund Balances	(5,076)	(5,076)	11,817	16,893
Fund Balances as of January 1	8,415	60,144	195,425	135,281
Fund Balances as of December 31	$ 3,339	$ 55,068	$ 207,242	$ 152,174

W.R.I.A. Water & Waste
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Intergovernmental	$ 59,000	$ 59,000	$ 7,539	$ (51,461)
Miscellaneous Revenue	400	400	820	420
Total Revenues	59,400	59,400	8,359	(51,041)
Expenditures:				
Utilities & Environment	69,550	69,550	3,389	66,161
Total Expenditures	69,550	69,550	3,389	66,161
Excess (Deficiency) of Revenues Over Expenditures	(10,150)	(10,150)	4,970	15,120
Net Changes In Fund Balances	(10,150)	(10,150)	4,970	15,120
Fund Balances as of January 1	17,390	20,331	20,331	-
Fund Balances as of December 31	$ 7,240	$ 10,181	$ 25,301	$ 15,120

NONMAJOR DEBT SERVICE FUNDS

Debt service funds are established to account for the accumulation of resources for the payment of current principal and interest on general obligation debt. All general obligation debt issues are funded by local option sales taxes and/or real estate excise taxes.

G. O. Bonds -1997 – A fund that accounts for current annual principal and interest payments on general obligation bonds issued in 1997 to acquire and construct various capital projects including: juvenile detention facility, emergency service center, health building, information technology systems, jail facilities and improvements, Sunrise Beach road project, Boston Harbor water/sewer system and the rehabilitation of the County's HVAC system.

G. O. Bonds - 1998 – A fund that accounts for current annual principal and interest payments on general obligation bonds issued in 1998 for the acquisition of farm land development rights and to construct an emergency dispatch center.

G. O. Bonds - 2002 – A fund that accounts for current annual principal and interest payments on general obligation bonds issued in 2002 for the construction of jail facilities, coroner building and the HVAC system for the courthouse complex.

G. O. Bonds - 2004 – A fund that accounts for current annual principal and interest payments on general obligation bonds issued in 2004 for the acquisition and construction of additional office space, land acquisition for the justice center and for parks, repairs to the juvenile detention facility and for the acquisition of a phone system for the courthouse complex.

G. O. Bonds - 2005 – A fund that accounts for current annual principal and interest payments on general obligation bonds issued in 2005 for a partial advance refunding of outstanding 1997 bonds, an advance refunding of outstanding 1999 bonds and for park acquisition and other capital improvements.

G. O. Bonds - 2007 – A fund that accounts for current annual principal and interest payments on general obligation bonds issued in 2007 to fund a second county jail and to remodel a fish processing warehouse into office space.

Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2007

ASSETS	G. O. Bonds 1997	G. O. Bonds 1998	G. O. Bonds 2002	G. O. Bonds 2004	G. O. Bonds 2005	G. O. Bonds 2007	Total
Current Assets:							
Cash & Pooled Investments	$ -	$ 1,290	$ 6,119	$ 73,534	$ 31,923	$ 189	$ 113,055
Receivables:							
Accrued Interest & Penalties	-	2	40	1,877	608	-	2,527
Total Assets	$ -	$ 1,292	$ 6,159	$ 75,411	$ 32,531	$ 189	$ 115,582
LIABILITIES							
Current Liabilities:							
Accounts Payable	$ -	$ -	$ -	$ -	$ 304	$ 42	$ 346
Total Liabilities	-	-	-	-	304	42	346
FUND BALANCES							
Reserved for Debt Service	-	1,292	6,159	75,411	32,227	147	115,236
Total Fund Balance	-	1,292	6,159	75,411	32,227	147	115,236
Total Liabilities & Fund Balances	$ -	$ 1,292	$ 6,159	$ 75,411	$ 32,531	$ 189	$ 115,582

Combining Statement Of Revenues, Expenditures And Changes In Fund Balances Nonmajor Debt Service Funds
For The Year Ended December 31, 2007

	G. O. Bonds 1997	G. O. Bonds 1998	G. O. Bonds 2002	G. O. Bonds 2004	G. O. Bonds 2005	G. O. Bonds 2007	Total
Revenues:							
Miscellaneous Revenue	$ 597	$ 79	$ 563	$ 6,972	$ 1,060	$ 147	$ 9,418
Total Revenues	597	79	563	6,972	1,060	147	9,418
Expenditures:							
Debt Service:							
Principal	1,218,003	242,856	347,694	410,000	100,000	-	2,318,553
Interest & Fiscal Charges	58,455	9,869	391,944	412,299	860,036	-	1,732,603
Total Expenditures	1,276,458	252,725	739,638	822,299	960,036	-	4,051,156
Excess (Deficiency) of Revenues Over Expenditures	(1,275,861)	(252,646)	(739,075)	(815,327)	(958,976)	147	(4,041,738)
Other Financing Sources (Uses)							
Transfers In	1,275,858	252,725	739,334	890,649	991,201	-	4,149,767
Transfers Out	(31,469)	-	-	-	-	-	(31,469)
Total Other Financing Sources (Uses)	1,244,389	252,725	739,334	890,649	991,201	-	4,118,298
Net Changes In Fund Balances	(31,472)	79	259	75,322	32,225	147	76,560
Fund Balances as of January 1	31,472	1,213	5,900	89	2	-	38,676
Fund Balances as of December 31	$ -	$ 1,292	$ 6,159	$ 75,411	$ 32,227	$ 147	$ 115,236

G. O. Bonds 1997
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)	
Revenues:					
Miscellaneous Revenue	$ 1,000	$ 1,000	$ 597	$ (403)	
Total Revenues	1,000	1,000	597	(403)	
Expenditures:					
Debt Service:					
Principal	1,220,000	1,220,000	1,218,003	1,997	
Interest & Fiscal Charges	58,800	58,800	58,455	345	
Total Expenditures	1,278,800	1,278,800	1,276,458	2,342	
Excess (Deficiency) of Revenues Over Expenditures	(1,277,800)	(1,277,800)	(1,275,861)	1,939	
Other Financing Sources (Uses)					
Transfers In	1,247,800	1,247,800	1,275,858	28,058	
Transfers Out	-	-	(31,469)	(31,469)	*
Total Other Financing Sources (Uses)	1,247,800	1,247,800	1,244,389	(3,411)	
Net Changes In Fund Balances	(30,000)	(30,000)	(31,472)	(1,472)	
Fund Balances as of January 1	30,750	31,472	31,472	-	
Fund Balances as of December 31	$ 750	$ 1,472	$ -	$ (1,472)	

*** - Transfer was authorized by the budget resolution that closed out this fund**

G. O. Bonds 1998
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Miscellaneous Revenue	$ 50	$ 50	$ 79	$ 29
Total Revenues	50	50	79	29
Expenditures:				
Debt Service:				
Principal	242,900	242,900	242,856	44
Interest & Fiscal Charges	12,200	12,200	9,869	2,331
Total Expenditures	255,100	255,100	252,725	2,375
Excess (Deficiency) of Revenues Over Expenditures	(255,050)	(255,050)	(252,646)	2,404
Other Financing Sources (Uses)				
Transfers In	255,100	255,100	252,725	(2,375)
Total Other Financing Sources (Uses)	255,100	255,100	252,725	(2,375)
Net Changes In Fund Balances	50	50	79	29
Fund Balances as of January 1	1,057	1,213	1,213	-
Fund Balances as of December 31	$ 1,107	$ 1,263	$ 1,292	$ 29

G. O. Bonds 2002
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Miscellaneous Revenue	$ 200	$ 200	$ 563	$ 363
Total Revenues	200	200	563	363
Expenditures:				
Debt Service:				
Principal	350,000	350,000	347,694	2,306
Interest & Fiscal Charges	392,400	392,400	391,944	456
Total Expenditures	742,400	742,400	739,638	2,762
Excess (Deficiency) of Revenues Over Expenditures	(742,200)	(742,200)	(739,075)	3,125
Other Financing Sources (Uses)				
Transfers In	742,200	742,200	739,334	(2,866)
Total Other Financing Sources (Uses)	742,200	742,200	739,334	(2,866)
Net Changes In Fund Balances	-	-	259	259
Fund Balances as of January 1	5,482	5,900	5,900	-
Fund Balances as of December 31	$ 5,482	$ 5,900	$ 6,159	$ 259

G. O. Bonds 2004
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Miscellaneous Revenue	$ -	$ -	$ 6,972	$ 6,972
Total Revenues	-	-	6,972	6,972
Expenditures:				
Debt Service:				
Principal	410,000	410,000	410,000	-
Interest & Fiscal Charges	412,600	412,600	412,299	301
Total Expenditures	822,600	822,600	822,299	301
Excess (Deficiency) of Revenues Over Expenditures	(822,600)	(822,600)	(815,327)	7,273
Other Financing Sources (Uses)				
Transfers In	823,100	823,100	890,649	67,549
Total Other Financing Sources (Uses)	823,100	823,100	890,649	67,549
Net Changes In Fund Balances	500	500	75,322	74,822
Fund Balances as of January 1	-	76	89	13
Fund Balances as of December 31	$ 500	$ 576	$ 75,411	$ 74,835

G. O. Bonds 2005
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Miscellaneous Revenue	$ -	$ -	$ 1,060	$ 1,060
Total Revenues	-	-	1,060	1,060
Expenditures:				
Debt Service:				
Principal	100,000	100,000	100,000	-
Interest & Fiscal Charges	862,400	862,400	860,036	2,364
Total Expenditures	962,400	962,400	960,036	2,364
Excess (Deficiency) of Revenues Over Expenditures	(962,400)	(962,400)	(958,976)	3,424
Other Financing Sources (Uses)				
Transfers In	962,600	962,600	991,201	28,601
Total Other Financing Sources (Uses)	962,600	962,600	991,201	28,601
Net Changes In Fund Balances	200	200	32,225	32,025
Fund Balances as of January 1	-	-	2	2
Fund Balances as of December 31	$ 200	$ 200	$ 32,227	$ 32,027

G. O. Bonds 2007
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Miscellaneous Revenue	$ -	$ -	$ 147	$ 147
Total Revenues	-	-	147	147
Excess (Deficiency) of Revenues Over Expenditures	-	-	147	147
Net Changes In Fund Balances	-	-	147	147
Fund Balances as of January 1	-	-	-	-
Fund Balances as of December 31	$ -	$ -	$ 147	$ 147

NONMAJOR CAPITAL PROJECT FUNDS

Capital project funds are established to account for the accumulation of resources used to develop and construct additions and improvements to capital facilities and associated systems and equipment. All capital project funds are funded by bond proceeds, local option sales taxes and/or real estate excise taxes.

County Buildings Fund – A fund established to acquire, construct and repair a broad range of capital projects for Thurston County.

Evaluation and Treatment Triage Facility – A fund established to account for the construction of a facility to treat persons acutely impacted by mental illness or substance abuse.

Jail Capital Projects – A fund that accounts for the planning and design of a community corrections and assessment center and for the construction of a minimum bed jail facility.

Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2007

ASSETS	County Buildings Fund	Evaluation & Treatment Triage Facility	Jail Capital Projects	Total
Current Assets:				
Cash & Pooled Investments	$ 6,196,672	$ 1,337,738	$ 2,339	$ 7,536,749
Receivables:				
Accrued Interest & Penalties	98,600	28,788	240	127,628
Due from Other Funds	854,849	-	491,461	1,346,310
Total Assets	$ 7,150,121	$ 1,366,526	$ 494,040	$ 9,010,687
LIABILITIES				
Current Liabilities:				
Accounts Payable	$ 235,657	$ 219,449	$ 479,232	$ 934,338
Due to Other Funds	166,960	1,457	43,776	212,193
Total Liabilities	402,617	220,906	523,008	1,146,531
FUND BALANCES				
Unreserved - Undesignated	6,747,504	1,145,620	(28,968)	7,864,156
Total Fund Balance	6,747,504	1,145,620	(28,968)	7,864,156
Total Liabilities & Fund Balances	$ 7,150,121	$ 1,366,526	$ 494,040	$ 9,010,687

Combining Statement Of Revenues, Expenditures And Changes In Fund Balances Nonmajor Capital Projects Funds
For The Year Ended December 31, 2007

	County Buildings Fund	Evaluation & Treatment Triage Facility	Jail Capital Projects	Total
Revenues:				
Charges for Services	$ 30	$ -	$ 4,552	$ 4,582
Miscellaneous Revenue	430,668	67,963	410	499,041
Total Revenues	430,698	67,963	4,962	503,623
Expenditures:				
General Government	886,404	-	-	886,404
Health & Human Services	-	17,626	-	17,626
Public Safety	-	-	136,563	136,563
Capital Outlay	2,213,669	146,134	1,577,760	3,937,563
Total Expenditures	3,100,073	163,760	1,714,323	4,978,156
Excess (Deficiency) of Revenues Over Expenditures	(2,669,375)	(95,797)	(1,709,361)	(4,474,533)
Other Financing Sources (Uses)				
Transfers In	1,884,141	-	1,658,467	3,542,608
Transfers Out	(596,015)	(109,488)	-	(705,503)
Total Other Financing Sources (Uses)	1,288,126	(109,488)	1,658,467	2,837,105
Net Changes In Fund Balances	(1,381,249)	(205,285)	(50,894)	(1,637,428)
Fund Balances as of January 1	8,128,753	1,350,905	21,926	9,501,584
Fund Balances as of December 31	$ 6,747,504	$ 1,145,620	$ (28,968)	$ 7,864,156

County Buildings Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Charges for Services	$ -	$ -	$ 30	$ 30
Miscellaneous Revenue	86,962	86,962	430,668	343,706
Total Revenues	86,962	86,962	430,698	343,736
Expenditures:				
General Government	767,818	767,818	886,404	(118,586)
Capital Outlay	15,697,154	14,775,412	2,213,669	12,561,743
Total Expenditures	16,464,972	15,543,230	3,100,073	12,443,157
Excess (Deficiency) of Revenues Over Expenditures	(16,378,010)	(15,456,268)	(2,669,375)	12,786,893
Other Financing Sources (Uses)				
Transfers In	10,564,141	10,564,141	1,884,141	(8,680,000)
Transfers Out	(2,686,131)	(2,686,131)	(596,015)	2,090,116
Total Other Financing Sources (Uses)	7,878,010	7,878,010	1,288,126	(6,589,884)
Net Changes In Fund Balances	(8,500,000)	(7,578,258)	(1,381,249)	6,197,009
Fund Balances as of January 1	8,500,000	8,128,753	8,128,753	-
Fund Balances as of December 31	$ -	$ 550,495	$ 6,747,504	$ 6,197,009

Evaluation & Treatment Triage Facility
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Miscellaneous Revenue	$ 25,000	$ 25,000	$ 67,963	$ 42,963
Total Revenues	25,000	25,000	67,963	42,963
Expenditures:				
Health & Human Services	120,970	120,970	17,626	103,344
Capital Outlay	568,000	538,000	146,134	391,866
Total Expenditures	688,970	658,970	163,760	495,210
Excess (Deficiency) of Revenues Over Expenditures	(663,970)	(633,970)	(95,797)	538,173
Other Financing Sources (Uses)				
Transfers Out	(79,488)	(109,488)	(109,488)	-
Total Other Financing Sources (Uses)	(79,488)	(109,488)	(109,488)	-
Net Changes In Fund Balances	(743,458)	(743,458)	(205,285)	538,173
Fund Balances as of January 1	1,400,000	1,350,905	1,350,905	-
Fund Balances as of December 31	$ 656,542	$ 607,447	$ 1,145,620	$ 538,173

Jail Capital Projects
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual
For The Year Ended December 31, 2007

	Original 2007 Budget	Final 2007 Budget	Actual 2007	Variance with Final Budget Positive or (Negative)
Revenues:				
Charges for Services	$ -	$ -	$ 4,552	$ 4,552
Miscellaneous Revenue	-	-	410	410
Total Revenues	-	-	4,962	4,962
Expenditures:				
Public Safety	295,002	295,002	136,563	158,439
Capital Outlay	12,784,998	12,784,998	1,577,760	11,207,238
Total Expenditures	13,080,000	13,080,000	1,714,323	11,365,677
Excess (Deficiency) of Revenues Over Expenditures	(13,080,000)	(13,080,000)	(1,709,361)	11,370,639
Other Financing Sources (Uses)				
Transfers In	13,080,000	13,080,000	1,658,467	(11,421,533)
Total Other Financing Sources (Uses)	13,080,000	13,080,000	1,658,467	(11,421,533)
Net Changes In Fund Balances	-	-	(50,894)	(50,894)
Fund Balances as of January 1	-	21,926	21,926	-
Fund Balances as of December 31	$ -	$ 21,926	$ (28,968)	$ (50,894)

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NONMAJOR ENTERPRISE FUNDS

Enterprise funds are established to account for the financing of goods and services provided by Thurston County to the County's residents and customers primarily through user charges on a cost reimbursement basis. All enterprise utilities and programs are funded by user fees and charges, including the Storm Water Utility which is funded by storm water tax assessments, except for Utility Planning which is funded by real estate excise taxes and interfund service payments.

Boston Harbor Utility – Funds established to account for user fees and charges for the maintenance and operation of the Boston Harbor water and wastewater systems.

Community Loan Programs – Funds established to account for loans provided to Thurston County residents to upgrade and improve failing septic systems.

Development Services – A fund that uses development license fees and service charges to provide planning, permitting and development inspection services within the unincorporated sections of Thurston County.

Olympic View Utility – Funds established to account for user fees and charges for the maintenance and operation of the Olympic View wastewater system.

Storm and Surface Water Utility – Funds established to account for assessments levied to minimize the harmful effects of storm water run-off and to construct and improve storm water run-off facilities within the utility's boundaries in unincorporated Thurston County.

Tamoshan Utility – Funds established to account for user fees and charges for the maintenance and operation of the Tamoshan water and wastewater system and the wastewater system serving Beverly Beach.

Utilities Planning – A fund that uses real estate excise taxes and interfund service payments to fund cost of feasibility analyses and planning activities associated with development and rehabilitation of rural community water and wastewater systems and for policy development for water supply and wastewater issues.

Combining Statement Of Net Assets
Nonmajor Enterprise Funds
December 31, 2007
Page 1 of 2

ASSETS	Boston Harbor Utility	Community Loan Programs	Development Services	Olympic View Utility
Current Assets:				
Cash & Pooled Investments	$ 545,940	$ 396,960	$ 131,125	$ 48,051
Receivables:				
Special Assessment Receivables	26,360	-	-	1,200
Accrued Interest & Penalties	6	3,868	46,832	830
Customer Account Receivables	24,272	-	-	-
Due From Other Funds	162	-	809	-
Due From Other Government Units	162	-	23,263	-
Restricted Assets:				
Cash and Pooled Investments	-	-	-	29,611
Long-Term Assets:				
Community Loans Receivable	-	154,949	-	-
Special Assessment Receivables	52,477	-	-	16,845
Capital Assets	6,371,574	-	497,807	65,802
Accumulated Depreciation	(3,973,270)	-	(361,005)	(65,802)
Total Assets	3,047,683	555,777	338,831	96,537
LIABILITIES				
Current Liabilities:				
Accounts Payable	18,793	1,584	46,882	1,065
Notes Payable	-	30,501	18,673	5,822
Due To Other Funds	14,715	-	12,910	350
Long-Term Liabilities:				
Compensated Absences Payable	-	-	410,889	-
Intergovernmental Loans & Contracts Payable	-	467,836	49,324	46,573
Advances From Other Funds	-	-	-	-
Total Liabilities	33,508	499,921	538,678	53,810
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	2,398,304	-	68,805	-
Restricted For:				
Debt Service	-	-	-	-
Unrestricted (Deficit)	615,871	55,856	(268,652)	42,727
Total Net Assets	$ 3,014,175	$ 55,856	$ (199,847)	$ 42,727

Combining Statement Of Net Assets
Nonmajor Enterprise Funds
December 31, 2007
Page 2 of 2

ASSETS	Storm & Surface Water Utility	Tamoshan Utility	Utilities Planning	Total
Current Assets:				
Cash & Pooled Investments	$ 1,202,425	$ 47,742	$ -	$ 2,372,243
Receivables:				
Special Assessment Receivables	80,222	71,989	-	179,771
Accrued Interest & Penalties	18,246	1,889	132	71,803
Customer Account Receivables	-	23,084	-	47,356
Due From Other Funds	-	-	48,309	49,280
Due From Other Government Units	81,918	-	-	105,343
Restricted Assets:				
Cash and Pooled Investments	-	258,988	-	288,599
Long-Term Assets:				
Community Loans Receivable	-	-	-	154,949
Special Assessment Receivables	-	953,968	-	1,023,290
Capital Assets	6,737,815	2,242,325	-	15,915,323
Accumulated Depreciation	(1,380,576)	(318,103)	-	(6,098,756)
Total Assets	6,740,050	3,281,882	48,441	14,109,201
LIABILITIES				
Current Liabilities:				
Accounts Payable	69,063	3,030	38,336	178,753
Notes Payable	-	78,282	-	133,278
Due To Other Funds	184,065	8,092	8,484	228,616
Long-Term Liabilities:				
Compensated Absences Payable	-	-	-	410,889
Intergovernmental Loans & Contracts Payable	-	1,174,236	-	1,737,969
Advances From Other Funds	-	5,533	-	5,533
Total Liabilities	253,128	1,269,173	46,820	2,695,038
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	5,357,239	671,704	-	8,496,052
Restricted For:				
Debt Service	-	28,306	-	28,306
Unrestricted (Deficit)	1,129,683	1,312,699	1,621	2,889,805
Total Net Assets	$ 6,486,922	$ 2,012,709	$ 1,621	$ 11,414,163

Combining Statement Of Revenues, Expenses And Changes In Fund Net Assets Nonmajor Enterprise Funds
For The Year Ended December 31, 2007
Page 1 of 2

	Boston Harbor Utility	Community Loan Programs	Develop-ment Services	Olympic View Utility
Operating Revenues:				
Charges for Services	$ 262,050	$ -	$ 3,568,715	$ 19,565
Interfund Contributions	-	-	43,170	-
Miscellaneous	7,651	-	3,631	-
Total Operating Revenues	269,701	-	3,615,516	19,565
Operating Expenses:				
Salaries and Benefits	183,052	-	4,567,864	7,941
Other Supplies and Expenses	24,203	-	192,735	3,848
Contractual Services	58,898	3,588	556,037	1,061
Interfund Services and Charges	33,403	-	1,007,538	3,925
Depreciation/Amortization	321,661	-	67,476	1,734
Total Operating Expenses	621,217	3,588	6,391,650	18,509
Operating Income (Loss)	(351,516)	(3,588)	(2,776,134)	1,056
Nonoperating Revenue (Expenses):				
Interest Revenue	41,496	23,826	78,535	4,621
Other Nonoperating Revenue (Expense)	(6,935)	-	29,687	(480)
Interest Expense & Fiscal Charges	(28,125)	(11,498)	(7,086)	(2,910)
Total Nonoperating Revenue (Expense)	6,436	12,328	101,136	1,231
Income Before Contributions and Transfers:	(345,080)	8,740	(2,674,998)	2,287
Capital Contributions	28,894	-	-	1,446
Transfers In (Out)	-	-	2,651,085	-
Change in Net Assets	(316,186)	8,740	(23,913)	3,733
Net Assets as of January 1	3,330,361	47,116	-	38,994
Prior Period Adjustments	-	-	(175,934)	-
Net Assets as of January 1 - Restated	38,994	47,116	(175,934)	38,994
Net Assets as of December 31	$ 3,014,175	$ 55,856	$ (199,847)	$ 42,727

Combining Statement Of Revenues, Expenses And Changes In Fund Net Assets Nonmajor Enterprise Funds
For The Year Ended December 31, 2007
Page 2 of 2

	Storm & Surface Water Utility	Tamoshan Utility	Utilities Planning	Total
Operating Revenues:				
Charges for Services	$ 1,354,753	$ 178,942	$ -	$ 5,384,025
Interfund Contributions	165,844	-	11,949	220,963
Miscellaneous	-	6,130	-	17,412
Total Operating Revenues	1,520,597	185,072	11,949	5,622,400
Operating Expenses:				
Salaries and Benefits	741,278	96,077	38,656	5,634,868
Other Supplies and Expenses	97,136	9,794	-	327,716
Contractual Services	196,279	32,285	11,326	859,474
Interfund Services and Charges	320,652	20,360	2,546	1,388,424
Depreciation/Amortization	258,346	44,561	-	693,778
Total Operating Expenses	1,613,691	203,077	52,528	8,904,260
Operating Income (Loss)	(93,094)	(18,005)	(40,579)	(3,281,860)
Nonoperating Revenue (Expenses):				
Interest Revenue	67,930	15,776	-	232,184
Other Nonoperating Revenue (Expense)	59,233	(2,548)	-	78,957
Interest Expense & Fiscal Charges	-	(646)	-	(50,265)
Total Nonoperating Revenue (Expense)	127,163	12,582	-	260,876
Income Before Contributions and Transfers:	34,069	(5,423)	(40,579)	(3,020,984)
Capital Contributions	-	-	-	30,340
Transfers In (Out)	-	-	39,673	2,690,758
Change in Net Assets	34,069	(5,423)	(906)	(299,886)
Net Assets as of January 1	6,452,853	2,018,132	2,527	11,889,983
Prior Period Adjustments	-	-	-	(175,934)
Net Assets as of January 1 - Restated	6,452,853	2,018,132	2,527	11,714,049
Net Assets as of December 31	$ 6,486,922	$ 2,012,709	$ 1,621	$ 11,414,163

Combining Statement Of Cash Flows
Nonmajor Enterprise Funds
For The Year Ended December 31, 2007
Page 1 of 4

	Boston Harbor Utility	Community Loan Programs	Develop-ment Services	Olympic View Utility
Cash Flows from Operating Activities:				
Cash Received from Customers	$ 267,913	$ -	$ 3,614,707	$ 19,565
Cash Paid for Goods & Services	(113,671)	(2,019)	(1,709,428)	(7,952)
Cash Paid to Employees	(198,680)	-	(4,144,065)	(8,875)
Net Cash Provided (Used) by Operating Activities	(44,438)	(2,019)	(2,238,786)	2,738
Cash Flows from Noncapital Financing Activities:				
Operating Transfers In	496,381	-	2,326,621	-
Operating Transfers Out	(496,381)	-	-	-
Grant Proceeds	1,049	-	-	-
Receipts On Community Loans	-	(21,972)	-	-
Payments On Community Loans	-	38,073	-	-
Tax Payments	(7,910)	-	-	(480)
Net Cash Provided (Used) by Noncapital Financing Activities	(6,861)	16,101	2,326,621	(480)
Cash Flows from Capital & Related Financing Activities:				
Cash Disbursements for Purchases of Capital Assets	(14,676)	-	-	-
Bond/Loan Payments	(731,600)	-	-	(5,822)
Bond/Loan Proceeds	-	-	18,673	-
Contributed Capital	25,431	-	-	1,446
Assessment Receipts	34,912	-	28,327	-
Interest Payments	(30,685)	(11,498)	(7,086)	(2,910)
Net Cash Provided (Used) by Capital & Related Financing Activities	(716,618)	(11,498)	39,914	(7,286)
Cash Flows from Investing Activities:				
Interest Receipts	60,382	24,337	3,376	4,725
Net Cash Provided (Used) by Investing Activities	60,382	24,337	3,376	4,725
Net Increase (Decrease) in Cash & Cash Equivalents	(707,535)	26,921	131,125	(303)
Cash & Cash Equivalents as of January 1	1,253,475	370,039	-	77,965
Cash & Cash Equivalents as of December 31	$ 545,940	$ 396,960	$ 131,125	$ 77,662

Combining Statement Of Cash Flows
Nonmajor Enterprise Funds
For The Year Ended December 31, 2007
Page 2 of 4

	Storm & Surface Water Utility	Tamoshan Utility	Utilities Planning	Total
Cash Flows from Operating Activities:				
Cash Received from Customers	$ 1,529,542	$ 176,577	$ (36,360)	$ 5,571,944
Cash Paid for Goods & Services	(579,921)	(61,460)	24,464	(2,449,987)
Cash Paid to Employees	(686,828)	(105,888)	(39,527)	(5,183,863)
Net Cash Provided (Used) by Operating Activities	262,793	9,229	(51,423)	(2,061,906)
Cash Flows from Noncapital Financing Activities:				
Operating Transfers In	550,000	38,004	214,282	3,625,288
Operating Transfers Out	(550,000)	(38,004)	-	(1,084,385)
Grant Proceeds	122,441	2,002	-	125,492
Receipts On Community Loans	-	-	-	(21,972)
Payments On Community Loans	-	-	-	38,073
Tax Payments	(19,785)	(4,550)	-	(32,725)
Net Cash Provided (Used) by Noncapital Financing Activities	102,656	(2,548)	214,282	2,649,771
Cash Flows from Capital & Related Financing Activities:				
Cash Disbursements for Purchases of Capital Assets	(682,935)	-	(174,609)	(872,220)
Bond/Loan Payments	45,000	(109,673)	-	(802,095)
Bond/Loan Proceeds	-	-	-	18,673
Contributed Capital	-	-	-	26,877
Assessment Receipts	-	122,814	-	186,053
Interest Payments	-	(646)	-	(52,825)
Net Cash Provided (Used) by Capital & Related Financing Activities	(637,935)	12,495	(174,609)	(1,495,537)
Cash Flows from Investing Activities:				
Interest Receipts	70,232	16,257	67	179,376
Net Cash Provided (Used) by Investing Activities	70,232	16,257	67	179,376
Net Increase (Decrease) in Cash & Cash Equivalents	(202,254)	35,433	(11,683)	(728,296)
Cash & Cash Equivalents as of January 1	1,404,679	271,297	11,683	3,389,138
Cash & Cash Equivalents as of December 31	$ 1,202,425	$ 306,730	$ -	$ 2,660,842

Combining Statement Of Cash Flows
Nonmajor Enterprise Funds
For The Year Ended December 31, 2007
Page 3 of 4

	Boston Harbor Utility	Community Loan Programs	Develop-ment Services	Olympic View Utility
Reconciliation of Operating Income To Net Cash Provided (Used) by Operating Income:				
Operating Income	$ (351,516)	$ (3,588)	$ (2,776,134)	$ 1,056
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	321,661	-	67,476	1,734
(Increase) Decrease in:				
Customer Account Receivables	(1,787)	-	-	-
Due from Other Funds	(1)	-	(809)	-
Increase (Decrease) in:				
Accounts Payable	2,833	1,569	46,882	882
Due to Other Funds	(15,628)	-	12,910	(934)
Claims and Judgments				
Compensated Absences Payable	-	-	410,889	-
Accumulated Landfill Closure				
Total Adjustments	307,078	1,569	537,348	1,682
Net Cash Provided (Used) by Operating Activities	$ (44,438)	$ (2,019)	$ (2,238,786)	$ 2,738
Noncash Investing, Capital, and Financing Activities:				
Gain on Purchase/Sale Of Fixed Assets	$ -	$ -	$ -	$ -
Loss on Purchase/Sale of Fixed Assets	$ -	$ -	$ -	$ -
Prior Period Adjustment - Fund Reclassification	$ -	$ -	$ (175,934)	$ -
Contribution of Capital Assets	$ 3,463	$ -	$ -	$ -

Combining Statement Of Cash Flows
Nonmajor Enterprise Funds
For The Year Ended December 31, 2007
Page 4 of 4

	Storm & Surface Water Utility	Tamoshan Utility	Utilities Planning	Total
Reconciliation of Operating Income To Net Cash Provided (Used) by Operating Income:				
Operating Income	$ (93,094)	$ (18,005)	$ (40,579)	$ (3,281,860)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	258,346	44,561	-	693,778
(Increase) Decrease in:				
Customer Account Receivables	-	(8,495)	-	(10,282)
Due from Other Funds	8,945	-	(48,309)	(40,174)
Increase (Decrease) in:				
Accounts Payable	34,146	979	38,336	125,627
Due to Other Funds	54,450	(9,811)	(871)	40,116
Claims and Judgments				
Compensated Absences Payable	-	-	-	410,889
Accumulated Landfill Closure				
Total Adjustments	355,887	27,234	(10,844)	1,219,954
Net Cash Provided (Used) by Operating Activities	$ 262,793	$ 9,229	$ (51,423)	$ (2,061,906)
Noncash Investing, Capital, and Financing Activities:				
Gain on Purchase/Sale Of Fixed Assets	$ 9,276	$ -	$ -	$ 9,276
Loss on Purchase/Sale of Fixed Assets	$ (21,865)	$ -	$ -	$ (21,865)
Prior Period Adjustment - Fund Reclassification	$ -	$ -	$ -	$ (175,934)
Contribution of Capital Assets	$ -	$ -	$ -	$ 3,463

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INTERNAL SERVICE FUNDS

Internal service funds are established to account for the financing of goods and services provided by one department, agency, or government unit to other departments, agencies or other government units on a cost reimbursement basis.

Central Services – A fund established to account for technology and building and maintenance service charges and fees to maintain, acquire and service equipment and facilities and to provide associated services including computer operations, micrographics, central mailing and custodial cleaning and maintenance services.

Communications – A fund that uses primarily sales and excise taxes to finance an intergovernmental agency that provides countywide emergency communication services within Thurston County (this fund was reclassified to a special revenue fund in 2007 and is therefore also reported in the combining statements for special revenue funds).

Enterprise Administration – A fund established to account for administrative, payroll and benefit charges used to finance administrative, payroll and benefit costs for utility funds managed by the Department of Water & Waste Management.

Enterprise Engineering – A fund established to account for professional engineering and technical service fees used to finance engineering and technical services for utility funds managed by the Department of Water & Waste Management.

Equipment Rental and Revolving – Funds established to account for equipment usage and replacement charges used to finance the maintenance, operation and acquisition of vehicles and equipment.

Insurance Risk Management – A fund established to account for risk service charges used to finance the costs of insurance coverage for Thurston County.

Benefits Administration – A fund established to account for interfund contributions used to finance the benefits administration costs of County employees.

Unemployment Compensation – A fund established to account for interfund contributions used to self insure the County against unemployment claims and settlements from former County employees.

Combining Statement Of Net Assets
Internal Service Funds
December 31, 2007
Page 1 of 2

ASSETS	Central Services	Communi - cations	Enterprise Admin	Enterprise Engineering	Equipment Rental & Revolv.
Current Assets:					
Cash & Pooled Investments	$ 1,984,649	$ -	$ -	$ -	$ 14,686,639
Receivables:					
Accrued Interest & Penalties	1,920	-	2,132	-	130,147
Customer Account Receivables	1,185	-	-	23,698	-
Due From Other Funds	77,989	-	314,877	50,164	23,952
Inventory	-	-	-	-	200,865
Prepayments	84,667	-	-	-	-
Long-Term Assets:					
Capital Assets	59,712,639	-	32,460	1,661	19,979,047
Accumulated Depreciation	(17,954,305)	-	(16,959)	(609)	(12,419,620)
Total Assets	43,908,744	-	332,510	74,914	22,601,030
LIABILITIES					
Current Liabilities:					
Accounts Payable	230,955	-	54,239	19,642	335,627
Notes Payable	5,532	-	9,064	-	-
Due To Other Funds	307,366	-	781	53,669	865
Long-Term Liabilities:					
Compensated Absences Payable	424,709	-	349,978	-	123,285
Claims and Judgments Payable	-	-	-	-	-
Intergovernmental Loans & Contracts Payable	3,846	-	6,385	-	-
Total Liabilities	972,408	-	420,447	73,311	459,777
NET ASSETS					
Invested in Capital Assets, Net Of Related Debt	41,754,488	-	9,116	1,052	7,559,427
Unrestricted (Deficit)	1,181,848	-	(97,053)	551	14,581,826
Total Net Assets	$ 42,936,336	$ -	$ (87,937)	$ 1,603	$ 22,141,253

Combining Statement Of Net Assets
Internal Service Funds
December 31, 2007
Page 2 of 2

ASSETS	Insurance Risk Management	Benefits Admin	Unempl. Comp.	Total
Current Assets:				
Cash & Pooled Investments	$ 4,862,033	$ 1,151,947	$ 1,905,968	$ 24,591,236
Receivables:				
Accrued Interest & Penalties	-	7,449	14,899	156,547
Customer Account Receivables	-	-	207,631	232,514
Due From Other Funds	-	-	-	466,982
Inventory	-	-	-	200,865
Prepayments	-	-	-	84,667
Long-Term Assets:				
Capital Assets	6,933	-	-	79,732,740
Accumulated Depreciation	(6,933)	-	-	(30,398,426)
Total Assets	4,862,033	1,159,396	2,128,498	75,067,125
LIABILITIES				
Current Liabilities:				
Accounts Payable	33,577	5,780	-	679,820
Notes Payable	-	-	-	14,596
Due To Other Funds	-	-	-	362,681
Long-Term Liabilities:				
Compensated Absences Payable	57,274	8,906	10,443	974,595
Claims and Judgments Payable	3,158,870	-	-	3,158,870
Intergovernmental Loans & Contracts Payable	-	-	-	10,231
Total Liabilities	3,249,721	14,686	10,443	5,200,793
NET ASSETS				
Invested in Capital Assets, Net Of Related Debt	-	-	-	49,324,083
Unrestricted (Deficit)	1,612,312	1,144,710	2,118,055	20,542,249
Total Net Assets	$ 1,612,312	$ 1,144,710	$ 2,118,055	$ 69,866,332

Combining Statement Of Revenues, Expenses And Changes In Fund Net Assets
Internal Service Funds
For The Year Ended December 31, 2007
Page 1 of 2

	Central Services	Communi - cations	Enterprise Admin	Enterprise Engineering	Equipment Rental & Revolv.
Operating Revenues:					
Charges for Services	$ 12,016	$ -	$ 101	$ 45,135	$ 12,129
Equipment Rental	-	-	-	-	5,877,344
Interfund Contributions	9,346,694	-	4,038,276	755,871	-
Miscellaneous	12,712	-	347	-	657
Total Operating Revenues	9,371,422	-	4,038,724	801,006	5,890,130
Operating Expenses:					
Salaries and Benefits	4,742,096	-	3,676,897	748,568	1,053,648
Other Supplies and Expenses	558,349	-	76,120	15,000	1,864,714
Contractual Services	3,970,199	-	12,566	9,213	87,019
Interfund Services and Charges	486,250	-	311,180	47,888	253,702
Depreciation/Amortization	1,480,739	-	9,101	332	1,874,400
Claims Payments	3,590	-	-	-	-
Total Operating Expenses	11,241,223	-	4,085,864	821,001	5,133,483
Operating Income (Loss)	(1,869,801)	-	(47,140)	(19,995)	756,647
Nonoperating Revenue (Expenses):					
Interest Revenue	35,090	-	-	-	678,673
Other Nonoperating Revenue (Expense)	(4,276)	-	(998)	(689)	39,298
Interest Expense & Fiscal Charges	(620)	-	(1,332)	-	-
Total Nonoperating Revenue (Expense)	30,194	-	(2,330)	(689)	717,971
Income Before Contributions and Transfers:	(1,839,607)	-	(49,470)	(20,684)	1,474,618
Capital Contributions	33,837	-	-	-	65,266
Transfers In (Out)	944,459	(1,635,525)	-	-	(909)
Change in Net Assets	(861,311)	(1,635,525)	(49,470)	(20,684)	1,538,975
Net Assets as of January 1	1,653,004	4,281,386	(38,467)	22,287	20,602,278
Prior Period Adjustments	42,144,643	(2,645,861)	-	-	-
Net Assets as of January 1 - Restated	43,797,647	1,635,525	(38,467)	22,287	20,602,278
Net Assets as of December 31	$ 42,936,336	$ -	$ (87,937)	$ 1,603	$ 22,141,253

Combining Statement Of Revenues, Expenses And Changes In Fund Net Assets
Internal Service Funds
For The Year Ended December 31, 2007
Page 2 of 2

	Insurance Risk Management	Benefits Admin	Unempl. Comp.	Total
Operating Revenues:				
Charges for Services	$ -	$ -	$ -	$ 69,381
Equipment Rental	-	-	-	5,877,344
Interfund Contributions	2,496,488	448,355	415,870	17,501,554
Miscellaneous	-	-	-	13,716
Total Operating Revenues	2,496,488	448,355	415,870	23,461,995
Operating Expenses:				
Salaries and Benefits	283,950	43,276	212,838	10,761,273
Other Supplies and Expenses	1,848	1,468	-	2,517,499
Contractual Services	129,977	181,255	-	4,390,229
Interfund Services and Charges	29,891	64	-	1,128,975
Depreciation/Amortization	-	-	-	3,364,572
Claims Payments	762,029	-	-	765,619
Total Operating Expenses	1,207,695	226,063	212,838	22,928,167
Operating Income (Loss)	1,288,793	222,292	203,032	533,828
Nonoperating Revenue (Expenses):				
Interest Revenue	-	49,683	87,503	850,949
Other Nonoperating Revenue (Expense)	17,180	-	-	50,515
Interest Expense & Fiscal Charges	-	-	-	(1,952)
Total Nonoperating Revenue (Expense)	17,180	49,683	87,503	899,512
Income Before Contributions and Transfers:	1,305,973	271,975	290,535	1,433,340
Capital Contributions	-	2,749	-	101,852
Transfers In (Out)	(42,000)	-	-	(733,975)
Change in Net Assets	1,263,973	274,724	290,535	801,217
Net Assets as of January 1	348,339	869,986	1,827,520	29,566,333
Prior Period Adjustments	-	-	-	39,498,782
Net Assets as of January 1 - Restated	348,339	869,986	1,827,520	69,065,115
Net Assets as of December 31	$ 1,612,312	$ 1,144,710	$ 2,118,055	$ 69,866,332

Combining Statement Of Cash Flows
Internal Service Funds
For The Year Ended December 31, 2007
Page 1 of 4

	Central Services	Communi - cations	Enterprise Admin	Enterprise Engineering	Equipment Rental & Revolv.
Cash Flows from Operating Activities:					
Cash Received from Customers	$ 9,342,868	$ 18,325	$ 4,317,852	$ 779,688	$ 6,062,467
Cash Paid for Goods & Services	(4,740,225)	299,466	(698,410)	(57,523)	(2,155,375)
Cash Paid to Employees	(4,613,566)	(200,157)	(3,609,723)	(806,499)	(1,026,818)
Net Cash Provided (Used) by Operating Activities	(10,923)	117,634	9,719	(84,334)	2,880,274
Cash Flows from Noncapital Financing Activities:					
Operating Transfers In	1,299,818	-	-	-	210,029
Operating Transfers Out	(88,668)	(1,902,216)	-	-	(210,938)
Grant Proceeds	7,581	-	-	-	-
Insurance Recoveries	-	-	-	-	289
Tax Payments	(8,757)	-	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	1,209,974	(1,902,216)	-	-	(620)
Cash Flows from Capital & Related Financing Activities:					
Cash Proceeds from Sale of Capital Assets	-	-	-	-	43,768
Cash Disbursements for Purchases of Capital Assets	(194,351)	-	-	-	(2,108,782)
Bond/Loan Payments	(8,480)	(866,424)	(5,257)	-	-
Contributed Capital	-	-	-	-	-
Interest Payments	(620)	-	(4,462)	(689)	-
Net Cash Provided (Used) by Capital & Related Financing Activities	(203,451)	(866,424)	(9,719)	(689)	(2,065,014)
Cash Flows from Investing Activities:					
Interest Receipts	33,170	18,878	-	139	696,221
Net Cash Provided (Used) by Investing Activities	33,170	18,878	-	139	696,221
Net Increase (Decrease) in Cash & Cash Equivalents	1,028,770	(2,632,128)	-	(84,884)	1,510,861
Cash & Cash Equivalents as of January 1	955,879	2,632,128	-	84,884	13,175,778
Cash & Cash Equivalents as of December 31	$ 1,984,649	$ -	$ -	$ -	$ 14,686,639

Combining Statement Of Cash Flows
Internal Service Funds
For The Year Ended December 31, 2007
Page 2 of 4

	Insurance Risk Management	Benefits Admin	Unempl. Comp.	Total
Cash Flows from Operating Activities:				
Cash Received from Customers	$ 2,496,488	$ 448,355	$ 308,545	$ 23,774,588
Cash Paid for Goods & Services	(1,130,946)	(178,249)	-	(8,661,262)
Cash Paid to Employees	(271,538)	(38,874)	(210,021)	(10,777,196)
Net Cash Provided (Used) by Operating Activities	1,094,004	231,232	98,524	4,336,130
Cash Flows from Noncapital Financing Activities:				
Operating Transfers In	-	-	-	1,509,847
Operating Transfers Out	(42,000)	-	-	(2,243,822)
Grant Proceeds	-	-	-	7,581
Insurance Recoveries	-	-	-	289
Tax Payments	-	-	-	(8,757)
Net Cash Provided (Used) by Noncapital Financing Activities	(42,000)	-	-	(734,862)
Cash Flows from Capital & Related Financing Activities:				
Cash Proceeds from Sale of Capital Assets	17,180	-	-	60,948
Cash Disbursements for Purchases of Capital Assets	-	-	-	(2,303,133)
Bond/Loan Payments	-	-	-	(880,161)
Contributed Capital	-	2,749	-	2,749
Interest Payments	-	-	-	(5,771)
Net Cash Provided (Used) by Capital & Related Financing Activities	17,180	2,749	-	(3,125,368)
Cash Flows from Investing Activities:				
Interest Receipts	-	50,856	89,913	889,177
Net Cash Provided (Used) by Investing Activities	-	50,856	89,913	889,177
Net Increase (Decrease) in Cash & Cash Equivalents	1,069,184	284,837	188,437	1,365,077
Cash & Cash Equivalents as of January 1	3,792,849	867,110	1,717,531	23,226,159
Cash & Cash Equivalents as of December 31	$ 4,862,033	$ 1,151,947	$ 1,905,968	$ 24,591,236

Combining Statement Of Cash Flows
Internal Service Funds
For The Year Ended December 31, 2007
Page 3 of 4

	Central Services	Communi - cations	Enterprise Admin	Enterprise Engineering	Equipment Rental & Revolv.
Reconciliation of Operating Income To Net Cash Provided (Used) by Operating Income:					
Operating Income	$ (1,869,801)	$ -	$ (47,140)	$ (19,995)	$ 756,647
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	1,480,739	-	9,101	332	1,874,400
(Increase) Decrease in:					
Customer Account Receivables	-	8,555	-	(23,698)	-
Due from Other Funds	(28,554)	197	279,128	2,380	152,795
Due from Other Government Units	-	9,573	-	-	19,542
Inventories	-	-	-	-	(8,138)
Prepaid Expense	-	391,180	-	-	-
Increase (Decrease) in:					
Accounts Payable	(21,547)	(89,713)	(298,544)	14,578	213,272
Due to Other Funds	299,710	(2,001)	(3,703)	(57,931)	(155,074)
Claims and Judgments	-	-	-	-	-
Compensated Absences Payable	128,530	(200,157)	70,877	-	26,830
Total Adjustments	1,858,878	117,634	56,859	(64,339)	2,123,627
Net Cash Provided (Used) by Operating Activities	$ (10,923)	$ 117,634	$ 9,719	$ (84,334)	$ 2,880,274
Noncash Investing, Capital, and Financing Activities:					
Gain on Purchase/Sale Of Fixed Assets	$ -	$ -	$ -	$ -	$ -
Loss on Purchase/Sale of Fixed Assets	$ -	$ -	$ -	$ -	$ (2,547)
Prior Period Adjustment - Fund Reclassification	$ 42,144,643	$ (2,645,861)	$ -	$ -	$ -
Contribution of Capital Assets	$ 33,837	$ -	$ -	$ -	$ 65,266

Combining Statement Of Cash Flows
Internal Service Funds
For The Year Ended December 31, 2007
Page 4 of 4

	Insurance Risk Management	Benefits Admin	Unempl. Comp.	Total
Reconciliation of Operating Income To Net Cash Provided (Used) by Operating Income:				
Operating Income	$ 1,288,793	$ 222,292	$ 203,032	$ 533,828
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	-	-	-	3,364,572
(Increase) Decrease in:				
Customer Account Receivables	-	-	(107,325)	(122,468)
Due from Other Funds	-	-	-	405,946
Due from Other Government Units	-	-	-	29,115
Inventories	-	-	-	(8,138)
Prepaid Expense	-	-	-	391,180
Increase (Decrease) in:				
Accounts Payable	1,515	4,538	-	(175,901)
Due to Other Funds	-	-	-	81,001
Claims and Judgments	(208,716)	-	-	(208,716)
Compensated Absences Payable	12,412	4,402	2,817	45,711
Total Adjustments	(194,789)	8,940	(104,508)	3,802,302
Net Cash Provided (Used) by Operating Activities	$ 1,094,004	$ 231,232	$ 98,524	$ 4,336,130
Noncash Investing, Capital, and Financing Activities:				
Gain on Purchase/Sale Of Fixed Assets	$ -	$ -	$ -	$ -
Loss on Purchase/Sale of Fixed Assets	$ -	$ -	$ -	$ (2,547)
Prior Period Adjustment - Fund Reclassification	$ -	$ -	$ -	$ 39,498,782
Contribution of Capital Assets	$ -	$ 2,749	$ -	$ 101,852

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FIDUCIARY FUNDS

Fiduciary funds are used to account for monies held by Thurston County as an agent or trustee. Amounts held for other governmental units are invested in Thurston County's Investment Pool. Amounts are also held for private parties within the Clerk's expendable trust fund. These amounts were reported in the Statement of Fiduciary Net Assets and Statement Changes in Fiduciary Net Assets.

The County also manages five other agency funds, as noted below, with deposits held in suspense prior to transfer and distribution to other governmental units, private parties or the County.

Payroll and Claims Clearing – A fund used to process payroll and claims expenditures for County funds prior to disbursement to other private parties and governmental units.

Taxes & Refunds Pending – A fund used to hold primarily tax refunds prior to distribution to the appropriate party.

Treasurer's Fiscal Agent – Funds used to account for deposits with the County's fiscal agent for agency debt service payments.

Treasurer's Trust – A fund used to hold primarily advance and partial payments on taxes in suspense prior to distribution to the appropriate account.

Combining Statement of Fiduciary Net Assets
Agency Funds
December 31, 2007

ASSETS	Payroll & Claims Clearing	Taxes and Refunds Pending	Treasurer's Fiscal Agent	Treasurer's Trust	Total
Assets:					
Cash & Pooled Investments	$ 15,584,167	$ 26,702	$ -	$ -	$ 15,610,869
Cash and Investments in Trust	-	-	-	444,718	444,718
Cash and Deposits with Fiscal Agent	-	-	210,000	-	210,000
Total Assets	15,584,167	26,702	210,000	444,718	16,265,587
LIABILITIES					
Liabilities:					
Warrant Payable	12,991,396	-	-	-	12,991,396
Accounts Payable	347,924	26,702	-	-	374,626
Payroll Payable	2,244,847	-	-	-	2,244,847
Due to Other Governments	-	-	210,000	444,718	654,718
Total Liabilities	$ 15,584,167	$ 26,702	$ 210,000	$ 444,718	$ 16,265,587

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended December 31, 2007
Page 1 of 2

	Balance January 1- Restated	Additions	Deductions	Balance December 31
PAYROLL & CLAIMS CLEARING				
Cash, Cash Equivalents & Pooled Investments	$ 17,793,286	$ -	$ 2,209,119	$ 15,584,167
Total Assets	$ 17,793,286	$ -	$ 2,209,119	$ 15,584,167
Warrants Payable	$ 15,563,039	$ -	$ 2,571,643	$ 12,991,396
Accounts Payable	292,821	55,103	-	347,924
Payroll Payable	1,937,426	307,421	-	2,244,847
Total Liabilities	$ 17,793,286	$ 362,524	$ 2,571,643	$ 15,584,167
TAXES & REFUNDS PENDING				
Cash, Cash Equivalents & Pooled Investments	$ 112,490	$ -	$ 85,788	$ 26,702
Total Assets	$ 112,490	$ -	$ 85,788	$ 26,702
Warrants Payable	-		-	-
Accounts Payable	$ 112,490		$ 85,788	$ 26,702
Total Liabilities	$ 112,490	$ -	$ 85,788	$ 26,702
TREASURER'S FISCAL AGENT				
Cash, Cash Equivalents & Pooled Investments	$ 175,000	$ 35,000	$ -	$ 210,000
Total Assets	$ 175,000	$ 35,000	$ -	$ 210,000
Due to Other Government Units	$ 175,000	$ 35,000	$ -	$ 210,000
Total Liabilities	$ 175,000	$ 35,000	$ -	$ 210,000

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended December 31, 2007
Page 2 of 2

TREASURER'S TRUST				
Cash, Cash Equivalents & Pooled Investments	$ 491,744	$ -	$ 47,026	$ 444,718
Total Assets	$ 491,744	$ -	$ 47,026	$ 444,718
Due to Other Government Units	$ 491,744	$ -	$ 47,026	$ 444,718
Total Liabilities	$ 491,744	$ -	$ 47,026	$ 444,718
TOTAL AGENCY FUNDS				
Cash, Cash Equivalents & Pooled Investments	$ 18,572,520	$ 35,000	$ 2,341,933	$ 16,265,587
Total Assets	$ 18,572,520	$ 35,000	$ 2,341,933	$ 16,265,587
Warrants Payable	$ 15,563,039	$ -	$ 2,571,643	$ 12,991,396
Accounts Payable	405,311	55,103	85,788	374,626
Payroll Payable	1,937,426	307,421	-	2,244,847
Due to Other Government Units	666,744	35,000	47,026	654,718
Total Liabilities	$ 18,572,520	$ 397,524	$ 2,704,457	$ 16,265,587

MCAG NO. 0170

THURSTON COUNTY

Schedule 16

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2007

Grantor Pass-Through Grantor Program Title	CFDA #	Current Year Expenditures	Notes
OFFICE OF NATIONAL DRUG CONTROL			
PASSED THRU Employment Security Department			
NW HIDTA-High Intensity Drug Trafficing Area	07.000	$30,000	Note 5
TOTAL FOR OFFICE OF NATIONAL DRUG CONTROL		***$30,000***	
OFFICE OF NATIONAL DRUG CONTROL POLICY			
PASSED THRU Washington State Patrol			
Domestic Highway Interdiction Program Support	07.00	$3,891	Note 4/5
TOTAL FOR OFFICE OF NATIONAL DRUG CONTROL POLICY		***$3,891***	
DEPARTMENT OF AGRICULTURE			
PASSED THRU Department of Social & Health Services			
Food Stamp Act of 1977	10.551	$276	
PASSED THRU Superintendent of Public Instruction			
National School Breakfast Program	10.553	$26,583	
PASSED THRU Superintendent of Public Instruction			
National School Lunch Program	10.555	$368	Note 3
National School Lunch Program	10.555	$40,666	
TOTAL CFDA NUMBER		**$41,034**	
PASSED THRU Department of Health			
Special Supplemental Nutrition Program for WIC	10.572	$331,885	
PASSED THRU DIRECT			
Distance Learning & Telemedicine Loans & Grants	10.855	$58,882	
TOTAL FOR DEPARTMENT OF AGRICULTURE		***$458,661***	
DEPARTMENT OF DEFENSE			
PASSED THRU DIRECT			
Military Forest Yield	12.999	$123,626	Note 5
TOTAL FOR DEPARTMENT OF DEFENSE		***$123,626***	

The Accompanying Notes To The Schedule Of Expenditures Of Federal Awards Are An Integral Part Of This Schedule.

MCAG NO. 0170

THURSTON COUNTY

Schedule 16

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2007

Grantor Pass-Through Grantor Program Title	CFDA #	Current Year Expenditures	Notes
DEPARTMENT OF JUSTICE			
PASSED THRU Department of Social & Health Services			
Juvenile Accountability Block Grant (JABG)	16.523	$10,898	
Juvenile Accountability Block Grant (JABG)	16.523	$9,808	
TOTAL CFDA NUMBER		**$20,706**	
PASSED THRU Community Trade & Economic Development			
Paul Coverdell Forensic Sciences Grant	16.560	$1,956	
PASSED THRU Community Trade & Economic Development			
Crime Victim Assistance (VOCA)	16.575	$45,082	Note 2
Crime Victim Assistance (VOCA)	16.575	$177,516	Note 2
TOTAL CFDA NUMBER		**$222,598**	
PASSED THRU Community Trade & Economic Development			
Violence Against Women Formula Grants (STOP)	16.588	$7,583	Note 2
Violence Against Women Formula Grants (STOP)	16.588	$3,050	Note 2
Violence Against Women Formula Grant	16.588	$12,616	Note 2/4
TOTAL CFDA NUMBER		**$23,249**	
PASSED THRU Community Trade & Economic Development			
Residential Substance Abuse Treatment	16.593	$24,996	
Residential Substance Abuse Treatment-St Prison	16.593	$49,536	Note 2
TOTAL CFDA NUMBER		**$74,532**	
PASSED THRU Direct			
Community Capacity Development (Weed/Seed)	16.595	$26,913	
Community Capacity Development (Weed/Seed)	16.595	$49,437	
TOTAL CFDA NUMBER		**$76,350**	
PASSED THRU DIRECT			
Criminal Alien Assitance (SCAPP)	16.606	$130,979	
PASSED THRU Office of Justice Programs			
State Criminal Alien Assistance Program	16.606	$74,672	
TOTAL CFDA NUMBER		**$205,651**	
PASSED THRU DIRECT			
Bulletproof Vest Partnership Program	16.607	$5,244	Note 4
PASSED THRU Association of Sheriff's & Police Chiefs			
Public Safety Partnership & Community Policing	16.710	$22,433	
PASSED THRU Community Trade & Economic Development			
Edward Byrne Justice Assistance Grant	16.738	$32,841	
Edward Byrne Justice Assistance Grant	16.738	$30,644	
PASSED THRU DIRECT			
Edward Byrne Memorial Justice Assistance Grant	16.738	$16,103	Note 4
TOTAL CFDA NUMBER		**$79,588**	

The Accompanying Notes To The Schedule Of Expenditures Of Federal Awards Are An Integral Part Of This Schedule.

MCAG NO. 0170

THURSTON COUNTY

Schedule 16

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2007

Grantor Pass-Through Grantor Program Title	CFDA #	Current Year Expenditures	Notes
TOTAL FOR DEPARTMENT OF JUSTICE		***$732,307***	
DEPARTMENT OF LABOR			
PASSED THRU Employment Security Department			
Employment Service/Wagner-Peyser Funded Activi	17.207	$37,054	
PASSED THRU Employment Security Department			
WIA Adult Programs	17.258	$613,150	
WIA Adult Programs	17.258	$520,542	
TOTAL CFDA NUMBER		**$1,133,692**	
PASSED THRU Employment Security Department			
WIA Youth Programs	17.259	$632,033	
WIA Youth Programs	17.259	$750,506	
WIA Youth Programs Community Youth Review Te	17.259	$6,544	
TOTAL CFDA NUMBER		**$1,389,083**	
PASSED THRU Employment Security Department			
WIA Dislocated Worker RRAA Weyco Simpson	17.260	$2,775	
WIA Dislocated Worker 2008	17.260	$715,374	
WIA Dislocated Worker 2007	17.260	$629,606	
WIA Dislocated Worker RRAA Pulp Mill Plus	17.260	$492,643	
WIA Dislocated Worker RRAA	17.260	$114,735	
WIA Dilocated Worker RRAA Weyco Simpson Con	17.260	$196,680	
WIA Dislocated Worker RRAA Qualex Closures	17.260	$3,566	
WIA Dislocated Worker ES Re-Emp SPT	17.260	$5,984	
WIA Dislocated Worker RRAA Transalta	17.260	$791,025	
TOTAL CFDA NUMBER		**$2,952,388**	
PASSED THRU Employment Security Department			
H-1B Job Training Grants	17.268	$25,737	
PASSED THRU DIRECT			
Homeless Verterans Reintegration Project	17.805	$267	
Homeless Verterans Reintegration Project	17.805	$9,842	
TOTAL CFDA NUMBER		**$10,109**	
TOTAL FOR DEPARTMENT OF LABOR		***$5,548,064***	
DEPARTMENT OF THE INTERIOR			
PASSED THRU Department of Fish & Wildlife			
Partners for Fish & Wildlife	15.631	$15,000	Note 2
PASSED THRU Archeology & Historic Preservation			
Historic Preservation Fund	15.904	$13,335	

The Accompanying Notes To The Schedule Of Expenditures Of Federal Awards Are An Integral Part Of This Schedule.

MCAG NO. 0170

THURSTON COUNTY

Schedule 16

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2007

Grantor Pass-Through Grantor Program Title	CFDA #	Current Year Expenditures	Notes
PASSED THRU Department of Fish & Wildlife			
USFWS National Fish Passage Program	15.FFB	$35,591	Note 5
TOTAL FOR DEPARTMENT OF THE INTERIOR		***$63,926***	
Housing & Urban Development			
PASSED THRU Community Trade & Economic Development			
Community Development Block Grant-Devoe	14.228	$563,082	
Community Development Block Grant-Rehabilitatio	14.228	$124,010	
Community Development Block Grant-Mud Bay	14.228	$21,825	
Community Development Block Grant-Public Servi	14.228	$119,894	
TOTAL CFDA NUMBER		**$828,811**	
PASSED THRU DIRECT			
HOME 2007 Investment Partnerships Program	14.239	$183,865	
HOME 2005 Investment Partnerships Program	14.239	$169,941	
HOME 2003 Investment Partnerships Program	14.239	$58,127	
HOME 2006 Investment Partnerships Program	14.239	$533,572	
HOME 2004 Investment Partnerships Program	14.239	$211,661	
TOTAL CFDA NUMBER		**$1,157,165**	
TOTAL FOR Housing & Urban Development		***$1,985,975***	
DEPARTMENT OF TRANSPORTATION			
PASSED THRU Association of Sheriff's & Police Chiefs			
State & Community Highway Safety	20.600	$927	Note 4
TOTAL FOR DEPARTMENT OF TRANSPORTATION		***$927***	
HIGHWAY ADMINISTRATION			
PASSED THRU Department of Transportation			
Highway, Planning & Construction	20.205	$4,992	
Highway, Planning & Construction	20.205	$1,200,000	
Highway, Planning & Construction	20.205	$209,249	
Highway, Planning & Construction	20.205	$465,437	
Highway, Planning & Construction	20.205	$2,439	
Highway, Planning & Construction	20.205	$7,902	
Highway, Planning & Construction	20.205	$48,117	
Highway, Planning & Construction	20.205	$354,520	
Highway, Planning & Construction	20.205	$83,552	
Highway, Planning & Construction	20.205	$16,087	
Highway, Planning & Construction	20.205	$130,416	

The Accompanying Notes To The Schedule Of Expenditures Of Federal Awards Are An Integral Part Of This Schedule.

MCAG NO. 0170

THURSTON COUNTY

Schedule 16

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2007

Grantor Pass-Through Grantor Program Title	CFDA #	Current Year Expenditures	Notes
Highway, Planning & Construction	20.205	$17,480	
TOTAL CFDA NUMBER		**$2,540,189**	
TOTAL FOR HIGHWAY ADMINISTRATION		***$2,540,189***	
Nat'l Highway Safety Administration			
PASSED THRU Traffic Safety Commission			
In Car Video Camera System	20.604	$9,400	Note 4/5
TOTAL FOR Nat'l Highway Safety Administration		***$9,400***	
ENVIRONMENTAL PROTECTION AGENCY			
PASSED THRU Department of Health			
Capitalization Grants for Drinking Water State Rev	66.468	$12,250	
PASSED THRU Public Works Board			
Capitalization Grant for Drinking Water	66.468	$10,607	
TOTAL CFDA NUMBER		**$22,857**	
PASSED THRU Department of Health			
Beach Monitoring & Notification Program	66.472	$2,910	
TOTAL FOR ENVIRONMENTAL PROTECTION AGENCY		***$25,767***	
DEPARTMENT OF EDUCATION			
PASSED THRU Employment Security Department			
Vocational Ed Basic Grants to States-Perkins	84.048	$37,851	
PASSED THRU North Thurston Public Schools			
Safe & Drug Fee Schools & Communities	84.184	$28,452	
Safe/Drug Free Schools & Communities	84.184	$104,250	Note 4
TOTAL CFDA NUMBER		**$132,702**	
PASSED THRU North Thurston Public Schools			
Safe & Drug Fee Schools & Communities	84.184	$388,416	Note 4
TOTAL FOR DEPARTMENT OF EDUCATION		***$558,969***	
Department of Health & Human Services			
PASSED THRU Department of Social & Health Services			
Advancing System Improv to Support Healthy Peo	93.088	$6,975	Note 5
PASSED THRU Department of Social & Health Services			
Projects for Assist in Transition fr Homelessness	93.150	$45,772	

The Accompanying Notes To The Schedule Of Expenditures Of Federal Awards Are An Integral Part Of This Schedule.

MCAG NO. 0170

THURSTON COUNTY

Schedule 16

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2007

Grantor Pass-Through Grantor Program Title	CFDA #	Current Year Expenditures	Notes
PASSED THRU Department of Health			
Family Planning Services	93.217	$251,952	
PASSED THRU Department of Social & Health Services			
Substance Abuse & Mental Health Services Project	93.243	$317,012	
PASSED THRU Department of Health			
Immunization Grants	93.268	$58,301	
Immunization Grants	93.268	$107,813	Note 3
TOTAL CFDA NUMBER		**$166,114**	
PASSED THRU Department of Health			
Centers for Disease Control/Prevention-STEPS	93.283	$496,705	
Centers for Disease Control/Prevention-Bioterroism	93.283	$487,011	
TOTAL CFDA NUMBER		**$983,716**	
PASSED THRU Department of Social & Health Services			
Child Support Enforcement	93.563	$270,514	Note 4
Child Support Enforcement	93.563	$530,167	
Child Support Enforcement-Title IV	93.563	$96,626	
TOTAL CFDA NUMBER		**$897,307**	
PASSED THRU Department of Health			
Child Care & Development Block Grant	93.575	$30,447	
PASSED THRU United Way			
Early Learning Fund	93.577	$21,500	
PASSED THRU Wa Council Prevention of Child Abuse			
Community Based Child Abuse Prevention	93.590	$27,620	
PASSED THRU Department of Social & Health Services			
Medical Assistance Program	93.778	$595,441	
PASSED THRU Department of Health			
Nat'l Bioterroism Hospital Preparedness	93.889	$78,724	
PASSED THRU Department of Health			
HIV Care Fomula Grants	93.917	$114,564	
PASSED THRU Clark County			
HIV Prevention Activities	93.940	$63,225	

The Accompanying Notes To The Schedule Of Expenditures Of Federal Awards Are An Integral Part Of This Schedule.

MCAG NO. 0170

THURSTON COUNTY

Schedule 16

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2007

Grantor Pass-Through Grantor Program Title	CFDA #	Current Year Expenditures	Notes
PASSED THRU Department of Social & Health Services			
Block Grants for Community Mental Health Service	93.958	$162,892	
PASSED THRU Department of Social & Health Services			
Block Grants for Preven/ Treatment of Subst Abus	93.959	$602,964	
PASSED THRU Department of Health			
Preventative Health & Health Services Block Grant	93.991	$16,700	
PASSED THRU Department of Health			
Maternal & Child Health	93.994	$136,082	
TOTAL FOR Department of Health & Human Services		***$4,519,007***	
DEPARTMENT OF HOMELAND SECURITY			
PASSED THRU Washington State Military			
State Domestic Preparedness Equipment Program	97.004	$25,320	
PASSED THRU Washington State Military			
Public Assistance-December 2006 Storm	97.036	$37,080	
Public Assistance-December 2006 Storm	97.036	$734	
Public Assistance-December 2006 Storm	97.036	$2,200	
Public Assistance-December 2006 Storm	97.036	$836	
Public Assistance-December 2006 Storm	97.036	$1,716	
Public Assistance-December 2006 Storm	97.036	$1,848	
Public Assistance-December 2006 Storm	97.036	$6,498	
TOTAL CFDA NUMBER		**$50,912**	
PASSED THRU Washington State Military			
Emergency Management Performance Grants	97.042	$69,519	
PASSED THRU Washington State Military			
Citizen Corps	97.053	$4,857	
Citizen Corps	97.053	$8,612	
TOTAL CFDA NUMBER		**$13,469**	
PASSED THRU Washington State Military			
Homeland Security Grant Program	97.067	$270,108	
Homeland Security Grant Program	97.067	$208,928	
Homeland Security Grant Program	97.067	$80,628	
TOTAL CFDA NUMBER		**$559,664**	
PASSED THRU Washington State Military			
Commercial Equipment Direct Assistance	97.074	$49,950	Note 3/4
Law Enforcement Terrorism Prevention Program	97.074	$80,034	

The Accompanying Notes To The Schedule Of Expenditures Of Federal Awards Are An Integral Part Of This Schedule.

MCAG NO. 0170

THURSTON COUNTY

Schedule 16

Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2007

Grantor Pass-Through Grantor Program Title	CFDA #	Current Year Expenditures	Notes
TOTAL CFDA NUMBER		**$129,984**	
TOTAL FOR DEPARTMENT OF HOMELAND SECURITY		***$848,868***	
DEPARTMENT OF LABOR			
PASSED THRU Community Trade & Economic Development			
Temporary Assistance for Needy Families 06	93.558	$35,185	
Temporary Assistance/Needy Families/Comm Job	93.558	$313,414	
Temporary Assistance for Needy Families 07	93.558	$104,904	
Temporary Assistance/Needy Families/Comm Job	93.558	$270,866	
TOTAL CFDA NUMBER		**$724,369**	
TOTAL FOR DEPARTMENT OF LABOR		***$724,369***	
GENERAL SERVICES ADMINISTRATION			
PASSED THRU Office of the Secretary of State			
HAVA Requirements Payments	90.401	$3,849	
HAVA Requirements Payments	90.401	$248,228	
TOTAL CFDA NUMBER		**$252,077**	
TOTAL FOR GENERAL SERVICES ADMINISTRATION		***$252,077***	
TOTAL FEDERAL ASSISTANCE		***$18,426,024***	

The Accompanying Notes To The Schedule Of Expenditures Of Federal Awards Are An Integral Part Of This Schedule.

MCAG NO. 0170

THURSTON COUNTY

Schedule 16

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2007

Grantor Program Title	Current Year Expenditures	Notes
ADMIN OFFICE OF THE COURTS		
Court Appointed Special Advocate	$13,703	
Court Appointed Special Advocate	$55,579	
TOTAL FOR ADMIN OFFICE OF THE COURTS	***$69,282***	
Community Trade & Economic Development		
Weed & Seed-Rochester	$107,617	
Re-Employment Support	$21,395	
Re-Employment Support	$33,931	
Long Lake Nutrient Reduction	$83,589	
Growth Management Competitive Grant	$3,500	Note 2
TOTAL FOR Community Trade & Economic Development	***$250,032***	
COUNTY ROAD ADMINISTRATION BOARD		
County Arterial Preservation Program	$438,509	Note 4
Rural Arterial Program-Hawks Prairie Rd	$598,013	
Rural Arterial Program-Skookumchuck Rd	$68,737	
Rural Arterial Program-Rich Road Curve	$27,312	
TOTAL FOR COUNTY ROAD ADMINISTRATION BOARD	***$1,132,570***	
DEPARTMENT OF AGRICULTURE		
Chehalis River Egeria Densa Control	$31,561	Note 2
TOTAL FOR DEPARTMENT OF AGRICULTURE	***$31,561***	
DEPARTMENT OF ECOLOGY		
Black Lake Eurasian Watermilfoil Control	$4,849	Note 2
Coordinated Prevention-Off Cycle	$44,084	
Woodland Creek TMDL	$130,747	
OnSite Assistance	$4,606	
Coordinated Prevention-Hazardouse Waste	$172,788	
Coordinated Prevention-Solid Waste	$60,825	
Site Hazard Assessment	$98,496	
Well Delegation	$34,300	
Deschutes River/Budd Inlet TMDL	$7,539	
Local Toxics Control Account	$40,540	
Local Toxics Control Account	$117,924	
Litter Program	$17,363	
Litter Program	$16,203	
FCAAP Highground Water Mapping	$4,161	

The Accompanying Notes To The Schedule Of Expenditures Of State And Local Awards Are An Integral Part Of This Schedule.

MCAG NO. 0170

THURSTON COUNTY

Schedule 16

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2007

Grantor Program Title	Current Year Expenditures	Notes
FCAAP Yelm/Thompson Creek Grant	$13,968	
Comp Shoreline Master Program Update	$31,790	
TOTAL FOR DEPARTMENT OF ECOLOGY	***$800,181***	
DEPARTMENT OF HEALTH		
EMS & Trauma Grant	$6,000	
EMS & Trauma Grant	$6,000	
Oral Health	$41,234	
Vaccine in Lieu of Cash	$46,206	Note 3
Youth Tobacco	$16,134	
Family Planning	$107,100	
Safe Drinking Water (Group B)	$17,560	
Recreational Shellfish	$937	
Electronic Death Registration System	$42,125	
Fish Advisory	$14,369	
Pandemic Flu	$39,458	
OSS Planning & Database	$39,048	
Local Capacity Fund	$272,328	
TOTAL FOR DEPARTMENT OF HEALTH	***$648,500***	
Department of Social & Health Services		
Community Juvenile Accountability Act	$69,123	
Chemical Dependency Disposition Alternative	$39,239	
Special Sex Offender Disposition Alternative	$80,312	
Diagnostic Bed Days	$14,868	
Consolidate Juvenile Services-At Risk	$116,826	
Chemical Dependency Disposition Alternative	$38,610	
Community Juvenile Accountability Act	$70,140	
Special Sex Offender Disposition Alternative	$75,728	
Juvenile Rehabilitation Administration HB3900	$51,375	
Juvenile Rehabilitation Administration HB3900	$52,995	
Child Support Enforcement Program	$249,696	
Consolidate Juvenile Services-At Risk	$111,350	
Diagnostic Bed Days	$14,514	
IVD Child Support	$48,849	
Access & Visitation Grant	$22,340	
Workfirst Soft Skills	$131	
Workfirst Soft Skills	$21,679	
Workfirst Offender Services	$17,039	
RSN Expanded Community Services	$75,024	
DCFS	$30,000	
RSN Consolidated Integrated	$5,171,199	
RSN Jail Proviso	$203,272	
PACT	$449,586	

The Accompanying Notes To The Schedule Of Expenditures Of State And Local Awards Are An Integral Part Of This Schedule.

MCAG NO. 0170

THURSTON COUNTY

Schedule 16

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2007

Grantor Program Title	Current Year Expenditures	Notes
PALS	$244,822	
Chemical Dependency State Grant in Aid	$2,441,221	
RSN Evidence Based Prevention	$253,891	
Developmental Disabilities	$3,066,966	
DMH Crisis Stabilization	$79,161	
CPS Public Health Nurse	$48,286	
Family Policy Council Network	$75,757	
TOTAL FOR Department of Social & Health Services	***$13,233,999***	
EMPLOYMENT SECURITY DEPARTMENT		
Offender Services	$24,120	
Offender Services	$25,619	
TOTAL FOR EMPLOYMENT SECURITY DEPARTMENT	***$49,739***	
HIGHER EDUCATION COORDINATING BOARD		
Work Study Program	$9,031	Note 4
TOTAL FOR HIGHER EDUCATION COORDINATING BOARD	***$9,031***	
OFFICE OF THE ADMINISTRATOR FOR THE COURTS		
Becca Bill	$208,185	
Becca Bill	$130,916	
TOTAL FOR OFFICE OF THE ADMINISTRATOR FOR THE COURTS	***$339,101***	
PUGET SOUND ACTION TEAM		
PSAT Watershed Characterization	$14,804	
TOTAL FOR PUGET SOUND ACTION TEAM	***$14,804***	
STATE TREASURER		
Reimburse 1/2 Prosecuting Attorney's Salary	$61,506	
TOTAL FOR STATE TREASURER	***$61,506***	
TRANSPORTATION IMPROVEMENT BOARD		
Duterrow Road	$173,404	
Yelm Hwy/Henderson to Rich Road	$106,360	
TOTAL FOR TRANSPORTATION IMPROVEMENT BOARD	***$279,764***	
WASHINGTON STATE MILITARY		
Public Assistance-December 2006 Storm	$6,180	

The Accompanying Notes To The Schedule Of Expenditures Of State And Local Awards Are An Integral Part Of This Schedule.

MCAG NO. 0170

THURSTON COUNTY

Schedule 16

Schedule of Expenditures of State Awards

For the Year Ended December 31, 2007

Grantor Program Title	Current Year Expenditures	Notes
Emergency Mnmgt Preparedness Assist	$64,577	
Public Assistance-December 2006 Storm	$124	
Public Assistance-December 2006 Storm	$367	
Public Assistance-December 2006 Storm	$139	
Public Assistance-December 2006 Storm	$286	
Public Assistance-December 2006 Storm	$308	
Public Assistance-December 2006 Storm	$1,083	
TOTAL FOR WASHINGTON STATE MILITARY	***$73,064***	
TOTAL STATE ASSISTANCE	***$16,993,132***	

The Accompanying Notes To The Schedule Of Expenditures Of State And Local Awards Are An Integral Part Of This Schedule.

MCAG NO. 0170 **Schedule 16**

THURSTON COUNTY
Notes to the Schedule of Expenditures of Federal, State, and Local Awards For the Year Ended December 31, 2007

NOTE 1 – BASIS OF ACCOUNTING
The Schedule of Financial Assistance is prepared on the same basis of accounting as Thurston County's financial statements. Thurston County uses the accrual basis of accounting for all funds except the government types and agency funds, which use the modified accrual basis of accounting.

NOTE 2 – PROGRAM COSTS
The amounts shown as current year expenditures represent only the federal and state portion of the costs. Actual program costs, including Thurston County's portion may be more than shown.

NOTE 3 – NONCASH AWARDS
The amount of vaccines reported on this schedule is the value of vaccines distributed by the County during the current year and priced as prescribed by the Washington State Department of Health.

The amount of food commodities reported on this schedule is the value of the commodities distributed by the County during the current year and priced as prescribed by the Washington State Superintendent of Public Instruction.

NOTE 4 – NOT AVAILABLE (N/A)
The County was unable to obtain other identification numbers.

NOTE 5 – CFDA NUMBER
Per contractual agreement for Northwest HIDTA Drug Court Development Initiative, ONDCP does not use CFDA numbers.

Per contractual agreement for Domestic Highway Interdiction Program and Domestic Cannabis Eradication Program, Washington State Patrol does not use CFDA numbers.

In addition, the Department of Justice does not use a CFDA number for Military Forest Yield payments. The CFDA number for the restoration of Lackamas Creek was given to us by Fish & Wildlife.

CFDA number 20.604 was discontinued after October 1, 2006. There is a memo on file requesting us to use this CFDA number.

Brenda Donaldson at Health & Human Services wants to use CFDA #93.088 for the Advancing System Improvements to Support Healthy People grant. The CFDA number could not be found on the CFDA website.

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Statistical Section

The Thurston County Comprehensive Annual Financial Report includes statistical information to show the government's overall financial health.

Financial Trends
Schedules 1-4 explain the County's financial management and health.

Revenue Capacity
Schedules 5-9 illustrate the County's largest revenue source, property tax.

Debt Capacity
Schedules 10-13 contain information on the County's current level of outstanding debt and ability to issue debt in the future. Thurston County does not issue pledged revenue debt.

Demographic and Economic Information
Schedules 14-15 show the economic and demographic environment of Thurston County.

Operating Information
Schedules 16-18 incorporates services the County provides and capital asset and infrastructure information.

Sources: Previous comprehensive and annual financial reports, budget workload indicators, and as noted on schedules.

Entity wide information is presented for all years that entity wide information is available, which starts in 2002.

Net Assets By Category
Last Six Years
Schedule 1
Page 1 of 2

	2002	2003	2004
Governmental Activities:			
Cash & Investments	$ 84,610,949	$ 93,673,570	$ 105,514,535
Other Current Assets	11,285,937	12,642,251	19,424,002
Capital Assets, Net	376,486,824	373,383,270	386,943,155
Other Long Term Assets	532,683	945,064	-
Total Assets	472,916,393	480,644,155	511,881,692
Current Liabilities	6,377,753	7,354,687	6,362,825
Long-Term Bonds & Contracts Payable	34,640,299	32,003,840	42,726,487
Other Long Term Liabilities	8,435,584	8,293,886	8,986,237
Total Liabilities	49,453,636	47,652,413	58,075,549
Investment in Capital Assets, Net of Related Debt	341,688,727	339,570,786	352,042,233
Restricted Net Assets	64,048,027	70,692,383	87,351,122
Unrestricted	17,726,003	22,728,573	14,412,788
Total Net Assets	423,462,757	432,991,742	453,806,143
Proprietary Activities:			
Cash & Investments	31,623,332	31,045,389	29,977,255
Other Current Assets	1,864,467	1,183,146	1,857,185
Capital Assets, Net	29,709,110	33,011,819	32,637,114
Other Long Term Assets	5,362,804	6,696,067	6,383,858
Total Assets	68,559,713	71,936,421	70,855,412
Current Liabilities	1,263,543	1,443,735	1,502,795
Long-Term Bonds & Contracts Payable	14,322,437	14,792,455	14,310,746
Accumulated Landfill Closure Costs	22,873,108	22,254,500	21,623,779
Other Long Term Liabilities	228,840	365,000	30,000
Total Liabilities	38,687,928	38,855,690	37,467,320
Investment in Capital Assets, Net of Related Debt	11,319,538	13,409,717	12,408,331
Restricted Net Assets	(1,447,653)	18,694,153	4,936,086
Unrestricted	19,999,900	976,861	16,043,675
Total Net Assets	29,871,785	33,080,731	33,388,092
Total Primary Government:			
Investment in Capital Assets, Net of Related Debt	353,008,265	352,980,503	364,450,564
Restricted Net Assets	62,600,374	89,386,536	92,287,208
Unrestricted	37,725,903	23,705,434	30,456,463
Total Net Assets	$ 453,334,542	$ 466,072,473	$ 487,194,235

Net Assets By Category
Last Six Years
Schedule 1
Page 2 of 2

	2005	2006	2007
Governmental Activities:			
Cash & Investments	$ 111,407,011	$ 120,835,588	$ 127,457,636
Other Current Assets	21,278,419	25,354,832	27,096,769
Capital Assets, Net	391,980,904	395,970,372	399,590,425
Other Long Term Assets	510,071	510,071	466,603
Total Assets	525,176,405	542,670,863	554,611,433
Current Liabilities	9,290,631	13,300,272	14,735,664
Long-Term Bonds & Contracts Payable	41,218,504	37,757,234	40,707,878
Other Long Term Liabilities	9,481,706	9,801,998	7,624,872
Total Liabilities	59,990,841	60,859,504	63,068,414
Investment in Capital Assets, Net of Related Debt	351,892,755	351,868,678	355,096,136
Restricted Net Assets	93,610,956	111,379,265	107,897,449
Unrestricted	19,681,853	18,563,416	28,549,434
Total Net Assets	465,185,564	481,811,359	491,543,019
Proprietary Activities:			
Cash & Investments	28,854,394	10,756,142	27,905,840
Other Current Assets	3,025,968	2,949,835	2,481,451
Capital Assets, Net	33,538,899	51,871,335	33,695,040
Other Long Term Assets	5,847,858	5,060,823	4,349,047
Total Assets	71,267,119	70,638,135	68,431,378
Current Liabilities	1,695,605	2,008,690	2,294,776
Long-Term Bonds & Contracts Payable	13,671,996	12,876,483	11,896,169
Accumulated Landfill Closure Costs	21,157,351	20,708,258	20,091,050
Other Long Term Liabilities	30,000	38,300	211,657
Total Liabilities	36,554,952	35,631,731	34,493,652
Investment in Capital Assets, Net of Related Debt	19,788,003	20,358,678	21,723,075
Restricted Net Assets	4,860,017	5,643,212	5,361,448
Unrestricted	10,064,147	9,004,514	6,853,203
Total Net Assets	34,712,167	35,006,404	33,937,726
Total Primary Government:			
Investment in Capital Assets, Net of Related Debt	371,680,758	372,227,356	376,819,211
Restricted Net Assets	98,470,973	117,022,477	113,258,897
Unrestricted	29,746,000	27,567,930	35,402,637
Total Net Assets	$ 499,897,731	$ 516,817,763	$ 525,480,745

Changes in Net Assets
Last Six Years
Schedule 2
Page 1 of 4

	2002	2003	2004
Governmental Activities:			
Expenses (Net of Indirect Expenses):			
General Government	$ 8,872,772	$ 7,729,613	$ 9,012,729
Culture & Recreation	2,444,790	2,012,956	2,415,435
Economic Environment	13,161,330	14,107,884	14,645,370
Health & Human Services	26,205,973	30,867,847	32,846,130
Public Safety	50,057,524	45,304,472	49,584,500
Transportation	23,163,128	25,125,598	20,166,417
Utilities & Environment	1,388,082	1,382,660	1,550,457
Interest and Fiscal Charges	1,607,743	1,561,608	1,546,419
Total Expenses	126,901,342	128,092,638	131,767,457
Program Revenues:			
Charges for Services:			
General Government	2,286,978	2,955,977	2,865,239
Culture & Recreation	773,151	684,795	1,845,362
Economic Environment	5,585,660	6,395,917	6,667,587
Health & Human Services	1,100,244	1,165,833	1,109,076
Public Safety	4,972,102	5,240,296	5,266,824
Transportation	571,529	828,163	502,452
Utilities & Environment	627,697	481,929	462,880
Operating Grants & Contributions	34,167,007	35,957,385	36,780,251
Capital Grants	2,614,344	2,836,121	3,828,515
Total Program Revenues	52,698,712	56,546,416	59,328,186
Total Net Expense	(74,202,630)	(71,546,222)	(72,439,271)
General Revenues & Other Items:			
Taxes	77,286,257	81,141,816	82,263,513
Other General Revenues	4,177,370	2,923,716	2,874,783
Special Items, Transfers & Adjustments	726,710	(2,990,325)	8,115,376
Total General Revenues & Other Items	82,190,337	81,075,207	93,253,672
Change in Net Assets	$ 7,987,707	$ 9,528,985	$ 20,814,401

Changes in Net Assets
Last Six Years
Schedule 2
Page 2 of 4

	2005	2006	2007
Governmental Activities:			
Expenses (Net of Indirect Expenses):			
General Government	$ 9,110,756	$ 9,906,700	$ 9,729,554
Culture & Recreation	2,764,226	3,032,683	5,848,770
Economic Environment	12,209,087	14,204,195	10,968,763
Health & Human Services	38,095,014	43,346,401	45,933,859
Public Safety	51,031,012	55,514,228	64,826,213
Transportation	21,187,304	22,354,754	25,223,760
Utilities & Environment	1,328,754	1,593,881	1,636,119
Interest and Fiscal Charges	1,895,531	1,826,956	1,911,474
Total Expenses	137,621,684	151,779,798	166,078,512
Program Revenues:			
Charges for Services:			
General Government	2,672,466	2,714,911	2,465,701
Culture & Recreation	771,723	983,184	1,119,202
Economic Environment	6,409,085	6,507,519	2,443,618
Health & Human Services	799,739	2,156,834	2,503,671
Public Safety	6,935,860	6,750,616	8,262,962
Transportation	558,677	1,050,167	1,685,740
Utilities & Environment	493,028	584,671	763,846
Operating Grants & Contributions	35,888,390	39,764,951	43,981,345
Capital Grants	4,327,526	5,815,999	5,967,081
Total Program Revenues	58,856,494	66,328,852	69,193,166
Total Net Expense	(78,765,190)	(85,450,946)	(96,885,346)
General Revenues & Other Items:			
Taxes	88,684,559	91,775,978	101,151,580
Other General Revenues	4,392,286	7,497,710	7,418,406
Special Items, Transfers & Adjustments	(2,932,234)	2,803,053	(1,952,980)
Total General Revenues & Other Items	90,144,611	102,076,741	106,617,006
Change in Net Assets	$ 11,379,421	$ 16,625,795	$ 9,731,660

Changes in Net Assets
Last Six Years
Schedule 2
Page 3 of 4

Proprietary Activities:	**2002**	**2003**	**2004**
Expenses (Net of Indirect Expenses):			
Solid Waste	$ 13,307,547	$ 13,368,506	$ 13,343,861
Grand Mound	1,169,620	1,291,520	1,242,287
Other	2,003,277	1,906,017	2,043,037
Total Expenses	16,480,444	16,566,043	16,629,185
Program Revenues:			
Charges for Services:			
Solid Waste	12,183,445	13,033,858	13,317,893
Grand Mound	166,749	181,673	229,321
Other	1,740,622	1,638,640	296,563
Operating Grants & Contributions	323,438	114,927	186,400
Capital Grants	199,428	1,606,132	7,606
Total Program Revenues	14,613,682	16,575,230	14,037,783
Total Net Expense	(1,866,762)	9,187	(2,591,402)
General Revenues & Other Items:			
Other General Revenues	1,764,591	1,395,773	2,615,422
Special Items, Transfers & Adjustments	(1,779,801)	1,803,986	283,341
Total General Revenues & Other Items	(15,210)	3,199,759	2,898,763
Change in Net Assets	(1,881,972)	3,208,946	307,361
Total Change In Net Assets	$ 6,105,735	$ 12,737,931	$ 21,121,762

Changes in Net Assets
Last Six Years
Schedule 2
Page 4 of 4

Proprietary Activities:	**2005**	**2006**	**2007**
Expenses (Net of Indirect Expenses):			
Solid Waste	$ 13,822,220	$ 16,150,450	$ 18,115,101
Grand Mound	1,243,500	1,311,225	1,352,425
Other	2,014,244	2,375,838	9,217,284
Total Expenses	17,079,964	19,837,513	28,684,810
Program Revenues:			
Charges for Services:			
Solid Waste	14,959,601	16,153,474	16,890,041
Grand Mound	255,728	258,526	341,512
Other	396,940	1,727,718	5,418,904
Operating Grants & Contributions	272,826	284,458	284,147
Capital Grants	326,469	977,843	217,312
Total Program Revenues	16,211,564	19,402,019	23,151,916
Total Net Expense	(868,400)	(435,494)	(5,532,894)
General Revenues & Other Items:			
Other General Revenues	2,379,852	942,755	1,774,783
Special Items, Transfers & Adjustments	(187,377)	(213,024)	2,689,433
Total General Revenues & Other Items	2,192,475	729,731	4,464,216
Change in Net Assets	1,324,075	294,237	(1,068,678)
Total Change In Net Assets	$ 12,703,496	$ 16,920,032	$ 8,662,982

Fund Balances, Governmental Funds
Last Six Years
Schedule 3
Page 1 of 2

	2002	2003	2004
Primary Government:			
Total Assets	$ 79,513,242	$ 87,998,637	$ 97,390,936
Total Liabilities	$ 11,126,413	$ 10,344,072	$ 9,471,379
Total Fund Balance	68,386,829	77,654,565	87,919,557
Total Liabilities & Fund Balance	$ 79,513,242	$ 87,998,637	$ 97,390,936
General Fund:			
Cash & Investments	$ 6,523,959	$ 7,560,201	$ 6,043,226
Other Current Assets	4,667,894	6,897,740	5,422,410
Assets	11,191,853	14,457,941	11,465,636
Current Liabilities	4,457,389	4,815,520	3,410,964
Liabilities	4,457,389	4,815,520	3,410,964
Reserved	-	365,000	-
Unreserved	6,734,464	9,277,421	8,054,672
Fund Balance	6,734,464	9,642,421	8,054,672
Liabilities & Fund Balance	$ 11,191,853	$ 14,457,941	$ 11,465,636
All Other Governmental Funds:			
Cash & Investments	$ 61,175,304	$ 68,096,660	$ 79,028,789
Other Current Assets	7,146,085	5,444,036	6,896,511
Assets	68,321,389	73,540,696	85,925,300
Current Liabilities	6,669,024	5,528,552	6,060,415
Liabilities	6,669,024	5,528,552	6,060,415
Reserved	3,823,680	38,464	36,048
Unreserved:			
Special Revenue Funds	49,568,468	55,802,115	67,675,417
Capital Projects Funds	8,260,217	12,171,565	12,153,420
Fund Balance	61,652,365	68,012,144	79,864,885
Liabilities & Fund Balance	$ 68,321,389	$ 73,540,696	$ 85,925,300

Fund Balances, Governmental Funds
Last Six Years
Schedule 3
Page 2 of 2

	2005	2006	2007
Primary Government:			
Total Assets	$ 103,874,460	$ 114,888,751	$ 122,027,853
Total Liabilities	$ 10,115,258	$ 13,417,423	$ 12,727,343
Total Fund Balance	93,759,202	101,471,328	109,300,510
Total Liabilities & Fund Balance	$ 103,874,460	$ 114,888,751	$ 122,027,853
General Fund:			
Cash & Investments	$ 6,794,584	$ 6,391,539	$ 3,953,958
Other Current Assets	5,693,656	5,757,256	6,538,296
Assets	12,488,240	12,148,795	10,492,254
Current Liabilities	3,452,496	3,721,879	3,986,402
Liabilities	3,452,496	3,721,879	3,986,402
Reserved	-	-	-
Unreserved	9,035,744	8,426,916	6,505,852
Fund Balance	9,035,744	8,426,916	6,505,852
Liabilities & Fund Balance	$ 12,488,240	$ 12,148,795	$ 10,492,254
All Other Governmental Funds:			
Cash & Investments	$ 83,049,838	$ 91,217,890	$ 98,912,442
Other Current Assets	8,336,382	11,522,066	12,623,157
Assets	91,386,220	102,739,956	111,535,599
Current Liabilities	6,662,762	9,695,544	8,740,941
Liabilities	6,662,762	9,695,544	8,740,941
Reserved	36,995	38,676	115,236
Unreserved:			
Special Revenue Funds	76,674,246	83,504,155	94,011,999
Capital Projects Funds	8,012,217	9,501,584	7,864,156
Fund Balance	84,723,458	93,044,412	102,794,658
Liabilities & Fund Balance	$ 91,386,220	$ 102,739,956	$ 111,535,599

Changes in Fund Balances, Governmental Funds
Last Six Years
Schedule 4
Page 1 of 2

	2002 *	2003 *	2004
Revenues			
Taxes	$ 63,876,390	$ 67,737,066	$ 73,029,562
Licenses & Permits	3,189,891	3,990,137	4,022,040
Intergovernmental	45,828,752	48,221,143	51,447,165
Charges for Services	10,893,062	12,590,822	12,262,767
Fines and Forfeits	1,797,063	2,030,943	2,014,437
Miscellaneous Revenues	4,762,656	3,594,660	3,623,637
Total Revenues	130,347,814	138,164,771	146,399,608
Expenditures			
General Government	12,526,820	12,048,816	12,334,046
Culture & Recreation	2,194,849	1,909,152	2,090,670
Economic Environment	12,440,678	13,928,626	14,011,780
Health & Human Services	30,215,637	30,987,117	31,977,912
Public Safety	41,390,917	42,968,676	46,354,376
Transportation	18,446,582	16,362,020	15,278,857
Utilities & Environment	1,362,896	1,390,703	1,531,650
Capital Outlay	11,127,093	9,780,600	19,824,822
Debt Service:			
Principal	10,503,163	1,762,244	1,686,668
Interest & Fiscal Charges	1,607,743	1,561,608	1,546,419
Total Expenditures	141,816,378	132,699,562	146,637,200
Excess of revenues over (under) expenditures	(11,468,564)	5,465,209	(237,592)
Other Financing Sources (Uses)			
Capital Lease Financing	103,291	20,219	79,334
Sale of Capital Assets	1,782,237	619,006	-
Proceeds on Debt Issuance	10,535,820	-	10,937,244
Proceeds of Refunding Long-Term Debt	-	-	-
Premium on Debt Issuance	-	-	-
Premium on Refunding Long-Term Debt	-	-	-
Payment on Bond Refunding	-	-	-
Loss on Bond Refunding	-	-	-
Transfers In	23,555,351	19,718,443	20,502,051
Transfers Out	(23,354,775)	(18,919,289)	(20,449,780)
Total Other Fin. Sources (Uses)	12,621,924	1,438,379	11,068,849
Net Changes In Fund Balances	$ 1,153,360	$ 6,903,588	$ 10,831,257
Debt Service as a percentage of noncapital expenditures	9.27%	2.70%	2.55%

* - Expenditures for general government, health & human services, and public safety in 2002 and 2003 were reclassified to reflect the classification and reporting of these expenditures in future reporting periods

Changes in Fund Balances, Governmental Funds
Last Six Years
Schedule 4
Page 2 of 2

	2005	2006	2007
Revenues			
Taxes	$ 79,956,010	$ 82,319,746	$ 91,113,992
Licenses & Permits	3,405,547	3,613,812	882,622
Intergovernmental	50,220,621	56,137,771	61,010,874
Charges for Services	13,101,887	14,426,571	14,368,811
Fines and Forfeits	1,685,795	1,946,891	1,848,169
Miscellaneous Revenues	5,357,754	11,360,431	7,926,158
Total Revenues	153,727,614	169,805,222	177,150,626
Expenditures			
General Government	11,087,069	12,458,313	13,205,568
Culture & Recreation	2,434,503	2,626,187	5,277,735
Economic Environment	12,214,885	13,994,510	10,915,507
Health & Human Services	37,928,487	42,970,710	45,177,946
Public Safety	50,382,437	54,521,751	62,016,426
Transportation	15,929,646	17,025,880	18,966,270
Utilities & Environment	1,683,928	1,669,964	1,618,652
Capital Outlay	15,966,881	12,766,428	12,434,621
Debt Service:			
Principal	2,030,687	2,338,226	3,062,950
Interest & Fiscal Charges	2,112,543	1,872,665	1,903,250
Total Expenditures	151,771,066	162,244,634	174,578,925
Excess of revenues over (under) expenditures	1,956,548	7,560,588	2,571,701
Other Financing Sources (Uses)			
Capital Lease Financing	56,583	118,934	227,453
Sale of Capital Assets	534,338	104,074	163,257
Proceeds on Debt Issuance	2,925,000	-	5,000,000
Proceeds of Refunding Long-Term Debt	15,700,000	-	-
Premium on Debt Issuance	-	-	19,195
Premium on Refunding Long-Term Debt	1,434,652	-	-
Payment on Bond Refunding	(16,175,000)	-	-
Loss on Bond Refunding	(688,552)	-	-
Transfers In	19,556,439	12,630,062	15,502,808
Transfers Out	(19,460,363)	(12,574,979)	(17,634,200)
Total Other Fin. Sources (Uses)	3,883,097	278,091	3,278,513
Net Changes In Fund Balances	$ 5,839,645	$ 7,838,679	$ 5,850,214
Debt Service as a percentage of noncapital expenditures	3.05%	2.82%	3.06%

Property Tax Revenue Base Information
Last Ten Years
By Year Assessed
Schedule 5

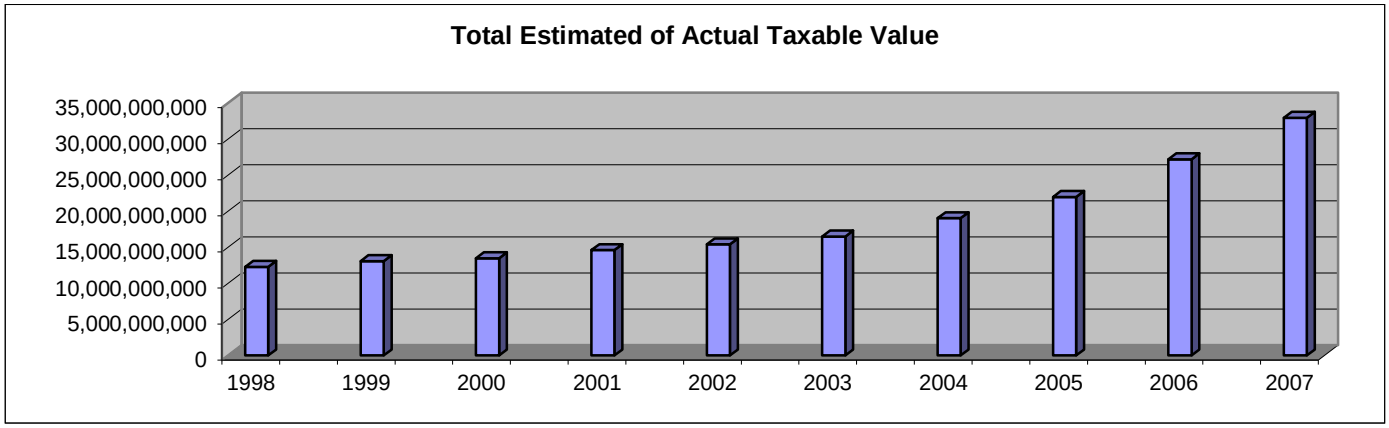
Fiscal Year Ended Dec 31st	Assessed Residential Property (1)	Assessed Commercial Property (1)	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Estimated of Actual Taxable Value (2)	Total Direct Tax Rate	Assessed Value as a Percentage of Actual Value
1998	N/A	N/A	$ 2,111,866,878	$ 11,133,308,564	$ 12,302,496,749	4.17	90.50%
1999	N/A	N/A	$ 2,148,209,883	$ 11,453,971,805	$ 13,106,370,921	4.41	87.39%
2000	N/A	N/A	$ 2,254,228,239	$ 12,207,783,715	$ 13,504,319,864	4.34	90.40%
2001	N/A	N/A	$ 2,309,771,757	$ 13,037,972,080	$ 14,616,393,055	4.23	89.20%
2002	$ 10,183,275,215	$ 6,366,517,152	$ 2,403,266,094	$ 14,146,526,273	$ 15,415,161,583	4.03	91.77%
2003	$ 10,851,974,250	$ 7,074,863,187	$ 2,575,544,952	$ 15,351,292,485	$ 16,512,221,448	3.90	92.97%
2004	$ 12,297,312,190	$ 8,050,599,808	$ 3,042,968,100	$ 17,304,943,898	$ 19,052,585,828	3.63	90.83%
2005	$ 14,422,424,035	$ 8,752,772,579	$ 3,244,396,063	$ 19,930,800,551	$ 22,008,389,994	3.31	90.56%
2006	$ 17,265,240,859	$ 9,772,280,875	$ 3,563,046,779	$ 23,474,474,955	$ 27,232,569,553	2.95	86.20%
2007	$ 21,528,272,211	$ 11,455,200,632	$ 4,174,077,569	$ 28,809,395,274	$ 32,983,472,843	2.52	87.34%

Source: Thurston County Assessor

Information provided is by year assessed. Taxes are collected in the following year.

(1) Breakdown of residential & commercial not available 1998-2001.

(2) Total Estimated of Actual Taxable Value is the taxable value before exemptions are removed.



Property Tax Construction Activity
Last Ten Years
Schedule 6

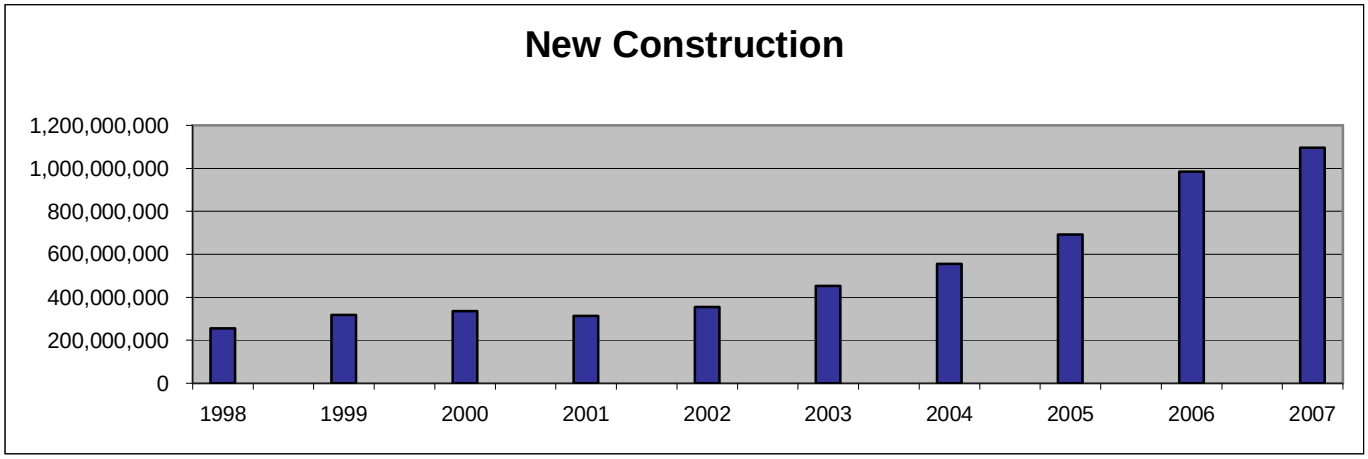
Fiscal Year	New Construction	Nontaxable Property (1)	Property Value		
			Commercial (2) (3)	Residential (3)	Total
1998	256,069,825	2,111,866,878	2,485,628,123	8,647,680,441	11,133,308,564
1999	317,639,763	2,148,209,883	2,630,789,495	8,823,182,310	11,453,971,805
2000	335,760,178	2,254,228,239	3,797,759,938	8,410,023,777	12,207,783,715
2001	313,835,627	2,309,771,757	4,139,967,270	8,898,004,810	13,037,972,080
2002	354,691,502	2,403,266,094	4,387,424,609	9,759,101,664	14,146,526,273
2003	452,479,167	2,575,544,952	4,751,551,360	10,599,741,125	15,351,292,485
2004	554,921,298	3,042,968,100	5,367,260,258	11,937,683,640	17,304,943,898
2005	692,144,235	3,244,396,063	5,939,585,269	13,991,215,282	19,930,800,551
2006	984,715,178	3,563,046,779	6,710,410,602	16,764,064,353	23,474,474,955
2007	1,096,626,062	4,174,077,569	7,922,555,081	20,886,840,193	28,809,395,274

Source: Thurston County Assessor

(1) Nontaxable property for 2003 adjusted.

(2) Commercial property value includes agriculture and forest.

(3) 2000 and 2001 commercial and residential property values are adjusted.



Revenue Rate Information
Property Tax Levy Rate - Direct & Overlapping
Last Ten Years
By Year Taxes Are Payable
Schedule 7

Fiscal Year	County Funds (1)	(2)	Total County Funds	Local School District	State of Washington	Fire District	Cemetery District	Port of Olympia	Cities & Towns	Timber-Land Library	Public Utility District	Totals (3) (4)
1998	1.74	2.36	4.10	4.94	3.44	1.73	0.09	0.22	3.36	0.47	0.00	18.35
1999	1.77	2.40	4.17	5.27	3.38	1.75	0.09	0.22	3.64	0.49	0.00	19.01
2000	1.80	2.61	4.41	5.60	3.38	1.76	0.05	0.29	3.72	0.50	0.02	19.73
2001	1.77	2.57	4.34	5.27	3.13	1.72	0.08	0.28	3.68	0.50	0.00	19.00
2002	1.72	2.51	4.23	5.16	3.03	1.72	0.09	0.28	3.53	0.49	0.00	18.53
2003	1.65	2.38	4.03	4.93	2.88	1.72	0.09	0.27	3.44	0.48	0.01	17.85
2004	1.59	2.31	3.90	5.01	2.78	1.59	0.08	0.25	3.29	0.47	0.01	17.38
2005	1.48	2.15	3.63	4.79	2.79	1.64	0.08	0.22	3.00	0.45	0.01	16.61
2006	1.35	1.96	3.31	4.39	2.55	1.53	0.07	0.21	2.77	0.43	0.01	15.27
2007	1.21	1.74	2.95	4.12	2.33	1.36	0.06	0.19	2.30	0.39	0.01	13.71

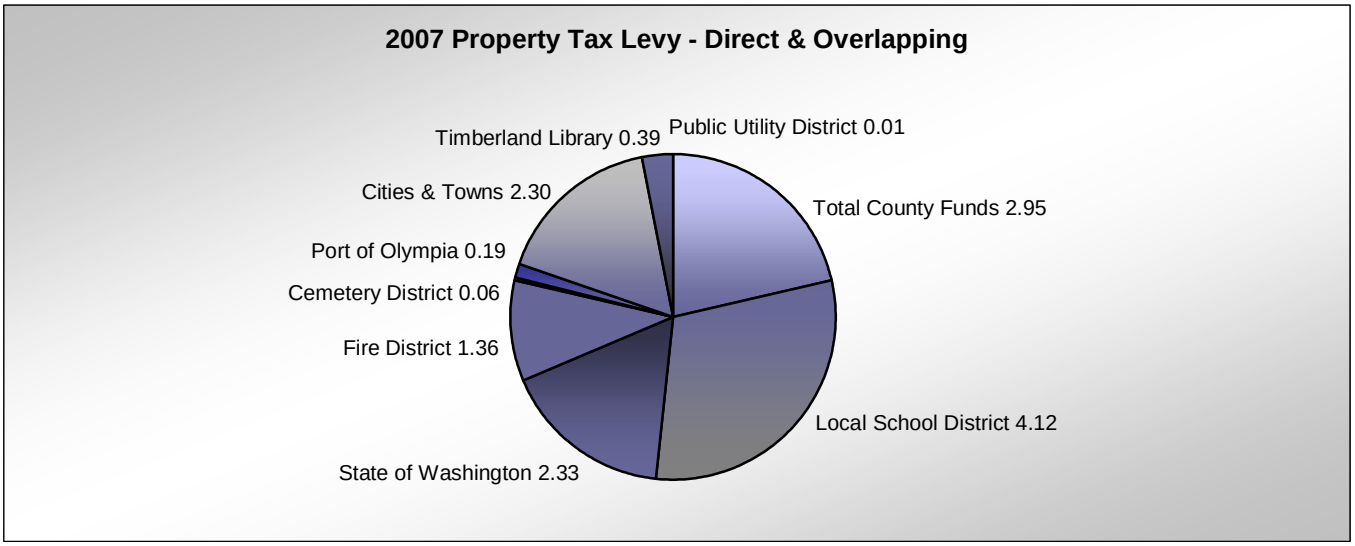
Source: Thurston County Assessor and Thurston County Treasurer

(1) Includes County General fund, Public Health, and Veterans levies.

(2) Includes County Road District, Medic One and Land Conservation Futures levies.

(3) Totals shown are greater than the levy possible on any one parcel (A city levy is not imposed on unincorporated parcels and likewise, County Road, Fire District and Cemetery Districts are not levied on incorporated parcels.) The table is based on a weighted average calculation using assessed value, levy rates, and total tax levied. The levy rate is weighted proportionately by the relative tax levy of each district.

(4) 2006 Rate information adjusted



Principal Tax Payers
2007
Schedule 8

	2007			1998		
TAXPAYER	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Vine Street Investors	$ 261,127,900	1	1.11%	$ 40,539,700	5	0.36%
Puget Sound Energy	164,974,092	2	0.70%	152,679,888	1	1.37%
Target Corporation	83,299,300	3	0.35%	-		0.00%
CDC Properties	67,871,350	4	0.29%	29,233,700	8	0.26%
Home Depot USA Inc	63,877,650	5	0.27%	-		0.00%
Capital Mall	62,224,500	6	0.27%	41,128,690	4	0.37%
Panorama City Inc	61,670,413	7	0.26%	44,548,450	3	0.40%
Qwest Corp	58,611,239	8	0.25%	66,351,163	2	0.60%
Kaufman Development	57,177,823	9	0.24%	25,259,456	9	0.23%
Walt Cox	47,702,731	10	0.20%	-		0.00%
Amcor PET Packaging USA Inc	-		0.00%	29,619,003	7	0.27%
Capital Development Co	-		0.00%	18,817,326	10	0.17%
Weyerhaeuser Co	-		0.00%	31,277,144	6	0.28%
Totals	$ 928,536,998		3.96%	$ 479,454,520		4.31%
Total County Assessed Value	**$ 23,474,474,955**			**$ 11,133,308,564**		

Source: Thurston County Treasurer

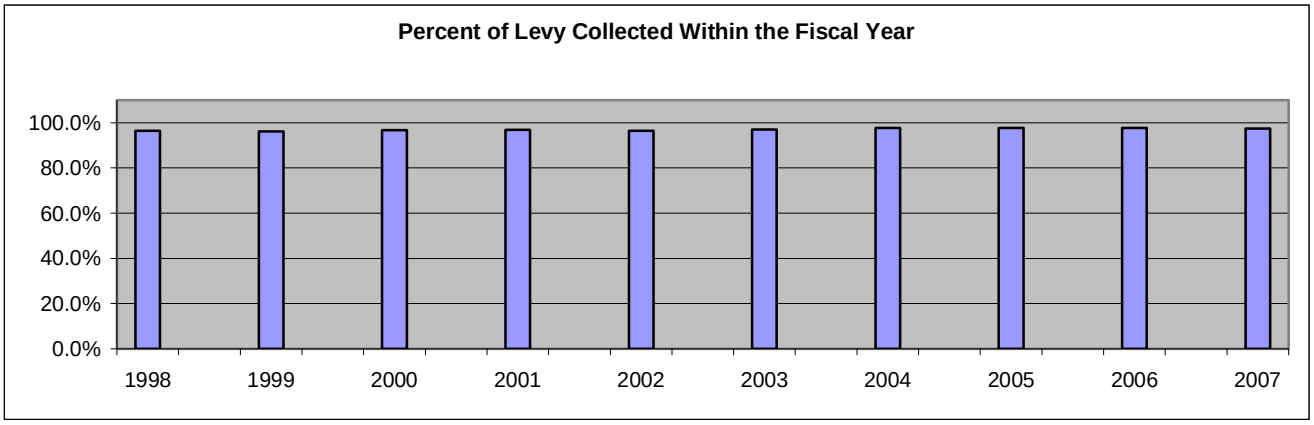
Property Tax Levies and Collections
Last Ten Years
Schedule 9

Fiscal Year Ended Dec 31,	Taxes Levied for the Fiscal Year (1)	Collected Within the Fiscal Year of the Levy		Collections From Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy (2)		Amount	Percentage of Levy
1998	$ 34,851,641	$ 33,604,797	96.4%	$ 1,552,550	$ 35,157,347	100.9%
1999	$ 36,102,918	$ 34,735,607	96.2%	$ 1,121,754	$ 35,857,361	99.3%
2000	$ 39,729,591	$ 38,417,951	96.7%	$ 1,082,232	$ 39,500,183	99.4%
2001	$ 41,441,550	$ 40,123,022	96.8%	$ 1,176,368	$ 41,299,390	99.7%
2002	$ 42,910,569	$ 41,365,902	96.4%	$ 1,262,000	$ 42,627,902	99.3%
2003	$ 44,539,818	$ 43,201,855	97.0%	$ 1,511,802	$ 44,713,657	100.4%
2004	$ 47,002,993	$ 45,941,853	97.7%	$ 1,189,892	$ 47,131,745	100.3%
2005	$ 49,371,918	$ 48,213,465	97.7%	$ 1,217,875	$ 49,431,340	100.1%
2006	$ 51,925,796	$ 50,710,182	97.7%	$ 1,069,806	$ 51,779,988	99.7%
2007	$ 55,022,986	$ 53,584,294	97.4%	$ 1,063,306	$ 54,647,600	99.3%

Source: Thurston County Assessor, Thurston County Treasurer

(1) Includes County General Fund, Roads, Veteran's, Medic One, Conservation Futures, Tax Refund, and Mental Health Tax Levies

(2) 2004 Collected percent corrected to 97.7%



Legal Debt Margin Information
Legal Debt Margin Calculation for Year 2007
Schedule 10

Total Assessed Property Valuation	$	28,809,385,000
Limited Tax General Obligation Debt Capacity (non-voted):		
Legal limit of 1.5% of the assessed valuation	$	432,140,775
Less: Outstanding Limited Tax General Obligation Bond Debt		(52,981,531)
Add: Available Assets		213,045
Remaining Capacity (non-voted)	$	379,372,289
Limited Tax General Obligation Debt Capacity (non-voted):		
Legal limit of 2.5% of the assessed valuation	$	720,234,625
Less: Outstanding Limited Tax General Obligation Bond Debt		(52,981,531)
Add: Available Assets		213,045
Remaining Capacity (voted and non-voted)	$	667,466,139

Legal Debt Margin Information
Legal Debt Margin Calculation for Year 2007
(amounts expressed in thousands)

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt Limit (non-voted)	$ 167,000	$ 171,810	$ 183,117	$ 195,570	$ 212,198	$ 230,269	$ 259,574	$ 298,962	$ 352,117	$ 432,141
Total Net Debt Applicable to Limit (non-voted)	$ 47,242	$ 43,882	$ 47,672	$ 42,683	$ 45,524	$ 43,789	$ 52,597	$ 41,349	$ 38,576	$ 52,982
Legal Debt Margin (voted and non-voted)	$ 231,091	$ 242,467	$ 257,523	$ 279,666	$ 308,139	$ 339,993	$ 380,027	$ 456,921	$ 548,286	$ 667,501
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit (non-voted)	28.29%	25.54%	26.03%	21.82%	21.45%	19.02%	20.26%	13.83%	10.96%	12.26%

Total Outstanding Debt Information
Last 10 Years
Schedule 11
(in thousands of dollars)

	Governmental-Type Activities			Business-Type Activities			Primary Government		
Fiscal Year	General Obligation Bonds	Inter-governmental Loans	Capital Leases	General Obligation Bonds	Inter-governmental Loans	Capital Leases	Total	% of Personal Income (1)	Per Capita Income (2)
1998	$ 32,500	$ -	$ 101	$ 15,621	$ 1,490	$ 3	$ 49,715	0.96%	$ 249
1999	$ 29,364	$ -	$ 92	$ 15,462	$ 1,406	$ -	$ 46,324	0.85%	$ 229
2000	$ 34,249	$ 450	$ 447	$ 14,010	$ 1,625	$ -	$ 50,781	0.83%	$ 249
2001	$ 32,826	$ 500	$ 336	$ 13,767	$ 1,489	$ -	$ 48,918	0.75%	$ 233
2002	$ 33,134	$ 474	$ 258	$ 13,500	$ 1,920	$ -	$ 49,286	0.74%	$ 232
2003	$ 31,541	$ 447	$ 115	$ 13,250	$ 4,040	$ -	$ 49,393	0.72%	$ 230
2004	$ 40,899	$ 421	$ 147	$ 12,718	$ 3,657	$ -	$ 57,842	0.80%	$ 265
2005	$ 41,686	$ 1,359	$ 156	$ 11,875	$ 2,317	$ -	$ 57,393	0.74%	$ 256
2006	$ 39,219	$ 1,109	$ 249	$ 11,470	$ 2,204	$ -	$ 54,251	0.65%	$ 235
2007	$ 42,444	$ 573	$ 354	$ 10,537	$ 1,917	$ 68	$ 55,893	N/A	$ 235

(1) Represents County debt as a percentage of total personal income. Personal income is from the Bureau of Economic Analysis and is extracted from Schedule 14.

(2) Represents the per capita portion of County Debt. County total population is from the Thurston County Regional Planning Council and is extracted from Schedule 14.

Ratio of Net General Obligation Bonded Debt to Assessed Value
Last Ten Years
Schedule 12

Fiscal Year	Popu-lation (1)	Total Estimated of Actual Taxable Value (2)	Gross G.O. Bonded Debt (3)	Less Debt Service Fund (4)	Net Bonded Debt (4)	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1998	199,700	$ 12,302,496,749	$32,500,350	$13,237	$32,487,113	0.264%	163
1999	202,700	$ 13,106,370,921	$29,364,350	$14,288	$29,350,062	0.224%	145
2000	204,300	$ 13,504,319,864	$34,248,998	$18,672	$34,230,326	0.253%	168
2001	210,200	$ 14,616,393,055	$32,826,140	$23,485	$32,802,655	0.224%	156
2002	212,300	$ 15,415,161,583	$40,898,570	$70,331	$40,828,239	0.265%	192
2003	214,800	$ 16,512,221,448	$31,541,427	$38,381	$31,503,046	0.191%	147
2004	218,500	$ 19,052,585,828	$40,898,570	$35,896	$40,862,674	0.214%	187
2005	224,100	$ 22,008,389,994	$41,370,713	$36,833	$41,333,880	0.188%	184
2006	231,100	$ 27,232,569,553	$39,092,856	$38,676	$39,054,180	0.143%	169
2007	238,005	$ 32,983,472,843	$42,444,316	$115,236	$42,329,080	0.128%	178

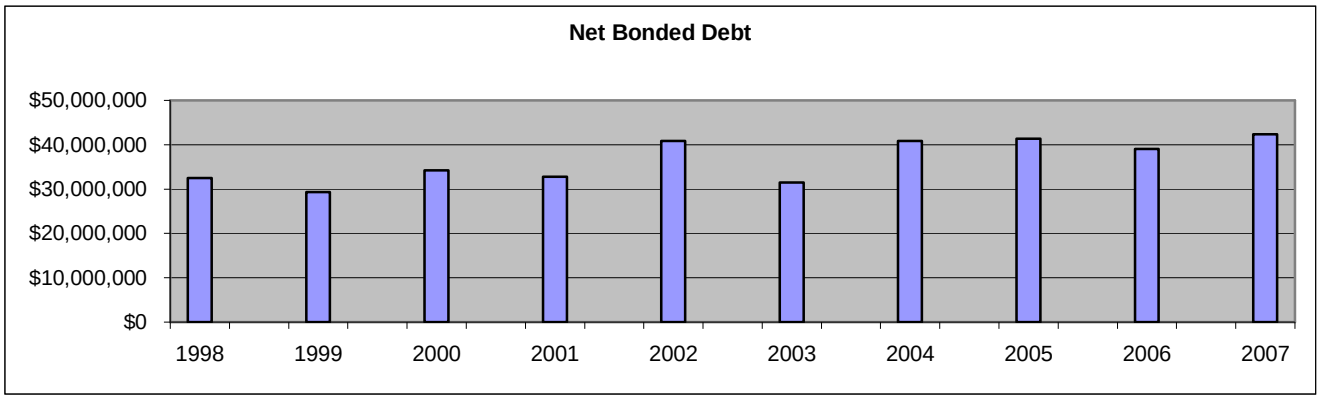
(1) Source: Thurston County Regional Planning

(2) Source: County Assessor

Total Estimated of Actual Taxable Value is the taxable value before exemptions are removed.

(3) Excludes Grand Mound proprietary debt

(4) 2006 Less Debt Service Fund and Net Bonded Debt adjusted



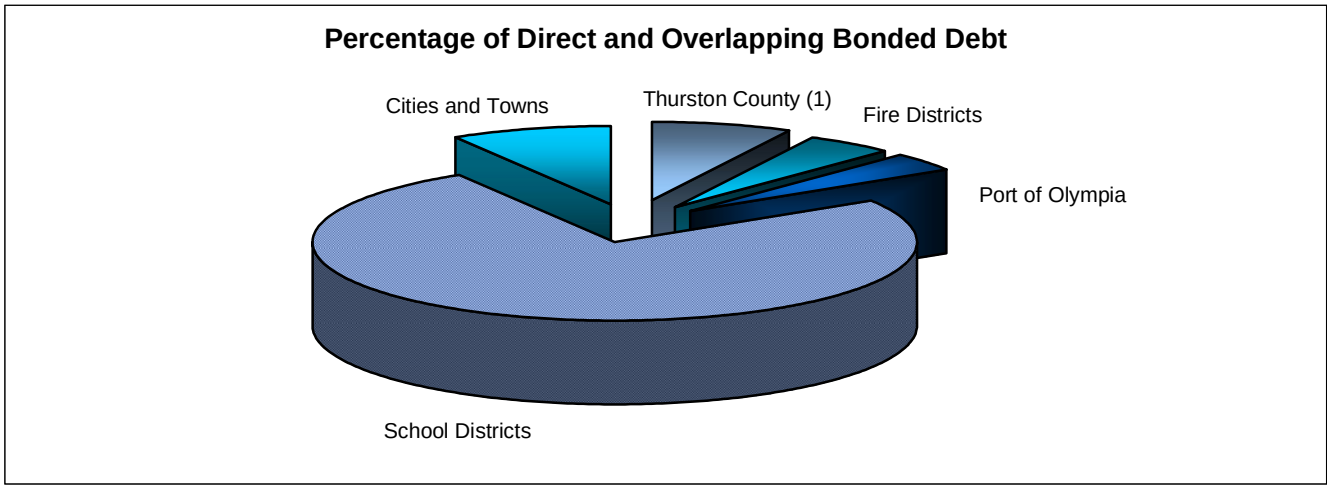
Computation Of Direct And Overlapping Bonded Debt
General Obligation Bonds
December 31, 2007
Schedule 13

Jurisdiction	G.O. Bonded Debt Outstanding	Percentage Applicable to County (2)	Amount Applicable To Thurston County
Direct:			
Thurston County (1)	$41,735,000	100%	$41,735,000
Overlapping:			
Fire Districts	27,815,000	100%	27,815,000
Port of Olympia	21,409,077	100%	21,409,077
School Districts	426,075,672	100%	426,075,672
Cities and Towns	49,189,074	100%	49,189,074
Total Overlapping	524,488,823	100%	524,488,823
Total	$566,223,823		$566,223,823

Source: Thurston County Treasurer

(1) Excludes general obligation bonds reported in the proprietary funds and the unamorized premium and deferred amount on refunding on governmental bonds

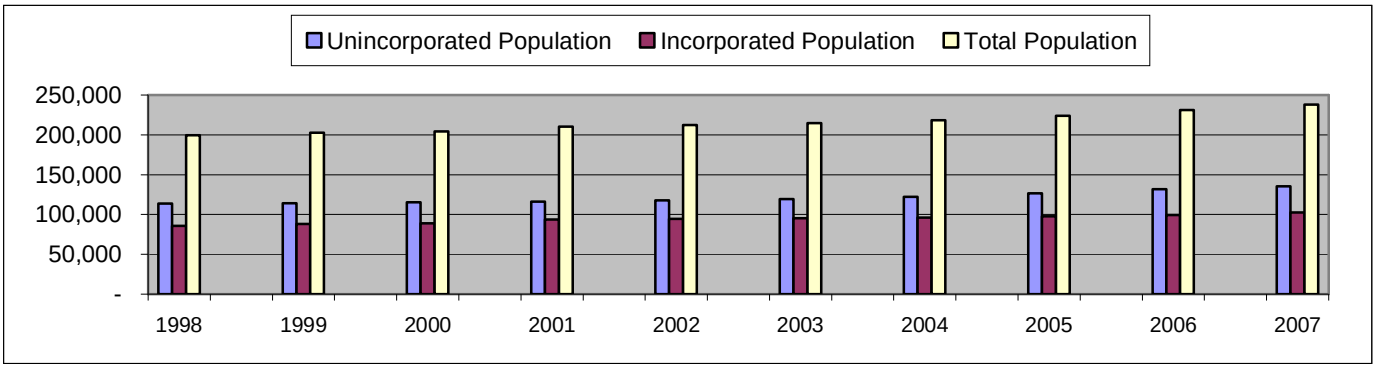
(2) Percentage of overlap is based on percentage of jurisdiction included within Thurston County



Demographic and Economic Information
Last 10 Years
Schedule 14

Year	Unincorp-orated Population	Incorp-orated Population	Total Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (1)	Median Age (1)	K-12 School Enrollment (4)	College Enrollment (Head Count) (1)	Unemploy-ment Rate (1) (3)
1998	113,815	85,885	199,700	$ 5,204,165	$ 30,728	33.6	37,752	10,591	4.90%
1999	114,375	88,325	202,700	$ 5,464,334	$ 30,893	33.6	38,031	10,718	4.60%
2000	115,350	88,950	204,300	$ 6,092,972	$ 32,667	36.5	37,786	10,699	5.00%
2001	116,300	93,900	210,200	$ 6,488,224	$ 32,902	36.5	35,760	10,895	5.70%
2002	117,935	94,365	212,300	$ 6,649,451	$ 32,385	36.5	37,945	10,922	5.80%
2003	119,475	95,325	214,800	$ 6,857,955	$ 32,527	36.5	38,102	11,362	5.70%
2004	122,265	96,235	218,500	$ 7,229,582	$ 33,501	36.5	38,477	11,926	5.20%
2005	126,450	97,650	224,100	$ 7,723,566	$ 33,745	37.9	39,176	11,654	5.00%
2006	131,805	99,295	231,100	$ 8,371,312	$ 35,903	37.9	39,679	12,164	4.70%
2007	135,615	102,390	238,005	n/a	n/a	37.9	39,476	12,646	4.40%

(1) Thurston County Regional Planning Council, The Profile
*Per capita income adjusted for inflation
*Median Age reported every 5 years.
*College Head count is fall of the previous year. Includes both full and part-time students enrolled at campuses located in Thurston County.
(2) Bureau of Economic Analysis
(3) Washington State Employment Security Department
(4) Washington State Superintendent of Public Instruction. 2006 enrollment adjusted.



Principal Employers
Current Year and 10 Years Ago
Schedule 15

Top Ten Employers for 2007 (1) (2)

Employer	Employees	Rank	Percentage of Total County Employment
State Government, Including Education	27,159	1	22.22%
Local Government, Including Education	18,502	2	15.14%
Providence St. Peter Hospital	2,400	3	1.96%
Tribal Government	1,373	4	1.12%
Federal Government	976	5	0.80%
Safeway Stores	798	6	0.65%
Group Health Cooperative (3)	700	7	0.57%
Capital Medical Center (3)	450	8	0.37%
Panorama (3)	360	9	0.29%
St. Martin's University (3)	350	10	0.29%
Totals	53,068		43.41%
Total Employed (4)	122,240		

Top Ten Employers for 1998 (2)

Employer	Employees	Rank	Percentage of Total County Employment
State Government, Including Education	22,643	1	22.69%
Local Government, Including Education	8,851	2	8.87%
Providence St. Peter Hospital	2,309	3	2.31%
Federal Government	950	4	0.95%
Memorial Clinic	516	5	0.52%
Capital Medical Center	500	6	0.50%
Group Health Cooperative	495	7	0.50%
Safeway Stores	488	8	0.49%
Panorama Corporation	330	9	0.33%
Pabst Brewing Company	310	10	0.31%
Totals	37,392		37.47%
Total Employed (4)	99,810		

(1) Source for Government Employment 2007: Employment Security Department
(2) Source 2007 and 1998: Thurston Regional Planning, The Profile
(3) 2007 numbers Not Available, 2006 Numbers Used, Source The Economic Council of Thurston County
(4) Total Employed: Washington State Employment Security Department

Government Employment Information
Authorized Thurston County Positions by Function
Last 10 Years
Schedule 16
Page 1 of 2

Function/Program	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Government										
Assessor	38.25	38.25	38.25	38.25	38.00	36.00	36.00	37.00	37.00	37.00
Auditor	39.00	41.00	41.00	39.00	37.00	37.00	37.00	40.00	40.00	41.00
Commissioners/County Admin	11.07	11.07	11.07	11.57	11.57	11.00	11.00	11.00	11.00	12.00
Treasurer	11.81	11.81	11.89	11.35	11.35	11.42	11.42	10.92	10.92	10.75
Human Resources	12.40	12.33	12.26	10.70	13.57	12.55	12.10	11.10	12.60	12.60
Other General Gov Programs (3)	9.37	9.37	9.30	11.65	11.65	11.73	11.73	12.73	12.78	13.61
Central Services & Facilities (1)	60.00	60.00	61.75	60.75	60.75	61.75	58.00	58.00	58.00	60.34
Total FTE	**181.90**	**183.83**	**185.52**	**183.27**	**183.89**	**181.45**	**177.25**	**180.75**	**182.30**	**187.30**
Public Safety										
Clerk	35.50	35.50	35.50	35.50	37.50	36.50	35.50	36.50	37.50	40.50
Superior Court	33.00	33.00	34.00	34.00	34.00	34.00	35.00	35.20	35.70	41.55
District Court	28.75	29.00	29.00	29.00	29.00	28.00	29.00	30.00	30.00	32.00
Juvenile Probation	60.00	62.00	62.00	62.00	62.00	61.00	61.00	60.00	59.00	59.00
Prosecuting Attorney	58.14	59.14	60.14	62.14	65.45	68.45	67.45	65.45	66.45	69.45
Sheriff	108.50	108.50	108.50	111.00	116.00	110.00	110.00	110.00	112.00	113.25
Corrections	86.00	88.00	95.00	95.00	95.00	98.20	98.20	98.65	99.17	109.97
Coroner	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Assigned Counsel	8.50	8.50	8.50	8.25	9.25	9.25	9.25	16.63	20.63	21.00
Other Public Safety Programs (4)	6.00	9.00	9.00	10.25	9.25	9.25	11.25	10.10	11.33	9.68
Communications (1)	40.50	40.50	40.50	45.25	45.75	51.25	51.75	52.25	55.75	56.50
Total FTE	**469.89**	**478.14**	**487.14**	**497.39**	**508.20**	**510.90**	**513.40**	**519.78**	**532.53**	**557.90**
Culture & Recreation										
Cooperative Extension	3.50	3.50	3.50	3.50	3.50	3.50	3.50	2.50	2.50	2.50
Fair	3.20	3.20	3.20	3.45	3.45	3.45	4.45	3.70	3.70	3.70
Parks & Recreation	14.75	14.75	14.75	15.00	15.00	15.00	15.00	12.00	13.75	14.50
Total FTE	**21.45**	**21.45**	**21.45**	**21.95**	**21.95**	**21.95**	**22.95**	**18.20**	**19.95**	**20.70**
Health & Human Services										
Medic One & Reserve	5.00	5.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Social Services	20.97	19.97	16.35	16.72	16.72	18.31	15.50	15.75	15.75	17.75
Public Health	91.98	90.68	90.68	94.26	100.63	103.31	103.90	108.20	106.30	112.40
Total FTE	**117.95**	**115.65**	**112.03**	**116.98**	**123.35**	**127.62**	**125.40**	**129.95**	**128.05**	**136.15**

Government Employment Information
Authorized Thurston County Positions by Function
Last 10 Years
Schedule 16
Page 2 of 2

Function/Program	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Transportation										
GeoData	7.00	7.00	6.00	6.00	7.00	8.00	7.00	7.00	8.00	7.50
County Roads	91.75	90.23	93.13	93.13	108.50	102.76	100.65	105.79	108.24	111.21
Roads Development Review	9.60	9.60	9.47	9.47	9.83	9.27	9.39	9.32	9.21	10.14
Roads Construction in Progress	12.15	13.67	12.90	12.90	10.17	13.47	23.82	15.75	17.35	14.15
ER&R Maintenance (1)	14.00	14.00	13.00	13.00	13.00	13.00	13.00	13.00	12.70	14.00
Total FTE	**134.50**	**134.50**	**134.50**	**134.50**	**148.50**	**146.50**	**153.86**	**150.86**	**155.50**	**157.00**
Economic Environment										
Veterans	0.37	0.44	0.44	0.31	0.31	0.18	0.63	0.63	0.63	0.75
Development Services	48.25	48.25	48.25	48.75	49.75	53.75	57.75	58.00	62.00	65.00
Pacific Mountain	38.00	41.00	41.00	40.00	40.00	41.00	41.00	34.00	30.60	28.00
Office of Program & Budget Dev.	9.00	9.25	9.25	9.75	8.75	7.25	5.25	5.05	6.05	6.55
Total FTE	**95.62**	**98.94**	**98.94**	**98.81**	**98.81**	**102.18**	**104.63**	**97.68**	**99.28**	**100.30**
Utilities & Environment										
Water & Waste Mgt. Admin (2)	46.05	46.05	45.80	44.80	45.80	46.80	46.80	47.80	47.80	47.80
Noxious Weed Control	4.50	4.50	4.25	3.25	2.75	2.75	2.75	3.25	3.25	3.25
Total FTE	**50.55**	**50.55**	**50.05**	**48.05**	**48.55**	**49.55**	**49.55**	**51.05**	**51.05**	**51.05**
Budgeted FTE Count	**1071.86**	**1083.06**	**1089.63**	**1100.95**	**1133.25**	**1140.15**	**1147.04**	**1148.27**	**1168.66**	**1210.40**

(1) Internal Service Funds

(2) Enterprise Funds

(3) Other General Government Programs Include the following Internal Service Funds: Unemployment, Insurance Risk, and Benefits Admin. Also includes Non-Dept., Treasurer's M&O, Investment Admin., and Special Projects.

(4) Other Public Safety Programs Include: Civil Service, Family Court-Clerk, Family Court-Superior Court, Victim Advocate Program, Sheriff's Special Programs, Prisoner's Concession and Jail Capital Projects

Operating Indicators
By Function/Program
Last 10 Years
Schedule 17
Page 1 of 4

Function/Program	1998	1999	2000	2001	2002
General Government					
General Elections					
Registered Voters	119,604	119,016	126,680	132,072	133,582
Votes Cast	79,202	74,204	98,610	58,131	73,859
% of Registered Voters Voting	66.22%	62.35%	77.84%	44.01%	55.29%
Public Safety					
Sheriff's Office					
Jail Population (average)	447	469	428	463	446
Total Persons Booked	n/a	7,981	5,443	4,831	6,581
Citations (tickets) Issued	n/a	9,373	7,223	5,327	5,666
Juvenile Probation					
Average Caseload (monthly)	n/a	65	75	60	57
Population in Detention (average)	n/a	60	53	49	45
Courts					
District Court Filings	n/a	28,490	29,019	25,656	38,094
District Court Proceedings	n/a	29,504	28,727	32,020	30,900
Superior Court Filings (1)	n/a	11,431	11,724	11,939	12,101
Superior Court Proceedings (1)	n/a	34,524	35,930	35,291	36,270
Communications					
911 Calls In	n/a	114,275	118,673	122,854	123,385
Culture and Recreation					
County Fair Attendance	37,468	36,473	36,419	37,857	36,152
Parks Attendance (7)	n/a	268,198	295,568	290,439	310,000
Health & Human Services					
Public Health					
Laboratory Water Tests	n/a	9,387	9,111	9,028	7,693
Persons Served/Reached (2) (4)	n/a	27,982	15,209	17,736	18,497
Social Services Cases (3) (4)	n/a	6,545	6,726	7,273	7,228
Medic One Reponses	n/a	17,106	17,610	19,876	19,894

Operating Indicators
By Function/Program
Last 10 Years
Schedule 17
Page 2 of 4

Function/Program	2003	2004	2005	2006	2007
General Government					
General Elections					
Registered Voters	127,138	137,742	136,918	134,876	134,615
Votes Cast	49,949	113,996	76,423	85,011	67,279
% of Registered Voters Voting	39.29%	82.76%	55.82%	63.03%	49.98%
Public Safety					
Sheriff's Office					
Jail Population (average)	488	473	496	504	461
Total Persons Booked	6,531	5,821	6,213	6,297	6,201
Citations (tickets) Issued	7,151	6,046	5,682	6,324	4,296
Juvenile Probation					
Average Caseload (monthly)	55	41	45	40	42
Population in Detention (average)	45	38	45	43	47
Courts					
District Court Filings	39,863	37,161	32,193	36,886	34,081
District Court Proceedings	34,492	37,966	49,877	38,067	39,662
Superior Court Filings (1)	13,404	13,283	13,047	13,528	13,449
Superior Court Proceedings (1)	36,514	35,585	36,612	37,861	39,871
Communications					
911 Calls In	140,010	148,713	148,957	147,478	150,583
Culture and Recreation					
County Fair Attendance	32,827	31,240	34,529	35,213	37,127
Parks Attendance (7)	320,000	373,334	433,525	691,212	1,059,085
Health & Human Services					
Public Health					
Laboratory Water Tests	8,226	10,777	10,319	9,768	8,904
Persons Served/Reached (2) (4)	28,193	24,510	23,569	20,298	22,941
Social Services Cases (3) (4)	7,690	7,913	8,661	9,769	10,167
Medic One Reponses	19,595	20,545	20,600	22,743	24,800

Operating Indicators
By Function/Program
Last 10 Years
Schedule 17
Page 3 of 4

Function/Program	1998	1999	2000	2001	2002
Roads and Trans Services					
Litter Ctrl-Shoulder Miles	2,544	2,082	2,143	1,493	1,590
Litter Control-lbs of Litter	165,270	152,476	73,220	130,500	154,350
Striping Roads (Center Line Miles)	n/a	n/a	n/a	n/a	1,230
Paving-Overlay Miles	39	37	26	28	22
Paving-Chip Seal Miles	85	76	76	74	77
Economic Environment					
Building Permits					
Permits Issued	3,189	2,904	2,896	3,233	3,347
Value of Bldg (000's Omitted)	142,791	154,471	150,790	196,827	261,162
Utilities & Environment					
Waste and Recovery Center Customers	n/a	179,194	182,170	184,373	193,591
Recycling (tons) (5)	n/a	2,890	3,249	3,140	3,296
New Utility Connect, actuals (6)	n/a	8	10	9	64

Operating Indicators
By Function/Program
Last 10 Years
Schedule 17
Page 4 of 4

Function/Program	2003	2004	2005	2006	2007
Roads and Trans Services					
Litter Ctrl-Shoulder Miles	1,823	1,520	1,622	1,161	1,210
Litter Control-lbs of Litter	167,985	151,865	165,720	141,111	137,691
Striping Roads (Center Line Miles)	1,202.2	1,447.5	1,450.4	1,455.3	1,460
Paving-Overlay Miles	22	20	8	5	2
Paving-Chip Seal Miles	70	68	50	28	29
Economic Environment					
Building Permits					
Permits Issued	3,868	3,882	3,312	3,328	3,316
Value of Bldg (000's Omitted)	279,009	334,485	298,370	298,955	267,979
Utilities & Environment					
Waste and Recovery Center Customers	203,270	213,433	224,198	250,167	255,514
Recycling (tons) (5)	11,399	13,355	13,065	14,025	19,587
New Utility Connect, actuals (6)	6	8	8	35	66

Source: Thurston County Offices and Departments

(1) The Clerk's Office is the record keeper for all Superior Court cases which include cases for juvenile's.

(2) Public Health persons served include Clinical Services, Health Education, Environmental Health Education (not available 1998-1999), and Street Outreach (not available for 2000).

(3) Social Services cases include Developmental Disabilities, Mental Health, and Substance Abuse cases.

(4) Public Health 2006 updated. 2007 estimates, actuals not available.

(5) 1998-2006 Include Recycling Drop Boxes and Waste and Recovery Center (WARC) Public Recycling Area, but excludes residential curbside collection. 2003-2006 also include WARC Pickline.

(6) Utility connections include sewer and water.

(7) Parks attendance increased in 2006 because of the opening of the Regional Athletic Complex.

Capital Asset Information
Capital Asset and Infrastructure by Function/Program
Last 10 Years
Schedule 18
Page 1 of 2

Function/Program	1998 (2)	1999 (1) (2)	2000 (2)	2001 (7)	2002 (7)
General Government					
Buildings Usage/Cnty Owned (sq feet)	25,236	25,236	25,236	25,236	25,236
Public Safety					
Buildings Usage/Cnty Owned (sq feet)	107,434	172,652	172,652	172,652	172,652
Sheriff's Vehicles	95	94	95	95	96
Sheriff's Boats	4	4	4	4	4
Sheriff's Special Purpose Vehicles	5	5	6	6	6
Culture & Recreation					
Buildings Usage/Cnty Owned (sq feet)	95,669	95,669	95,669	95,669	95,669
Parks	24	26	25	25	25
Parks Acres	2,706	2,773	2,773	2,773	2,773
Health & Human Services					
Buildings Usage/Cnty Owned (sq feet)	23,209	27,405	27,405	32,960	32,960
Transportation					
Buildings Usage/Cnty Owned (sq feet)	137,110	138,706	138,706	138,706	138,706
Paved Roads (in miles)	968	972	979	982	991
Unpaved Roads (in miles)	48	45	42	41	40
Economic Environment					
Buildings Usage/Cnty Owned (sq feet)	10,054	9,504	9,504	9,504	9,504
Utilities & Environment					
Buildings Usage/Cnty Owned (sq feet)	4,782	4,782	4,782	4,782	4,782
Water Mains (in feet)	39,720	82,720	82,720	82,720	82,720
Storage Capacity (in gallons)	560,400	1,060,400	1,060,400	1,060,400	1,060,400
Sewer Mains (in feet)	45,070	80,270	80,270	80,270	80,270
Treatment Capacity (gallons per day)	104,000	484,000	484,000	484,000	484,000
Treat. Devices-Stormwater Sewers	4	7	11	15	20
Ponds Maintained	7	12	16	20	25

Capital Asset Information
Capital Asset and Infrastructure by Function/Program
Last 10 Years
Schedule 18
Page 2 of 2

Function/Program	2003	2004 (3)	2005 (4)	2006 (5) (8)	2007 (6)
General Government					
Buildings Usage/Cnty Owned (sq feet)	25,901	25,901	92,126	92,916	92,916
Public Safety					
Buildings Usage/Cnty Owned (sq feet)	174,154	174,154	187,290	186,291	186,426
Sheriff's Vehicles	96	94	94	97	98
Sheriff's Boats	4	4	4	4	5
Sheriff's Special Purpose Vehicles	6	6	6	7	7
Culture & Recreation					
Buildings Usage/Cnty Owned (sq feet)	95,669	95,669	95,769	95,769	95,769
Parks	25	25	26	33	34
Parks Acres	2,773	2,773	2,804	2,709	2,712
Health & Human Services					
Buildings Usage/Cnty Owned (sq feet)	32,960	32,960	33,260	54,310	54,310
Transportation					
Buildings Usage/Cnty Owned (sq feet)	138,371	65,673	65,278	64,487	64,487
Paved Roads (in miles)	992	1,000	1,004	1,005	994
Unpaved Roads (in miles)	39	36	36	35	31
Economic Environment					
Buildings Usage/Cnty Owned (sq feet)	9,086	9,086	9,086	9,086	9,086
Utilities & Environment					
Buildings Usage/Cnty Owned (sq feet)	4,744	4,744	4,744	4,744	4,744
Water Mains (in feet)	82,720	82,720	82,720	82,720	93,122
Storage Capacity (in gallons)	1,060,400	1,060,400	1,060,400	1,060,400	1,060,400
Sewer Mains (in feet)	80,270	80,270	80,270	80,270	86,836
Treatment Capacity (gallons per day)	484,000	484,000	484,000	484,000	484,000
Treat. Devices-Stormwater Sewers	24	26	29	32	34
Ponds Maintained	29	32	35	38	44

Source: Thurston County Offices and Departments

(1) New Juvenile Detention Building opened in 1999.

(2) Miles of paved and unpaved roads for years 1998-2000 are revised.

(3) Roads Boulevard Building sold.

(4) Mottman Building purchased. Assigned to General Government Fund occupancy. Vacant while restoring building.

(5) Parks increased by 7 in 2006 because of the addition of parks for trails, but acreage decreased because the ORV Park was transferred to Grays Harbor County.

(6) 2007 decrease in roads paved and unpaved miles reflect annexation of roads to surrounding cities.

(7) 2001 and 2002 Health & Human Services corrected. New building opened in 2001.

(8) 2006 Health & Human Services corrected. Evaluation & Treatment Center opened in 2006.