

# Program Summaries

## Budget Planning Assumptions

The 2002 King County Budget is built using the following assumptions:

**Salaries.** In 2002, 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. Non-Current Expense funds continue to hold salary and wage reserve accounts within each fund. These reserves provide funding for COLA and merit increases. For most County employees the COLA increase is 90% of the change in the September to September national consumer price index (CPI-W). The 2002 COLA is 2.32%. The contingencies also include reserves for merit and longevity increases, implementation of the Classification and Compensation Study 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.

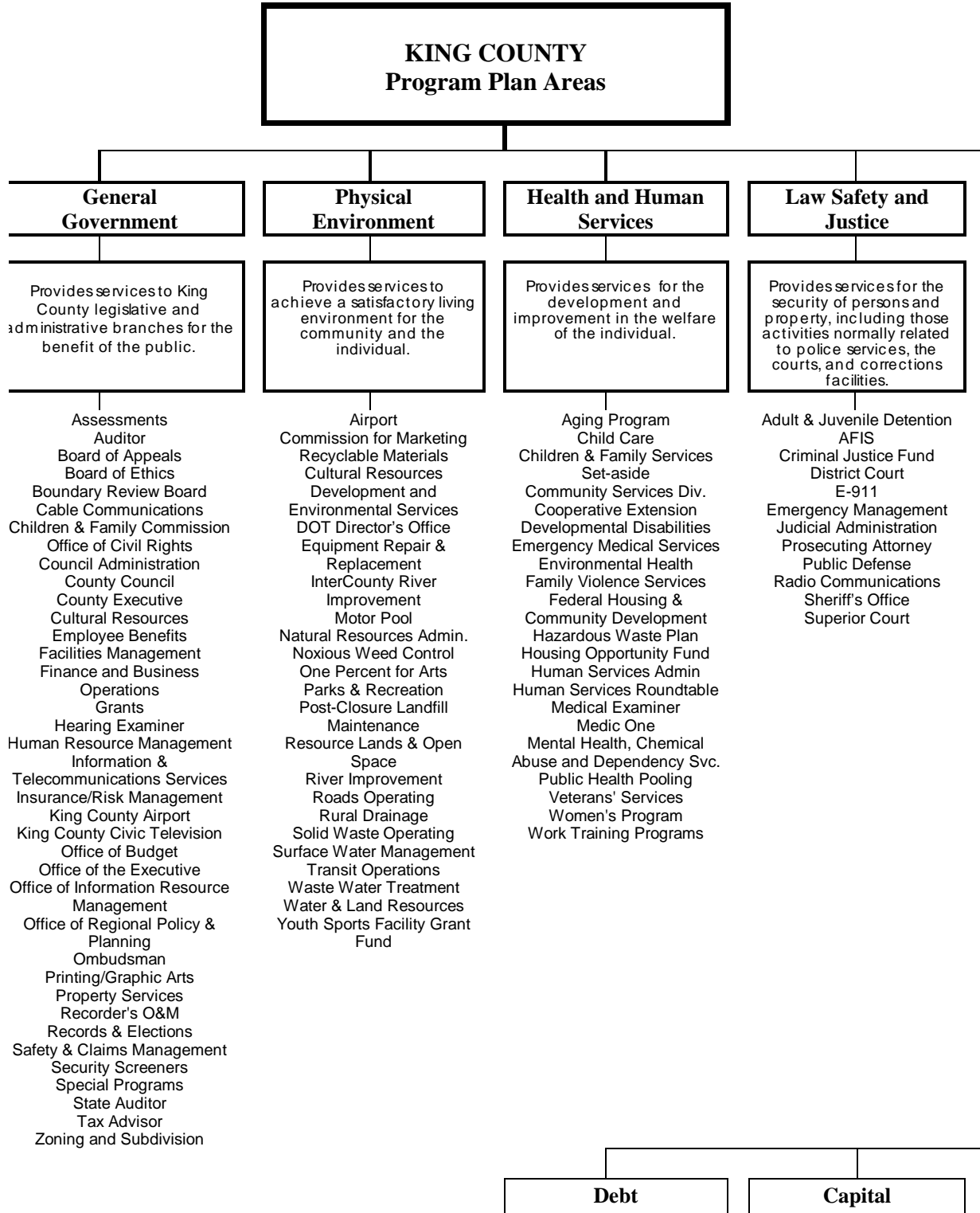
**Medical Benefits.** Expenditures for providing medical/dental benefits to employees are budgeted to increase about 20% in 2002 over 2001 levels.

**Internal Service Rates.** The 2002 Budget includes increases in several internal service rates, including ITS-Technology Services rates, ITS-Telecommunications rates, DCFM rates, and rates from the Department of Finance.

**Current Expense Underexpenditure.** Beginning in 2000, the treatment of the required underexpenditures in the Current Expense Fund agency budgets and Financial Plan changed from previous years. 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. Departments are expected to manage their appropriations to achieve the underexpenditure. For 2002, the underexpenditure rate is increased to 2.00%. In the 2002 Adopted Budget, 1.25% of the required underexpenditure has been reduced from each CX operating and CX transfer budget to more directly budget for assumed underexpenditure levels. A remaining central contra of 0.75% is being held in the CX Financial Plan, for a total assumption of 2.00%.

**Major Maintenance Reserve Fund.** The 2002 Budget includes the transfer of \$4.2 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.

**BUDGET PLANNING ASSUMPTIONS**



**[Link to Summary Comparison of 2002 Appropriations by Program Category -- All Resources and Summary Comparison of 2002 Appropriations by Program Category -- Current Expense and General Fund, 12 KB .pdf](#)**

**[Link to Pie Chart for Distribution of 2002 Expenditures by Program Category -- All Funds, 8 KB .pdf](#)**

**[Link to Pie Chart for Distribution of 2002 Expenditures by Program Area -- Current Expense Fund, 8 KB .pdf](#)**