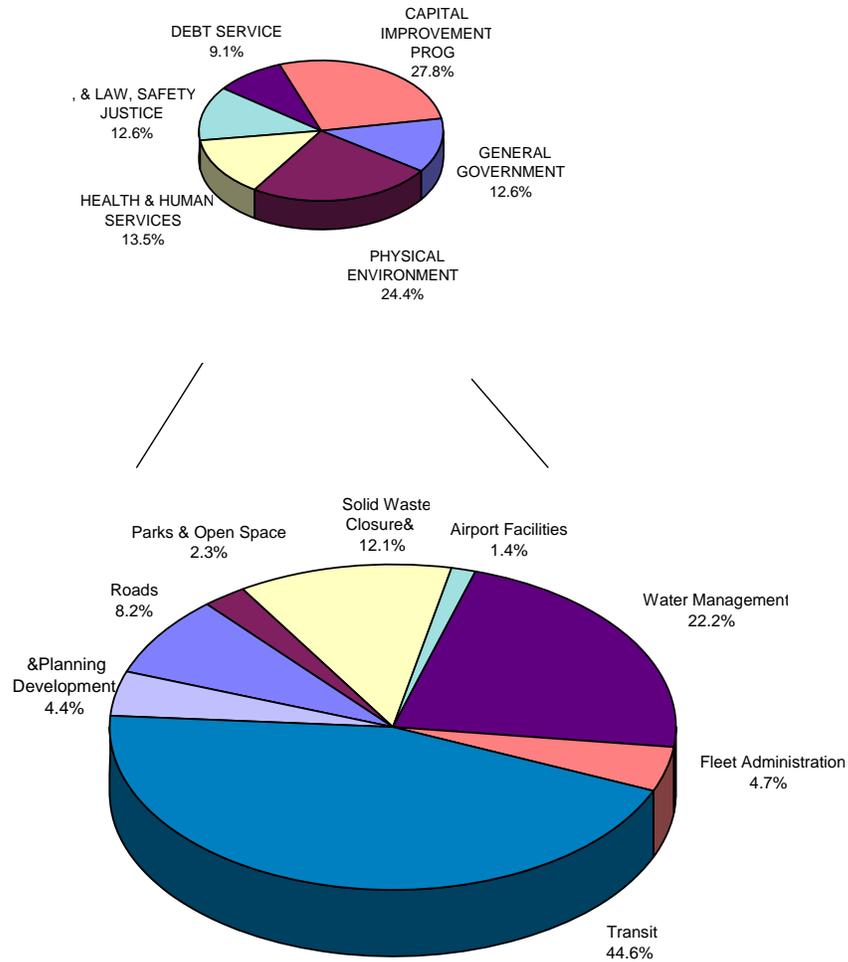


**Physical Environment
\$750 Million**



Organization of the Pie Chart: The following agencies were combined to make the pie chart more readable.

Planning & Development: DDES and DNRP GIS Management

Fleet Administration: Motor Pool Equip Rental, Equipment Repair & Replacement, Transit Non-Revenue Vehicles, Transit Fleet Replacement, and Water Pollution Control Equipment.

Parks & Open Space: Parks, Resources Lands & Open Space, Parks/CJ, Youth Sports Facilities, Noxious Weed Fund.

Roads: Roads, Roads Construction Transfer and Stormwater Decant

Solid Waste & Closure: Solid Waste, Post-Closure Landfill Maintenance.

Water Management: Intercounty River Improvement, River Improvement, Water & Land Resources (SWM), Wastewater Treatment including CIP Transfer, and Rural Drainage.

Transit: Transit

Source: Program Plan Summary Page (Found at the end of the section).

P R O G R A M E X P L A N A T I O N S

I N T R O D U C T I O N

The Physical Environment Program supports all services related to building and land use permitting, community and regional parks, various recreational programs, solid waste disposal, surface water management, waste water treatment, roads and transit operations. These services are delivered by the Departments of Development and Environmental Services (DDES), Natural Resources and Parks (DNRP), and Transportation (DOT). They are all dedicated to enhancing the quality of life and economic vitality of the Puget Sound region. Below is a summary of each of these departments and its budget highlights.

The Department of Development and Environmental Services' long-term financial stability requires that the department raise its fees to keep pace with cost increases. The fee structure for the department's services was completely restructured in 1999 and a practice of reviewing the fees every three years was established. 2002 will be the third consecutive year without a fee increase. The Department's business model approach requires a regular adjustment of staffing, business practices and customer service levels in accordance with the resources available.

The Department is forecasting a slight increase in business for 2003 relative to that projected for 2002.

The Department of Natural Resources and Parks (DNRP) administers various divisions and sections which provide services related to water quality, solid waste disposal, parks and recreation, centralized geographic information system (GIS) and environmental protection. These divisions include:

- **The Geographic Information System (GIS) Center**, reporting to the DNRP Director's Office, will administer the County's central GIS databases and provide a single point of accountability for equitable access to consistent and accurate GIS data and products for all end-users and the development of a regional GIS system.
- **The Parks and Recreation Division** administers a system of unincorporated area and regional parks, regional trails, and recreational facilities, including a regional aquatics facility. The division is primarily funded from the Current Expense (CX) Fund and therefore faces significant reductions in the 2003 budget.
- **The Solid Waste Division (SWD)** protects public health by administering the safe transfer and disposal of solid waste through a regional system of transfer stations and a regional landfill. The division's financing is generated through disposal fees, with no rate increase proposed for 2003.
- **Wastewater Treatment Division (WTD)** improves water quality, protects public health by transporting and treating sewage and by safely disposing of biosolids. The division's financing is generated through a regional sewer rate collected from the component sewer agencies and a capacity charge on new sewer hook-ups. The sewer rate was increased to \$23.40 per month per Residential Customer Equivalent, effective January 2002, which is expected to carry the wastewater utility through 2004.
- **Water and Land Resources Division (WLRD)** improves water quality and protects the environment by administering the surface water drainage utility for unincorporated King County, the regional flood control programs and facilities and a variety of stewardship programs to protect watersheds, and rural and resource lands. The financing for the divi-

PHYSICAL ENVIRONMENT PROGRAM PLAN

sion is provided from a variety of sources, including: 1) a drainage fee in the unincorporated area, 2) river improvement levy, 3) noxious weed assessment, 4) interfund transfers from the Wastewater Treatment Division and the Local Hazardous Waste program, 5) contract payments from cities, and 6) grants. No rate changes are proposed for 2003.

The Department of Transportation (DOT) comprises several divisions that provide services related to public transportation, community outreach on transportation issues, road construction and maintenance, and fleet management. The Divisions of the DOT and their principal functions are as follows:

- **DOT Director's Office** provides leadership, advocacy, and support for the Department. The Director's staff maintains good relations with DOT's customers and the community through inter-governmental, community, and media relations; transit-oriented development projects; transportation planning; and public safety partnerships.
- **Transit Division** provides and coordinates countywide bus service; manages vanpool and rideshare systems; and provides paratransit services for elderly and/or disabled riders. Transit also works with Sound Transit to integrate and prepare for implementation of rail and bus services in 2003 and beyond. The 2003 budget includes bus service increases that continue the rebuilding of the County's comprehensive transportation network following major I-695 related cuts. Begun in 2002, Transit continues implementation of a shift to using ultra-low-sulfur fuel in its diesel-powered buses, providing significant benefits to the region's air quality.
- **Road Services Division** strives to increase mobility through arterial networks, bridge rehabilitation, and corridor system improvements. The Road Services 2003-to-2008 financial plan balances the needs of the operating and capital programs and identifies additional resources for a Road Safety Rehabilitation and Retrofit program for additional pavement overlay miles, pedestrian safety improvements, safety guardrails, signal upgrades and intersection safety improvements.
- **Fleet Administration Division** manages the County's non-revenue vehicles in the Motor Pool Fund, the Wastewater Equipment Rental and Revolving Fund, and the Public Works Equipment Rental and Revolving Fund.
- **King Count International Airport (KCIA)** supports the economic vitality of the County, the National Air Transportation System, and provides safe and continuous general aviation airport services. KCIA was successfully integrated into DOT during 2002 and will continue to develop closer ties with other DOT agencies during 2003. Due to the economic downturn, revenues have declined and the operating budget has been reduced in several areas to compensate. However, an additional security officer will be added to address the need for increased security.

Development and Environmental Services

DEVELOPMENT AND ENVIRONMENTAL SERVICES

Mission

Development and Environmental Services

To serve, educate and protect our community through the implementation of King County's development and environmental regulations.

ISSUES AND PRIORITIES

The Department of Development and Environmental Services (DDES) will complete its third consecutive year with a positive fund balance in 2002. All activities related to permitting are entirely self-supporting. Permitting-related activity declined in the years

2000 and 2001, but began to increase in 2002. The building industry business retraction, over the past three years, is reflected in the department's staffing level reduction of over 30%. The department will continue to hold spending and staffing down to the level required by customer demand.

The Current Expense (CX) Fund supported only four areas in the DDES in 2002: Fire Investigation, Code Enforcement-Zoning, Code Enforcement-Grading, Code Development and Education, and Long Range Planning. The 2003 budget proposes a reduction in CX support of \$1,344,733 to fund the following areas within the DDES: Fire Investigation, Code Enforcement-Grading (environmental protection) and a reduced amount for Code Enforcement-Zoning. In accordance with Council adopted policy, the DDES budget also includes a contingent expenditure authority to address unanticipated levels of permit activities.

WORKLOAD / PERFORMANCE INDICATORS

	2001 Actual	2002 Adopted	2003 Proposed
1. Billable Hours Rate Percentage	65%	70%	75%
2. Commercial Permit Approvals	575	506	495
3. Residential Permit Approvals	4072	4757	4595
4. Land Use Engineering Permit Approvals	417	467	422

PHYSICAL ENVIRONMENT PROGRAM PLAN

Development & Environmental Svcs. (DDES) 1340/0325

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	35,506,913	337.00	1.00
PE		Status Quo **	(6,325,598)	(73.00)	0.00
Status Quo Budget		29,181,315	264.00	1.00	
Contra		0			
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Program Change					
PC40	ORPP Transfer	427,782	3.00	0.00	
		427,782	3.00	0.00	
Revenue Backed					
RB01	Address Corrections for E-911	72,282	0.50	0.00	
RB02	Code Development Funded by 1% of Permit Fees	292,945	2.00	0.00	
RB03	Fire Investigation Support for Cities	146,555	1.00	0.00	
RB04	Solid Waste Division Funding of One Code Enforcement Officer	140,959	1.00	0.00	
RB05	Abatement Funding for 1.00 FTE Code Enforcement Officer	146,274	1.00	0.00	
RB06	Funding of the Shoreline Master Plan	108,249	0.75	0.00	
RB07	Fully Contained Community/Urban Planning Development	987,356	7.00	0.00	
RB08	Rural Drainage Program	434,636	3.00	0.00	
RB09	Washington State DOT Permit Coordination	78,639	0.50	0.00	
RB10	Code Enforcement Officer (Substandard Dwellings)	0	0.00	0.00	
RB11	PBX Inspection Support for E-911	140,852	1.00	0.00	
		2,548,747	17.75	0.00	
Technical Adjustment					
TA01	Staff Adjustments	(3,273,719)	(46.25)	(1.00)	
TA02	Low Org Budget Adjustments	0	0.00	0.00	
TA03	O & M Adjustments	(350,393)	0.00	0.00	
TA04	Miscellaneous Labor Adjustment	8,322	0.00	0.00	
TA05	Add Back Department Overtime	39,007	0.00	0.00	
TA06	Workload Contingency	975,000	5.00	0.00	
TA50	Annual Revenue Adjustment \$1,279,194	0	0.00	0.00	
		(2,601,783)	(41.25)	(1.00)	
Technology Requests					
IT01	Permits and Interactive Voice Response System	65,000	0.00	0.00	
		65,000	0.00	0.00	
Central Rate Adjustments					
CR01	Flex Benefits	(228,245)	0.00	0.00	
CR05	CX Overhead Adj.	(56,179)	0.00	0.00	
CR07	ITS O&M	(12,791)	0.00	0.00	
CR08	ITS Infrastructure	(94,830)	0.00	0.00	
CR09	Geographic Information System (GIS)	180,957	0.00	0.00	
CR10	OIRM	(8,387)	0.00	0.00	
CR11	Telecommunications Services	33,251	0.00	0.00	
CR12	Telecommunications Overhead	6,296	0.00	0.00	
CR13	Motor Pool Rate Adj.	(78,162)	0.00	0.00	
CR14	Facilities Mgmt Space Charge	(93,621)	0.00	0.00	
CR15	Insurance Charges	(73,884)	0.00	0.00	
CR20	PAO Rates	31,519	0.00	0.00	
CR21	Debt Service Adj.	(399)	0.00	0.00	
CR22	Long Term Leases	(163,958)	0.00	0.00	

PHYSICAL ENVIRONMENT PROGRAM PLAN

Development & Environmental Svcs. (DDES) 1340/0325

Code/Item #/	Description	Expenditures	FTEs*	TLPs
CR25	Finance Rates	19,623	0.00	0.00
CR26	Retirement Rate Adjustment	58,470	0.00	0.00
CR32	GIS Client Services	(179,630)	0.00	0.00
CR36	Property Services-Lease Admin Fee	(1,640)	0.00	0.00
CR39	COLA Adjustment	(77,780)	0.00	0.00
CR45	Class Comp Reserves	188,399	0.00	0.00
		(550,991)	0.00	0.00
Council Changes				
CC01	Landmarks Program transfer to CX - share of cost	10,465	0.00	0.00
CC02	Restore Fire Marshal	75,000	1.00	0.00
CC03	Restore code enforcement officers	700,000	5.00	0.00
		785,465	6.00	0.00
2003 Adopted Budget		29,855,535	249.50	0.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

Proviso(s):

PROVIDED THAT:

In conjunction with the preparation of any significant policy recommendations for transmittal with the major update of the King County Comprehensive Plan in 2004 and to provide a basis for recommendations in that update affecting growth management in the Federal Way area of King County, the department shall provide a subarea plan studying the feasibility of revisions to the land use designation and zoning of the following properties located at the northeast intersection of South 320th Street and Interstate 5 in Federal Way:

Parcel Nos.

092104-9028

092104-9139

092104-9140

092104-9160

092104-9187

092104-9206

092104-9310

092104-9316

In performing this study, the department shall consider:

- (1) The feasibility of residential single-family or office development occurring at this location under the current land use designation and zoning;
- (2) The need for retail grocery opportunities for the significant number of residents and growing number of workers in office developments in the unincorporated areas east of Interstate 5 near Federal Way;
- (3) The overall benefits to major non food related retail in the city of Federal Way by reducing unnecessary vehicle trips through the already congested South 320th Street corridor west of Interstate 5; and
- (4) The fiscal benefits of providing an increased retail tax base for King County.

The report shall be transmitted to the council no later than September 1, 2003, and must be filed in the form of 15 copies with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff for the growth management and unincorporated areas committee or its successor.

PROVIDED FURTHER THAT:

Of this appropriation, one FTE and \$75,000 shall be expended solely for the position of King County fire marshal.

PROVIDED FURTHER THAT:

The department shall initiate discussions with all fire protection districts or fire departments serving the cities and the unincorporated areas of the county. These discussions shall evaluate the possible efficiencies resulting from the creation of a unified fire marshal office that would serve all jurisdictions within King County. The discussions shall also include a review of possible future options for the joint funding of such an office.

The department shall provide a report describing the discussions with fire protection service providers and outlining steps necessary to implement any recommendations resulting from these discussions. The report shall be transmitted to the council no later than May 1, 2003. If the report is not submitted by May 1, 2003, \$100,000 from this appropriation may not be

PHYSICAL ENVIRONMENT PROGRAM PLAN

Development & Environmental Svcs. (DDES) 1340/0325

Code/Item #/	Description	Expenditures	FTEs*	TLPs
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be expended or encumbered for the director's office from May 1, 2003, until the date the report is submitted to the council.

The report shall be filed in the form of 15 copies with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff for the growth management and unincorporated areas committee or its successor.

PROVIDED FURTHER THAT:

The department shall initiate discussions with affected stakeholders, including property owners, cities, and building industry or environmental protection groups, regarding the potential transfer of permit review responsibilities to cities in King County.

The department shall consider the development of interlocal agreements allowing cities to act as the permit review authority for those unincorporated areas:

- (1) Within their potential annexation areas, using city regulations; and
- (2) Outside their potential annexation areas, but within their sphere of influence, using either city or county regulations.

The department shall provide a report evaluating the recommendations of stakeholders on these issues. The report shall be transmitted to the council no later than June 30, 2003. If the report is not submitted by June 30, 2003, \$100,000 from this appropriation may not be expended or encumbered for the director's office from June 30, 2003, until the date the report is submitted to the council.

The report shall be filed in the form of 15 copies with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff for the growth management and unincorporated areas committee or its successors.

PROVIDED FURTHER THAT:

Of this appropriation, \$10,465 shall only be spent on the department's share of the cost of the landmarks program and shall be transferred to the current expense fund.

PROVIDED FURTHER THAT:

Of this appropriation, 6 FTEs and \$840,000 shall be expended solely for the positions of code enforcement officer.

PROVIDED FURTHER THAT:

In conjunction with the preparation of any significant policy recommendations for transmittal with the major update of the King County Comprehensive Plan in 2004 and to provide a basis for recommendations in that update affecting growth management in the Rural Areas of King County, the department shall provide a report of the growth potential of lands within the Rural Area. In performing this study, the department shall consider, in addition to zoning, all available data that could impact the development potential of rural lands, including but not limited to, known sensitive areas and associated buffers, lack of transportation infrastructure, soil conditions limiting septic systems, and special development conditions, such as P-suffixes, district overlays and basin plans.

The report shall be transmitted to the council no later than September 1, 2003, and must be filed in the form of 15 copies with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff of the growth management and unincorporated areas committee or its successor.

PHYSICAL ENVIRONMENT PROGRAM PLAN

PROGRAM HIGHLIGHTS

Program Changes

ORPP Transfer - \$427,782 and 3.00FTEs. This proposal would allow for reorganization of the Executive Office to create new efficiencies.

Technical Adjustments

Staff Adjustments - (\$3,273,719) and (46.25) FTEs and (1.00)TLT. This proposal would reduce staff due to projected decline in applications, program efficiencies, and restructuring of job duties.

O & M Adjustments - (\$350,393). This proposal would eliminate non-essential overhead and maintenance expenditures to reduce costs.

Miscellaneous Adjustment - \$8,322. This proposal would adjust salaries to reflect the current pay of 1.00 code enforcement supervisor position. The existing salaries reflected the current pay of a code enforcement officer II.

Add Back Department Overtime - \$39,007. This proposal would adjust the amount of overtime costs based on projections for 2003. Overtime requirements for the department have decreased resulting in a reduction of funds required.

Workload Contingency Adjustment - \$975,000 and 5.00 FTEs. This proposal allows the department to respond to unanticipated demands of up to 15% beyond projected receipts by providing adequate resources to accomplish core services. Contingency for 5.00 positions only is being requested.

Revenue Backed

Address Corrections for E-911 - \$72,282 and 0.50 FTE. This program provides for the identification and correction of addresses that contained errors when they were originally recorded.

Code Development Funded by 1% of Permit Fees - \$292,945 and 2.00 FTEs. The program provides funding for the timely development and implementation of land use and building regulations.

Fire Investigation Support for Cities - \$146,555 and 1.00 FTE. One FTE Deputy Marshal/Investigator is required to investigate and determine the origin and cause of fires as well as the criminal investigation and prosecution of arson in incorporated cities. Cities will be invited to participate by contracting with DDES to pay a pro-rata share of the costs of the program.

SWD Funding for 1.00 Code Enforcement Officer - \$140,959 and 1.00 FTE. This proposal provides for a code enforcement officer to respond to complaints concerning inoperative vehicles, accumulations of junk, and debris, when the issue is an accumulation of solid waste garbage, junk, debris and auto parts.

Abatement Funding for 1.00 Code Enforcement Officer - \$146,274 and 1.00 FTE. This program provides for a code enforcement officer to respond to hazards, substandard housing, non-severe junk, and complaints of debris from citizens of unincorporated King County.

DNRP Funded Update of the Shoreline Master Plan - \$108,249 and 0.75 FTE. This proposal provides support for a state-mandated update to the King County Shoreline Master Plan.

Fully Contained Community/UPD Contracts - \$987,356 and 7.00 FTEs. A Fully Contained Community (FCC) is a large scale development, generally including a combination of residential uses, commercial uses, and public facilities. The proposal provides a team of planning, engineering, and field inspection professionals to review, process, and monitor the development of the Blakely Ridge and North Ridge FCCs.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Rural Drainage Program - \$434,636 and 3.00 FTEs. This program provides support for the code enforcement effort in the rural areas in King County to protect the natural environment by consistently enforcing the King County Code. This includes 7 day / 24 hour service to respond to serious environmental violations.

Washington Department of Transportation - \$78,639 and 0.50 FTE. This position will coordinate Washington State Department of Transportation (WADOT) permits by providing permit intake, review, and inspection functions.

PBX Inspection Support for E-911 - \$140,852 and 1.00 FTE. This proposal provides for inspections of Private Board Exchange Systems to further improve the reliability of the E-911 system.

Information Technology Requests

Permits Plus Interactive voice Response System - \$65,000. This project will replace 85% of the voice-mail traffic currently generated by the Inspections Section. This technology will be used by DDES customers to request inspections on building permits using a touch-tone telephone, update the Permits Plus Inspection Request data set, and schedule an inspection for the customer.

Central Rate Adjustments

Central Rate Adjustments - (\$550,991). Central rate adjustments include: Non-Rep. Class Comp. reserves, GIS, PAO, Finance, CX Overhead, ITS Infrastructure and O&M, OIRM, Insurance Charges, COLA, Debt Service Adjustment, Telecommunications Services and Overhead, Property Services Long Term Lease and Lease Administration Fee, Motor Pool, Debt Service, DCFM O&M, Flex Benefits, and Retirement.

Development and Environmental Services / 1340

	2001 Actual ¹	2002 Adopted	2002 Estimated ²	2003 Adopted	2004 Projected ³	2005 Projected ³
Beginning Fund Balance	880,574	22,994	1,730,700	912,993	540,100	(3,165,469)
Revenues						
* Fee Receipts	24,624,214	26,773,934	22,167,820	23,210,408	23,210,408	23,210,408
* Other Revenue	1,093,148	2,591,901	2,591,901	2,349,102	2,349,102	2,349,102
* Operating Contingency		3,992,828		975,000	975,000	975,000
* CX Transfers	3,738,182	3,454,293	3,454,293	2,948,132	2,448,132	2,448,132
Total Revenues⁶	29,455,544	36,812,956	28,214,014	29,482,642	28,982,642	28,982,642
Expenditures						
* Salaries and Benefits	(22,345,738)	(22,138,574)	(21,013,233)	(20,077,851)	(21,520,393)	(22,596,412)
* Supplies and Contracts	(1,412,599)	(2,023,004)	(2,106,280)	(1,632,112)	(1,713,718)	(1,799,403)
* Interdepartmental	(4,716,969)	(5,288,847)	(5,288,847)	(5,456,409)	(5,729,229)	(6,015,691)
* Capital & Other	(233,912)	(2,078,675)	(540,085)	(1,714,163)	(2,749,871)	(1,889,865)
* Operating Contingency		(3,977,813)		(975,000)	(975,000)	(975,000)
* Encumbrance Reserve			(83,276)			
Total Expenditures⁵	(28,709,218)	(35,506,913)	(29,031,721)	(29,855,535)	(32,688,211)	(33,276,371)
Estimated Underexpenditures						
Other Fund Transactions						
GAAP adjustment	103,800					
*						
Total Other Fund Transactions	103,800	0	0	0	0	0
Ending Fund Balance	1,730,700	1,329,037	912,993	540,100	(3,165,469)	(7,459,198)
Reserves & Designations						
* Reserve for Encumbrances	(83,276)					
* Reserve for Staff Reductions						
* Reserve for Revenue Shortfall						
* Reserve for Technology Replacements						
Total Reserves & Designations	(83,276)	0	0	-	-	-
Ending Undesignated Fund Balance	1,647,424	1,329,037	912,993	540,100	(3,165,469)	(7,459,198)

Financial Plan Notes:

¹ 2001 Actuals are from the 2001 CAFR.

² 2002 Estimated is based on activity to date for 2002.

³ 2004 and 2005 Projected Revenues are based on revenues remaining constant

⁴ No Target Fund Balance has been assigned.

⁵ 2004 and 2005 Expenditures were increased by 5% to reflect current projections.

⁶ 2003 Adopted revenues have been revised from the Proposed Budget of \$32,203,643; reflecting a smaller Fee increase for 2003, as per the Council's Adopted Budget.

The Department will continue to work with the Council to develop a fee schedule which, along with appropriate cost controls, will result in a balanced outyear financial plan.

PHYSICAL ENVIRONMENT PROGRAM PLAN

COUNCIL ADOPTED BUDGET

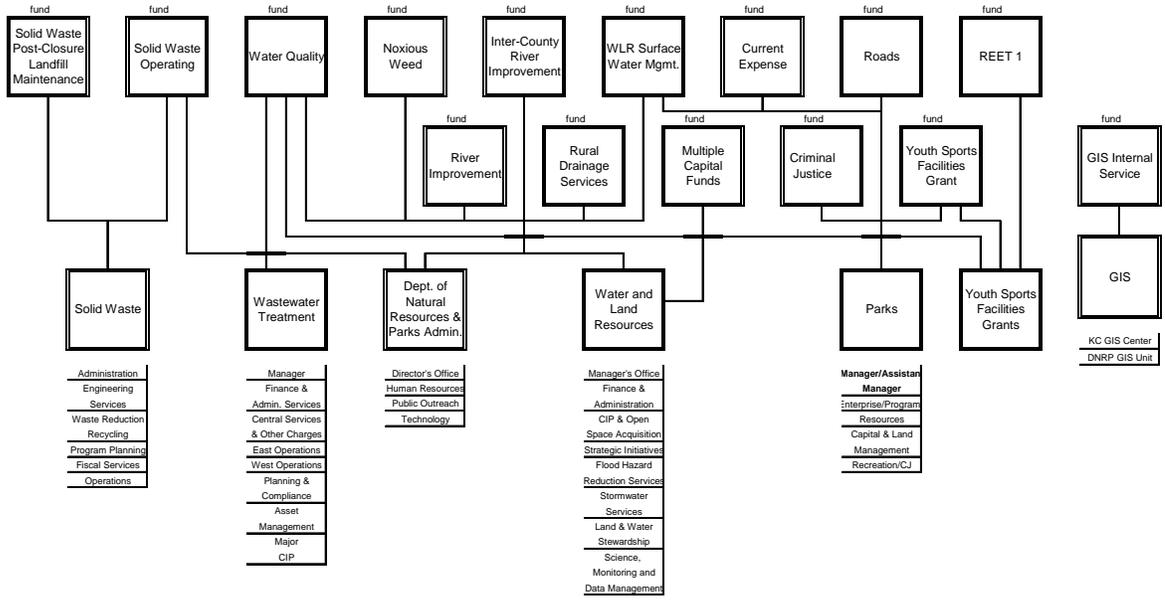
Landmarks Program transfer to CX – \$10,465. Council provided expenditure authority to DDES in order to fund a portion of the Landmarks Program. The amount provided is based on workload allocation that the DDES derives a benefit from.

Restore Fire Marshall – \$75,000 and 1.00 FTE. Council provided CX funding to pay for one half of a year's salary for the Fire Marshall position with the expectation that a cost sharing arrangement with other fire departments and fire districts for ongoing funding of this position be established.

Restore Code Enforcement Officers – \$700,000 and 5.00 FTEs. Council reinstated CX funding for 5.00 code enforcement officer positions.

Natural Resources and Parks

PHYSICAL ENVIRONMENT PROGRAM PLAN



NATURAL RESOURCES AND PARKS

Mission

Natural Resources & Parks

To be the steward of the region's environment and strengthen sustainable communities by protecting our water, land and natural habitats, safely disposing of and reusing wastewater and solid waste, and providing natural areas, parks and recreation programs.

ISSUES AND PRIORITIES

The Department of Natural Resources and Parks (DNRP) includes the following organizational units: DNRP Administration, GIS Center, Wastewater Treatment Division, Water and Land Resources Division (multiple appropriation units), Solid Waste Division, and Parks and Recreation Division.

DNRP Administration

The administrative unit is comprised of the DNRP Director's Office, DNRP Human Resources, a Technology unit and a Public Outreach unit. In 2003, the ESA Unit will

be significantly downsized and moved to the Water and Lands Resources Division.

GIS Center

The GIS Center, organized as a separate internal service fund, provides all County users with a single point of accountability for equitable access to consistent and accurate GIS data and products, provides efficient GIS database management, and works to develop a regional GIS system. In addition to staff working on Countywide GIS functions, the GIS Center also administers DNRP GIS staff supporting the business needs in four DNRP divisions.

Parks & Recreation Division

As described in the Phase II Business Transition Plan for the County parks system, the Executive Proposed Budget for the Parks & Recreation Division reflects the vision set forth by the Metropolitan Parks Task Force. The proposed 2003 budget incorporates significant program reductions as well as user fee increases and new earned revenues to help address the Current Expense Fund deficit by instituting a new way of doing business for the County parks system. This new way of doing business will require significant policy and code changes, proposed in an ordinance to the County Council on September 16, as well as a new entrepreneurial approach by Parks Division staff in operating and maintaining the County's parks and related facilities and programs. Some of the fundamental changes reflected in the proposed budget include:

- King County will focus on key regional assets such as Marymoor Park, the Enumclaw [King County] Fairgrounds, and the Weyerhaeuser/King County Aquatics Center, while eliminating the funding of parks and pools inside cities.
- The County will continue to operate parks and pools in areas of the County outside city limits, as well as regional trails, regional passive-use parks and open space and ecologically important lands.
- The budget calls for the ability to charge fees at parks and pools that more closely reflect the full cost of a service or activity and a shift of capital dollars to help enhance future revenue generating projects and ideas.
- In response to recommendations from the Active Sports Youth Recreation Commission, the plan proposes Association Development and Operating Partnerships with youth sports groups to operate ballfields and other active recreation facilities at little or no taxpayer expense.

Solid Waste Division

The most significant issue facing the Solid Waste Division (SWD) continues to be how to improve operational efficiency while maintaining rate and service stability for solid waste ratepayers. The Final 2001 Comprehensive Solid Waste Management Plan has been adopted by the Council. SWD is

PHYSICAL ENVIRONMENT PROGRAM PLAN

now implementing the Plan, which includes strategies for solid waste collection, transfer, disposal, and recycling. The Plan describes how these services will be delivered over the long term. The 2003 budget anticipates the need to improve efficiency with facility upgrades, operational changes, and program enhancements that will make the Solid Waste system safer, more efficient, and better prepared for the eventual closure of the Cedar Hills landfill. In 2003, SWD will continue its responsibility for selected Parks Division administrative functions such as payroll, accounting and personnel.

Wastewater Treatment Division

The King County Council recently adopted the 2003 Sewer Rate of \$23.40. Included in the 2003 rate is funding to address several key areas: (1) Regional Wastewater Services Plan (RWSP): Implementation of the plan began in late 1999 and will continue through at least 2030. The 2003 Operating Budget request does not fund RWSP activities, which are carried in the CIP proposal; (2) Productivity Initiative: This program is in full force, with 10-year operating cost reduction targets having been established. The 2003 operating budget incorporates \$2.3M in Productivity Initiative savings.

Water and Land Resources Division

For the 2003 budget, there are two major issues facing the Water and Land Resource Division. These are:

- WLRD will use drainage fee revenues (from both the urban SWM service area and the Rural Drainage Fee extension) to support both operating and capital costs associated with the natural resource lands for which custodial responsibilities were transferred from Parks in the 2001 reorganization ordinance. To partially offset the impact of this use of SWM/RDP dollars, and in order to maintain the commitment made during the Council deliberations on the 2002 SWM rate increase, REET funds will be provided to both the SWM CIP and to the WLR operating budget to support work on developing site management plans for the natural resources lands. The financial plan for the SWM/RDP Fund assumes that the revenues needed to provide ongoing maintenance of these natural lands in the out-years (i.e. 2004 and beyond) will be included in the dedicated Parks Funding ballot issue that the Executive is developing for a potential spring 2003 ballot.
- Program and staff reductions are proposed to meet financial plan constraints and to reflect estimated capital project workloads.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Natural Resources & Parks Administration 4040/0381

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	5,000,117	29.00	3.00
PE		Status Quo **	267,097	1.00	1.00
Status Quo Budget		5,267,214	30.00	4.00	
Contra		0			
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Technical Adjustment					
TA01	Remove ESA Policy Coordination & BRP/ Section 7 work	(411,464)	(1.00)	0.00	
TA02	Miscellaneous Supply & Service Adjustments	(118,100)	0.00	0.00	
TA03	Government Affairs Officer	109,975	0.00	1.00	
TA04	TLT Position Reductions	(212,779)	0.00	(2.00)	
TA05	New Intra-County Contributions	230,249	0.00	0.00	
TA06	Salary Adjustments	81,415	0.00	0.00	
TA07	Benefits Adjustments	95,594	0.00	0.00	
TA50	Annual Revenue Adjustment (\$144,602)	0	0.00	0.00	
		(225,110)	(1.00)	(1.00)	
Central Rate Adjustments					
CR01	Flex Benefits	(30,560)	0.00	0.00	
CR05	CX Overhead Adj.	119,190	0.00	0.00	
CR07	ITS O&M	(8,436)	0.00	0.00	
CR08	ITS Infrastructure	3,158	0.00	0.00	
CR10	OIRM	161	0.00	0.00	
CR11	Telecommunications Services	6,087	0.00	0.00	
CR12	Telecommunications Overhead	8,040	0.00	0.00	
CR13	Motor Pool Rate Adj.	110	0.00	0.00	
CR20	PAO Rates	(340,044)	0.00	0.00	
CR22	Long Term Leases	(10,194)	0.00	0.00	
CR25	Finance Rates	2,237	0.00	0.00	
CR26	Retirement Rate Adjustment	8,592	0.00	0.00	
CR36	Property Services-Lease Admin Fee	120	0.00	0.00	
CR39	COLA Adjustment	(8,372)	0.00	0.00	
CR45	Class Comp Reserves	110,322	0.00	0.00	
		(139,589)	0.00	0.00	
Council Changes					
CC01	Landmarks Program transfer to CX - share of cost	16,343	0.00	0.00	
		16,343	0.00	0.00	
2003 Adopted Budget		4,918,858	29.00	3.00	

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

Proviso(s):

PROVIDED THAT:
Of this appropriation, \$16,343 shall only be spent on DNRP administration's share of the cost of the landmarks program and shall be transferred to the current expense fund.

PHYSICAL ENVIRONMENT PROGRAM PLAN

PROGRAM HIGHLIGHTS

DNRP Administration

Technical Adjustments

Remove ESA Policy Coordinator & BRP/Section 7 Work - (\$411,464) and (1.00) FTE. This proposal reduces expenditure authority in order to transfer the program to WLRD.

Miscellaneous Supply & Service Adjustments - (\$118,100). This proposal will allow for adjustments to accounts based on shifting priorities for expenditures of supply and service accounts.

Government Affairs Officer - \$109,975 and 1.00 TLT. Creation of this position would provide work under the direction of the DNRP Director on Parks Divestiture and other legally binding agreements with suburban cities. This program supports the management of resource lands and supports DNRP's Community Investment Goal for providing sound land management.

TLT Position Reductions - (\$212,779) and (2.00) TLTs. This proposal would eliminate a TLT position used as a placeholder until FTE authority for an Energy Manager FTE was passed in the 1st Quarter omnibus and would eliminate a short-term air quality analyst position whose work will be discontinued in 2003.

New Intra-County Contributions - \$230,249. This proposal will provide for new intracounty contributions for DDES for Shoreline Master Code Development and DES for layoff recall effort.

Salary Adjustments - \$81,415. This proposal will adjust salaries for anticipated vacation and sick leave payouts, COLA, and merit.

Benefits Adjustments - \$95,594. This proposal will build reserves for an anticipated one-time retirement payout in 2003. It will also adjust benefits for expected 2003 overtime, temporary help, etc.

Central Rate Adjustments

Central Rate Adjustments - (\$139,589). This includes adjustments made to CX Overhead, Non-Rep. Class Comp. reserves, ITS O&M, ITS Infrastructure, OIRM, Telecommunications Services and O&M, Motor Pool, PAO, Property Services' Long Term Lease and Administration Fee, Finance, Retirement, COLA, and Flex Benefits.

COUNCIL ADOPTED BUDGET

Landmarks Program Transfer to CX - \$16,343. Council provided expenditure authority to DNRP in order to fund a portion of the Landmarks Program. The amount provided is based on workload allocation that the DNRP derives a benefit from.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Geographic Information Systems (GIS) 5481M/3180M

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	3,258,335	28.00	4.00
PE		Status Quo **	166,404	1.00	(1.00)
		Status Quo Budget	3,424,739	29.00	3.00
		Contra	0		
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Administrative Service Reductions					
AS01	Reduce Non-Labor, Non-Overhead Costs	(150,910)	0.00	0.00	
		(150,910)	0.00	0.00	
Technical Adjustment					
TA01	Adjust DNRP Administration Overhead	(75,325)	0.00	0.00	
TA02	Convert 3.00 TLTs into FTE Positions & Adjust Labor	(7,957)	3.00	(3.00)	
TA50	Annual Revenue Adjustments (\$88,595)	0	0.00	0.00	
		(83,282)	3.00	(3.00)	
Central Rate Adjustments					
CR01	Flex Benefits	(20,030)	0.00	0.00	
CR05	CX Overhead Adj.	24,549	0.00	0.00	
CR07	ITS O&M	2,264	0.00	0.00	
CR08	ITS Infrastructure	24,748	0.00	0.00	
CR10	OIRM	69	0.00	0.00	
CR11	Telecommunications Services	7,486	0.00	0.00	
CR12	Telecommunications Overhead	3,631	0.00	0.00	
CR25	Finance Rates	(11,834)	0.00	0.00	
CR26	Retirement Rate Adjustment	8,016	0.00	0.00	
CR39	COLA Adjustment	(7,600)	0.00	0.00	
CR45	Class Comp Reserves	157,865	0.00	0.00	
		189,164	0.00	0.00	
Council Changes					
CC01	Do not convert TLT	(54,376)	(1.00)	0.00	
		(54,376)	(1.00)	0.00	
		2003 Adopted Budget	3,325,335	31.00	0.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Geographic Information Systems (GIS)

Administrative Service Reductions

Reduce Non-Labor, Non-Overhead Costs - (\$150,910). Reductions to expenditures were created by efficiencies within the department.

Technical Adjustments

Adjust DNRP Administration Overhead – (\$75,325). This proposal would adjust the GIS share of the DNRP overhead rate.

Convert 3.00 TLTs into FTE positions and Adjust Labor – (\$7,957), 3.00 FTEs AND (3.00 TLTs). This proposal would allow for the conversion of 3.00 existing TLT positions into FTE positions that support fluctuating labor requirements for the cost reimbursable GIS Client Services division.

Central Rate Adjustments

Central Rate Adjustments - \$189,164. This includes adjustments made to the Non-Rep. Class Comp. reserves, Telecommunications Services and Overhead, Retirement, ITS Infrastructure and O&M, CX Overhead, OIRM, Finance, Flex Benefits, COLA, and OIRM.

WORKLOAD / PERFORMANCE INDICATORS			
	2001	2002	2003
	Actual	Adopted	Proposed
1. GIS data library availability	N/A	99.0%	99.5%
2. GIS desktop & web application availability	N/A	99.0%	99.5%
3. GIS desktop users supported countywide	N/A	500	550
4. DNRP GIS users supported countywide	N/A	N/A	50
5. GIS client services billable hours as percent of previous year	N/A	N/A	105.0%

PHYSICAL ENVIRONMENT PROGRAM PLAN

Geographic Information Systems (GIS) / 5481

	2001 Actual ¹	2002 Adopted	2002 Estimated ²	2003 Adopted	2004 Projected ³	2005 Projected ³
Beginning Fund Balance	-	250,000	250,000	271,569	299,005	372,137
Revenues						
* GIS O&M Share Model Funding	-	1,382,364	1,382,364	1,392,580	1,479,230	1,523,607
* Client Services Cost reimbursable Work	-	980,230	723,908	981,721	1,011,173	1,041,508
* DNRP GIS Unit	-	895,741	895,741	961,843	990,698	1,020,419
Total Revenues	0	3,258,335	3,002,013	3,336,144	3,481,101	3,585,534
Expenditures						
* GIS Core Operations & Maintenance	-	(1,382,364)	(1,375,452)	(1,436,147)	(1,479,231)	(1,523,608)
* Council Reduction				54,376		
* Client Services	-	(980,230)	(718,209)	(981,721)	(955,165)	(983,820)
* DNRP GIS Unit Operations	-	(895,741)	(886,783)	(961,843)	(990,698)	(1,020,419)
Total Expenditures	0	(3,258,335)	(2,980,444)	(3,325,335)	(3,425,095)	(3,527,848)
Estimated Underexpenditures⁵		32,583		16,627	17,125	17,639
Other Fund Transactions						
*						
Total Other Fund Transactions	0	0	0	0	0	0
Ending Fund Balance	0	282,583	271,569	299,005	372,137	447,463
Reserves & Designations						
*						
*						
*						
Total Reserves & Designations	0	0	0	0	0	0
Ending Undesignated Fund Balance	0	282,583	271,569	299,005	372,137	447,463
Target Fund Balance ⁴		271,528	271,528	277,111	285,425	293,987

Financial Plan Notes:

¹ New Fund - 2001 Actuals were not applicable.

² The 2002 Beginning Fund Balance of \$250K was established via transfer of EUFB from ITS DP Subfund where the majority of staff and assets were.

The \$250K represents an assessment of that portion of the ITS DP Subfund's fund balance that has been generated by the GIS business line.

³ 2004 and 2005 Projected are based on 3% annual growth.

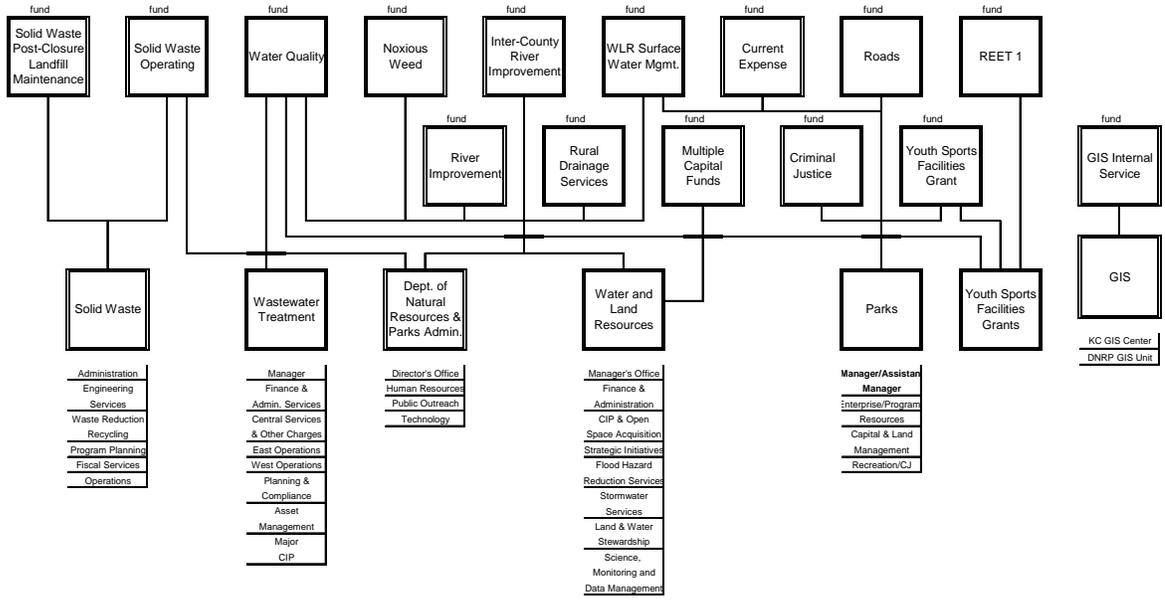
⁴ Target Fund Balance is equal to one month of expenditures.

⁵ Estimated underexpenditure is equal to 1% of the 2002 budget and 0.5% for subsequent years.

COUNCIL ADOPTED BUDGET

Do Not Convert TLT - (\$54,376) and (1.00) FTE. Council allowed TLT conversion of only 2.00 of the 3.00 positions requested for conversion to FTE status.

PHYSICAL ENVIRONMENT PROGRAM PLAN



PHYSICAL ENVIRONMENT PROGRAM PLAN

Parks & Recreation 0010/0340

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	25,566,341	238.47	5.00
PE		Status Quo **	(21,864,617)	0.50	0.00
Status Quo Budget		3,701,724	238.97	5.00	
Contra		22,858,439			
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Program Change					
PC01	Resource & Ecological Lands Maintenance	572,504	6.00	0.00	
PC02	Regional Trails Maintenance	516,900	6.75	0.00	
PC03	Regional Passive Parks	344,814	5.00	0.00	
PC04	Enterprise Programs/Services Administration	616,182	7.00	0.00	
PC05	Local UGA Parks	472,306	7.00	0.00	
PC06	Local Rural Parks	352,430	5.00	0.00	
PC07	Incorporated - Mothballed Parks, Pools, Community Centers	690,055	4.00	0.00	
PC08	Management/Administration (CX)	533,010	6.00	0.00	
PC09	CIP & Land Management Section	837,301	9.00	1.00	
PC10	Overhead/Internal Service Charges	445,445	0.00	0.00	
PC11	Contingency for Unemployment Compensation	0	0.00	0.00	
PC12	Parks Financial Systems Development	10,000	0.00	0.00	
PC13	Enterprise Programs/Services - Regional Active	3,006,139	33.00	0.00	
PC14	Enterprise Programs/Services - UGA Active	688,288	10.00	0.00	
PC15	Enterprise Programs/Services - Rural Active	163,743	2.00	0.00	
PC16	Enterprise Programs/Services - Regional Pool (KCAC)	1,322,309	8.00	0.00	
PC17	Enterprise Programs/Services - UGA Pools	1,198,221	10.67	0.00	
PC18	Enterprise Programs/Services - Rural Pools	189,370	0.67	0.00	
PC19	Enterprise Programs/Services - UGA Community Centers	117,244	1.67	0.00	
PC20	Enterprise Programs/Services - Rural Community Centers	124,513	1.67	0.00	
PC21	Scheduling/Greenhouse Program	653,652	11.50	0.00	
PC22	Resource Section Administration	1,566,465	19.00	0.00	
		14,420,891	153.93	1.00	
Technical Adjustment					
TA01	Revenue	0	0.00	0.00	
TA02	Zero Out 2003 PSQ for 2003 Zero-Based Budget Request	(26,560,163)	(238.97)	(5.00)	
		(26,560,163)	(238.97)	(5.00)	
Central Rate Adjustments					
CR01	Flex Benefits	(150,573)	0.00	0.00	
CR08	ITS Infrastructure	88,088	0.00	0.00	
CR09	Geographic Information System (GIS)	141,132	0.00	0.00	
CR10	OIRM	14,195	0.00	0.00	
CR11	Telecommunications Services	165,301	0.00	0.00	
CR12	Telecommunications Overhead	12,108	0.00	0.00	
CR13	Motor Pool Rate Adj.	802,000	0.00	0.00	
CR15	Insurance Charges	222,970	0.00	0.00	
CR16	Radio Access	1,104	0.00	0.00	
CR17	Radio Maintenance	468	0.00	0.00	
CR18	Radio Direct Charges	890	0.00	0.00	
CR19	Radio Reserve Program	1,496	0.00	0.00	
CR22	Long Term Leases	66,748	0.00	0.00	
CR25	Finance Rates	104,457	0.00	0.00	
CR26	Retirement Rate Adjustment	27,365	0.00	0.00	

PHYSICAL ENVIRONMENT PROGRAM PLAN

Parks & Recreation 0010/0340

Code/Item #/	Description	Expenditures	FTEs*	TLPs
CR35	1.25% Underexpenditure	(206,586)	0.00	0.00
CR36	Property Services-Lease Admin Fee	722	0.00	0.00
CR38	Major Maintenance Repair Fund	4,563	0.00	0.00
CR39	COLA Adjustment	153,186	0.00	0.00
CR40	Merit	122,197	0.00	0.00
CR45	Class Comp Reserve	388,286	0.00	0.00
		1,960,117	0.00	0.00
Council Changes				
CC01	YSFG fund transfer	(738,558)	0.00	0.00
CC02	Wastewater Treatment one time allocation	500,000	0.00	0.00
CC03	Real Estate Excise Tax interest earnings	238,558	0.00	0.00
		0	0.00	0.00
2003 Adopted Budget		16,381,008	153.93	1.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

Proviso(s):

PROVIDED THAT:

Of this appropriation, \$470,000 must be expended solely on natural area lands maintenance activities that are consistent with the surface water management (SWM) fee purpose and funding authorities outlined in chapter 36.89 RCW and may be expended or encumbered only after the submittal of a report, requested to be submitted by March 31, 2003, outlining 2003 natural area lands maintenance activities that are proposed to be supported by surface water management and rural drainage program (RDP) funds. This report shall draw from site management and site maintenance plans to date, and include an analysis of how maintenance activities proposed for funding with SWM and RDP funds are consistent with the purpose and funding authorities outlined in chapter 36.89 RCW. The report shall also detail how expenditures for labor and supplies will be tracked to ensure that maintenance work supported by SWM and RDP funds is consistent with the purpose for these funds.

Any report or plan required to be submitted by this proviso must be filed in the form of 16 copies with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff for the natural resources, parks and open space committee and the utilities committee or their successors.

PROVIDED FURTHER THAT:

Of this appropriation, \$25,000 may be expended only after the director of the department of natural resources and parks submits to the council a report describing the executive's strategy for reducing programs and services funded by this appropriation unit, in case anticipated revenues from fees, entrepreneurial activities, or other sources, are not generated at the levels anticipated. 15 copies of this report shall be filed by January 15, 2003, with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff for the natural resources, parks and open space committee or its successor.

PROVIDED FURTHER THAT:

Of this appropriation, \$25,000 may be expended only after the director of the department of natural resources and parks submits to the council, a summary of the executive's strategy for developing and presenting to the council a proposed ballot measure addressing parks and recreation services funding for 2004. Fifteen copies of this report shall be filed by February 15, 2003, with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff for the natural resources, parks and open space committee or its successor.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Parks and Recreation Division

Program Changes

Resource and Ecological Lands - \$572,504 and 6 FTEs. This proposal provides maintenance for selected natural resource lands that have drainage facility maintenance needs, at an estimated cost of \$58.97 per acre on a total of 10,857 acres. Backed by funds from WLRD.

Regional Trails - \$516,900 and 6.75 FTEs. This proposal provides for maintenance of trails used for transportation corridors. Maintenance of the trails in unincorporated King County is supported by funds from Roads. Maintenance of all other trails is funded by CX.

Regional Passive Parks - \$344,814 and 5 FTEs. This proposal provides for maintenance to regional passive parks - Cougar Mountain, Squak Mountain, Coal Creek, Grand Ridge, Preston, Mitchell Hill Corridor, Maury Island Marine Park, Spring Lake, Lake Desire Corridor, and Section 36 (Soaring Eagle). Backed by CX.

Enterprise Programs/Services Administration - \$616,182 and 7 FTEs. This proposal supports the administration of the Enterprise Section.

Local UGA Parks - \$472,306 and 7 FTEs. This proposal provides maintenance to local UGA parks. CX backed.

Local Rural Parks - \$352,430 and 5 FTEs. This proposal provides for maintenance to local rural parks (25 parks). CX backed.

Incorporated - Mothballed Parks, Pools, Community Centers - \$690,055 and 4 FTEs. This proposal covers costs to mothball all parks, pools, and facilities in incorporated areas of the County. A total of 7 parks, 10 pools, and 2 community centers will be mothballed. CX backed.

Management/Administration (CX) - \$533,010 and 6 FTEs. This proposal supports administrative functions for the division. CX backed.

CIP & Land Management Section - \$837,301, 9 FTEs and 1 TLT. The CIP and Land Management Section provides land management services for capital acquisitions, trail coordination, property management, inventory of properties, land use planning, and small capital projects development management and oversight. REET backed (includes overhead).

Overhead/Internal Service Charges - \$445,445. This request included all central rates and overhead. All central rates have been negotiated with the individual agencies. They have been removed from this change item and programmed individually in the appropriate central rate change items. Parking Garage Rentals, Solid Waste, Printing and Graphic Arts, and DNRP Overhead charges remain appropriated in PC10. CX backed.

Parks Financial System Development - \$10,000. This proposal allows Parks to acquire a financial system enabling it to track expenditures and revenues, and to accurately determine actual costs for each of its services (by program, facility, park, or pool). Backed by CX.

Enterprise Programs/Services - Regional Active - \$3,006,139 and 33 FTEs. This proposal supports the operation and maintenance of regional active parks, ballfields, and facilities for Big Finn/O.O.Denny Regional Complex; Enumclaw Fair and Fairgrounds; Marymoor Park; Petrovitsky Park; and Tolt River John McDonald Park. An increase in fees is proposed for the use of these facilities.

Enterprise Programs/Services - UGA Active - \$688,288 and 10 FTEs. This proposal provides for maintenance of parks and ballfields in the Unincorporated Growth Area (UGA) active area of the County. These include 132nd Square Park, Evergreen Athletic Fields, Kentlake High School Fields, Klahanie Park, Lake Geneva Park, Lea Hill Park, North Green River Park, North Meridian Park,

PHYSICAL ENVIRONMENT PROGRAM PLAN

Skyway Park, South County Athletic Complex, and White Center Park. An increase in ballfield fees is proposed.

Enterprise Programs/Services - Rural Active - \$163,743 and 2 FTEs. This proposal supports maintenance for the rural active parks and ballfields at Coalfield Park, Duvall Park, Lake Francis Park, Levdansky Park, and Ravensdale Park. An increase in ballfield revenues is proposed.

Enterprise Programs/Services - Regional Pool (KCAC) - \$1,322,309 and 8 FTEs. This proposal supports operations and maintenance for the King County Aquatics Center (KCAC). An increase in fees is proposed.

Enterprise Programs/Services - UGA Pools - \$1,198,221 and 10.67 FTEs. This proposal supports operations and maintenance for the UGA pools. These include the Evergreen, Renton, and Tahoma Pools. An increase in fees is proposed.

Enterprise Programs/Services - Rural Pools - \$189,370 and .67 FTEs. This proposal supports the operations and maintenance of rural pools - the Cottage Lake and Vashon Pools. An increase in fees is proposed. The revenue estimate is included in PC17 revenues.

Enterprise Programs/Services - UGA Community Centers - \$117,244 and 1.67 FTEs. This proposal supports maintenance for the UGA community centers (West Hill and White Center). CX backed.

Enterprise Programs/Services - Rural Community Centers - \$124,513 and 1.67 FTEs. This proposal supports maintenance for the rural community centers. These include the Gracie Hansen Community Center, Gold Creek Lodge, and Preston Community Center. CX backed.

Scheduling/Greenhouse Program - \$653,652 and 11.5 FTEs. This proposal provides funding for the Parks Developmentally Disabled Program (Greenhouse) and scheduling for athletic facilities/park facilities/grounds. An increase in fees is proposed.

Resource Section Administration - \$1,566,465 and 19 FTEs. The Resource Section provides over-all administrative and operational support for all maintenance activities. Backed by CX.

Technical Adjustments

Zero Out 2003 PSQ for 2003 Zero-Based Budget Request - (\$26,560,163), (238.97) FTEs and (5) TLTs. This adjustment (along with the \$22,858,439 contra) eliminated the 2003 PSQ so Parks could build a zero-based budget. (CX)

Central Rate Adjustments

Central Rate Adjustments - \$1,960,117. Central rates were negotiated and agreed upon with the individual agencies for Telecommunications Ongoing Services, Motor Pool, ITS O&M, New Systems Development, ITS Infrastructure, ITS GIS, OIRM, Telecommunications Overhead, Property Services, Finance, Insurance, Long Term Leases, MMRF, Radio Access, Radio Maintenance, Radio Services, and Radio Equipment Reserves. In addition, central adjustments were made to Flex Benefits, Retirement, and COLA, and a 1.25% Underexpenditure Contra and a reserve for Non-Rep Class Comp were included.

COUNCIL ADOPTED BUDGET

Council made no changes to the 2003 Executive Proposed Budget. The three changes listed by Council are revenue changes.

YSFG Fund Transfer – (\$738,558). *Eliminates revenue from YSFG.*

Wastewater Treatment One-time Allocation - \$500,000. *Replaces part of the \$738,558 YSFG revenue eliminated by Council.*

PHYSICAL ENVIRONMENT PROGRAM PLAN

Real Estate Excise Tax Interest Earnings - \$238,558. Replaces the remaining part of the \$738,558 YSFG revenue eliminated by Council.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Parks & Recreation/CJ 1020/0339

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	414,969	3.00	0.00
PE		Status Quo **	13,446	0.00	0.00
Status Quo Budget		428,415	3.00	0.00	
Contra		0			
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Program Change					
PC01	Community Center Funding	(5,546)	1.00	0.00	
		(5,546)	1.00	0.00	
Central Rate Adjustments					
CR01	Flex Benefits	(3,820)	0.00	0.00	
CR08	ITS Infrastructure	(1,997)	0.00	0.00	
CR10	OIRM 55028	98	0.00	0.00	
CR26	Retirement Rate Adjustment	699	0.00	0.00	
CR35	1.25% Underexpenditure	(78)	0.00	0.00	
CR39	COLA Adjustment	1,094	0.00	0.00	
CR45	Class Comp Reserve	15,682	0.00	0.00	
		11,678	0.00	0.00	
Council Changes					
CC01	Use TLT	0	(1.00)	1.00	
		0	(1.00)	1.00	
2003 Adopted Budget		434,547	3.00	1.00	

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Parks/CJ

Program Changes

Community Center Funding - (\$5,546) and 1 FTE. This proposal adds a Recreation Coordinator within the existing funding. CJ is now the sole source of funding for programming for youth and families at community centers.

Central Rate Adjustments

Central Rate Adjustments - \$11,678. Central rates were adjusted for ITS Infrastructure, OIRM. In addition, central adjustments were made to Flex Benefits, Retirement, and COLA, and a 1.25% Underexpenditure Contra and a reserve for Non-Rep. Class Comp. were included.

COUNCIL ADOPTED BUDGET

Use TLT – (1.00) FTE. Council converted the additional Recreational Coordinator requested by Parks from an FTE to a TLT.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Youth Sports Facilities Grant 1290/0355

Code/Item #/	Description	Expenditures	FTEs*	TLPs
Program Area				
	2002 Adopted	731,819	1.00	0.00
	<i>PE</i> Status Quo **	6,739	0.00	0.00
	Status Quo Budget	738,558	1.00	0.00
	Contra	0		
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>				
Technical Adjustment				
TA01	Program Adjustment	(83,706)	0.00	0.00
TA02	Transfer to Parks	738,558	0.00	0.00
		654,852	0.00	0.00
Central Rate Adjustments				
CR01	Flex Benefits	(955)	0.00	0.00
CR05	CX Overhead Adj.	(1,659)	0.00	0.00
CR08	ITS Infrastructure	45	0.00	0.00
CR10	OIRM	2	0.00	0.00
CR25	Finance Rates	(269)	0.00	0.00
CR26	Retirement Rate Adjustment	190	0.00	0.00
CR39	COLA Adjustment	(166)	0.00	0.00
		(2,812)	0.00	0.00
Council Changes				
CC01	Disappropriate transfer from Wastewater	(500,000)	0.00	0.00
CC02	Disappropriate transfer from REET I	(238,558)	0.00	0.00
		(738,558)	0.00	0.00
2003 Adopted Budget		652,040	1.00	0.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Youth Sports Facilities Grants (YSFG)

Technical Adjustments

Program Adjustment - (\$83,706). This proposal adjusts programmed expenditures due to revised revenues.

Transfer to Parks - \$738,558. This is a transfer to Parks, offset by transfers of \$500,000 from Wastewater and \$238,558 from REET 1.

Central Rate Adjustments

Central Rate Adjustments – (\$2,812). Central rates were adjusted for CX Overhead, ITS Infrastructure, OIRM, and Finance. In addition, central adjustments were made to Flex Benefits, Retirement, and COLA.

Youth Sports Facilities Grants/1290

	2001 Actual ⁵	2002 Adopted ⁶	2002 Estimated	2003 Adopted	2004 Projected	2005 Projected
Beginning Fund Balance	1,275,624	1,391	505,424	646,257	673,424	706,663
Revenues						
* Auto Rental Tax ³	625,548	741,185	631,803	658,655	690,600	724,094
* Net Investment Income ⁴	61,776	18,599	32,994	20,552	27,280	28,615
Total Revenues	687,324	759,784	664,798	679,207	717,880	752,709
Expenditures						
* Programmed ⁷	(892,647)	(731,819)	(731,819)	(652,040)	(684,642)	(718,874)
* Transfer-out to Parks	(564,877)			0		
* Carryover			(475,877)			
* Balancing Adjustment to 2002 ⁸			37,474			
Total Expenditures	(1,457,524)	(731,819)	(1,170,222)	(652,040)	(684,642)	(718,874)
Estimated Underexpenditures						
Other Fund Transactions						
* Transfer-in from Stadium ¹			646,257			
Total Other Fund Transactions	0	0	646,257	0	0	0
Ending Fund Balance	505,424	29,356	646,257	673,424	706,663	740,498
Less: Reserves & Designations						
* Encumbrance Carryover	(475,877)					
* Reappropriation						
* Stadium Endowment Funds ¹			(646,257)	(646,257)	(646,257)	(646,257)
Total Reserves & Designations	(475,877)	0	(646,257)	(646,257)	(646,257)	(646,257)
Ending Undesignated Fund Balance	29,547	29,356	(0)	27,167	60,406	94,241
Target Fund Balance ²	27,493	30,391	26,592	27,168	28,715	30,108

Financial Plan Notes:

¹ These funds cannot be expended or encumbered, but may be used to establish an endowment, although the income generated by the \$646,257 can be spent. Proceeds (amount unknown at this time) from the sale of the Johnson Building and any other remaining Stadium property (net of the subsidized housing set-aside) will be transferred to YSFG as well, to supplement the YSFG endowment, and used for the acquisition and operation of outdoor sports fields for youth. These funds were included in a proviso in the 2002 Adopted Budget Ordinance #14265.

² Target Fund Balance 4% of Total Revenues.

³ Auto Rental Tax is inflated at 1% for 2002, 4.25% for 2003, and 4.85% for 2004 and 2005.

⁴ Net Investment Income is calculated at 3.7% interest in 2002, 3.15% in 2003, and 4% in 2004 and 2005.

⁵ 2001 Actuals are from the 2001 CAFR.

⁶ 2002 Adopted is from the 2002 Adopted Budget Book.

⁷ Programmed Expenditures are inflated at 5% for 2004 and 2005 Estimated.

⁸ To keep YSFG in a positive fund balance and preserve the Stadium Endowment, YSFG will be required to expend \$37,474 less than adopted in 2002.

PHYSICAL ENVIRONMENT PROGRAM PLAN

COUNCIL ADOPTED BUDGET

*The two changes listed by Council are actually **revenue** reductions totaling \$738,558.*

Disappropriate Transfer from Wastewater – (\$500,000). *Removes \$500,000 **revenue** from Wastewater.*

Disappropriate Transfer from REET 1 – (\$238,558). *Removes \$238,558 **revenue** from REET 1.*

*The **expenditure** adjustment made by Council also is a \$738,558 disappropriation – which was to be a transfer to Parks CX.*

PHYSICAL ENVIRONMENT PROGRAM PLAN

Solid Waste 4040/0720

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	83,481,303	432.55	4.00
PE		Status Quo **	(3,834,072)	0.00	(1.00)
Status Quo Budget		79,647,231	432.55	3.00	
Contra		0			
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Revenue Backed					
RB01	Early Start at Bow Lake and Algona	703,559	7.83	0.00	
RB02	Retain Tonnage at Factoria and Houghton	187,118	1.09	0.00	
RB03	Household Hazardous Waste Lockers Staffing	146,445	3.00	0.00	
RB04	Brownfields	750,000	0.00	0.00	
RB05	WSU Coop Extension/EarthCorps ORCA 4-H Youth Education	170,000	0.00	0.00	
		1,957,122	11.92	0.00	
Technical Adjustment					
TA01	Interfund Transfers	433,600	0.00	0.00	
TA02	Reorganization - Washington State University Cooperative	(212,609)	0.00	0.00	
TA03	Reorganization - Emergency Response	0	0.00	0.00	
TA04	Emergency Prep, Replace Camera, & Realign Computer Staff	330,390	2.00	1.00	
TA05	DDES Code Enforcement for Junk Vehicles	140,959	0.00	0.00	
TA06	FTEs for Additional Operating Permit Requirements	154,066	2.00	0.00	
TA07	Community Involvement and Communications	75,173	1.00	0.00	
TA08	Labor Adjustments	(26,424)	0.00	1.00	
TA09	Recycling Adjustments	(162,962)	0.00	0.00	
TA10	Capital Maintenance - Annual Fluctuations	474,000	0.00	0.00	
TA11	Utilities and Repairs	(215,768)	0.00	0.00	
TA12	Miscellaneous Non-Labor Adjustments	(215,748)	0.00	0.00	
TA50	Annual Revenue Adjustments \$2,232,672	0	0.00	0.00	
		774,677	5.00	2.00	
Central Rate Adjustments					
CR01	Flex Benefits	(440,255)	0.00	0.00	
CR05	CX Overhead Adj.	(101,712)	0.00	0.00	
CR07	ITS O&M	(12,338)	0.00	0.00	
CR08	ITS Infrastructure	33,027	0.00	0.00	
CR09	Geographic Information System (GIS)	55,652	0.00	0.00	
CR10	OIRM	2,492	0.00	0.00	
CR11	Telecommunications Services	53,619	0.00	0.00	
CR12	Telecommunications Overhead	10,448	0.00	0.00	
CR13	Motor Pool Rate Adj.	(838)	0.00	0.00	
CR15	Insurance Charges	364,558	0.00	0.00	
CR20	PAO Rates	(67,119)	0.00	0.00	
CR22	Long Term Leases	(6,849)	0.00	0.00	
CR25	Finance Rates	439,762	0.00	0.00	
CR26	Retirement Rate Adjustment	84,995	0.00	0.00	
CR32	GIS Client Services	17,852	0.00	0.00	
CR33	LTGO Debt Service	44,000	0.00	0.00	
CR36	Property Services-Lease Admin Fee	354	0.00	0.00	
CR39	COLA Adjustment	(51,512)	0.00	0.00	
CR45	Class Comp Reserves	109,324	0.00	0.00	
		535,460	0.00	0.00	

PHYSICAL ENVIRONMENT PROGRAM PLAN

Solid Waste 4040/0720

Code/Item #/	Description	Expenditures	FTEs*	TLPs
Council Changes				
CC01	eliminate staff for tonnage increases	(187,118)	(1.09)	0.00
		(187,118)	(1.09)	0.00
2003 Adopted Budget		82,727,372	448.38	5.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

Proviso(s):

PROVIDED THAT:

Of this appropriation, \$705,559 and 7.83 FTEs shall be expended solely for early start hours at the Bow Lake and Algona transfer stations and shall not be expended or encumbered until: (1) the solid waste division conducts a four-month pilot test; (2) the solid waste division submits a report on the cost effectiveness of the additional hours and documenting the need for the FTEs; and (3) an ordinance is enacted approving the additional hours of operation at the Bow Lake and Algona transfer

PROVIDED FURTHER THAT:

Of this appropriation, \$200,000 shall not be expended or encumbered until the council approves, either by ordinance or motion, a plan from the solid waste division to divert solid waste transfer station usage from over-capacity transfer stations to underutilized transfer stations in the county.

The plan required to be submitted by this proviso must be filed in the form of 16 copies with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff for the budget and fiscal management committee and for the utilities committee or their successors.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Solid Waste Division (SWD)

Technical Adjustments

Interfund Transfers - \$433,600. This request will allow for standard yearly transfers for debt payments, capital equipment, and landfill reserve for ongoing support of the division's core business. Transfers to the Landfill Reserve Fund are mandated by federal and state regulations for the maintenance and monitoring of landfills.

Reorganization – Washington State University Cooperative - (\$212,609). This proposal will provide for improved accounting of this program by creating a new low org. The funding for this program is not actually being reduced. This program is a joint effort with the WSU Cooperative Extension Program. Programs include: 4-H Clubs, organics, master gardener, and many other farm-related services for maintaining and improving the environment in King County

Emergency Prep, Replace Camera, & Realign Computer Staff - \$330,390, 2.00 FTEs, and 1.00 TLT. This proposal will upgrade the Division's information systems. Personnel are needed to maintain remote computer locations at transfer stations for gas and leachate monitoring and for the WSU Cooperative located throughout King County. A TLT position is being sought for the replacement of the old Refuse Integrated Cashiering System (RICS) and to accommodate the increased workload. The wide-area-network used at all the remote transfer stations and the video monitoring programs needs improvement.

DDES Code Enforcement for Junk Vehicles - \$140,959. This proposal will shift the source of funding to the SWD. By doing so, citizens within unincorporated King County will have a means of reporting inoperative vehicles, accumulations of junk, and debris when the issue is an accumulation of solid waste garbage, junk, debris, and auto parts. The position will continue to reside within the DDES.

FTEs for Additional Operating Permit Requirements - \$154,066 and 2.00 FTEs. This request will create 2.00 positions who will support compliance with various environmental monitoring and permit operating requirements including: Cedar Hills Operating Permit, Cedar Hills Air Operating Permit, and perform the required environmental monitoring at closed landfill sites.

Community Involvement and Communications - \$75,173 and 1.00 FTE. The position will be involved with the community through citizen groups that are affected by the operations and policies of the SWD and will enhance communications with the public and within the division. The person will organize, provide information, and meet with community groups.

Labor Adjustments - (\$26,424) and 1.00 TLT. This proposal will make adjustments to accounts related to labor. The PSQ budget will be converted into a true zero-based budget based on projected 2003 expenditures for all of the division's core business plans.

Recycling Adjustments - (\$162,962). This proposal reflects restructuring due to a reduction in contributions from the Local Hazardous Waste Management Plan fund (LHWMP) to the Solid Waste Division. Of the total, \$312,962 represents the LHWMP reduction and \$150,000 represents the increase in funding to the cities for continued support of recycling collection events at the local level.

Capital Maintenance - Annual Fluctuations - \$474,000. This proposal would set aside funds to implement recommendations from the EPA's emissions testing and the Capital Asset Maintenance Plan (CAMP). It will also provide improvements to security based on recommendations expected to come from the security survey currently being conducted.

Utilities and Repairs - (\$215,768). The cost of converting tractors to low sulfur fuel and converting trailer landing legs was a one-time expenditure in 2002. Even with rising costs of utilities, efficiencies to save energy and costs were identified without a reduction in service. The costs are related directly to the core business of collecting, hauling, and burying/covering the garbage collected by the county.

Miscellaneous Non-Labor Adjustments - (\$215,748). This proposal will make adjustments to ac-

PHYSICAL ENVIRONMENT PROGRAM PLAN

counts that are not related to labor. The impact is to convert the PSQ budget into a true zero-based budget for projected 2003 expenditures for all of the division's core business plans.

Revenue Backed Additions

Early Start at Bow Lake and Algona - \$703,559 and 7.83 FTEs. This proposal supports additional hours of service at Bow Lake and Algona in response to a request from a private hauler. Certain routes will be able to bring its loads to the transfer stations between 6 am and 8 am rather than via Cedar Hills landfill on a regional direct basis. More tonnage routed through the transfer station is thought to be more effective because fewer total miles are driven, thus saving fuel, air pollution, and reduces traffic congestion.

Retain Tonnage at Factoria and Houghton - \$187,118 and 1.09 FTEs. This proposal retains tonnage at two transfer stations and responds to increased demand. The expenditures and revenues are based on a projection of approximately 15,000 additional tons expected to be delivered to these two stations.

Household Hazardous Waste Lockers Staffing - \$146,445 and 3.00 FTEs. This proposal provides staffing to accept household hazardous waste (HHW) collection from the public at no additional charge at a designated area such as Factoria Transfer Station. The proposal will provide a fixed location with a fixed schedule for residents to dispose of HHW, providing better options to the public and will allow the Wastemobile service to prioritize service in other areas of the County. Costs of this proposal will be reimbursed to the Health Department under the Local Hazardous Waste Management Program.

Brownfields - \$750,000. The Brownfields Program's mission is to clean up industrial land, create more jobs, and protect the natural environment. The Brownfields Program loans and grants federal money to assess and clean up contaminated sites so that the land can be returned to productive use. This program is revenue-backed with the exception of the 1.00 Solid Waste FTE who administers the program. If federal Brownfields funding is not allocated to King County, the program will end and staff will be redeployed. By the fall of 2002, EPA expects to have developed new funding application guidelines and various policy documents related to implementation of the law.

WSU Coop Extension/EarthCorps ORCA 4-H Youth Education Program - \$170,000. This proposal is contingent upon the level of Title III funding. The ORCA 4-H Youth Education Program enables youth in King County and EarthCorps apprentices to learn about forest ecology, earn life and work skills as well as a stipend, and restore forest environments in their communities. Activities funded by this program include: trail construction, invasive plant management, conifer underplanting, and wetland restoration. Earthcorps, WSU, and King County have partnered to provide this program for youth. This program will continue to receive Title III grant funding in 2003.

Central Rate Adjustments

Central Rate Adjustments – \$535,460. Central rate adjustments include: Finance, Insurance Charges, Non-Rep. Class Comp. Reserves, Retirement, Debt Service Adjustment, Telecommunications Services and O&M, ITS O&M, GIS, CX Overhead Adjustment, Property Services' Long Term Lease and Lease Administration Fee, ITS Infrastructure, COLA Adjustment, PAO Rates, OIRM, Motor Pool Rate Adjustment, and Flex Benefits.

WORKLOAD / PERFORMANCE INDICATORS			
	2001 Actual	2002 Adopted	2003 Proposed
1 Transfer station tonnage	696,860	684,700	713,000
2 Cedar Hills tonnage - regional direct	222,664	249,100	218,000
3 Cedar Hills tonnage - other	16,982	14,200	19,000

PHYSICAL ENVIRONMENT PROGRAM PLAN

Solid Waste Division / 4040

	2001	2002	2002	2003	2004	2005
	Actual ¹	Adopted ²	Estimated ²	Adopted	Projected ³	Projected ³
Beginning Fund Balance						
* Beginning Undesignated Fund Balance	10,857,562	9,973,664	13,687,225	11,866,953	12,107,623	10,589,132
* Encumbered & Unencumbered Carryovers	3,028,355		3,070,722			
Adjusted Beginning Fund Balance	13,885,917	9,973,664	16,757,947	11,866,953	12,107,623	10,589,132
Revenues						
* Net Disposal Fees ^{4,5,6,7}	72,769,963	72,220,700	72,163,700	73,641,911	74,287,868	75,763,291
* CDL Revenues	628,246	871,250	743,750	765,000	807,500	892,500
* Moderate Risk Waste	2,904,031	3,555,458	3,555,458	3,343,054	3,443,346	3,546,646
* Interest	805,029	400,000	500,000	412,600	429,104	446,268
* Grants	333,786	514,113	677,230	1,335,658	288,311	288,311
* WR/R Revenues	271,916	256,000	256,000	314,465	317,610	320,786
* CX Transfer, Parks Administration		367,148	367,148	367,148	367,148	367,148
* DNR Administration	3,966,736	5,047,117	5,047,117	4,902,514	5,198,531	5,354,486
* Other	136,203	145,500	145,500	75,535	76,290	77,053
Total Revenues	81,815,910	83,377,286	83,455,903	85,157,885	85,215,708	87,056,489
Expenditures						
* Solid Waste Division	(47,091,440)	(59,617,316)	(59,156,264)	(62,679,698)	(63,160,315)	(64,870,876)
* Landfill Reserve Fund Transfer ⁶	(9,271,400)	(10,212,500)	(10,105,000)	(10,516,500)	(11,060,037)	(10,418,887)
* CERP Fund Transfer, Appropriation ⁸	(2,333,336)	(3,240,000)	(3,240,000)	(3,369,600)	(3,504,384)	(3,644,559)
* Construction Fund Transfer ⁹	(3,673,668)	(3,673,668)	(3,673,668)			
* Debt Service - Existing Facilities	(8,251,645)	(6,618,710)	(6,618,710)	(6,229,569)	(6,479,493)	(6,489,674)
* Debt Service - New Facilities						(4,879,389)
* Debt Service - Financial System ¹⁰	(154,162)	(119,109)	(119,109)	(119,123)	(269,059)	(269,051)
* Marketing Commission	(1,302,339)					
* Expenditures from Prior Year C/O	(3,028,355)		(3,070,722)			
* DNR Administration	(3,837,535)	(5,000,117)	(5,000,117)	(4,902,515)	(5,032,757)	(5,183,740)
* Council Add - Admin. 0381				(16,343)		
* Council Reduction - SWD 0720				187,118		
Total Expenditures	(78,943,880)	(88,481,420)	(90,983,590)	(87,646,230)	(89,506,045)	(95,756,175)
Estimated Underexpenditures ¹¹		1,651,559	1,636,693	1,729,015	1,771,845	1,820,063
Other Fund Transactions						
* Forecast Competitive Project Target Svgs			1,000,000	1,000,000	1,000,000	
Total Other Fund Transactions	0	0	1,000,000	1,000,000	1,000,000	0
Ending Fund Balance	16,757,947	6,521,089	11,866,953	12,107,623	10,589,132	3,709,509
Reserves & Designations						
* Encumbrance Carryovers - SWD	(2,684,471)					
* Encumbrance Carryovers - DNR admin	(55,784)					
* Unencumbered Carryovers	(330,467)					
Total Reserves & Designations	(3,070,722)	0	0	0	0	0
Ending Undesignated Fund Balance	13,687,225	6,521,089	11,866,953	12,107,623	10,589,132	3,709,509
Target Fund Balance ¹⁴	5,886,430	7,452,165	7,394,533	7,834,962	7,895,039	8,108,859

Financial Plan Notes:

- ¹ 2001 Actuals are from the 2001 14th Month ARMS report & CAFR.
- ² "2002 Estimated" is based on disposal of 940,000 tons; the 2002 adopted budget is based on disposal of 950,000 tons.
- ³ "2004-2005 Projected" are based on 3% inflation, tonnage driven adjustments to variable costs, & other anticipated changes from 2003 expenditures.
- ⁴ 2003 tip fee revenue is based on the proposed budget disposal assumption of 950,000 tons.
- ⁵ Revenue based on an August 2003 revision to the comprehensive plan tonnage forecast.
- ⁶ SWD expenditures & LRF fee revised downward from adopted budget due to lower tonnage assumption.
- ⁷ 2003 proposed budget includes early start at Bow Lake and Algona, with expenditures offset by added tip fee revenues. The financial plan does not continue early start expenditures and revenues after 2003.
- ⁸ Based on CERP policy to maintain sinking fund contribution for equipment replacement.
- ⁹ Transfers to the construction fund equal planned debt service for bonds that were not issued in 1997 and 1999.
- ¹⁰ Debt service for new County financial systems. Assumes additional debt service of \$150,000 beginning in 2004.
- ¹¹ Assumed under-expenditures equal 3% of Solid Waste Division operating expenditures, excluding grant funded expenditures.
- ¹² Minimum fund balance target based on 45-day cash reserve policy (SWD operating expenditures x 45/360).
- ¹³ Transfers to the construction fund equal planned debt service for bonds that were not issued in 1997 and 1999.
- ¹⁴ Minimum fund balance target based on 45-day cash reserve policy (SWD operating expenditures x 45/360).

PHYSICAL ENVIRONMENT PROGRAM PLAN

COUNCIL ADOPTED BUDGET

Eliminate Staff for Tonnage Increases - (187,118) and (1.09) FTEs. Council eliminated the 1.09 Truck Driver positions proposed to retain tonnage at the Factoria and Houghton transfer stations.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Solid Waste Post-Closure Landfill Maintenance 1040/0715

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	2,735,095	0.00	0.00
PE		Status Quo **	356	0.00	0.00
Status Quo Budget		2,735,451	0.00	0.00	
Contra		0			
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Program Change					
PC01	Recreational Uses of Closed Landfill Sites	211,700	3.00	0.00	
		211,700	3.00	0.00	
Technical Adjustment					
TA01	Finance Charge - PCSPD and Vehicle Usage Adjustments	1,059	0.00	0.00	
TA02	Loan In/Loan Out Labor Adjustments	152,864	0.00	0.00	
TA03	Consulting Services, Contracts, & Rent & Maintenance	480,418	0.00	0.00	
TA50	Annual Revenue Adjustments (\$636,132)	0	0.00	0.00	
		634,341	0.00	0.00	
Central Rate Adjustments					
CR01	Flex Benefits	(2,865)	0.00	0.00	
CR05	CX Overhead Adj.	(1,196)	0.00	0.00	
CR25	Finance Rates	(2,724)	0.00	0.00	
CR26	Retirement Rate Adjustment	536	0.00	0.00	
CR39	COLA Adjustment	3,006	0.00	0.00	
		(3,243)	0.00	0.00	
Council Changes					
CC01	Eliminate FTE for beneficial uses for closed landfills	(76,130)	(1.00)	0.00	
CC02	Eliminate utility workers for maintenance	(135,570)	(2.00)	0.00	
		(211,700)	(3.00)	0.00	
2003 Adopted Budget		3,366,549	0.00	0.00	

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

SWD – Landfill Post-Closure Maintenance

Program Changes

Recreational Uses of Closed Landfill Sites - \$211,700 and 3.00 FTEs. This proposal would create a new program to explore beneficial uses for Solid Waste Division’s closed landfills. This would support recreational opportunities for the public. The final 2001 Comprehensive Solid Waste Management Plan directs SWD to develop this program.

Technical Adjustments

Finance Charge -PCSS Contract and Vehicle Usage Adjustments - \$1,059. This proposal provides required post closure maintenance of closed/custodial landfills to maintain environmental quality as required by regulation.

Loan In/Loan Out Labor Adjustments – (\$152,864). This proposal provides required post closure maintenance of closed/custodial landfills to maintain environmental quality as required by regulation.

Consulting Services, Contracts, & Rent & Maintenance Adjustments - \$480,418. This proposal provides required post closure maintenance of closed/custodial landfills to maintain environmental quality as required by regulation.

Central Rate Adjustments

Central Rate Adjustments – (\$3,243). This includes adjustments made to COLA, Retirement, Finance, Flex Benefits, and CX Overhead.

Landfill Postclosure Maintenance/Fund 1040

	2001 Actual ¹	2002 Adopted	2002 Estimated ²	2003 Adopted	2004 Projected ³	2005 Projected ³
Beginning Fund Balance	32,896,891	32,793,439	32,913,113	31,596,508	29,198,788	28,417,947
Revenues						
*Estimated Interest Rate				3.15%	4.00%	4.00%
*Investment Interest Income	1,732,724	1,571,295	1,571,295	935,163	1,129,362	1,099,304
Total Revenues	1,732,724	1,571,295	1,571,295	935,163	1,129,362	1,099,304
Expenditures						
*Operating expenditures	(1,643,776)	(2,735,095)	(2,735,095)	(3,578,249)	(1,929,498)	(1,870,707)
*Council Reduction				211,700		
*Carryover items	(72,726)		(181,975)			
Total Expenditures	(1,716,502)	(2,735,095)	(2,917,070)	(3,366,549)	(1,929,498)	(1,870,707)
Estimated Underexpenditures		27,351	29,171	33,665	19,295	18,707
Other Fund Transactions						
*						
Total Other Fund Transactions	0	0	0	0	0	0
Ending Fund Balance	32,913,113	31,656,990	31,596,508	29,198,788	28,417,947	27,665,250
Reserves & Designations						
*Program Contingency		(3,162,964)	(3,162,964)	(875,964)	(852,538)	(829,958)
*Reserves for closed Landfill O&M	(20,293,305)	(18,661,487)	(18,661,487)	(20,439,152)	(19,892,563)	(19,365,675)
*Reserves for Custodial Landfill O&M	(12,437,833)	(9,805,188)	(9,805,188)	(7,883,673)	(7,672,846)	(7,469,618)
*Encumbrance Carryover	(181,975)					
Total Reserves & Designations	(32,913,113)	(31,629,639)	(31,629,639)	(29,198,788)	(28,417,947)	(27,665,250)
Ending Undesignated Fund Balance	0	27,351	(33,131)	0	0	0
Target Fund Balance ⁴						

Financial Plan Notes:

¹ 2001 Actuals are based primarily on 2001 14th Month ARMS report.

² 2002 Estimated is based on 2002 activity to date.

³ 2004 and 2005 Projected are based on anticipated future requirements reviewed annually.

⁴ No target fund balance is required other than noted for projected required reserves and contingency.

PHYSICAL ENVIRONMENT PROGRAM PLAN

COUNCIL ADOPTED BUDGET

Eliminate FTE for Beneficial Uses for Closed Landfills - (\$76,130) and (1.00) FTE. Council eliminated proposed funding of a new program to explore beneficial reuse options of closed landfills.

Eliminate Utility Workers for Maintenance - (\$135,570) and (2.00) FTEs. Council eliminated proposed funding of a new program to explore beneficial reuse options of closed landfills.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Wastewater Treatment 4610/4000M

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	92,044,850	575.70	27.00
PE		Status Quo **	(6,617,850)	6.00	1.00
Status Quo Budget		85,427,000	581.70	28.00	
Contra		0			
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Technical Adjustment					
TA01	Division-wide Productivity Initiative Reductions	109,430	(3.00)	0.00	
TA02	Technical Adjustments	19,551	3.00	(3.00)	
TA03	Revenue Adjustment	0	0.00	0.00	
TA04	Miscellaneous Technical Adjustments	199,759	0.00	0.00	
TA05	Vacant Positions Adjusted to Step 2	(492,163)	0.00	0.00	
		(163,423)	0.00	(3.00)	
Central Rate Adjustments					
CR01	Flex Benefits	(578,252)	0.00	0.00	
CR05	CX Overhead 55201	378,983	0.00	0.00	
CR07	ITS O&M 55021	13,605	0.00	0.00	
CR08	ITS Infrastructure 55025	26,127	0.00	0.00	
CR10	OIRM 55028	1,666	0.00	0.00	
CR11	Telecommunications Services 53211	(364,036)	0.00	0.00	
CR12	Telecommunications Overhead 55032	(82,499)	0.00	0.00	
CR13	Motor Pool 55010	1,113	0.00	0.00	
CR14	DCFM Space 55160	(1,584)	0.00	0.00	
CR15	Insurance 55252	89,240	0.00	0.00	
CR20	PAO 55150	115,678	0.00	0.00	
CR22	Long Term Leases 55331	(78,905)	0.00	0.00	
CR25	Finance 55245	(890,592)	0.00	0.00	
CR26	Retirement Rate Adjustment	145,233	0.00	0.00	
CR27	Industrial Insurance 51340	(79,445)	0.00	0.00	
CR29	Wastewater Vehicles 55044	(136,018)	0.00	0.00	
CR33	LTGO Debt Insurance 58101	563,000	0.00	0.00	
CR36	Property Services Lease Admin Fee 55144	765	0.00	0.00	
CR39	COLA Adjustment	(150,460)	0.00	0.00	
		(1,026,381)	0.00	0.00	
Council Changes					
CC01	Eliminate unfunded positions	0	(2.00)	0.00	
CC02	Transfer to WLRD for category II projects	202,850	0.00	0.00	
		202,850	(2.00)	0.00	
2003 Adopted Budget		84,440,046	579.70	25.00	

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

Proviso(s):

PROVIDED THAT:

From category III funds (Culver), \$70,000 shall be spent only on Hylebos Stream Team; \$20,000 shall be spent only on Friends of the Issaquah Salmon Hatchery; \$50,000 shall be spent only on Friends of the Trail; \$123,640 shall be spent only on Waterworks Block Grant Program Management; \$30,000 shall be spent only on Puget Sound on Wheels; \$30,000 shall be spent only on Salmon Homecoming Celebration; \$550,000 shall be spent only on Waterworks Block Grant Local Projects; \$25,000 shall be spent only on Bear Creek Water Tenders; \$65,160 shall be spent only on Ground Water Education; \$55,000 shall be spent only on Lake Stewardship Volunteer Program; \$82,298 shall be spent only on Water Quality Awareness Program; \$88,519 shall be spent only on Water Quality Education Program; \$18,948 shall be spent only on Strategic Initiatives/WRRIA Planning; and \$54,990 shall be spent only on department of natural resources environmental Projects Database.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Water Quality--CIP Transfers 4610/4616M

Code/Item #/	Description	Expenditures	FTEs*	TLPs
Program Area	2002 Adopted	19,580,000	0.00	0.00
PE	Status Quo **	11,992,000	0.00	0.00
	Status Quo Budget	31,572,000	0.00	0.00
	Contra	0		
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>				
	Technical Adjustment			
TA01	Technical Adjustments	3,249,000	0.00	0.00
		3,249,000	0.00	0.00
	2003 Adopted Budget	34,821,000	0.00	0.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Wastewater Treatment Division (WTD)

WTD Operating

Technical Adjustments

Division-wide Productivity Initiative Reductions - \$109,430 and (3) FTEs. This proposal supports the Productivity Initiative that requires overall reductions within the core service areas of WTD. This technical adjustment redistributes the productivity initiative savings contra of \$2,265,051 in PSQ. These adjustments will be absorbed within the \$23.40 rate. 1 FTE is moving from East to Special Programs, 1 FTE is moving from West to Special Programs, and 1 FTE is moving from West to Planning (removed in TA01 and added in TA02).

Technical Adjustments - \$19,551 and 3 FTEs, and (3) TLTs. This proposal consists of technical adjustments that have occurred since the 2003 sewer rate was adopted. This technical adjustment redistributes \$1,283,071 of the contingency reserve in PSQ. These adjustments will be absorbed within the \$23.40 rate. 2 FTEs are being added to Special Programs (1 from East and 1 from West) and 1 FTE is being moved from West to Planning (removed in TA01 and added in TA02). 3 TLTs are being removed as post Body-of-Work (BOW) reconciliation items.

Miscellaneous Technical Adjustments - \$199,759. Additional technical adjustments, which have arisen since PSQ and submittal of the requested budget, are included here. These include such items as adjusting the Non-Rep. Class Comp. reserve, the transfer to WLRD, and DNRP overhead. These adjustments will be absorbed within the \$23.40 rate.

Vacant Positions Adjusted to Step 2 - (\$492,163). In PSQ, all vacancies (except for in WTD) were budgeted at Step 2 of their classification, except where precluded by bargaining agreements. It was determined that in the case of WTD, the Proposed Budget would be a more appropriate place for this to occur.

Central Rate Adjustments

Central Rate Adjustments – (\$1,026,381). The following accounts were adjusted to reflect estimated rates for 2003: CX Overhead, ITS O&M, ITS Infrastructure, OIRM, Telecommunications Services, Telecommunications Overhead, DCFM Space, Insurance, PAO, Long Term Leases, Finance, Wastewater Vehicles/Motor Pool, LTGO Debt Insurance, and Property Services Lease Admin Fee. In addition, central adjustments were made to Flex Benefits, Retirement, Industrial Insurance, and COLA.

COUNCIL ADOPTED BUDGET

Eliminate Unfunded Positions – (2.00) FTEs. Council removed 2 unfunded positions that were reserved by WTD for future use if necessary.

Transfer to WLRD for Category II Projects - \$202,850. Council adjusted Culver II & III projects resulting in a net increase in the transfer to Water and Land Resources.

WTD Debt Service

Technical Adjustments

Technical Adjustments - \$11,860,000. According to the proposed financial plan, debt service will be \$11,860,000 over the 2003 PSQ.

COUNCIL ADOPTED BUDGET

Technical Correction – (\$12,961,000). Removes subordinated debt service (90% of revenue bond index) which was rolled into the debt service number but meant to be used only for informational purposes.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Water Quality – CIP Transfers

Technical Adjustments

Technical Adjustments - \$3,249,000. According to the proposed financial plan, the transfer to capital will be \$3,249,000 over the 2003 PSQ.

COUNCIL ADOPTED BUDGET

Council made no changes to the 2003 Executive Proposed Budget.

WORKLOAD / PERFORMANCE INDICATORS			
	2001 Actual	2002 Adopted	2003 Proposed
1) Env. Quality: NPDES Permit Compliance			
Exceptions \ Number of Conditions	32 \ 3,905	18 \ 3,637	25 \ 4,018
Percent Compliance	99.2%	99.5%	99.4%
2) Efficiency: Millions of Gallons Treated \ Day	188	208	203
3) Customer Satisfaction: Dry Tons Recycled	26,995	28,255	27,512
4) Fiscal Mgmt: Monthly Sewer Rate per RCE	\$19.75	\$23.40	\$23.40

PHYSICAL ENVIRONMENT PROGRAM PLAN

WASTEWATER TREATMENT ENTERPRISE Fund / 4610 and 4616

Dollars in Thousands	2001	2002	2002	2003	2004	2005
	Actual	Adopted	Estimated	Adopted	Projected	Projected
CUSTOMER EQUIVALENTS (RCEs)	705.01	705.01	702.58	706.79	712.45	719.57
MONTHLY RATE	\$19.75	\$23.40	\$23.40	\$23.40	\$23.40	\$24.80
BEGINNING OPERATING FUND	15,378	4,138	4,138	8,248	7,841	7,864
OPERATING REVENUE:						
Customer Charges	167,361	197,966	197,284	198,467	200,055	214,143
Investment Income	7,091	6,960	6,134	4,752	7,102	7,274
Capacity Charge	11,848	10,699	10,602	12,099	13,655	14,712
Other Income	7,865	6,349	7,012	6,525	6,216	6,403
TOTAL OPERATING REVENUES	194,165	221,974	221,033	221,843	227,029	242,532
OPERATING EXPENSE	(89,073)	(92,045)	(87,943)	(84,440)	(86,429)	(89,428)
DEBT SERVICE REQUIREMENT	(77,545)	(92,306)	(79,162)	(95,313)	(104,653)	(116,395)
SUBORDINATED D. S. (90% of Revenue Bond Index)			(12,685)	(12,691)	(15,046)	(16,806)
SUBORDINATED DEBT SERVICE (Cash Base Projection)	(8,880)	(9,247)	(8,270)	(7,901)	(9,942)	(11,467)
DEBT SERVICE COVERAGE RATIO PARITY DEBT	1.36	1.41	1.68	1.44	1.34	1.32
DEBT SERVICE COVERAGE RATIO TOTAL PAYMENTS	1.20	1.25	1.45	1.27	1.17	1.15
OPERATING BOND & LIQUIDITY RESERVE CONTRIBUTION	11,240	(4,573)	(4,109)	407	(24)	(399)
TRANSFERS TO CAPITAL	(29,907)	(23,803)	(41,549)	(34,595)	(25,982)	(24,842)
OPERATING BOND RESERVE BALANCE	4,138	4,506	4,453	4,397	4,222	4,321
OPERATING LIQUIDITY RESERVE BALANCE	0	4,205	3,794	3,444	3,643	3,943
OPERATING FUND ENDING BALANCE	4,138	8,711	8,248	7,841	7,864	8,264
CONSTRUCTION FUND						
BEGINNING FUND BALANCE	9,107	82,308	100,448	65,396	5,182	5,014
REVENUES:						
Parity Bonds	120,000	74,430	100,000	44,000	165,000	148,691
Variable Debt Bonds	85,000	10,000	6,000	10,000	10,000	10,000
Grants & Loans	25,720	20,484	43,603	57,813	32,040	18,537
Other	5,705	2,100	2,100	2,065	2,100	2,100
Transfers From Operating Fund	29,907	23,803	41,549	34,595	25,982	24,842
TOTAL REVENUES	266,332	130,817	193,252	148,472	235,122	204,170
CAPITAL EXPENDITURES	(160,565)	(159,580)	(166,277)	(206,541)	(217,922)	(188,255)
DEBT ISSUANCE COSTS	(2,448)	(1,539)	(2,664)	(930)	(3,350)	(3,024)
BOND RESERVE TRANSACTIONS	(4,800)	(4,851)	(5,261)	(2,833)	(10,507)	(9,369)
AMOUNTS TO ASSET MANAGEMENT RESERVE		(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
ADJUSTMENTS	(7,177)	(39,155)	(51,103)	4,618	(511)	(529)
ENDING FUND BALANCE	100,448	5,002	65,396	5,182	5,014	5,008
CONSTRUCTION FUND RESERVES						
Bond & SRF Reserves	68,839	69,239	69,814	72,964	83,880	93,671
Policy Reserves	6,639	9,123	9,971	8,035	11,137	14,244
TOTAL FUND RESERVES	75,477	78,362	79,784	80,999	95,017	107,915
CONSTRUCTION FUND BALANCE	175,926	83,363	145,180	86,182	100,032	112,923

PHYSICAL ENVIRONMENT PROGRAM PLAN

Water & Land Resources (WLRD) 1210/0741

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	38,962,638	346.60	26.75
PE		Status Quo **	(4,581,053)	0.00	0.00
Status Quo Budget		34,381,585	346.60	26.75	
Contra		5,450,000			
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Revenue Backed					
RB01	Add back two revenue-backed CPOSA positions	19,964	2.00	0.00	
		19,964	2.00	0.00	
Technical Adjustment					
TA02	Hazardous Waste Mgmt Program Reductions	(96,549)	(1.50)	0.00	
TA03	CPOSA Reduction	215,591	(7.00)	0.00	
TA04	Reduction of 2002 Program Adds	(651,367)	(6.61)	0.00	
TA05	M&O of [Parks] Natural Lands - SWM & RDP Support	127,469	0.00	0.00	
TA06	Deferred Facility Maintenance Adjustment	200,000	0.00	0.00	
TA07	Hybelos Watershed Interlocal Agreement	25,000	0.00	0.00	
TA08	Provide Grants to communities south of Seattle and west of I-5	50,000	0.00	0.00	
TA09	Financial Guarantee Program [partially] Revenue-backed	33,549	0.40	0.00	
TA10	DDES Environmental Education	85,000	0.00	0.00	
TA11	WLR Human Resources TLT Addition	65,406	0.00	1.00	
TA12	Miscellaneous Technical Adjustments (Rev. -\$1,205,65)	(1,225,329)	0.00	(1.00)	
TA13	Other Misc. Adjustments (Rev. -\$14,418)	284,281	3.50	0.00	
		(886,949)	(11.21)	0.00	
Central Rate Adjustments					
CR01	Flex Benefits	(354,305)	0.00	0.00	
CR05	CX Overhead Adj.	(55,374)	0.00	0.00	
CR06	ITS New Development	16,813	0.00	0.00	
CR07	ITS O&M	(60,215)	0.00	0.00	
CR08	ITS Infrastructure	(24,988)	0.00	0.00	
CR09	Geographic Information System (GIS)	146,166	0.00	0.00	
CR10	OIRM	(505)	0.00	0.00	
CR11	Telecommunications Services	48,303	0.00	0.00	
CR12	Telecommunications Overhead	47,133	0.00	0.00	
CR13	Motor Pool Rate Adj.	22,261	0.00	0.00	
CR15	Insurance Charges	(31,675)	0.00	0.00	
CR20	PAO Rates	(39,643)	0.00	0.00	
CR21	Debt Service Adj.	(1,545,394)	0.00	0.00	
CR22	Long Term Leases	(32,368)	0.00	0.00	
CR25	Finance Rates	46,544	0.00	0.00	
CR26	Retirement Rate Adjustment	81,777	0.00	0.00	
CR28	ER&R Maintenance	(146,766)	0.00	0.00	
CR29	Wastewater Vehicles	(22,795)	0.00	0.00	
CR32	GIS Client Services	(58,389)	0.00	0.00	
CR33	Double Barrel Bond rate guarantee	23,000	0.00	0.00	
CR36	Property Services-Lease Admin Fee	1,264	0.00	0.00	
CR39	COLA Adjustment	(75,717)	0.00	0.00	
CR45	Non-rep. Class/comp reserve	823,202	0.00	0.00	
		(1,191,671)	0.00	0.00	

PHYSICAL ENVIRONMENT PROGRAM PLAN

Water & Land Resources (WLRD) 1210/0741

Code/Item #/	Description	Expenditures	FTEs*	TLPs
Council Changes				
CC01	Transfer from WTD operating for Category II projects	202,850	0.00	0.00
		202,850	0.00	0.00
2003 Adopted Budget		37,975,779	337.39	26.75

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

Proviso(s):

PROVIDED THAT:

\$300,000 of this appropriation must be expended solely on natural area lands maintenance activities that are consistent with the surface water management (SWM) fee purpose and funding authorities outlined in chapter 36.89 RCW and may be expended or encumbered only after the submittal of a report, requested to be submitted by March 31, 2003, outlining 2003 natural area lands maintenance activities that are proposed to be supported by surface water management and rural drainage program (RDP) funds. This report shall draw from site management and site maintenance plans to date, and include an analysis of how maintenance activities proposed for funding with SWM and RDP funds are consistent the purpose and funding authorities outlined in chapter 36.89 RCW. The report shall also detail how expenditures for labor and supplies will be tracked to ensure that maintenance work supported by SWM and RDP funds is consistent with the purpose for these funds.

Any report or plan required to be submitted by this proviso must be filed in the form of 16 copies with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff for the natural resources, parks and open space committee and the utilities committee or their successors.

PROVIDED FURTHER THAT:

Of this appropriation, 24 FTEs shall be dedicated only to carrying out office of rural and resource lands programs as described in K.C.C. 2.16.045.C.12. In addition, the water and land resources division shall submit to the council a report by May 30, 2003, which shall include actual and projected staffing levels, 2002 accomplishments, and 2003 work program for the office of rural and resource lands as described in K.C.C. 2.16.045.C.12. This report should demonstrate, through proposed work program and actual staffing levels through April 2003, how the division will provide a staffing level in 2003 for the office of rural and resource lands of no less than 24 FTEs. The report shall also include a summary of the number of applications for the public benefit rating system, the average time needed to process them, and the frequency of public benefit rating system site visits for 2001 (actual), 2002 (actual) and 2003 (projected). The report shall further provide a recommendation for future staffing levels for the public benefit rating system program based on the service trends for 2001 through 2003.

If the report is not submitted by May 30, 2002, \$100,000 from this appropriation may not be expended or encumbered from that date until such date as the report is filed with the clerk of the council.

Any report or plan required to be submitted by this proviso must be filed in the form of 16 copies with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff for the natural resources, parks and open space committee and the utilities committee or their successors.

PROVIDED FURTHER THAT:

The work program for position #0588 (land use analyses) will include an evaluation of the flooding and sedimentation impacts of stormwater management practices and basin land uses on agricultural production districts.

PROVIDED FURTHER THAT:

It is the intent of the council that SWM and RDP funds will be used to support natural area lands maintenance and management through 2003, and that ongoing funding for this work in 2004 and thereafter should come from a dedicated parks funding source as recommended by the metropolitan parks task force.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Water & Land Resources Division (WLRD) – Surface Water Management (SWM)

Revenue-backed Add - \$19,964 and 2.0 FTEs. Add two revenue-backed Capital Program and Open Space Acquisition (CPOSA) positions, which will be charged-out through the project loan-out billing process.

Technical Adjustments

Hazardous Waste Management Program Reduction – (\$96,549) and (1.5) FTEs. This adjustment reduces the planned expenditures in the WLRD HAZMAT [lab] program to the projected level of 2003 funding from the Hazardous Waste Management Fund.

CPOSA Reductions - \$215,591 and (7.0) FTEs. The loss of loan-out labor revenues, more than offsets the labor and O&M costs of the CPOSA reduction of 7.0 positions. This is due to the inclusion of several layers of DNRP and WLRD overhead or “burden”(including portions of the department’s County central cost allocations) in its loan-out billing rates.

Reduction of 2002 Program Additions – (\$651,367) and (6.61) FTEs. As part of WLRD’s efforts to maintain its 2002 fund balance, align its 2003 projected revenues and expenditures, and increase the level of SWM funding for natural lands maintenance, it became necessary to exclude these 2002 WLRD program additions from the 2003 Proposed Budget.

Maintenance and Operations of [Parks] Natural Lands - \$127,469. This represents SWM’s increased support of the Parks Division’s Natural Lands, which began in 2002.

Deferred Facility Maintenance Adjustment - \$200,000. This proposal will begin to address a growing maintenance backlog among Storm Water Services’ drainage facilities.

Hybelos Watershed Interlocal Agreement - \$25,000. This item will provide county funding for the development of a watershed recovery plan within WRIA 10. Other jurisdictions participating include: Federal Way, Fife, Milton, Edgewood, Tacoma and Pierce County.

Provide Grants to Communities South of Seattle and West of I-5 - \$50,000. The Land and Water Stewardship (LAWS) section of WLRD will provide “Small Change for a Big Difference” grants to communities that are not currently eligible due to jurisdictional restrictions.

Financial Guarantee Program - \$33,549. The Stormwater Services (SWS) section of WLRD performs quarterly inspections of drainage facilities within residential subdivisions during the two-year period following DDES approval of the constructed facilities. The inspections ensure the developer adequately maintains the drainage facilities and repairs any defects during the two-year period that the development is under the “Drainage Defect & Maintenance Financial Guarantee (DD&MFG) Program.

DDES Environmental Education - \$85,000. This proposal provides funding for an Environmental Education position.

WLR Human Resources TLT Addition - \$65,406 and 1.0 TLT. This proposal provides additional HR resources for WLR to enable the Division to cope with the workload and complexities associated with HR-related programs. Examples of these items include: The Clark Settlement Agreement, Workforce Management issues and the Classification/compensation Project.

Miscellaneous Technical Adjustments – (\$1,225,329) and (1.0) TLT. Part of this miscellaneous technical adjustment item reflects the elimination of a 2003 PSQ expenditure contra of \$5,450,000. Without the contra, the various miscellaneous account adjustments amount to a net reduction of (\$1,225,329). This adjustment (along with the \$5,450,000 contra) eliminated the 2003 PSQ so WLRD/SWM could build a zero-based budget.

Other Miscellaneous Technical Adjustments - \$284,281 and 3.5 FTEs. This adjustment category

PHYSICAL ENVIRONMENT PROGRAM PLAN

reflects the positions added to WLRD as a result of the reorganization of the ESA Office and the dismantling of the Office of Regional Policy and Planning (ORPP).

Central Rate Adjustments – (\$1,191,671). The following accounts were adjusted to reflect estimated rates for 2003: CX Overhead, ITS O&M, ITS Infrastructure, OIRM, Telecommunications Services, Telecommunications Overhead, DCFM Space, Insurance, PAO, Long Term Leases, Finance, Wastewater Vehicles/Motor Pool, LTGO Debt Insurance, and Property Services Lease Admin Fee. In addition, central adjustments were made to Flex Benefits, Retirement, Industrial Insurance, and COLA. The large negative adjustment is primarily the result of three reductions: 1. (\$1,545,394) in SWM debt service, due to the retirement of a bond issue, 2. (\$354,305) as a result of the reduction in flex benefit costs and 3. (\$146,766) in reduced ER&R maintenance charges. The overall central rate reductions were partially offset by the addition of a Non-Rep. Class Comp. reserve for WLRD in the amount of \$832,202. For the SWM fund, the \$832K is offset or revenue-backed in the amount of \$706,194.

Water and Land Resources: Surface Water Management/1210:

	2001 Actual ¹	2002 Adopted	2002 Estimated ²	2003 Adopted	2004 Projected ³	2005 Projected ³
Beginning Fund Balance	3,998,082	667,077	2,123,715	1,052,959	1,219,100	1,212,600
Revenues						
* SWM Fee (charge)	12,577,712	14,946,696	14,925,000	14,382,000	14,250,000	13,356,000
* WTD Transfers	14,048,727	13,597,000	14,433,521	14,764,727	13,667,000	13,894,000
* Local Hazardous Waste Transfers	3,729,721	3,811,000	3,811,000	3,654,051	3,789,000	3,937,000
* Other revenue	3,446,828	5,517,000	5,521,959	4,759,892	4,637,640	4,660,855
Total Revenues	33,802,988	37,871,696	38,691,480	37,560,670	36,343,640	35,847,855
Expenditures						
* Operating Expenditures	(31,573,526)	(33,561,833)	(33,043,832)	(34,320,128)	(32,947,252)	(32,695,689)
* Council add				(202,850)		
* ARMs carryover			(1,409,145)			
* IBIS carryover			(853,454)			
* 2002 Supplemental			(30,000)			
* Trsf to CIP (SWM & Nat'l Lands) and Debt Svc	(4,103,829)	(5,400,805)	(4,925,805)	(3,452,801)	(3,402,888)	(3,196,866)
Total Expenditures	(35,677,355)	(38,962,638)	(40,262,236)	(37,975,779)	(36,350,140)	(35,892,555)
Estimated Underexpenditures⁴		500,000	0	581,250		
Other Fund Transactions						
*						
Total Other Fund Transactions						
Ending Fund Balance	2,123,715	76,135	552,959	1,219,100	1,212,600	1,167,900
Reserves & Designations						
* Reserve for ARMs carryover	(1,409,145)					
* Reserve for IBIS carryover	(853,454)					
Total Reserves & Designations	(2,262,599)					
Ending Undesignated Fund Balance	(138,884)	76,135	552,959	1,219,100	1,212,600	1,167,900
Target Fund Balance⁵	628,886	1,046,269	1,044,750	719,100	712,500	667,800

Financial Plan Notes:

¹ 2001 Actuals are from the 2001 CAFR.

² 2002 Estimated is based on a department revised estimate from July, 2002.

³ 2004 and 2005 Projections are based on Department projections of "outyear" revenues and adjusted expenditures necessary to achieve target fund balance levels.

⁴ There is no (\$0) 2002 Estimated Underexpenditure, as it was combined with the 2002 Estimated Operating Expenditure amount.

⁵ Target Fund Balance is equal to 5% of SWM Fee revenue; reduced from 7%, in 2002.

COUNCIL ADOPTED BUDGET

PHYSICAL ENVIRONMENT PROGRAM PLAN

Transfer for WTD Operating for Category II Projects - \$202,850. Council adjusted Culver II & III projects resulting in a net increase in the transfer from Wastewater Treatment.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Rural Drainage 1211/0845

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	4,288,940	0.00	0.00
PE		Status Quo **	1,048	0.00	0.00
Status Quo Budget		4,289,988	0.00	0.00	
Contra		0			
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Technical Adjustment					
TA01	Miscellaneous Technical Adjustments	155,476	0.00	0.00	
TA02	Increased Natural Lands maintenance	231,000	0.00	0.00	
		386,476	0.00	0.00	
Central Rate Adjustments					
CR05	CX Overhead Adj.	901	0.00	0.00	
CR13	Motor Pool Rate Adj.	1,027	0.00	0.00	
CR25	Finance Rates	10,302	0.00	0.00	
CR28	ER&R Maintenance	(9,510)	0.00	0.00	
CR45	Non-rep Class/comp reserve	1,194	0.00	0.00	
		3,914	0.00	0.00	
2003 Adopted Budget		4,680,378	0.00	0.00	

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

Proviso(s):

PROVIDED THAT:

Of this appropriation, \$170,000 must be expended solely on natural area lands maintenance activities that are consistent with the surface water management (SWM) fee purpose and funding authorities outlined in chapter 36.89 RCW and may be expended or encumbered only after the submittal of a report, requested to be submitted by March 31, 2003, outlining 2003 natural area lands maintenance activities that are proposed to be supported by surface water management and rural drainage program (RDP) funds. This report shall draw from site management and site maintenance plans to date, and include an analysis of how maintenance activities proposed for funding with SWM and RDP funds are consistent the purpose and funding authorities outlined in chapter 36.89 RCW. The report shall also detail how expenditures for labor and supplies will be tracked to ensure that maintenance work supported by SWM and RDP funds is consistent with the purpose for these funds.

Any report or plan required to be submitted by this proviso must be filed in the form of 16 copies with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff for the natural resources, parks and open space committee and the utilities committee or their successors.

PHYSICAL ENVIRONMENT PROGRAM PLAN

WLR/Rural Drainage Program Fund 1211

Technical Adjustments

Technical Adjustments - \$386,476 and Revenue of \$41,162. An increased share of the WLRD Natural Lands maintenance amounts to \$231,000 for 2003. Additional, miscellaneous RDP technical adjustments amount to \$155,476, including an increase of \$186,694 in RDP's CIP [pay-as-you-go] PAYG transfer.

Central Rates Adjustments – \$3,914. A Finance rate increase of \$10,302 was offset partially by a decrease in ER&R maintenance of \$9,510. The rest of the increase was made up of small increases for: CX Overhead, \$901; Motor Pool, \$1,027 and Non-Rep. Class Comp. reserve, \$1,194.

Waterand land Resources - Rural Drainage / 1211

	2001 Actual ¹	2002 Adopted	2002 Estimated ²	2003 Adopted	2004 Projected ³	2005 Projected ³
Beginning Fund Balance	683,529	371,085	976,764	677,071	207,693	209,252
Revenues						
* Rural Drainage Fee	3,243,498	4,102,838	4,103,000	4,144,000	4,185,000	4,227,000
* Other Misc Revenue	61,597	62,000	62,000	62,000	62,000	62,000
*						
Total Revenues	3,305,095	4,164,838	4,165,000	4,206,000	4,247,000	4,289,000
Expenditures						
* Operating Expenditures	(1,384,960)	(2,698,495)	(2,843,916)	(2,903,239)	(2,470,441)	(2,511,900)
* Transfers to CIP	(1,626,900)	(1,590,445)	(1,620,777)	(1,777,139)	(1,775,000)	(1,775,000)
*						
Total Expenditures	(3,011,860)	(4,288,940)	(4,464,693)	(4,680,378)	(4,245,441)	(4,286,900)
Estimated Underexpenditures				5,000		
Other Fund Transactions						
*						
Total Other Fund Transactions	0	0	0	0	0	0
Ending Fund Balance	976,764	246,983	677,071	207,693	209,252	211,352
Reserves & Designations						
*						
Total Reserves & Designations	0	0	0	0	0	0
Ending Undesignated Fund Balance	976,764	246,983	677,071	207,693	209,252	211,352
Target Fund Balance ⁴	162,175	205,142	205,150	207,200	209,250	211,350

Financial Plan Notes:

¹ 2001 Actuals are from the 2001 CAFR.

² 2002 Estimated is based on a Department estimate revised in July 2002

³ 2004 and 2005 Projections are based on Department projections of "outyear" revenues and adjusted expenditure levels required to meet the fund balance targets.

⁴ Target Fund Balance is equal to 5% of annual estimated RDP revenue.

COUNCIL ADOPTED BUDGET

Council made no changes to the 2003 Executive Proposed Budget.

PHYSICAL ENVIRONMENT PROGRAM PLAN

River Improvement 1050/0740

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	3,446,958	12.50	0.00
PE		Status Quo **	16,708	0.00	0.00
		Status Quo Budget	3,463,666	12.50	0.00
		Contra	0		
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Administrative Service Reductions					
AS01	Reduce Project/Program Manager II	(6,626)	(1.00)	0.00	
		(6,626)	(1.00)	0.00	
Revenue Backed					
RB01	State and Federal Grants for flood-plain mapping and major	353,992	0.00	0.00	
		353,992	0.00	0.00	
Technical Adjustment					
TA01	Green River Flood Control Zone District (GRFCZD) decrease	(67,142)	0.00	0.00	
TA02	Other miscellaneous changes	(70,115)	0.00	0.00	
		(137,257)	0.00	0.00	
Central Rate Adjustments					
CR01	Flex Benefits	(10,982)	0.00	0.00	
CR05	CX Overhead Adj.	(27,171)	0.00	0.00	
CR07	ITS O&M	(45)	0.00	0.00	
CR08	ITS Infrastructure	(105)	0.00	0.00	
CR10	OIRM	27	0.00	0.00	
CR11	Telecommunications Services	(8,563)	0.00	0.00	
CR12	Telecommunications Overhead	(1,762)	0.00	0.00	
CR13	Motor Pool Rate Adj.	18,837	0.00	0.00	
CR21	Debt Service Adj.	127	0.00	0.00	
CR25	Finance Rates	(40,937)	0.00	0.00	
CR26	Retirement Rate Adjustment	3,024	0.00	0.00	
CR28	ER&R Maintenance	(17,084)	0.00	0.00	
CR39	COLA Adjustment	(3,692)	0.00	0.00	
CR45	Non-rep class/comp reserve	12,342	0.00	0.00	
		(75,984)	0.00	0.00	
		2003 Adopted Budget	3,597,791	11.50	0.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

WLRD – River Improvement (RIF)

Administrative Service Reductions – (\$6,626) and (1.00) FTE. The 2003 River Improvement Proposed budget includes the reduction of one Project/Program Manager.

Revenue-backed Add - \$353,992 and Revenue of \$316,492. Increased revenue from State and Federal Grants are added along with a corresponding expenditure add, to match the budget and work program associated with flood-plain mapping and major [river] maintenance.

Technical Adjustments

Central Rates Adjustments – (\$75,984). Finance, CX Overhead, ER&R, Flex Benefits, Telecom Services and several other minor reductions contributed to (\$110,341) in Central Rate reductions for 2003. An increased Motor Pool Rate adjustment, the Non-Rep. Class Comp. reserve and an increased Retirement Rate adjustment offset the decreases by \$34,357.

Technical Adjustments – (\$137,257) and revenue of (\$43,779). Green River Flood Control Zone District (GRFCZD) reduced its funding and associated [RIF] work program by (\$67,142) and RIF made other, additional miscellaneous program expenditure changes amounting to (\$70,115). The largest reduction (\$291K) is to Consulting Services.

Water and Land Resources - River Improvement / 1050

	2001 Actual ¹	2002 Adopted	2002 Estimated ²	2003 Adopted	2004 Projected ³	2005 Projected ³
Beginning Fund Balance	730,349	458,763	290,761	336,096	433,259	287,343
Revenues						
River Improvement Levy	2,277,610	2,336,261	2,336,261	2,359,624	2,383,220	2,407,052
Other Revenue	775,936	1,075,260	1,452,970	1,335,330	1,007,390	1,015,864
*						
Total Revenues	3,053,546	3,411,521	3,789,231	3,694,954	3,390,610	3,422,916
Expenditures						
Operating Expenditures	(3,493,134)	(3,446,958)	(3,300,000)	(3,597,791)	(3,536,526)	(3,420,655)
Encumbrance Carryover			(106,186)			
Green River FCZD Omnibus (2nd Qtr)			(337,710)			
Total Expenditures	(3,493,134)	(3,446,958)	(3,743,896)	(3,597,791)	(3,536,526)	(3,420,655)
Estimated Underexpenditures						
Other Fund Transactions						
*						
Total Other Fund Transactions						
Ending Fund Balance	290,761	423,326	336,096	433,259	287,343	289,604
Reserves & Designations						
Reserve for Carryforward	(106,186)					
*						
Total Reserves & Designations	(106,186)					
Ending Undesignated Fund Balance	184,575	423,326	336,096	433,259	287,343	289,604
Target Fund Balance ⁴	213,748	238,806	238,806	258,647	237,343	239,604

Financial Plan Notes:

¹ 2001 Actuals are from the 2001 CAFR.

² 2002 Estimated is based on a July estimate by the department.

³ 2004 and 2005 Projections are based on department revenue projections and adjusted expenditure levels which maintain the fund balance target.

⁴ Target Fund Balance is equal to 7% of annual adopted [PT levy] revenues.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Council made no changes to the 2003 Executive Proposed Budget.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Inter-County River Improvement 1820/0760

Code/Item #/	Description	Expenditures	FTEs*	TLPs
Program Area				
	2002 Adopted	49,484	0.00	0.00
	<i>PE</i> Status Quo **	114	0.00	0.00
	Status Quo Budget	49,598	0.00	0.00
	Contra	0		
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>				
Technical Adjustment				
TA01	Miscellaneous Technical Adjustments	772	0.00	0.00
		772	0.00	0.00
Central Rate Adjustments				
CR05	CX Overhead Adj.	49	0.00	0.00
CR25	Finance Rates	(128)	0.00	0.00
CR28	ER&R Maintenance	(195)	0.00	0.00
		(274)	0.00	0.00
	2003 Adopted Budget	50,096	0.00	0.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

WLRD – Intercounty River Improvement (ICRI)

Technical Adjustments

The 2003 request for ICRI reflects several small changes from the 2002 Adopted budget: a (\$274) reduction in County central rate charges and an ICRI miscellaneous technical adjustment of \$772.

Water and Land Resources - Intercounty River Improvement / 1820

	2001 Actual ¹	2002 Adopted	2002 Estimated ²	2003 Adopted	2004 Projected ³	2005 Projected ³
Beginning Fund Balance	18,954	10,893	17,623	19,389	19,793	19,793
Revenues						
* Intercounty River Improvement Levy	50,369	50,000	50,000	50,500	51,005	51,515
* Other revenue sources	(8,253)	1,250	1,250			
*						
Total Revenues	42,116	51,250	51,250	50,500	51,005	51,515
Expenditures						
* Operating Expenditures	(43,447)	(49,484)	(49,484)	(50,096)	(51,005)	(51,515)
Total Expenditures	(43,447)	(49,484)	(49,484)	(50,096)	(51,005)	(51,515)
Estimated Underexpenditures						
Other Fund Transactions						
*						
Total Other Fund Transactions						
Ending Fund Balance	17,623	12,659	19,389	19,793	19,793	19,793
Reserves & Designations						
*						
Total Reserves & Designations						
Ending Undesignated Fund Balance	17,623	12,659	19,389	19,793	19,793	19,793
Target Fund Balance ⁴						

Financial Plan Notes:

¹ 2001 Actuals are from the 2001 CAFR.

² 2002 Estimated is based on a department estimate from July, 2002.

³ 2004 and 2005 Projections are based on department revenue estimates and adjusted expenditure levels necessary to maintain a small fund balance.

⁴ No minimum target fund balance policy has been established for this fund.

COUNCIL ADOPTED BUDGET

Council made no changes to the 2003 Executive Proposed Budget.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Noxious Weed Control Program 1311/0384

Code/Item #/	Description	Expenditures	FTEs*	TLPs
Program Area				
	2002 Adopted	949,173	6.00	5.36
	Status Quo **	13,946	0.00	0.00
	Status Quo Budget	963,119	6.00	5.36
	Contra	0		
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>				
Technical Adjustment				
TA01	Miscellaneous Technical Adjustments	36,330	0.00	0.00
		36,330	0.00	0.00
Central Rate Adjustments				
CR01	Flex Benefits	(10,826)	0.00	0.00
CR05	CX Overhead Adj.	3,342	0.00	0.00
CR06	ITS New Development	92	0.00	0.00
CR08	ITS Infrastructure	6,922	0.00	0.00
CR10	OIRM	25	0.00	0.00
CR11	Telecommunications Services	(4,275)	0.00	0.00
CR13	Motor Pool Rate Adj.	36,558	0.00	0.00
CR25	Finance Rates	2,030	0.00	0.00
CR26	Retirement Rate Adjustment	1,674	0.00	0.00
CR28	ER&R Maintenance	(2,691)	0.00	0.00
CR39	COLA Adjustment	(557)	0.00	0.00
CR45	Non-rep class/comp reserve	50,000	0.00	0.00
		82,294	0.00	0.00
2003 Adopted Budget		1,081,743	6.00	5.36

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

WLRD – Noxious Weed Control Program

Technical Adjustments

Central Rate Adjustments - (\$82,294). The Noxious Weed Control Program will incur additional central rate charges due to Non-Rep. Class Comp. reserves of \$50,000 and Motor Pool rate adjustments of \$36,558. These increases were offset by reductions in flex benefits, Telecom services and ER&R maintenance.

Other Technical Adjustments - \$36,330 and \$43,464 in adjusted revenue. The \$36,330 represents a net increase of salaries and benefits for the permanent staff (FTEs) in the Noxious Weeds program and other miscellaneous technical adjustments within the existing and ongoing Noxious Weeds program.

Water and Land Resources - Noxious Weeds/1311

	2001 Actual ¹	2002 Adopted	2002 Estimated ²	2003 Adopted	2004 Projected ³	2005 Projected ³
Beginning Fund Balance	211,562	261,970	258,234	270,828	137,857	94,796
Revenues						
* Noxious Weed Assessment	515,519	892,000	911,000	938,572	947,958	947,437
* Other revenue	10,371	13,308	13,308	10,200	10,200	10,200
Total Revenues	525,890	905,308	924,308	948,772	958,158	957,637
Expenditures						
* Program Expenditures	(479,218)	(949,173)	(901,714)	(1,081,743)	(1,001,219)	(957,689)
* Prior Year Encumbrances			(10,000)			
Total Expenditures	(479,218)	(949,173)	(911,714)	(1,081,743)	(1,001,219)	(957,689)
Estimated Underexpenditures⁵		9,492				
Other Fund Transactions						
*						
Total Other Fund Transactions						
Ending Fund Balance	258,234	227,597	270,828	137,857	94,796	94,744
Reserves & Designations						
* Reserve for Encumbrances	(10,000)					
Total Reserves & Designations	(10,000)					
Ending Undesignated Fund Balance	248,234	227,597	270,828	137,857	94,796	94,744
Target Fund Balance ⁴	51,552	89,200	94,917	93,857	94,796	94,744

Financial Plan Notes:

¹ 2001 Actuals are from the 2001 CAFR.

² 2002 Estimated is based on a Department estimate from July 2002.

³ 2004 and 2005 Projections are based on Department revenues estimates and adjusted expenditures levels necessary to maintain the target fund balance.

⁴ Target Fund Balance is equal to 10% of Noxious Weeds Fee revenue

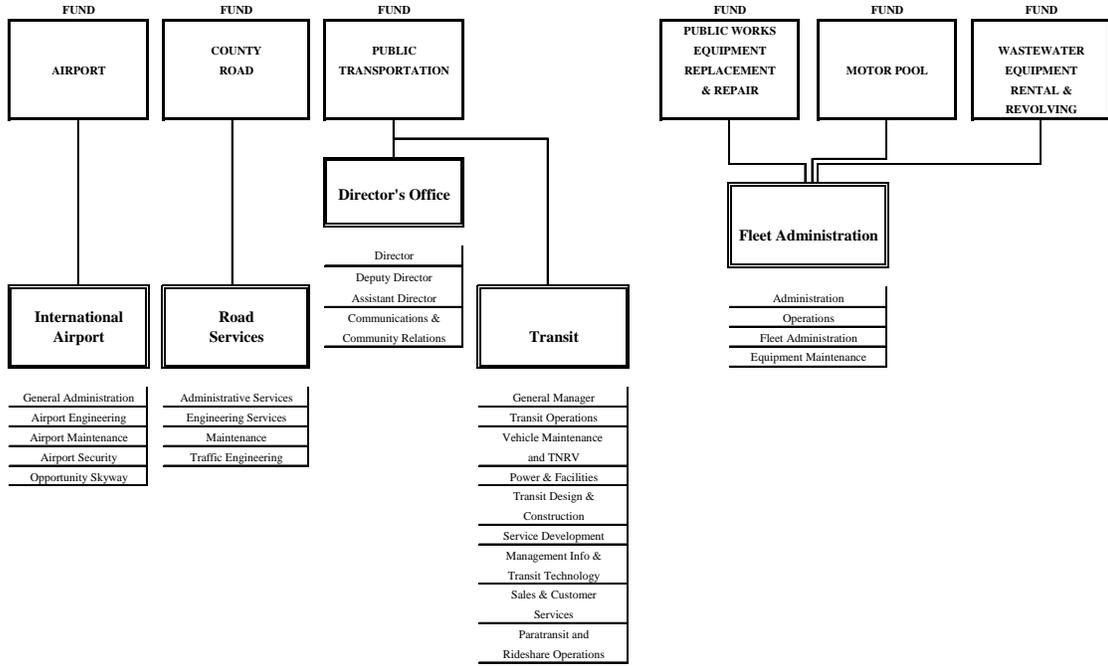
⁵ Underexpenditure is 1% of program expenditures

COUNCIL ADOPTED BUDGET

Council made no changes to the 2003 Executive Proposed Budget.

Transportation

PHYSICAL ENVIRONMENT PROGRAM PLAN



TRANSPORTATION

Mission
Transportation

To improve the quality of life for the citizens of King County by providing mobility in a way that protects the environment, helps to manage growth and reduces traffic congestion.

ISSUES AND PRIORITIES

The King County Department of Transportation's (DOT) 2003 Adopted Budget is the result of a continuing determination to address the transportation needs of King County efficiently and economically.

The Transit Division seeks to improve regional mobility and the quality of life in King County by providing the best possible public transportation service. The 2003 adopted budget supports the

recently adopted Transit Six-Year Plan, which balance the operating and capital programs throughout the period 2003-2008. The impacts of the current recession on ridership and transit revenues have been accounted for in the financial plan for the transportation fund. While service growth in the near future will not be as great as previously anticipated, no reductions in services are expected.

Road Services Division strives to increase mobility through arterial networks, bridge rehabilitation, and corridor system improvements. The Road Services 2003-to-2008 financial plan balances the needs of the operating and capital programs and identifies additional resources for a Road Safety Rehabilitation and Retrofit program for additional pavement overlay miles, pedestrian safety improvements, safety guardrails, signal upgrades and intersection safety improvements.

The Director's Office will continue to provide leadership, advocacy and support for the Department, its customers and the community. The Director's Office will ensure that transportation planning, reduced and reorganized in light of budget constraints, will generate a fully integrated approach to transportation problem solving by setting the direction for the functional planning elements in the divisions.

King County International Airport (KCIA) supports the economic vitality of the County, the National Air Transportation System, and provides safe and continuous general aviation airport services. KCIA was successfully integrated into DOT during 2002 and will continue to develop closer ties with other DOT agencies during 2003. Due to the economic downturn, revenues have declined and the operating budget has been reduced in several areas to compensate. However, an additional security officer will be added to address the need for increased security.

Fleet Administration will continue to provide quality and responsive vehicle services, parts, road materials and supplies at competitive cost to customers.

PHYSICAL ENVIRONMENT PROGRAM PLAN

DOT Director's Office 4640/5010M

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	3,887,471	33.00	0.00
PE		Status Quo **	151,796	0.00	0.00
Status Quo Budget		4,039,267	33.00	0.00	
Contra		0			
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Program Change					
PC03	King County Clean Air Agency Contribution	74,000	0.00	0.00	
		74,000	0.00	0.00	
Revenue Backed					
RB01		0	0.00	0.00	
RB02	TLT Support for State and Regional Transportation Funding	68,492	0.00	1.00	
		68,492	0.00	1.00	
Technical Adjustment					
TA01	DOT Director's Office Technical Adjustments	0	0.00	0.00	
TA02	Salary and Wage Contingency	58,000	0.00	0.00	
		58,000	0.00	0.00	
Central Rate Adjustments					
CR01	Flex Benefits	(32,470)	0.00	0.00	
CR05	CX Overhead Adj.	144,012	0.00	0.00	
CR07	ITS O&M	76,172	0.00	0.00	
CR08	ITS Infrastructure	471	0.00	0.00	
CR10	OIRM	163	0.00	0.00	
CR11	Telecommunications Services	1,241	0.00	0.00	
CR12	Telecommunications Overhead	4,685	0.00	0.00	
CR13	Motor Pool Rate Adj.	1,341	0.00	0.00	
CR20	PAO Rates	(28,235)	0.00	0.00	
CR25	Finance Rates	(20,638)	0.00	0.00	
CR26	Retirement Rate Adjustment	9,235	0.00	0.00	
CR36	Property Services Lease Administration	(2,901)	0.00	0.00	
		153,076	0.00	0.00	
2003 Adopted Budget		4,392,835	33.00	1.00	

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

Proviso(s):

PROVIDED THAT:

Of this appropriation, \$200,000 shall be expended or encumbered only after the director submits to the council, no later than April 30, 2003, a report on county participation in the Auburn intelligent transportation system program. The report shall include:

- (1) an analysis of the project scope and those elements of the project that provide a direct benefit to unincorporated county residents;
- (2) a plan for the county to assist the city in obtaining other grants to support the program; and
- (3) a draft interlocal agreement between the city and the county for county participation in the program.

This report must be filed with the clerk of the council. The original and 15 copies must be filed with the clerk, who will retain the original and forward copies to each councilmember and to the lead staff for the transportation committee or its successor.

PHYSICAL ENVIRONMENT PROGRAM PLAN

PROGRAM HIGHLIGHTS

Director's Office

The DOT Director's Office 2003 Proposed budget includes only minor changes from the prior year, reflecting the addition of one TLT position and a number of technical adjustments for cost-of-living and internal service rates. The minor changes result in a request that totals \$4.4 million and 33.0 FTEs.

Revenue-Backed Additions

State and Regional Funding Support - \$68,492 and 1.00 TLT: This request is for a TLT position to support coordination efforts associated with the Statewide and Regional Transportation Funding packages. The TLT will provide administrative support for scheduling and communications activities essential to maintaining a coordinated regional approach to these funding initiatives.

Technical Adjustments

DOT Director's Office – Technical Adjustments – Net-zero changes: This adjustment consists mainly of reassignment of a number of vacant positions and their associated expenditures to cost centers more appropriate to the anticipated 2003 work load.

Salary and Wage Contingency - \$58,000: This request is for non-represented class compensation expenditures anticipated in 2003.

COUNCIL ADOPTED BUDGET

Council made no changes to the 2003 Executive Proposed Budget for 2003.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Transit 4640/5000M

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	374,660,868	3,675.49	20.45
PE		Status Quo **	18,873,543	19.70	(1.00)
Status Quo Budget		393,534,411	3,695.19	19.45	
Contra		0			
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Program Change					
PC01	Reduction in Partnership Program and Operator Recruitment	(916,400)	0.00	0.00	
PC02	Restore Mailroom Services	25,000	0.00	0.00	
PC03	Transit Contribution to Clean Air Agency	0	0.00	0.00	
		(891,400)	0.00	0.00	
Revenue Backed					
RB01	Bus Service - 13,063 budget hours increase	(1,393,150)	5.22	0.00	
RB02	Vanpool Service - Match budget to forecast	144,737	0.00	0.00	
RB03	Paratransit Service -	2,351,858	0.00	0.00	
RB05	Warranty Reimbursement Program - create permanent positions	(323,579)	2.00	0.00	
RB06	Staff Support for Security Planning	491,920	0.00	1.00	
RB07	Add 2.00 FTEs to Shelter Cleaning Staff	86,078	2.00	0.00	
RB08	Landscape Maintenance Seasonal Workers (Temps)	124,264	0.00	0.00	
RB09	Convert TLTs for Speed/Reliability and Base Operations	0	2.00	(2.00)	
RB10	Transit Operating Grant Adjustments	(208,964)	(0.25)	(1.00)	
RB12	Hyde Bequest - South Seattle Shuttle Demonstration Project	164,016	0.00	0.00	
		1,437,180	10.97	(2.00)	
Technical Adjustment					
TA01	Technical Adjustments in Various Work Groups	(26,945)	0.10	3.60	
TA02	PSQ Corrections	(2,408,389)	(6.00)	0.00	
TA03	One Percent Salary Savings	(440,000)	0.00	0.00	
		(2,875,334)	(5.90)	3.60	
Central Rate Adjustments					
CR01	Flex Benefits	(3,662,052)	0.00	0.00	
CR05	CX Overhead Adj.	301,068	0.00	0.00	
CR07	ITS O&M	(157,012)	0.00	0.00	
CR08	ITS Infrastructure	216,230	0.00	0.00	
CR09	Geographic Information System (GIS)	210,793	0.00	0.00	
CR10	OIRM	10,430	0.00	0.00	
CR11	Telecommunications Services	(537,175)	0.00	0.00	
CR12	Telecommunications Overhead	(187,203)	0.00	0.00	
CR13	Motor Pool Rate Adj.	7,095	0.00	0.00	
CR14	Facilities Mgmt Space Charge	(47,747)	0.00	0.00	
CR15	Insurance Charges	(336,028)	0.00	0.00	
CR20	PAO Rates	(143,615)	0.00	0.00	
CR22	Long Term Leases	(111,359)	0.00	0.00	
CR25	Finance Rates	(184,148)	0.00	0.00	
CR26	Retirement Rate Adjustment	776,066	0.00	0.00	
CR32	GIS Client Services	(191,760)	0.00	0.00	
CR33	Bond debt service	85,000	0.00	0.00	
CR36	Property Services--Lease Admin Fee	(29,110)	0.00	0.00	
CR40	Merit	58,622	0.00	0.00	
CR41	Adjustment for Transit Security	510,236	0.00	0.00	
		(3,411,669)	0.00	0.00	

PHYSICAL ENVIRONMENT PROGRAM PLAN

Transit 4640/5000M

Code/Item #/	Description	Expenditures	FTEs*	TLPs
Council Changes				
CC01	Eliminate proposed conversion of TLTs to FTEs	0	(2.00)	2.00
CC02	Eliminate vacant positions	(312,015)	(5.00)	0.00
CC03	Eliminate unfilled position	(110,000)	(1.00)	0.00
CC04	Reduce security for DSTT	(300,000)	0.00	0.00
CC05	Elliott Bay Water Taxi	500,000	0.00	0.00
		(222,015)	(8.00)	2.00
2003 Adopted Budget		387,571,173	3,692.26	23.05

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

Proviso(s):

PROVIDED THAT:

The transit program shall provide 26 high quality retired passenger vans for exclusive use by nonprofit organizations or local governments that are able to address the mobility needs of low-income, elderly, disabled or young county residents. The council shall allocate vans by motion. Each agency selected to receive a van must enter into an agreement with King County that provides, among other things, that the agency shall defend and indemnify the county against any liability, be sufficiently insured to support the indemnity and defense obligation, and be able to maintain and operate the van for its remaining usefullife. The council finds that such provision of vans supports the county's public transportation function by reducing single occupancy trips, pollution and traffic congestion; supplementing the services provided by the county's paratransit system; and increasing mobility for the transit dependent for whom regular transit may not always be a convenient option.

PROVIDED FURTHER THAT:

Of this appropriation, \$387,471,173 shall be expended solely in support of transit operating activities and no funds from this amount may be used for stationing of transit police personnel at the vehicular entrances to the downtown Seattle transit tunnel.

PROVIDED FURTHER THAT:

Of this appropriation, \$100,000 must be expended solely for transit police personnel stationed at the vehicular entrances to the downtown Seattle transit tunnel. Cost-sharing and coordination with the sheriff's office in the pursuit of federal funding through the Homeland Security Act are strongly encouraged.

PROVIDED FURTHER THAT:

Of this appropriation, \$500,000 shall be expended from the fare stabilization and operating enhancement reserve, solely on operation of the Elliott Bay water taxi from April 1 through September 30, 2003.

PROVIDED FURTHER THAT:

Of the \$57,469,000 transfer from the public transportation CIP, \$9,959,000 shall be deposited in the fare stabilization and operating enhancement reserve and, except for the \$500,000 appropriated for the Elliott Bay water taxi, shall not be expended or encumbered but shall be available for appropriation in 2003 consistent with adopted transit financial policies.

PROVIDED FURTHER THAT:

Of this appropriation, \$784,800 shall be expended solely on 31,000 annual hours of new service to be added in 2003, exclusive of schedule maintenance investments. Of this amount, 10,000 hours shall be implemented in June with the balance being implemented in September. It is the intent of the council that 20,000 of the 31,000 new hours in 2003 is the first increment of an intended 55,000 new service hours to be added by 2005, in addition to service increases already planned to implement the 2002-2007 Six-Year Transit Development Plan.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Transit Revenue Vehicle Replacement 4647/5002M

Code/Item #/	Description	Expenditures	FTEs*	TLPs
Program Area	2002 Adopted	7,480,658	0.00	0.00
PE	Status Quo **	(10)	0.00	0.00
	Status Quo Budget	7,480,648	0.00	0.00
	Contra	0		
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>				
	Revenue Backed			
RB01	Revenue Fleet Replacement - Transfer to CIP	2,487,057	0.00	0.00
		2,487,057	0.00	0.00
	Central Rate Adjustments			
CR05	CX Overhead Adj.	(17,099)	0.00	0.00
CR08	ITS Infrastructure	(455)	0.00	0.00
		(17,554)	0.00	0.00
	2003 Adopted Budget	9,950,151	0.00	0.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Transit Division

The 2003 Proposed operating budget for the Transit Division totals \$387.8 million and 3,700.26 FTEs, with 21.05 TLTs. This Proposed Budget represents an increase of \$13.1 million or 3.5% over the 2002 Adopted Budget.

The 2003 request will support 3.6 million service hours including 237,000 contracted service hours for Sound Transit. Transit ridership (not including Sound Transit) is projected to exceed 94 million rides in 2003. Paratransit service will provide over 600,000 hours of service and more than a million rides. The vanpool program is expected to operate over 700 vanpools providing nearly three million commuter rides. (See Council Adopted Budget change section for discussion of service level changes.)

The average cost for an hour of Metro bus service in 2003 is projected to be just over \$96.00, an increase of 2.8 percent over the 2002 per-hour cost. The 2003 proposed operating budget is allocated as follows: 83 percent for Metro bus service (\$320.5 million); 9 percent for paratransit service (\$36.4 million); 5.3 percent for Sound Transit contract bus service; 1.5 percent for vanpool service (\$5.9 million); and 1.2 percent for grant funded projects.

An increase of approximately 235,000 annual hours is projected in the financial plan for the six-year period beginning in 2003. Because of current economic conditions much of this growth is expected to occur in the later years of the plan. As the economy rebounds from the recession, both sales tax revenue and ridership are expected to increase, providing the financial support for the planned service expansion. Paratransit and vanpool services are also expected to grow during this time.

It is anticipated that the transit tunnel in downtown Seattle will be closed in September of 2007 for conversion to joint light rail and bus operations. During tunnel closure and estimated 72,000 additional annual hours of service will be required to mitigate the effects of operating tunnel service on the service. Reopening of the tunnel is projected for September, 2009.

Revenue-Backed Adjustments

Bus Service - \$(1,393,150) and 5.22 FTEs: The 2003 operating budget supports an increase of 8,500 new annual service hours, 5,000 annual maintenance hours, and 19,000 annual hours of contract service for Sound Transit. The incremental cost of providing additional bus service is more than offset by an adjustment that was made to the operator cost projections to reflect a more efficient allocation of work between part-time and full-time operators and a re-estimation of the cost of operator benefits.

Accessible Service, Paratransit - \$2,351,858: In 2003, the cost of providing accessible services is projected to increase by \$2.35 million. This request will maintain the paratransit program at the service level described in the ADA (Americans with Disabilities Act) plan. The increase in 2003 costs is due primarily to two factors: ridership is growing, and the average cost per service hour is also increasing.

Vanpool Service - \$144,737: The vanpool program has not grown in 2002 as a result of regional economic conditions. As the economy rebounds vanpool formations are expected to increase to the levels that were assumed for 2002. Transit anticipates a 2.7 percent increase in the number of daily riders using the program (from 5,900 to 6,058) and plans no fleet expansion. The cost of operating this program show increases as a result of inflation and rising maintenance costs for an aging vehicle fleet. Vanpool fares are required to pay 100 percent of the direct operating and capital costs of the program plus 25% of the indirect costs.

Warranty Reimbursement Program - \$(323,579) and 2.00 FTEs: This change makes permanent two administrative staff positions that have been used for the past four years to process high volumes of warranty claims. This work enables the vehicle maintenance division to recover hundreds of thou-

PHYSICAL ENVIRONMENT PROGRAM PLAN

sands of dollars for warranty work performed by Transit staff. Transit projects a need for these additional FTEs for the next six to seven years.

Transit Security Support Staff and Officers- \$491,920 and 1.00 TLT: This request will enable Transit to enhance security planning and increase the security of the downtown Seattle transit tunnel.

Increase Shelter Cleaning Staff - \$86,078 and 2.00 FTEs: This request would increase cleaning services at bus shelters, park-and-ride lots, and transit centers by adding two FTEs to the currently budgeted 22.00 FTEs. This move is in response to an increased number of complaints or requests for specific cleaning during the past year.

Landscape Maintenance Seasonal Workers - \$124,264: This request is for budget authority to hire seasonal landscape workers. These workers will augment current maintenance levels during the peak growing season for over 6.5 million square feet of landscaping in park-and-ride lots, transit centers, maintenance bases, the bus tunnel, trolley power stations, and other transit locations.

TLT Conversions, Speed and Reliability Program and Base Operations – 2.00 FTEs and (2.00) TLTs: This request would convert two TLT positions performing work that has come to be “ongoing” in nature. The first is a TLT that supports capital project activity in the Speed and Reliability program. The second is a TLT in Service Quality, originally added to support increased construction-related service activities.

Transit Operating Grant Adjustments - \$(208,964), (0.25) FTEs and (1.00) TLTs: This request is an adjustment based on the total grant activity anticipated to occur in 2003, estimated at approximately \$3.6 million.

Hyde Bequest: South Seattle Shuttle/Travel Advocate Demonstration Project - \$164,016: This proposed increase to the Accessible Services 2003 budget is fully supported by a bequest to King County Transit from the estate of Lillian Hyde. The purpose of the bequest and of this proposal is to add weekday door-to-door van service for senior citizens and people with disabilities living in Beacon Hill and the south Seattle areas.

Technical Adjustments

Transit – Miscellaneous Technical Adjustments \$(26,945), 0.10 FTEs and 3.60 TLTs: This request includes a number of staff and cost adjustments between the capital and operating programs and changes in staff levels to bring position descriptions into alignment with work needs. In particular, as electronic control systems become more prevalent Transit finds a greater need for information systems professionals, for example, and relatively fewer equipment service workers.

PSQ Corrections - \$(2,408,389) and (6.00) FTEs: This item includes changes of a type that could have been made in the PSQ stage of the budget. The changes include: reduction of a trolley line crew (due to a delay in Sound Transit funded work); correction of double-counting of job injury adjustments; reduction in the estimate of the quantity of catalytic mufflers to be purchased and installed in 2003; and removal of the Water Taxi demonstration project 2002 appropriation.

One Percent Salary Savings - \$(440,000): This request comprises a one percent reduction in all salary budget lines not associated with staff who are members of Local 587. The purpose of this reduction is to reduce the budgetary impact of vacant positions within the division.

Program Changes

Reduction in Partnerships and Operator Recruitment - \$(916,400): This request includes reductions to the Partnership Program (\$500,000) and radio recruitment (\$416,400). The Partnership reduction is based on the limited availability of service hours to provide a match for this successful program that formed a significant part of the prior six-year plan. The recruitment activity reduction is based on a reduced need for operator recruitment given current levels of service, staffing projections, and local economic conditions.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Mailroom Services - \$25,000: This request would continue mailroom services in the King Street Center pending development of a long-term plan for appropriate and sustainable levels of mailroom staff and service.

Other: Internal service rates for the Transit Division (services provided by one County agency to other County agencies) will increase by a total of \$3.1 million in the 2003 Executive Proposed budget, as compared with the 2002 Adopted budget. This increase includes an increase of \$510,000 for Transit Security, \$301,000 for overhead cost allocation (overhead costs of County operations paid by agencies not supported by the general fund), \$428,000 for financial services, and nearly \$2.0 million for insurance. These and other increases are partially offset by reductions in several telecommunications rates.

The 2003 budget includes \$750,000 to cover the remaining impacts of the classification/ compensation study and projected impacts of the current negotiations with TEA (Transportation Equity Act).

Revenues: The transit operating program receives roughly 90 percent of its revenue from the combination of sales tax and fare revenues, with sales tax providing 70 percent and fares providing 20 percent. The reliance on sales tax makes the Public Transportation Program revenue vulnerable to changes in the local economy. The recession that began in March 2001, employment reductions at the Boeing Company and other local employers, and a high office vacancy rate in downtown Seattle have contributed to less optimistic revenue forecasts. Taxable retail sales declined by 2.3 percent in 2001 compared with the year before. The total for 2002 is projected to be 4.3 percent lower than 2001 with a very moderate recovery predicted to begin in 2003.

At the same time, ridership is projected to decline by 2.4 percent in 2002 – following a 2.9 percent drop in 2001 – with a trend of slow growth starting in 2003 as the economy begins to rebound. There is a fairly close relationship between demographic and socioeconomic factors and public transportation use. It is predicted that the next few years will see some growth in the younger age groups that make up a third of transit riders, but that at the same time more people will move into the older age categories most likely to drive alone. Transit advertising revenue has also been hard hit by the current recession. In 2002, the last year of the current contract, Transit will receive \$7.25 million in advertising revenue. The total for 2004 is projected at \$3.5 million, less than half the 2002 figure.

Funding: The 2003 proposed budget includes a request to transfer \$47.5 million from the capital program to the operating program. Per financial policies, the sales tax received by the program is split between the operating (3/4) and capital (1/4) programs. Before passage of I-695, MVET (motor vehicle excise tax) revenues supported the operating program. The loss of MVET revenue has been partially offset by the recent increase of 0.2 percent in the sales tax rate for public transportation, expenditure reductions, and the 2002 fare increase. However, one quarter of the additional sales tax revenue was directed to the capital fund and the adopted transfer has been determined as necessary to support existing levels of bus service sustainability.

Transit Revenue Vehicle Replacement, Transfer to CIP - \$9,950,151: Consistent with the adopted financial policies, this proposal provides a total of \$9.95 million for replacement of Transit's "revenue vehicles", including buses and trolleys, in 2003. The amount of the transfer for this purpose varies annually and is based on the timing of fleet procurements. It was \$18.4 million in 2000, \$2.4 million in 2001, and will be \$5.5 million in 2002.

PHYSICAL ENVIRONMENT PROGRAM PLAN

WORKLOAD / PERFORMANCE INDICATORS			
	2001	2002	2003
	Actual	Adopted	Proposed
Transit ridership	95,600,000	100,300,000	94,200,000
Vanpool boardings	1,940,000	2,080,000	1,950,000
Paratransit service (% of ADA demand met)	98.30%	100.00%	100.00%
Bus operating cost/service hr.	\$89.46	\$93.59	\$96.17

Public Transportation Enterprise Fund

(\$ in 000)	2001	2002	2003	2004	2005	2006	2007
	Actual	Estimate	Adopted	Projected	Projected	Projected	Projected
Beginning Fund Balance	261,192	324,086	291,914	278,210	157,638	58,226	86,584
Revenues							
Fares	69,085	72,509	73,045	74,036	75,253	76,369	81,889
Other Operations Revenue	13,148	13,791	10,745	11,011	10,879	11,445	13,736
Sales Tax	277,796	298,262	302,199	315,496	332,217	352,914	375,783
Motor Vehicle Excise Tax	(8)	0	0	0	0	0	0
Interest Income	10,031	13,352	12,525	12,223	7,777	3,362	5,269
Capital Grants	40,206	56,684	85,379	64,823	49,818	49,071	48,484
Payments from ST; Roads, Fleet, Airport	17,405	18,829	22,455	24,401	25,929	27,801	28,892
Sound Transit Payments-Capital	0	0	0	0	0	0	0
Miscellaneous	29,337	19,561	16,215	25,853	15,012	13,510	12,089
Total Revenues	456,999	492,988	522,562	527,842	516,885	534,472	566,141
Expenditures							
Expense							
Transit Division	(348,247)	(374,817)	(387,571)	(411,915)	(427,264)	(444,544)	(460,140)
Transportation Admin Division	(3,593)	(3,939)	(4,393)	(4,516)	(4,642)	(4,772)	(4,906)
Transportation Planning Division	(2)	0	0	0	0	0	0
Capital	(41,889)	(162,849)	(152,346)	(242,358)	(182,055)	(51,827)	(49,122)
Cross Border Lease (Gillig Coaches)	(12,594)	(12,702)	(11,880)	(14,700)	(9,366)	0	0
Debt Service	(12,097)	(12,252)	(13,185)	(15,202)	(17,117)	(18,631)	(15,060)
Total Expenditures	(418,423)	(566,559)	(569,375)	(688,691)	(640,444)	(519,774)	(529,227)
Estimated Underexpenditures							
Operating Program	0	3,788	3,920	4,164	4,319	4,493	4,650
Capital Program	0	36,361	3,662	(174)	(1,398)	(16,074)	(6,443)
Total Estimated Underexpenditures	0	40,148	7,582	3,990	2,921	(11,581)	(1,792)
Other Fund Transactions							
Long Term Debt (Bonds)	0	0	24,000	33,500	18,000	22,500	0
CBL Sale of Gilligs	0	0	0	0	0	0	0
Misc Balance Adjustments	24,316	1,251	1,527	2,786	3,226	2,741	2,378
Total Other Fund Transactions	24,316	1,251	25,527	36,286	21,226	25,241	2,378
Ending Fund Balance	324,084	291,914	278,210	157,638	58,226	86,584	124,082
Reserves & Designations							
30 Day Operating Reserve ⁵	28,921	20,754	31,379	30,950	28,992	28,538	29,873
Fare Stabilization & Operating Enhancement Reser	-	-	-	-	-	-	-
Revenue Fleet Replacement Fund	65,355	75,126	90,080	72,138	28,738	57,749	93,671
Cross Border Lease (Gillig Coaches)	45,805	35,437	22,836	9,093	(0)	(0)	(0)
*							
Total Reserves & Designations	140,081	131,317	144,295	112,181	57,729	86,287	123,544
Ending Undesignated Fund Balance	184,003	160,597	133,914	45,457	496	296	539
Target Fund Balance⁴	138,059	141,885	145,313	115,619	101,385	123,814	146,015

Financial Plan Notes:

¹ 2001 Actuals are from the 2001 CAFR.

² 2002 Estimated is based on current projections

³ 2003-2008 projections are based on future assumptions concerning service levels and the supporting CIP.

⁴ Target Fund Balance is based on formulae established in the financial policies

PHYSICAL ENVIRONMENT PROGRAM PLAN

Public Transportation Fund - Operating Sub-Fund

(\$ in 000)	2001 Actual	2002 Estimate	2003 Adopted	2004 Projected	2005 Projected	2006 Projected	2007 Projected	2008 Projected
Beginning Fund Balance	100,461	57,782	20,754	31,379	30,950	28,992	28,538	29,873
Revenues								
Fares	69,085	72,509	73,045	74,036	75,253	76,369	81,889	90,219
Other Operations Revenue	13,148	13,791	10,745	11,011	10,879	11,445	13,736	14,316
Sales Tax	208,347	223,696	226,649	236,622	249,163	264,686	281,837	298,043
Motor Vehicle Excise Tax	(8)	0	0	0	0	0	0	0
Payments from ST; Roads, Fleet, Airport	17,405	18,829	22,455	24,401	25,929	27,801	28,892	29,624
Miscellaneous/Interest	10,147	9,115	8,806	9,697	10,130	10,294	10,595	10,994
Total Revenues	318,123	337,941	341,700	355,766	371,353	390,595	416,948	443,196
Expenditures								
Transit	(348,247)	(374,817)	(387,571)	(411,915)	(427,264)	(444,544)	(460,140)	(480,393)
Transportation Administration	(3,593)	(3,939)	(4,393)	(4,516)	(4,642)	(4,772)	(4,906)	(5,043)
Transportation Planning	(2)	0	0	0	0	0	0	0
Total Expenditures	(351,842)	(378,756)	(391,964)	(416,431)	(431,906)	(449,317)	(465,045)	(485,437)
Estimated Underexpenditures	0	3,788	3,920	4,164	4,319	4,493	4,650	4,854
Other Fund Transactions								
Misc Balance Adjustment	(8,959)	0	0	0	0	0	0	0
Transfer from Capital Program	0	0	56,969	56,071	54,276	53,775	44,782	40,088
Total Other Fund Transactions	(8,959)	0	56,969	56,071	54,276	53,775	44,782	40,088
Ending Fund Balance	57,783	20,754	31,379	30,950	28,992	28,538	29,873	32,575
Reserves & Designations								
30 Day Operating Reserve ⁵	28,921	20,754	31,379	30,950	28,992	28,538	29,873	32,575
Fare Stabilization & Operating Enhancement	-	-	-	-	-	-	-	-
Total Reserves & Designations	28,921	20,754	31,379	30,950	28,992	28,538	29,873	32,575
Ending Undesignated Fund Balance	28,862	0	0	0	0	0	0	0
Target Fund Balance⁴	28,921	30,822	31,897	33,888	35,148	36,564	37,844	39,504

Financial Plan Notes:

¹ 2001 Actuals are from the 2001 CAFR.

(566,803)

² 2002 Estimated is based on current projections

³ 2003-2008 projections are based on future assumptions concerning service levels and the supporting CIP.

⁴ Target Fund Balance is based on formulae established in the financial policies

PHYSICAL ENVIRONMENT PROGRAM PLAN

Public Transportation Fund - Capital Sub-Fund

(\$ in 000)	2001 Actual	2002 Estimate	2003 Adopted	2004 Projected	2005 Projected	2006 Projected	2007 Projected	2008 Projected
Beginning Fund Balance	64,763	155,144	160,597	133,915	45,457	496	296	539
Revenues								
Sales Tax	69,449	80,981	73,948	38,508	55,979	81,070	82,298	88,708
Interest Income	5,983	5,477	5,135	4,102	1,300	50	51	41
Miscellaneous	5,830	11,738	8,238	17,464	6,397	4,660	2,958	3,473
Capital Grants	27,606	36,584	69,379	48,823	33,818	33,071	32,484	20,796
Total Revenues	108,868	134,781	156,700	108,897	97,495	118,851	117,791	113,017
Expenditures								
Capital Program Expenditures	(41,889)	(162,849)	(152,346)	(242,358)	(182,055)	(51,827)	(49,122)	(70,815)
Debt Service/Refin.	(12,097)	(12,252)	(13,185)	(15,202)	(17,117)	(18,631)	(15,060)	(6,899)
Total Expenditures	(53,987)	(175,101)	(165,531)	(257,560)	(199,171)	(70,458)	(64,182)	(77,714)
Estimated Underexpenditures	0	36,361	3,662	(174)	(1,398)	(16,074)	(6,443)	5,901
Other Fund Transactions								
Miscellaneous Fund Balance Adj.	33,022	1,131	1,405	2,663	3,099	2,609	2,243	1,615
RFRF Funds for Fleet Rep.	2,352	8,161	9,950	80,164	54,164	4,015	10,480	8,507
Lease and Prepaid Lease Offset	125	120	122	123	127	132	135	142
Transfer to Operating Fund	0	0	(56,969)	(56,071)	(54,276)	(53,775)	(44,782)	(40,088)
Funds from Operations	0	0	0	0	0	0	0	0
Long Term Borrowing	0	0	24,000	33,500	18,000	22,500	0	0
Short Term RFRF Loan	0	0	0	0	37,000	0	0	0
RFRF Loan Repayment	0	0	0	0	0	(8,000)	(15,000)	(11,500)
Total Other Fund Transactions	35,499	9,412	(21,492)	60,379	58,114	(32,520)	(46,925)	(41,323)
Ending Fund Balance	155,144	160,597	133,936	45,457	496	296	539	420
Reserves & Designations								
*								
Total Reserves & Designations	-	-	-	-	-	-	-	-
Ending Undesignated Fund Balance	155,144	160,597	133,936	45,457	496	296	539	420
Target Fund Balance *	500	500	500	500	500	500	500	500

Financial Plan Notes:

¹ 2001 Actuals are from the 2001 CAFR.

² 2002 Estimated is based on current projections

³ 2003-2008 projections are based on future assumptions concerning service levels and the supporting CIP.

⁴ Target Fund Balance is based on formulae established in the financial policies

⁵ Short-term cash flow needs in CIP for 2005 are met via interfund loan from Revenue Fleet Replacement Fund. Loan is repaid by 2008.

COUNCIL ADOPTED BUDGET

Eliminate vacant positions – (\$312,015) / (5.00). Council eliminated 5.00 FTEs and \$312,015 in budget authority associated with positions that have been vacant for more than a year. (In total, Council reduced Transit's request by 8.00 FTEs and \$616,000 in salary budget authority.)

Eliminate unfilled positions – (\$110,000) / (1.00 FTE). Council eliminated a capital program management FTE position and \$110,000 that had been added to the Executive Proposed 2002 budget. Capital management duties have been assigned to the Transit Deputy General Manager thereby facilitating removal of the FTE add to the 2002 budget.

Reduce Security for DSTT – (\$300,000). Council reduced by \$300,000 the proposed \$400,000 of budget authority increase for security services at the transit tunnel in downtown Seattle.

Eliminate Proposed Conversion of TLTs to FTEs – (2.00 FTEs)/2.00 TLTs. Council denied a request to convert two TLT positions to FTEs.

Elliott Bay Water Taxi – \$500,000. Council added expenditure authority of \$500,000 to support the Elliott Bay Water Taxi service hours.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Roads 1030/0730

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	60,049,264	601.70	43.00
PE		Status Quo **	1,646,140	0.00	0.00
Status Quo Budget		61,695,404	601.70	43.00	
Contra		0			
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Program Change					
PC01	Overlay Program	254,483	0.00	0.00	
PC02	Regional Trails Maintenance Contribution to Parks	(38,119)	0.00	0.00	
PC03	Noxious Weed Control	137,073	0.00	2.00	
PC04	TLP Adjustments	(219,598)	0.00	(3.50)	
PC05	CIP Staff Requirements	145,930	8.00	(3.00)	
PC06	Inmate Landscape Maintenance Crew	90,000	0.00	0.00	
		369,769	8.00	(4.50)	
Revenue Backed					
RB01	Traffic City Services	(654,058)	(2.00)	(2.50)	
RB02	Road Maintenance City Services	(219,162)	(2.00)	0.00	
RB03	WLRD River Program reduction	0	0.00	(2.00)	
		(873,220)	(4.00)	(4.50)	
Technical Adjustment					
TA01	DOT Admin. Cost Allocation	116,681	0.00	0.00	
TA02	Labor Distribution -Loan in/out	236,450	0.00	0.00	
TA50	Revenue Adjustment	0	0.00	0.00	
		353,131	0.00	0.00	
Central Rate Adjustments					
CR01	Flex Benefits	(617,246)	0.00	0.00	
CR05	CX Overhead Adj.	83,292	0.00	0.00	
CR07	ITS O&M	(23,779)	0.00	0.00	
CR08	ITS Infrastructure	52,503	0.00	0.00	
CR09	Geographic Information System (GIS)	98,341	0.00	0.00	
CR10	OIRM	1,024	0.00	0.00	
CR11	Telecommunications Services	(9,241)	0.00	0.00	
CR12	Telecommunications Overhead	10,365	0.00	0.00	
CR13	Motor Pool Rate Adj.	5,394	0.00	0.00	
CR15	Insurance Charges	(238,312)	0.00	0.00	
CR20	PAO Rates	(43,375)	0.00	0.00	
CR21	Debt Service Adj.	(40,511)	0.00	0.00	
CR22	Long Term Leases	(50,300)	0.00	0.00	
CR25	Finance Rates	21,493	0.00	0.00	
CR26	Retirement Rate Adjustment	135,990	0.00	0.00	
CR28	ER & R	27,533	0.00	0.00	
CR32	GIS Client Services	(139,500)	0.00	0.00	
CR36	Property Services-Lease Admin Fee	598	0.00	0.00	
CR39	COLA Adjustment	(117,578)	0.00	0.00	
		(843,309)	0.00	0.00	
Council Changes					
CC01	Landmarks Program transfer to CX - share of cost	77,815	0.00	0.00	
		77,815	0.00	0.00	

PHYSICAL ENVIRONMENT PROGRAM PLAN

Roads 1030/0730

Code/Item #/	Description	Expenditures	FTEs*	TLPs
	2003 Adopted Budget	60,779,590	605.70	34.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

Proviso(s):

PROVIDED THAT:

Of this appropriation, \$77,815 shall only be spent on the roads services division's share of the cost of the landmarks program and shall be transferred to the current expense fund.

PROVIDED FURTHER THAT:

Of this appropriation, \$1,080,128 may only be spent to reimburse the sheriff for 8 traffic officers and 0.5 FTE sergeant.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Roads Division

The primary goals of the 2003 Executive Proposed Road Services budget are to ensure continued increases in the amount transferred from the Road Fund to the Road Construction Fund while ensuring availability of funding in the six year financial plan for a Road Safety and Retrofit program. In 2003 the transfer to the capital fund increases by \$1.1 million and the six-year financial plan reserves \$35.6 million for the safety and retrofit program. This has been accomplished by limiting growth to operating budget programs, identifying staff efficiencies, and continuing the statutory road levy growth rate.

The proposed 2003 budget also reflects a net reduction in service requested from contract cities, which results in a corresponding reduction in revenue from contract cities. The decline is caused by a reduction in the routine ongoing road maintenance and traffic contract work requested by a majority of cities as they transition toward providing for a portion of their own basic road maintenance and traffic needs.

The total 2003 Executive Proposed Budget for Road Services is \$61,324,677 and 605.7 FTEs. The Road Services Vector Decant budget is \$628,944. The Road Construction Transfer to the capital programs is \$24,413,242.

Program Changes

Overlay Program - \$254,483: This is the operating component of the CIP overlay increase in 2003 related to the retro-rehab program.

Regional Parks Trail Maintenance Contribution - \$(38,119): This is the Road fund contribution to Parks for the maintenance of regional trails used as transportation corridors. Road fund total contribution is \$288,804, a reduction of \$38,119 over 2002.

Noxious Weed Control - \$137,073: The amount of work in this area has been steadily increasing. The number of sites to be treated each year has increased from 393 in 2000 to an anticipated 1591 in 2003 (includes carryover as some sites must be treated for up to four years).

Term-Limited Position Reductions \$(219,598) and (3.5) TLTs: Term Limited Temporary adjustments associated with completed terms and TLTs added mid-year associated with additional bodies of work.

Capital Program Staff Requirements \$145,930, and 8.00 FTEs and -3.00TLTs: Includes four conversions to FTEs from Term limited positions (TLTs) due to ongoing bodies of work and an increase in capital project staff to keep pace with the expanded capital program.

Inmate Landscape Maintenance Crew - \$90,000: This is a pilot project to determine if maintenance costs can be reduced through employing low-risk offenders. This program is coordinated with the KC District Court and Corrections. Cost of this crew will be \$140,000. \$50,000 is already budgeted for landscape maintenance in Roads base budget.

Revenue Backed Adjustments

Traffic City Services - \$(654,098), (2.00) FTEs and (2.50) TLTs: Reduced requests from cities for County to do reimbursable traffic related.

Road Maintenance City Services - (\$219,162), (2.00) FTEs: Reductions in services requested for road maintenance work within cities.

Water and Land Resources Department River Program Reduction - (2.00) TLTs: Reductions in flood control structures maintenance along major rivers as requested from WLRD.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Technical Adjustments

DOT Administration Cost Allocation - \$116,681: Revised allocation for coverage of the DOT Director's Office among the four DOT divisions (Transit, Roads, Fleet and Airport).

Labor Distribution - \$236,450: Adjustments associated with matrixed labor and administrative overhead cost recovery from outside customers.

Central Rate Adjustments - \$104,714: Central rates included increases and decreases. The most significant increases were in the retirement rate and the most significant decreases were in flex benefits and insurance rates.

Revenue Adjustment - \$(815,291): Revenue change includes increases and decreases. Revenue increases are due to a fuel tax increase, collecting a re-levy on property tax and collecting property tax at 106% of prior year plus new construction. Collecting a higher utility fee and vector waste fee are also reflected here. Sand and Gravel sales at a new pit contribute \$328,125 to increase revenues. Reduced revenues are anticipated from cities as contract work requests have declined. Property sale assumptions have been revised and include reducing the expected selling price of property. Some buildings were also removed from the list and are no longer being considered a potential revenue source.

Road Fund / 1030

	2001 Actual ¹	2002 Adopted	2002 Estimated ²	2003 Adopted	2004 Projected ³	2005 Projected ³
Beginning Fund Balance	(4,222,991)	2,017,610	(4,567,471)	7,031	1,514,510	1,302,593
Revenues						
Property Tax	49,837,664	54,369,054	54,367,729	58,858,012	63,488,327	68,479,806
Gas Tax	13,973,156	14,445,156	14,314,253	14,673,477	14,995,422	15,267,589
Reimbursable Fees for Service	14,613,445	13,795,748	14,547,938	13,328,154	13,139,423	13,502,581
Sale of Assets	2,598,182		4,762,843	328,125	761,250	761,250
Grants	541,909					
Other Revenues	1,708,690	2,000,034	2,421,285	2,444,134	2,476,177	2,508,791
Total Revenues	83,273,046	84,609,992	90,414,048	89,631,902	94,860,599	100,520,017
Expenditures						
Roads Operating (0730)	(59,376,845)	(60,049,264)	(58,528,544)	(60,779,590)	(62,837,694)	(65,101,661)
StormWater Decant (0726)	(554,077)	(596,783)	(596,783)	(524,449)	(649,064)	(676,325)
Encumbrance Carryforward			(1,425,987)			
Total Expenditures	(59,930,922)	(60,646,047)	(60,551,314)	(61,304,039)	(63,486,758)	(65,777,986)
Estimated Underexpenditures		606,460		613,040	634,868	657,780
Other Fund Transactions						
Road Fund Contribution to Road CIP	(23,798,874)	(25,288,232)	(25,288,232)	(27,138,424)	(31,490,676)	(34,332,288)
CAFR Adjustment	112,270					
Ice and Slide Supplementals				(295,000)	(295,000)	(295,000)
Rehab Retrofit Operating					(434,950)	(841,000)
Total Other Fund Transactions	(23,686,604)	(25,288,232)	(25,288,232)	(27,433,424)	(32,220,626)	(35,468,288)
Ending Fund Balance	(4,567,471)	1,299,783	7,031	1,514,510	1,302,593	1,234,116
Reserves & Designations						
Encumbrances	(1,425,987)					
Total Reserves & Designations	(1,425,987)					
Ending Undesignated Fund Balance	(5,993,458)	1,299,783	7,031	1,514,510	1,302,593	1,234,116
Target Fund Balance⁴	1,249,096	1,269,150	1,356,211	1,344,479	1,422,909	1,507,800

Financial Plan Notes:

¹ 2001 Actuals are from the 2001 CAFR.

² 2002 Estimated is based on prior years plus inflation and other contributing factors.

³ 2004 and 2005 Projected are based on prior years plus inflation.

⁴ Target Fund Balance is equal to 1.5% of Revenues

PHYSICAL ENVIRONMENT PROGRAM PLAN

COUNCIL ADOPTED BUDGET

Landmarks Program Transfer to CX – \$77,815. Council provided expenditure authority to the Roads Services Division in order to fund a portion of the Landmarks Program. The amount is based on an estimate of landmark workload associated with the Roads Services Division.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Stormwater Decant Program 1030/0726

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	596,783	0.00	0.00
PE		Status Quo **	1,153	0.00	0.00
		Status Quo Budget	597,936	0.00	0.00
		Contra	0		
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Revenue Backed					
RB04	Regional Stormwater Decant Program	24,966	0.00	0.00	
		24,966	0.00	0.00	
Technical Adjustment					
TA50	Revenue Adjustment	0	0.00	0.00	
		0	0.00	0.00	
Central Rate Adjustments					
CR05	CX Overhead Adj.	726	0.00	0.00	
CR11	Telecommunications Services	624	0.00	0.00	
CR12	Telecommunications Overhead	99	0.00	0.00	
CR25	Finance Rates	4,593	0.00	0.00	
CR28	ER & R	0	0.00	0.00	
		6,042	0.00	0.00	
Council Changes					
CC01	Reduced cost of disposal	(104,495)	0.00	0.00	
		(104,495)	0.00	0.00	
		2003 Adopted Budget	524,449	0.00	0.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Stormwater Decant Program

Technical Adjustments

Expenditure Increase - \$24,966. Policy changes to structure the storm water decant program as full cost recovery has resulted in more loan-in labor being charged to this account. A fee increase is being proposed to recover 100% of the costs of this program as part of Roads 2003 budget proposal.

COUNCIL ADOPTED BUDGET

Reduced cost of disposal - (\$104,495). A new method of stormwater waste disposal makes possible a 17% reduction in budget authority from 2002 to 2003.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Roads Construction Transfer 1030/0734

Code/Item #/	Description	Expenditures	FTEs*	TLPs
Program Area	2002 Adopted	25,288,232	0.00	0.00
PE	Status Quo **	1,038,996	0.00	0.00
	Status Quo Budget	26,327,228	0.00	0.00
	Contra	0		
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>				
Technical Adjustment				
TA49	Transfer from Operating to CIP	86,196	0.00	0.00
		86,196	0.00	0.00
Council Changes				
CC01	Transfer of road improvement guaranty fund	725,000	0.00	0.00
		725,000	0.00	0.00
	2003 Adopted Budget	27,138,424	0.00	0.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Road Construction Transfer

Program Changes

Increased Transfer from Road Fund to Capital Funds - \$86,196. The increase in the transfer amount results in a total of \$26,413,424 to the capital fund. This transfer is supplemented in the capital fund by bond proceeds, Vehicle License Fee revenue, grants and other fund sources.

COUNCIL ADOPTED BUDGET

Increased Transfer from Road Fund to Capital Funds - \$725,000. *To provide revenue backing for increased capital budget authority the Council increased the transfer from the Road fund with the intention of increasing the amount of Road Improvement District revenue received by the Road Construction Fund.*

Fleet Administration

Fleet Administration Division manages the County's vehicles in the Motor Pool Fund, the Wastewater Equipment Rental and Revolving Fund, and the Public Works Equipment Rental and Revolving Fund. The Sheriff's Office and other General Fund agencies are the primary users of the Motor Pool Fund vehicles and services. The Road Service Division is the primary user of the Public Works Equipment Rental and Revolving Fund.

In the 2003 Executive Proposed Budget, Fleet Administration has developed a budget with charges to user agencies held below the rate of inflation. The rate charged to agencies is based primarily on two categories: vehicle maintenance and vehicle replacement. Fleet uses an industry standard model to determine the economically efficient time to replace a vehicle. This vehicle replacement model considers variables such as annual costs, resale/salvage value, and purchase price.

Due to extended vehicle life, reduced actual maintenance costs, downsizing of types of vehicles and reductions to the Parks fleet size the General Fund has been able to realize a \$2.9 million benefit in the 2003 Executive Proposed Budget. The annual rates were reduced by \$1.3 million. Approximately \$0.7 million of the reduction is due to a one time reduction in rates due to fleet reductions in the Parks Department and vehicle downsizing for a portion of the fleet assigned to the Sheriff's Office. The remaining \$0.6 million of the rate reduction is based on actual 2001 costs. The remaining \$1.6 million benefit to the General Fund is based on a direct transfer of Motor Pool fund balance.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Motor Pool 5580/0780

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	10,032,412	21.00	0.00
PE		Status Quo **	(5,536)	0.00	0.00
Status Quo Budget		10,026,876	21.00	0.00	
Contra		0			
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Revenue Backed					
RB01	O&M Program - Vehicles and Equipment	(451,182)	0.00	0.00	
RB02	Vehicle Equipment Replacement Above PSQ	725,201	0.00	0.00	
		274,019	0.00	0.00	
Technical Adjustment					
TA01	2002 Council Proviso Rebate Tech Adj	1,509,000	0.00	0.00	
TA03	Revenue Adjustment	0	0.00	0.00	
		1,509,000	0.00	0.00	
Central Rate Adjustments					
CR01	Flex Benefits	(20,055)	0.00	0.00	
CR05	CX Overhead Adj.	(36,813)	0.00	0.00	
CR07	ITS O&M	1,869	0.00	0.00	
CR08	ITS Infrastructure	(5,107)	0.00	0.00	
CR10	OIRM	138	0.00	0.00	
CR11	Telecommunications Services	(9,674)	0.00	0.00	
CR12	Telecommunications Overhead	7,138	0.00	0.00	
CR21	Debt Service Adj.	46,730	0.00	0.00	
CR25	Finance Rates	(7,555)	0.00	0.00	
CR26	Retirement Rate Adjustment	3,770	0.00	0.00	
CR39	COLA Adjustment	(3,290)	0.00	0.00	
		(22,849)	0.00	0.00	
2003 Adopted Budget		11,787,046	21.00	0.00	

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

Proviso(s):

PROVIDED THAT:

Of this appropriation, \$10,000 shall be spent or encumbered only after the council receives a report describing policies, procedures and criteria for identifying surplus computer and office equipment from all county agencies for the purpose of donation to nonprofit organizations within King County. The report shall also list the nonprofit organizations that have received computer and office equipment during 2001 and 2002.

The report shall be filed in the form of 15 copies with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff for the labor, operations and technology committee or its successor.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Motor Pool ER&R Fund

Revenue Backed Adjustments

Fleet Operations and Maintenance – (\$451,182). The 2003 operating and maintenance budget is based on 2001 actuals with adjustments for salary changes. The primary cause for the reduction is a gasoline cost reduction from a relatively high estimate of gasoline costs in 2002.

Vehicle Equipment Replacement Adjustment - \$725,201. The budget authority necessary to replace vehicles in 2002 will increase by \$725,201. While agency contributions to Motor Pool are relatively consistent from year to year the amount of budget authority necessary to purchase vehicles may vary considerably on an annual basis. This cyclical variability is based on the number of vehicles that reach the end of their life cycle in any particular year.

Technical Adjustments

Motor Pool Fund Balance Rebate - \$1,509,000. Due to the slower than anticipated vehicle replacement rates the year-end 2002 Motor Pool Fund balance will be approximately \$1.8 million higher than the target fund balance range. This level of fund balance makes possible a rebate to the funds that pay fleet utilization and replacement costs. As compared to the \$291,000 fund balance transfer in 2002 the 2003 rebate represents a \$1,509,000 transfer increase. Based on utilization rates the General Fund will receive \$1.6 million, or 85%, of the \$1.8 million transfer.

Central Rates

Central Rates - (\$22,849). There is a net reduction to the central rates charged to the Motor Pool. Though there are offsetting central rate decreases and increases, the net \$22,849 reduction is due in large part to the CX Overhead cost decrease.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Motor Pool Equipment Rental Revolving Fund/5580

	2001 Actual ¹	2002 Adopted	2002 Estimated ²	2003 Adopted	2004 Projected ³	2005 Projected ³
Beginning Fund Balance	6,388,457	4,841,192	8,490,538	8,412,286	5,111,065	3,367,858
Revenues						
* Garage Services & Supplies	215,197	45,610	45,610	50,028	51,529	53,075
Investment Interest	422,159	224,460	224,460	271,162	228,632	172,947
* Sale of Equipment	149,589	377,269	377,269	466,593	589,079	576,974
* Other Miscellaneous Revenues	153,619	132,923	132,923	135,000	139,050	143,222
* Vehicle Rental Revenues	8,729,292	9,216,935	9,216,935	7,563,043	8,691,579	8,995,784
Total Revenues	9,669,856	9,997,197	9,997,197	8,485,826	9,699,869	9,942,002
Expenditures						
* Operating and Maintenance	(4,677,444)	(6,091,686)	(5,702,151)	(5,274,389)	(5,511,718)	(5,664,065)
* Capital Equipment Replacement	(1,460,373)	(3,940,726)	(3,940,726)	(4,665,927)	(5,890,794)	(5,769,743)
* Debt Service-Core Financial	(50,747)		(40,876)	(46,730)	(40,565)	(40,563)
* 2001-2002 Carryover Encumbrances			(100,696)			
Total Expenditures	(6,188,564)	(10,032,412)	(9,784,449)	(9,987,046)	(11,443,077)	(11,474,371)
Estimated Underexpenditures						
Other Fund Transactions						
* Rebate	(1,447,149)		(291,000)	(1,800,000)		
* Other Financial Transactions	67,938					
Total Other Fund Transactions	(1,379,211)		(291,000)	(1,800,000)		
Ending Fund Balance	8,490,538	4,805,977	8,412,286	5,111,065	3,367,858	1,835,490
Reserves & Designations						
* Allowance of Inventory	(57,420)	(77,038)	(77,038)	(79,349)	(81,730)	(84,182)
* Contingency for Capital Improvement	(290,096)	(302,140)	(302,140)	(279,613)	(290,996)	(298,260)
* 2001-2002 Carryover Encumbrances	(100,696)					
Total Reserves & Designations	(448,212)	(379,178)	(379,178)	(358,962)	(372,726)	(382,442)
Ending Undesignated Fund Balance	8,042,326	4,426,799	8,033,108	4,752,103	2,995,133	1,453,048
Projected Fleet Replacement Cost (PFRC)	30,814,210	30,434,851	30,434,851	31,399,079	32,655,042	33,961,244
Percent of Proj. Fleet Repl. Cost	26%	15%	26%	15%	9%	4%
Target Fund Balance- 10% of PFRC	3,081,421	3,043,485	3,043,485	3,139,908	3,265,504	3,396,124
Target Fund Balance- 20% of PFRC	6,162,842	6,086,970	6,086,970	6,279,816	6,531,008	6,792,249

Financial Plan Notes:

- 1 2001 Actuals are from the 2001 CAFR.
- 2 2002 Estimated is based on annualized revenue & expenditure report.
- 3 2004 and 2005 Projected are based on the following assumptions:
 - a) Assumes 3.4% annual percentage rate on investment earnings.
 - b) Assumes sale of equipment is 10% of annual capital expenditures.
 - c) Assumes 3% annual increase in miscellaneous revenues as well as in operating and maintenance costs.
 - d) Capital expenditures are based on replacement schedule based on established replacement standards for each type of vehicle.
 - e) Allowance for inventory is equal to inventory value at the beginning of each year per CAFR. Estimated increase 3% per year.
 - f) Contingency for capital improvement is estimated at 3% of annual revenues.
- 4 Target Fund Balance, as recommended by the County Auditor, is equal to a range of 10% to 20% of the Projected Replacement Cost of the Fleet (PFRC).

COUNCIL ADOPTED BUDGET

Council made no changes to the 2003 Executive Proposed Budget.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Equipment Repair & Replacement (ER&R) 5570/0750

Code/Item #/	Description	Expenditures	FTEs*	TLPs
Program Area				
	2002 Adopted	10,009,555	51.00	1.00
	Status Quo **	48,456	0.00	0.00
	Status Quo Budget	10,058,011	51.00	1.00
	Contra	0		
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>				
Revenue Backed				
RB01	Equipment Replacement Above PSQ	1,724,979	0.00	0.00
RB02	Fleet Maintenance Program-Vehicles and Equipment	36,087	0.00	0.00
RB03	Personal Property and Fixed Asset Data Mgmt	0	0.00	0.00
		1,761,066	0.00	0.00
Technical Adjustment				
TA03	Revenue Adjustment	0	0.00	0.00
TA04	Staffing Plan Adjustment	20,950	1.00	0.00
TA05	TLT Conversion to FTE	0	1.00	0.00
		20,950	2.00	0.00
Central Rate Adjustments				
CR01	Flex Benefits	(49,660)	0.00	0.00
CR05	CX Overhead Adj.	(135,254)	0.00	0.00
CR07	ITS O&M	(6,540)	0.00	0.00
CR08	ITS Infrastructure	1,516	0.00	0.00
CR10	OIRM	204	0.00	0.00
CR11	Telecommunications Services	(7,873)	0.00	0.00
CR12	Telecommunications Overhead	(8,532)	0.00	0.00
CR15	Insurance Charges	806	0.00	0.00
CR21	Debt Service Adj.	(437)	0.00	0.00
CR25	Finance Rates	1,844	0.00	0.00
CR26	Retirement Rate Adjustment	10,501	0.00	0.00
CR39	COLA Adjustment	(7,700)	0.00	0.00
		(201,125)	0.00	0.00
	2003 Adopted Budget	11,638,902	53.00	1.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Public Works ER&R Fund

Revenue Backed Adjustments

Equipment Replacement Adjustment - \$1,724,979. The budget authority necessary to replace vehicles in 2003 will increase by \$1,724,979. While agency contributions to Motor Pool are relatively consistent from year to year the amount of budget authority necessary to purchase vehicles may vary considerably on an annual basis. This variability is a function of the number of vehicles that reach the end of their life cycle in any particular year.

Fleet Maintenance Program Adjustment - \$36,087. The costs for operations and maintenance are proposed to increase by \$36,087. This increase is primarily due to the projected costs of implementing the non-represented class compensation agreement.

Technical Adjustments

TLT Conversion to FTE, \$0 Fiscal Effect. A term-limited temporary position was hired in early 2001 in response to a workload backlog. The increasing workload since 2001 in the Public Works ER&R fund causes this Equipment Services and Maintenance Specialist body of work to be considered on-going rather than a temporary response to a one-time workload backlog. The conversion from TLT to FTE status holds the salary and benefits constant thereby causing no increase in costs.

Staffing Plan Adjustment - \$20,950, 1 FTE. A Heavy Duty Mechanic/Automobile Machinist position is proposed as an add to the existing staff levels in the Public Works ER&R Fund. This additional Heavy Duty Mechanic will reduce overtime salaries being paid. It will also reduce the increased back log of repair work which has resulted in increased equipment downtime. This equipment downtime results in Roads having to incur added costs by renting equipment from commercial vendors. The cost of the position is partially offset by reducing overtime, loan-in/out labor and wage contingency accounts.

Central Rates – (\$201,125)

There is a net reduction to the central rates charged to the Motor Pool. Though there are offsetting central rate decreases and increases the two-thirds of the net \$201,125 reduction is due to the CX Overhead cost decrease.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Public Works Equipment Rental Revolving Fund/5570

	2001 Actual ¹	2002 Adopted	2002 Estimated ²	2003 Adopted	2004 Projected ³	2005 Projected ³
Beginning Fund Balance	8,034,909	7,587,391	9,381,079	6,907,113	3,622,005	1,672,806
Revenues						
* Sales of Stores & Materials	581,717	507,611	507,611	409,756	422,049	434,710
* Investment Interest	454,556	360,166	360,166	174,926	75,291	540
* Sale of Equipment	204,446	408,774	408,774	615,771	481,989	524,421
* Other Miscellaneous Revenues	243,029	137,359	137,359	127,359	131,180	135,115
* Vehicle Rental Revenues	6,798,197	6,639,424	6,639,424	6,701,158	7,329,370	7,797,472
* Personal Property & Fixed Assets Revenues		324,823	324,823	324,823	365,511	378,304
Total Revenues	8,281,945	8,378,157	8,378,157	8,353,793	8,805,390	9,270,561
Expenditures						
* Operating and Maintenance	(5,137,145)	(6,184,259)	(6,184,259)	(6,077,506)	(6,290,219)	(6,510,376)
* Capital Equipment Replacement	(1,827,843)	(3,406,446)	(3,406,446)	(5,131,425)	(4,016,578)	(4,370,171)
* Debt Service - Core Financial	(73,297)	(73,297)	(73,297)	(58,547)	(58,515)	(58,511)
* Personal Property & Fixed Assets		(345,553)	(345,553)	(371,424)	(389,277)	(402,902)
* 2001-2002 Carryover Encumbrances			(842,568)			
Total Expenditures	(7,038,285)	(10,009,555)	(10,852,123)	(11,638,902)	(10,754,589)	(11,341,960)
Estimated Underexpenditures						
Other Fund Transactions						
* Other Financial Transactions	102,510					
*						
Total Other Fund Transactions	102,510					
Ending Fund Balance	9,381,079	5,955,993	6,907,113	3,622,005	1,672,806	(398,594)
Reserves & Designations						
* Allowance for Inventory	(1,246,479)	(1,442,572)	(1,442,572)	(1,322,390)	(1,362,061)	(1,402,923)
* Contingency for Capital Improvement	(248,458)	(251,350)	(251,350)	(251,464)	(264,162)	(278,117)
* 2001-2002 Carryover Encumbrances	(842,568)					
* Non-rep Class Comp Reserve				(271,655)		
Total Reserves & Designations	(2,337,505)	(1,693,922)	(1,693,922)	(1,845,508)	(1,626,223)	(1,681,040)
Ending Undesignated Fund Balance	7,043,574	4,262,071	5,213,191	1,776,497	46,583	(2,079,634)
Projected Fleet Replacement Cost (PFRC)	29,882,763	31,286,720	29,786,719	31,735,888	33,005,324	34,325,536
Percent of Proj. Fleet Repl. Cost	24%	14%	18%	6%	0%	-6%
Target Fund Balance - 10% of PFRC ⁴	2,988,276	3,128,672	2,978,672	3,173,589	3,300,532	3,432,554
Target Fund Balance - 20% of PFRC	5,976,553	6,257,344	5,957,344	6,347,178	6,601,065	6,865,107

Financial Plan Notes:

¹ 2001 Actuals are from the 2001 CAFR.

² 2002 Estimated is based on annualized revenue & expenditure report.

³ 2004 and 2005 Projected are based on the following assumptions:

- a) Assumes 3.4% annual percentage rate on investment earnings.
- b) Assumes sale of equipment is 12% of annual capital expenditures.
- c) Assumes 3% annual increase in miscellaneous revenues as well as in operating and maintenance costs.
- d) Capital expenditures are based on replacement schedule based on established replacement standards for each type of vehicle.
- e) Allowance for inventory is equal to inventory value at the beginning of each year per CAFR. Estimated to increase 3% per year.
- f) Contingency for capital improvement is estimated at 3% of annual revenues.

⁴ Target Fund Balance, as recommended by the County Auditor, is equal to a range of 10% to 20% of the Projected Replacement Cost of the Fleet (PFRC)

COUNCIL ADOPTED BUDGET

Council made no changes to the 2003 Executive Proposed Budget.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Wastewater Equipment Rental & Revolving 5441/0137

Code/Item #/	Description	Expenditures	FTEs*	TLPs
Program Area				
	2002 Adopted	2,267,470	0.00	0.00
	<i>PE</i> Status Quo **	1,492	0.00	0.00
	Status Quo Budget	2,268,962	0.00	0.00
	Contra	0		
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>				
Revenue Backed				
RB01	Vehicle/Equipment Replacement Below PSQ	(360,840)	0.00	0.00
RB02	O&M Program - Vehicles and Equipment	(21,073)	0.00	0.00
		(381,913)	0.00	0.00
Technical Adjustment				
TA03	Revenue Adjustment	0	0.00	0.00
		0	0.00	0.00
Central Rate Adjustments				
CR05	CX Overhead Adj.	(8,802)	0.00	0.00
CR25	Finance Rates	(39,719)	0.00	0.00
		(48,521)	0.00	0.00
	2003 Adopted Budget	1,838,528	0.00	0.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Wastewater ER&R Fund

Significant Program Additions

Vehicle Equipment Replacement and Maintenance – (\$360,840). The budget authority necessary to replace vehicles in 2003 will decrease by \$360,840. While agency contributions to Wastewater ER&R are relatively consistent from year to year the amount of budget authority necessary to purchase vehicles may vary considerably on an annual basis. This variability is a function of the number of vehicles that reach the end of their life cycle in any particular year.

Operating & Maintenance Program – Vehicles/Equipment – (\$21,073). The costs for operations and vehicle maintenance are proposed to decrease by \$21,073.

Central Rates

Allocation of Central Rates – (\$48,521). The reduction of central rate charges is primarily due to a finance rate reduction of \$39,719.

Wastewater Equipment Rental Revolving Fund/5441

	2001 Actual ¹	2002 Adopted	2002 Estimated ²	2003 Adopted	2004 Projected ³	2005 Projected ³
Beginning Fund Balance	1,705,399	2,514,334	2,865,287	2,450,550	2,522,488	2,037,866
Revenues						
* Investment Interest	113,617	127,276	127,276	82,581	71,574	67,112
* Sale of Equipment	20,339	158,366	158,366	122,282	187,129	85,489
* Other Miscellaneous Revenues	44,780	4,876	4,876	15,000	15,450	15,914
* Vehicle Rental Revenues	1,615,864	1,680,215	1,680,215	1,690,603	1,749,774	1,811,016
Total Revenues	1,794,601	1,970,733	1,970,733	1,910,466	2,023,927	1,979,531
Expenditures						
* Operating and Maintenance	(436,172)	(683,809)	(683,809)	(615,707)	(637,257)	(659,561)
* Capital Equipment Replacement	(200,972)	(1,583,661)	(1,583,661)	(1,222,821)	(1,871,293)	(854,891)
* 2001 - 2002 Carryover Encumbrances			(118,000)			
Total Expenditures	(637,144)	(2,267,470)	(2,385,470)	(1,838,528)	(2,508,550)	(1,514,452)
Estimated Underexpenditures						
Other Fund Transactions						
* Other Fund Transactions	2,432					
Total Other Fund Transactions	2,432					
Ending Fund Balance	2,865,287	2,217,597	2,450,550	2,522,488	2,037,866	2,502,945
Reserves & Designations						
* Contingency for Capital Improvement	(53,838)	(59,122)	(59,122)	(57,314)	(60,718)	(59,386)
* 2001-2002 Carryover Encumbrances	(118,000)					
Total Reserves & Designations	(171,838)	(59,122)	(59,122)	(57,314)	(60,718)	(59,386)
Ending Undesignated Fund Balance	2,693,449	2,158,475	2,391,428	2,465,174	1,977,148	2,443,559

Projected Fleet Replacement Cost (PFRC)	14,981,825	15,266,970	15,266,970	15,864,973	16,499,572	17,159,555
Percent of Proj. Fleet Repl. Cost	18%	14%	16%	16%	12%	14%

Target Fund Balance - 10% of PFRC ⁴	1,498,183	1,526,697	1,526,697	1,586,497	1,649,957	1,715,955
Target Fund Balance - 20% of PFRC	2,996,365	3,053,394	3,053,394	3,172,995	3,299,914	3,431,911

Financial Plan Notes:

- 1 2001 Actuals are from the 2001 CAFR.
- 2 2002 Estimated is based on annualized revenue and expenditure report.
- 3 2004 and 2005 Projected are based on the following assumptions:
 - a) Assumes 5.5% annual percentage rate on investment earnings.
 - b) Assumes sale of equipment is 10% of annual capital expenditures.
 - c) Assumes 3% annual increase in miscellaneous revenues as well as in operating and maintenance costs.
 - d) Capital expenditures are based on replacement schedule based on established replacement standards for each type of vehicle.
 - e) Contingency for capital improvement is estimated at 3% of annual revenues.
- 4 Target Fund Balance, as recommended by the County Auditor, is equal to a range of 10% to 20% of the Projected Replacement Cost of the Fleet (PFRC).

COUNCIL ADOPTED BUDGET

Council made no changes to the 2003 Executive Proposed Budget.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Airport 4290/0710

Code/Item #/	Description	Expenditures	FTEs*	TLPs	
Program Area		2002 Adopted	12,223,441	52.50	4.75
PE		Status Quo **	(1,943,852)	0.00	(2.75)
Status Quo Budget		10,279,589	52.50	2.00	
Contra		0			
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>					
Administrative Service Reductions					
AS01	Administrative Operating Reductions	(109,340)	0.00	0.00	
AS02	Engineering Operating Reductions	(65,053)	0.00	0.00	
AS03	Maintenance Operating Reductions	(83,875)	0.00	0.00	
AS04	Opportunity Skyway Operating Reductions	(77,120)	0.00	0.00	
		(335,388)	0.00	0.00	
Program Change					
PC01	Airport Rescue & Fire Fighting (ARFF) Contract Cost Increase	71,962	0.00	0.00	
PC02	Airport Rescue & Fire Fighting (ARFF) Contract FTE Increase	139,000	0.00	0.00	
PC03	75th Year Anniversary/Terminal Building Re-Dedication	32,850	0.00	0.00	
PC04	Storm Water Cleaning & Utility System Maintenance	215,000	0.00	0.00	
		458,812	0.00	0.00	
Technical Adjustment					
TA50	Revenue Adjustment	0	0.00	0.00	
		0	0.00	0.00	
Central Rate Adjustments					
CR01	Flex Benefits	(52,525)	0.00	0.00	
CR05	CX Overhead Adj.	(10,651)	0.00	0.00	
CR07	ITS O&M	3,503	0.00	0.00	
CR08	ITS Infrastructure	1,267	0.00	0.00	
CR09	Geographic Information System (GIS)	22,620	0.00	0.00	
CR10	OIRM	(129)	0.00	0.00	
CR11	Telecommunications Services	16,367	0.00	0.00	
CR12	Telecommunications Overhead	(7,383)	0.00	0.00	
CR15	Insurance Charges	(7,179)	0.00	0.00	
CR20	PAO Rates	(17,602)	0.00	0.00	
CR21	Debt Service Adj.	(81)	0.00	0.00	
CR25	Finance Rates	41,480	0.00	0.00	
CR26	Retirement Rate Adjustment	11,221	0.00	0.00	
CR32	GIS Client Services	42,546	0.00	0.00	
CR39	COLA Adjustment	(9,260)	0.00	0.00	
		34,194	0.00	0.00	
Council Changes					
CC01	75th anniversary rededication event	(32,850)	0.00	0.00	
		(32,850)	0.00	0.00	
2003 Adopted Budget		10,404,357	52.50	2.00	

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Airport Construction Transfer 4290/0716

Code/Item #/	Description	Expenditures	FTEs*	TLPs
Program Area	2002 Adopted	0	0.00	0.00
PE	Status Quo **	1,500,000	0.00	0.00
	Status Quo Budget	1,500,000	0.00	0.00
	Contra	0		
<i>Detail below shows crosswalk from 2002 adopted to 2003 adopted.</i>				
	Technical Adjustment			
TA50	Reduction of Transfer to CIP	(900,000)	0.00	0.00
		(900,000)	0.00	0.00
	2003 Adopted Budget	600,000	0.00	0.00

* FTEs do not include temporaries and overtime.

** Status Quo includes revised 2002 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

PHYSICAL ENVIRONMENT PROGRAM PLAN

Airport

Significant Program Reductions

Administrative Operating Reductions - (\$109,340): One-time costs have been identified and eliminated and historically under-expended accounts have been reduced.

Engineering Operating Reductions – (\$65,053): One-time costs have been identified and eliminated and historically under-expended accounts have been reduced. A major building will be closed for part of 2003 so electricity and gas accounts were correspondingly reduced.

Maintenance Operating Reductions – (83,875): One-time costs have been identified and eliminated and historically under-expended accounts have been reduced.

Opportunity Skyway Operating Reductions – (77,120): One-time costs have been identified and eliminated and historically under-expended accounts have been reduced.

Revenue-Backed Program Additions

Airport Rescue & Firefighting (ARFF) 2003 Contract Costs - \$71,962: This request reflects the 2002 to 2003 increase in cost of the ARFF contract with the Sheriff’s department.

ARFF FTE Increase - \$139,000: This request would allow for at least 3 security staff per shift at all times except the graveyard shift. The additional FTE will be added to Sheriff’s budget.

75th Year Anniversary/Terminal Building Rededication - \$32,850: This proposal includes a re-dedication of terminal building event, printed commemorative materials, a display of aircraft and hosting the Blue Angels during SeaFair.

Storm Water Cleaning and Utility System Maintenance - \$215,000: This request for increased budget authority is necessary for semi-annual cleaning and inspection of the storm water system. Increased frequency for this maintenance item is needed to prevent Airport surface pollutants from entering the Duwamish River.

Technical Adjustments

Revenues – (\$2,671,719): The projects revenue from leased property, landing fees & fuel flowage fees has been significantly reduced from the amounts projected in the 2002 adopted budget. The revenue adjustment led to expenditure budget reductions in the proposed status quo & proposed phase of the 2003 budget.

Central Rates - \$34,554: The 15 central rates applicable to the Airport include reductions and increases. The most significant increases are in finance services at \$41,840 and GIS Client Services at \$42,546. The most significant decrease are in flex benefits at \$(52,525)

WORKLOAD / PERFORMANCE INDICATORS			
	2001	2002	2003
	Actual	Adopted	Proposed
1. Operations - takeoffs and landings	291,472	409,707	298,759
2. Cargo Pounds	722,952,340	831,395,191	795,024,457
3. Fuel Gallons	20,461,569	23,088,382	22,269,460

PHYSICAL ENVIRONMENT PROGRAM PLAN

Airport / 4290

	2001 Actual 1	2002 Adopted	2002 Estimated 2	2003 Adopted	2004 Projected 3	2005 Projected 3
Beginning Fund Balance	6,376,408	4,734,747	4,734,747	4,532,319	3,080,315	2,937,528
Revenues						
Operating fund 4290	9,061,613	11,000,532	8,931,796	8,949,738	9,677,430	9,932,091
CX Proceeds	67,589					
Proposed fee revision					500,000	512,500
Interest Revenue	508,608	600,000	349,169	342,507	368,915	378,138
Total Revenues	9,637,809	11,600,532	9,280,965	9,292,245	10,546,345	10,822,729
Expenditures						
Operating fund 4290	(9,136,819)	(12,223,441)	(10,023,753)	(10,404,357)	(10,347,828)	(10,597,440)
Transfer to CIP fund 3380	(2,142,651)		0	(600,000)	(600,000)	(600,000)
Total Expenditures	(11,279,470)	(12,223,441)	(10,023,753)	(11,004,357)	(10,947,828)	(11,197,440)
Estimated Underexpenditures		611,172	540,360	260,109	258,696	264,936
Other Fund Transactions						
*						
Total Other Fund Transactions	0	0	0	0	0	0
Ending Fund Balance	4,734,747	4,723,010	4,532,319	3,080,315	2,937,528	2,827,753
Reserves & Designations						
Museum of Flight	(1,462,881)	(1,117,901)	(1,117,901)	(1,004,593)	(883,976)	(755,578)
EMF Settlement	(900,000)	0	0	0	0	0
Class Comp.				(200,000)		
Total Reserves & Designations	(2,362,881)	(1,117,901)	(1,117,901)	(1,204,593)	(883,976)	(755,578)
Ending Undesignated Fund Balance	2,371,866	3,605,109	3,414,418	1,875,722	2,053,552	2,072,175
Target Fund Balance 4	963,781	1,160,053	928,097	929,225	1,054,635	1,082,273

Financial Plan Notes:

¹ 2001 Actuals are from ARMS reports provided by the Finance Department thereby excluding accruals and depreciation reported in the CAFR.

² 2002 Estimated is based on an August 2002 reduced revenue forecast and subsequent cutbacks in expenditures.

³ 2004 and 2005 Projected are based on prior years plus an inflationary rate

⁴ Target Fund Balance is equal to 10% of total revenues.

COUNCIL ADOPTED BUDGET

75th Year Anniversary/Terminal Building Rededication - (\$32,850). Council did not approve proposed budget authority for the Terminal Building rededication event or for publicity activities relating to the Airport's 75th year anniversary.

PHYSICAL ENVIRONMENT PROGRAM PLAN

**Physical Environment
Program Area**

	2001 Adopted		2002 Adopted		2003 Adopted	
	Expenditures	FTEs	Expenditures	FTEs	Expenditures	FTEs
Development and Environmental Services						
DEVELOPMENT & ENVIRONMENT SVCS	35,767,408	364.75	35,506,913	337.00	29,855,535	249.50
	35,767,408	364.75	35,506,913	337.00	29,855,535	249.50
Natural Resources						
PARKS & RECREATION/CJ	425,820	3.00	414,969	3.00	434,547	3.00
PARKS & RECREATION	25,702,922	263.45	25,566,341	238.47	16,381,008	153.93
RESOURCE LANDS & OPEN SPACE	2,728,006	32.00	0	0	0	0
WASTEWATER TREATMENT DIVISION	81,494,411	610.80	92,044,850	575.70	84,440,046	579.70
WQ FUND CAPITAL TRANSFER	17,283,000	0	19,580,000	0	34,821,000	0
SW POST CLOSURE LF MAINT	2,004,542	0	2,735,095	0	3,366,549	0
RIVER IMPROV	3,491,219	13.50	3,446,958	12.50	3,597,791	11.50
SURFACE WATER MGT FUND	36,294,224	295.84	38,962,638	346.60	37,975,779	337.39
RURAL DRAINAGE	3,449,789	0	4,288,940	0	4,680,378	0
NOXIOUS WEED FUND	509,578	3.00	949,173	6.00	1,081,743	6.00
YTH SPORTS FAC GRANT FUND	1,442,000	1.00	731,819	1.00	652,040	1.00
INTERCOUNTY RIVER IMPROV	49,768	0	49,484	0	50,096	0
SOLID WASTE OPERATING	85,146,414	459.73	88,481,420	461.55	87,646,230	477.38
DNRP GIS INTERNAL SVC FUND	0	0	3,258,335	28.00	3,325,335	31.00
	260,021,693	1,682.32	280,510,022	1,672.82	278,452,542	1,600.90
Transportation						
STORMWATER DECANT PRGM	808,540	0	596,783	0	524,449	0
ROADS	58,085,283	593.70	60,049,264	601.70	60,779,590	605.70
PUBLIC TRANSPORTATION	365,844,973	3,603.10	378,548,339	3,708.49	334,495,008	3,725.26
AIRPORT	12,132,960	52.00	12,223,441	52.50	10,404,357	52.50
TRANSIT REVENUE FLEET REPL	2,352,509	0	7,480,658	0	9,950,151	0
TRANSIT NON-REV VEHICLES	2,022,830	8.00	0	0	0	0
WTR POLUTN CNTRL EQPT	991,345	0	2,267,470	0	1,838,528	0
PUBLIC WORKS EQUIP RENTAL	7,760,407	47.00	10,009,555	51.00	11,638,902	53.00
MOTOR POOL EQUIP RENTAL	10,687,051	21.00	10,032,412	21.00	11,787,046	21.00
	460,685,898	4,324.80	481,207,922	4,434.69	441,418,031	4,457.46
Grants						
PHYSICAL ENVIRONMENT GRANTS	300,000	0	0	0	0	0
	300,000	0	0	0	0	0
Total Physical Environment	756,774,999	6,371.87	797,224,857	6,444.51	749,726,108	6,307.86