

Program Summaries

Budget Planning Assumptions

The 2006 King County Budget is built using the following assumptions:

Salaries. In 2006, reserves for salary and wage adjustments for COLA and merit are budgeted in each appropriation unit in the Current Expense fund instead of holding central reserves in the Salary and Wage Contingency fund. Non-Current Expense funds continue to hold salary and wage reserve accounts within each fund. These reserves provide funding for COLA, merit and step increases. For most county employees the COLA increase is 90% of the change in the September to September national consumer price index (CPI-W), with a floor of 2.00%. The 2006 COLA is projected to be 3.45%. The contingencies also include reserves for merit, longevity increases, and other salary adjustments. The methodology in the Current Expense fund eliminates the need for a COLA ordinance to distribute funding from the central Salary and Wage Contingency to each Current Expense appropriation unit.

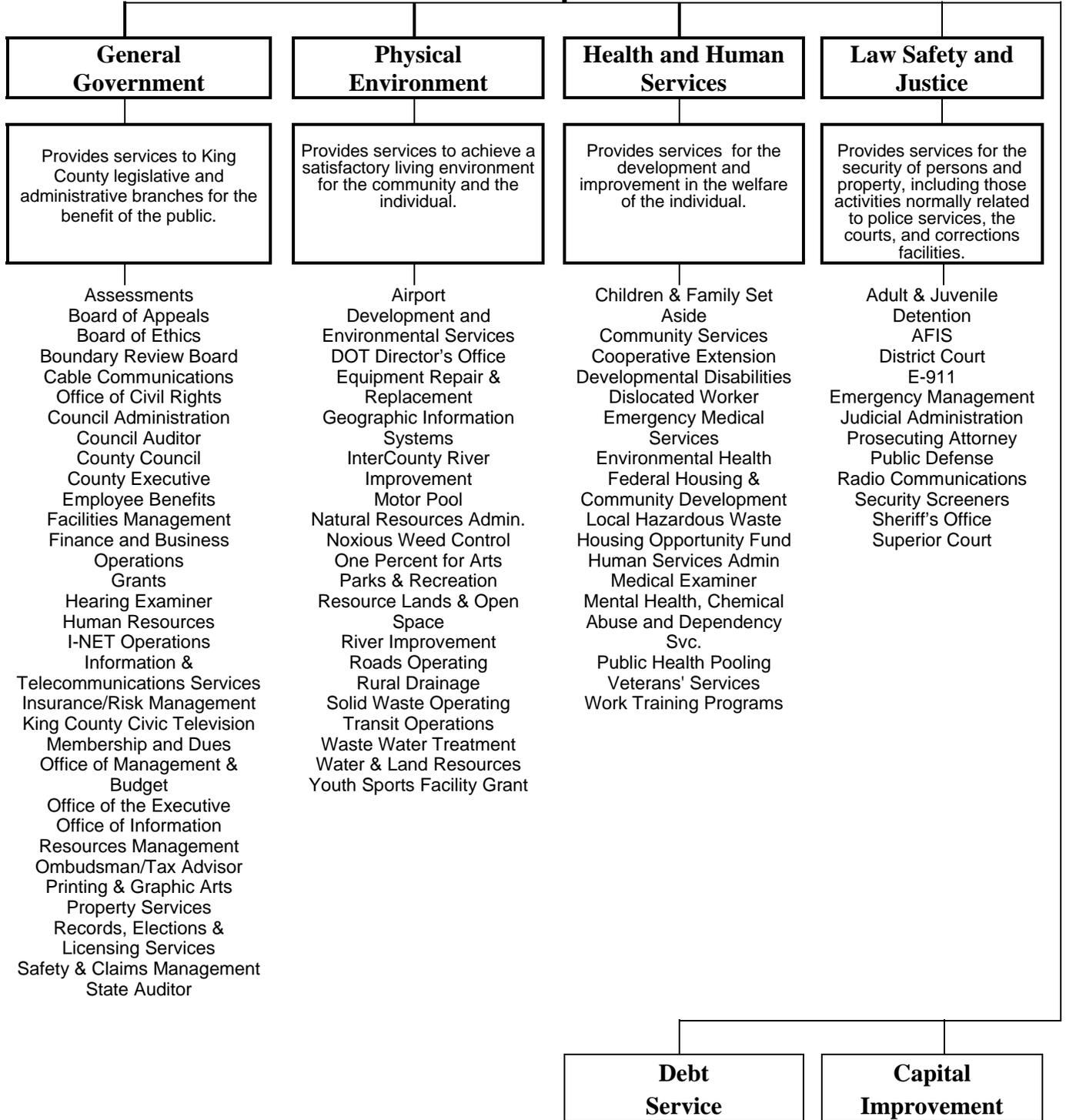
Medical Benefits. Expenditures for providing medical/dental benefits to employees are budgeted to increase about 5.00% in 2006 over 2005 budgeted levels.

Internal Service Rates. The 2006 Proposed Budget includes increases in several internal service rates, including ITS-Technology Services, ITS-Telecommunications, Facilities Management, Office of Information Resource Management, Risk Management and Finance.

Current Expense Underexpenditure. Prior to 1997, the CX Financial Plan assumed a 1.00% underexpenditure rate. Beginning in 1997, the CX Financial Plan assumed a 1.50% underexpenditure rate which was increased to a 1.75% rate in 1998, 1999, 2000 and 2001. Beginning in 2002, the underexpenditure rate increased to 2.00%. In the 2006 Proposed Budget, 1.25% of the required underexpenditure has been reduced from CX operating budgets to more directly budget for assumed underexpenditure levels. A remaining central contra of 0.75% is held in the CX Financial Plan, for a total assumption of 2.00%. Departments are expected to manage their appropriations to achieve the underexpenditure.

Major Maintenance Reserve Fund. The 2006 Proposed Budget includes the transfer of \$4.5 million of revenues designated for the Sales Tax Reserve subfund to the Major Maintenance Reserve Fund and in support of the other CIP programs. The County's financial policies allow for expenditure from the Sales Tax Reserve Fund when the fund balance exceeds \$15 million. This balance was achieved in 1994.

KING COUNTY Program Plan Areas



Summary Comparison of 2006 Appropriations by Program Category All Resources

Program Category	2004 Adopted	2005 Adopted	2006 Proposed	2006 - 2005 \$ Change % Change	
General Government	430,811,549	431,576,420	473,869,704	42,293,284	9.8%
Physical Environment	743,290,775	760,861,114	881,153,178	120,292,064	15.8%
Health and Human Services	412,091,294	431,290,173	435,444,326	4,154,153	1.0%
Law, Safety and Justice	404,577,665	422,635,051	445,027,027	22,391,976	5.3%
Total Operating	1,990,771,282	2,046,362,758	2,235,494,235	189,131,477	9.2%
Debt Service	280,565,479	298,057,109	333,712,535	35,655,426	12.0%
Capital Improvement	601,412,710	941,770,848	788,426,956	(153,343,892)	-16.3%
TOTAL	2,872,749,472	3,286,190,715	3,357,633,726	71,443,011	2.2%
Non-Categorized					
CX Fund Transfers	56,996,381	58,468,390	61,915,566		
Sales Tax Contingency	3,920,150	4,171,491	4,504,569		
Children and Family Services	7,294,913	7,440,673	7,686,457		
CJ Funds Other	481,243	-	-		
Roads and Airport Construction Transfer	29,788,813	33,966,583	33,504,722		
PERS Liability and Risk Abatement	34,725,500	23,472,683	2,200,000		
Total Non-Categorized	133,207,000	127,519,820	109,811,314		
Grand Total	\$ 3,005,956,472	\$ 3,413,710,535	\$ 3,467,445,040		

Summary Comparison of 2006 Appropriations by Program Category Current Expense and General Fund

Program Category	2004 Adopted	2005 Adopted	2006 Proposed	2006 - 2005 \$ Change % Change	
General Government	81,385,057	84,839,849	89,271,806	4,431,957	5.2%
Parks/DDES	5,658,086	5,775,121	5,864,077	88,956	1.5%
Health and Human Services	30,003,136	34,013,755	39,314,476	5,300,721	15.6%
Law, Safety and Justice	372,839,659	384,695,154	410,920,956	26,225,802	6.8%
CX Transfers to CIP	21,127,962	17,253,088	15,747,061	(1,506,027)	(8.7%)
Other Agencies	14,254,282	10,173,934	12,122,649	1,948,715	19.2%
Total Current Expense*	525,268,182	536,750,901	573,241,025	36,490,124	6.8%
Subfunds to the General Fund					
Sales Tax Reserve Contingency	3,920,150	4,171,491	4,504,569	333,078	8.0%
Children and Families Set-Aside	15,695,025	19,984,454	19,636,657	(347,797)	(1.7%)
Inmate Welfare	1,198,223	1,201,285	1,338,011	136,726	11.4%
Total General Fund	\$ 546,081,580	\$ 562,108,131	\$ 598,720,262	\$ 36,612,131	6.5%

*The CX financial plan expenditures and this table reconcile by reducing the total CX fund amount by the double count of \$14,510,891 for the CX fund transfer of \$14,510,891 to the Children and Families Set-Aside Fund.

Also add in the CX underexpenditure amount of (\$3,761,740) for a total of \$554,968,394, which matches Current Expense financial plan expenditures. To reconcile to General Fund financial plan expenditures add in Children and Families Set-Aside and Inmate Welfare. Sales Tax contingency is ignored.

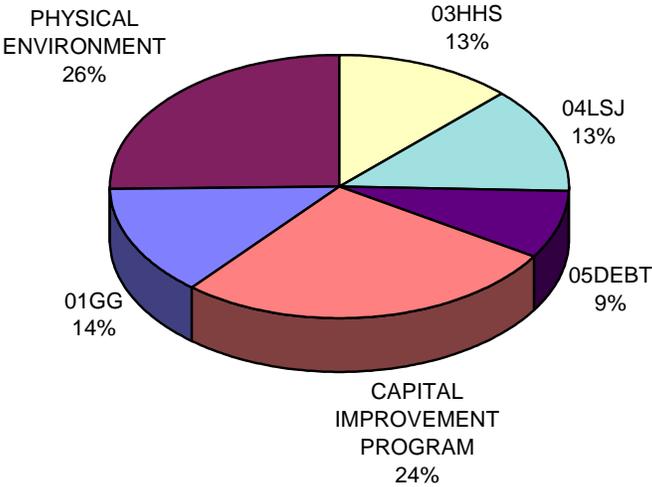
General Fund total expenditures is \$575,943,062, which matches financial plan general fund expenditures.

General fund pie chart adds back underexpenditures which totals \$579,943,062

for a total rounded piechart of \$580 Million.

**This table restates Current Expense and Criminal Justice for 2004.

Distribution of 2006 Expenditures by Program Category
All Funds \$3.4 Billion



**Distribution of 2006 Expenditures by Program Area
General Fund
\$580 Million**

