

General Fund Financial Plan
Footnotes

- (a) The 2004 Actual column reflects actual amounts as reported in the 2004 Consolidated Annual Financial Report (CAFR).
- (b) Revenue estimates for 2004 - 2008 are based on the following assumptions. The percentages indicate the expected annual percent change over the prior year, except for interest earnings, which is stated as the projected annual rate of return.

	2004	2005	2006	2007	2008
Property Tax (net debt service)	Actuals	2.40%	3.16%	3.00%	2.84%
Sales Tax	Actuals	5.41%	3.80%	4.75%	4.50%
Interest Earnings	Actuals	3.20%	4.10%	4.75%	4.95%
All Other	Actuals	Individual Estimates	Individual Estimates	Individual Estimates	Individual Estimates

- (c) The debt service schedule for 2004 - 2008 is based on the following table:
(in millions)

Debt Service Elements	2004	2005	2006	2007	2008
Existing Debt Issues	12.383	19.021	19.032	18.447	16.976
A) KCCF: ISP/ITR/Jail Health					1.967
B) Parking Garage Tunnel & CH Lobby					0.448
C) Housing Initiaves: 2006 Proposal					0.397
D) Technology Placeholder					1.328
E) Supplemental Reserve					1.469
Total Debt Service	12.383	19.021	19.032	18.447	22.585

- (d) In the 2005 Adopted Budget, the former Criminal Justice Fund was consolidated into the Current Expense subfund. Those revenues and expenditures are shown separately in this financial plan. A reserve was created in the financial plan to hold unspent fund balance. Existing fund balance in CJ Fund was transferred in "other transactions" in 2005. For presentation purposes the CJ fund was included in the 2004 actuals and the resulting ending general fund balance reflects this presentation.
- (e) The General Fund financial plan assumes an underexpenditure rate of 2.00% of total expenditures. The 2006 Proposed Budget includes a 1.25% underexpenditure contra in CX operating and CX transfer budget. This will directly budget for assumed underexpenditure levels. A remaining central contra of .75% is being held in the General Fund financial plan, for a total assumption of 2.0% underexpenditure in many operating and CX transfer budgets. This the same policy as was enacted in prior budgets. A list of agencies exempt or partially exempt from the underexpenditure requirement is provided in footnote (n).
- (f) An amount equal to 25% of the additional .2% sales tax is set aside in the Sales Tax Reserve Fund until it reaches a threshold of \$15 million. This amount is set by County Code and is to be kept in reserve for emergency needs. The 2006 Budget assumes full use of the sales Tax Reserve collections (\$4.5 million) for major maintenance. The Reserve is held steady at \$15 million for 2005-06 by programming all of the excess collection to major maintenance activities during those years.
- (g) An amount equal to 25% of the additional .2% sales tax is set aside in the Children and Family Services Fund. This reserve also includes the Inmate Welfare and the former Criminal Justice fund balances.

(h) Other Reserves include the following for each of the years (in millions):

	2004	2005 Ado	2005 Est	2006 Ado	2007	2008
Prepayment		(0.021)				
Loans	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)
Animal Control	(0.402)	(0.392)	(0.402)	(0.402)	(0.402)	(0.402)
Crime Victim Compensation	(0.717)	(0.600)	(0.317)	(0.117)	(0.117)	(0.117)
Drug Enforcement Program	(0.039)	(0.144)	(0.039)	(0.039)	(0.039)	(0.039)
Anti-Profitereing Program	(0.393)	(0.273)	(0.393)	(0.393)	(0.393)	(0.393)
Dispute Resolution	(0.096)	(0.026)	(0.096)	(0.096)	(0.096)	(0.096)
Sheriff Laptop Replacement	(0.310)	(0.542)	(0.310)	(0.310)	(0.310)	(0.310)
Real Property Title Insurance	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)
Net Unrealized Gains Designation		(1.119)				
Jail Population	(2.000)	(2.000)	(2.000)	(2.000)	(2.000)	(2.000)
Assessor	(0.517)					
Andress	(4.898)	(6.334)	(3.360)	(2.000)	(2.000)	(2.000)
Legislative Reserve	(4.348)	(3.441)	(2.366)	(3.100)	(3.100)	(3.100)
Benefit Savings		(1.890)	(1.890)			
Off-year Elections Mitigation		(1.700)	(1.700)	(1.700)	(1.700)	
2006 Elections Costs			(0.850)	(0.850)	(0.850)	(0.850)
GG CIP				(4.700)	(4.400)	(4.100)
Energy/Inflation Reserve				(3.500)	(3.500)	(3.500)
PSERS		(0.300)	(0.300)	(1.300)	(1.300)	(1.300)
LEOFF Medical		(0.278)	(2.862)	(2.862)	(2.862)	(2.862)
Outyear Budget Impacts	(20.400)					
Total "Other Reserves"	(34.445)	(19.386)	(17.210)	(23.694)	(23.394)	(21.394)

(i) The \$1.50 million adjustment to the 2005 estimated beginning fund balance from the 2004 CAFR ending fund balance reflects a continued obligation from the General Fund to the Public Transportation Fund. The General Fund will make annual payments to the Public Transportation Fund. These payments will reduce the General Fund's fund balance by \$1.50 million.

(j) 2005 Operating Expenditures

Adopted Budget	(482,088,211)
2004 Carryovers	(5,526,309)
Supplemental Activity	(29,653,434)
Total	(517,267,954)

(k) 2005 CIP/Other Contributions

2004 CIP Carryovers/corrections	(4,195,324)
General Government CIP	(1,440,933)
OIRM CIP	(7,295,767)
Major Maintenance	(8,516,388)
Total	(21,448,412)

(l) In 2005, the former Criminal Justice Fund Balance increased to accommodate an increase in the Andress reserve in anticipation of utilization in 2006.

(m) 2006 CIP/Other Contributions

Major Mainenance/Sales Tax Reserve	(9,022,646)
General Government CIP	(1,537,733)
OIRM CIP	(3,174,633)
Total	(13,735,012)

(n) Agencies exempt from 2.0% underexpenditure:

Drug Enforcement Forfeits
Antiprofitteering
State Auditor
Special Programs
Salary & Wage Contingency
Executive Contingency
Internal Support
Finance - CX

Agencies partially exempt:

Sheriff
Prosecuting Attorney's Office
District Court
CX Transfers
Dept. of Adult and Juvenile Detention
Public Defense

(o) Expenditure estimate for 2007- 2008 are based on the following assumptions. The percentages indicate the expected annual percentage change over the previous year.

	2006	2007	2008
Labor	As Proposed	3.45%	3.45%
Benefits	As Proposed	6.20%	7.45%
Services/Other Charges	As Proposed	3.66%	4.08%
All Others	As Proposed	2.00%	2.50%