

General Fund Subfunds

Cable Television Franchise Subfund

The City of Seattle entered into cable franchise agreements in 1996 with TCI and Summit Communications, Incorporated. These agreements establish a new franchise fee as compensation for the right to locate in the public right-of-way. The Cable Television Franchise Subfund (created by Ordinance 118196) shows the anticipated revenues from the franchise fee and related expenditures in the Executive Services Department and in the Library. The subfund reserve will be retained as a hedge against future revenue shortfalls.

SUMMIT CODE	SOURCE	2000 ADOPTED	2001 ADOPTED	2002 ENDORSED
Revenues				
421911	Franchise Fee Revenue	1,894,699	1,974,379	2,010,076
	Community Access Account		600,000	615,000
	TOTAL RESOURCES	\$1,894,699	\$2,574,379	\$2,625,076
Expenditures				
	TVSea			
887104	Operating	649,869	755,391	794,880
887503	Capital (Debt Service)	114,410	112,448	100,000
887503	Equipment Replacement Reserve	95,729	107,259	108,984
	Cable Office			
887503	Cable Office	568,275	458,898	462,829
	Public Access TV			
887503	Operating	0	600,000	615,000
887503	Capital	97,000	97,000	100,000
	PAN/Video/Internet			
887104	Library Public Access	50,000	50,000	50,000
	Citizen Literacy/ Access			
887503	Citizen Access Initiatives	319,416	393,383	393,383
	TOTAL EXPENSES	\$1,894,699	\$2,574,379	\$2,625,076

Subfund Balance Calculation

Actual December 31, 1999 Fund Balance	\$771,236
Plus 2000 Revenues	1,894,699
Less 2000 Expenditures	1,894,699
Estimated Dec. 31, 2000 Subfund Balance	\$771,236
Plus 2001 Revenues	2,574,379
Less 2001 Expenditures	2,574,379
Estimated Dec. 31, 2001 Subfund Balance	\$771,236
Plus 2002 Revenues	2,625,076
Less 2002 Expenditures	2,625,076
Estimated Dec. 31, 2002 Subfund Balance	\$771,236

General Fund Subfunds

Cumulative Reserve Subfund

This subfund is a reserve fund authorized under State law and is used primarily for maintenance and development of City capital facilities. The subfund is currently divided into two accounts, the Capital Projects Account and the Revenue Stabilization Account. The purposes and uses of these accounts are described below:

- ◆ The **Capital Projects Account** provides funds for a wide array of capital projects. The account is divided into three subaccounts that reflect different revenue sources.
 - ◆ The Real Estate Excise Tax I (REET I) Subaccount is funded by a 0.25% tax on real estate transactions. A portion of these proceeds is used to pay debt service on bonds issued in 1991 and 1992 for low-income housing and recreation facilities. These 1992 low income housing bonds retire in 2001. The City intends to issue \$3 million in 2001 of housing infrastructure bonds to be paid from REET I proceeds beginning in 2002. The remaining REET I funds are used for other capital projects.
 - ◆ The Real Estate Excise Tax II (REET II) Subaccount is funded from an additional 0.25% tax on real estate transactions and is kept separate due to different State requirements regarding the use of these funds.
 - ◆ The Unrestricted Subaccount receives funding from a variety of sources, including street vacations and proceeds from the sale of City properties. In addition, the City will make a significant General Subfund contribution of \$10 million over the 2001-2002 biennium.

For the last few years, the vast majority of the expenditures from the Capital Projects Accounts has been devoted to maintaining and rehabilitating existing City facilities. Per Ordinance 119761, the Major Maintenance Reserve Account was eliminated in 2000 and all continuing appropriations, remaining fund balance, and cash was transferred to the Unrestricted Subaccount of the Capital Projects Account of the Cumulative Reserve Subfund.

- ◆ The **Revenue Stabilization Account**, as created in the 2000 Adopted Budget through Ordinance 119761, provides a cushion from the impact of sudden, unanticipated shortfalls in revenue due to economic downturns that could undermine City government's ability to maintain services. The account is limited by ordinance to 2.5% of the prior tax year revenues.

General Fund Subfunds

2001-2002 Adopted Cumulative Reserve Subfund: Sources and Uses of Funds

	REET I Subaccount	REET II Subaccount	Unrestricted Subaccount	Revenue Stabilization Account	Total
2000 Beginning Fund Balance	\$10,999,680	\$14,616,348	\$14,116,683	\$3,803,920	\$43,536,630
Carryover	(9,058,074)	(6,911,545)	(13,354,121)		(29,323,740)
2000 Sources					
Real Estate Excise Tax	11,900,000	11,900,000			23,800,000
General Fund Transfer			2,500,000		2,500,000
Street Vacation Revenues			900,000		900,000
Other	588,361	478,573	2,531,587		3,598,521
Total Sources	\$14,429,967	\$20,083,376	\$6,694,149	\$3,803,920	\$45,011,411
2000 Uses					
2000 Appropriations	8,932,000	15,022,000	4,899,000		28,853,000
Recorded Revisions	460,000	427,883	1,094,000		1,981,883
Year-End Unreserved Fund Balance	5,037,967	4,633,493	701,149	3,803,920	14,176,528
Total Uses	\$14,429,967	\$20,083,376	\$6,694,149	\$3,803,920	\$45,011,411
2001 Sources					
2001 Beginning Fund Balance	5,037,967	4,633,493	701,149	3,803,920	14,176,528
Real Estate Excise Tax	11,750,000	11,750,000			23,500,000
General Fund Transfer			36,000		36,000
Street Vacation Revenues			850,000		850,000
Other	50,000	427,883	6,909,000		7,386,883
Total Sources	\$16,837,967	\$16,811,376	\$8,496,149	\$3,803,920	\$45,949,411
2001 Uses					
2001 Appropriations	9,246,000	12,161,000	4,821,000		26,228,000
Year-End Unreserved Fund Balance	7,591,967	4,650,376	3,675,149	3,803,920	19,721,411
Total Uses	\$16,837,967	\$16,811,376	\$8,496,149	\$3,803,920	\$45,949,411
2002 Sources					
2002 Beginning Fund Balance	7,591,967	4,650,376	3,675,149	3,803,920	19,721,141
Real Estate Excise Tax	11,400,000	11,400,000			22,800,000
General Fund Transfer *			5,000,000*		5,000,000
Street Vacation Revenues			850,000		850,000
Other			1,250,000		1,250,000
Total Sources	\$18,991,967	\$16,050,376	\$10,775,149	\$3,803,920	\$49,621,411
2002 Uses					
2002 Appropriations	13,235,000	14,284,000	10,618,000		38,137,000
Year-End Unreserved Fund Balance	5,756,967	766,376	157,149	3,803,920	10,484,411
Reserved for Neighborhood Major Maintenance		1,000,000			1,000,000
Total Uses	\$18,991,967	\$16,050,376	\$10,775,149	\$3,803,920	\$49,621,411

* For budgeting purposes, the 2002 General Subfund contribution will be made from unexpended and unencumbered balances in the 2000 General Subfund.

General Fund Subfunds

2001-2002 Adopted Cumulative Reserve Subfund Appropriations

Appropriations shown below from the Cumulative Reserve Subfund (CRF) are for special purposes such as debt service payments and the City's Tenant Relocation Assistance Program. Department CRF summaries are shown for informational purposes only. Actual appropriations for capital projects funded by the CRF are made in the appropriate department's section. Department capital projects are fully described in the 2001-2006 Adopted Capital Improvement Program.

Appropriations	Summit Number	CRF Subaccount	2001 Adopted	2002 Endorsed
<i>Special Projects</i>				
1991B Low Income Housing Bonds - Debt Service	CC3001	REET I	391,000	--
1998B Capital Facilities Refunding	CC3002	REET I	3,013,000	3,025,000
2001K Housing Infrastructure	CC3004	REET I	--	409,000
Tenant Relocation Assistance Program	TRANEW	Unrestricted	179,000	179,000
Special Projects Total			\$3,583,000	\$7,994,000
<i>Department Summaries</i>				
Department of Parks and Recreation			12,419,000	16,155,000
Executive Services Department			3,117,000	4,918,000
Seattle Arts Commission			120,000	120,000
Seattle Center			2,925,000	2,900,000
Seattle Public Library			528,000	3,150,000
Seattle Transportation			3,536,000	4,230,000
Department Summaries Total			\$22,645,000	\$31,473,000
Grand Total			\$26,228,000	\$39,467,000

General Fund Subfunds

Emergency Subfund

The Emergency Subfund, the City's principal reserve fund, supports unanticipated expenditures required of City departments in the coming year. Expenditures resulting from things such as natural disasters and mandatory expenditures required by recent changes in laws cannot be anticipated at the time the budget is adopted. In addition, other necessary, but unanticipated and unbudgeted, expenses can occur. To address such situations, RCW 35.32A.060 allows the City to maintain an Emergency Fund of up to 37.5 cents per thousand dollars of assessed value.

City policy (Resolution 28953) calls for the Emergency Subfund to be funded to the legal maximum at the beginning of each year. In the 2001-2002 Proposed Budget, this policy will be modified to transfer \$500,000 each year (including 2000) from the Supplemental Appropriation Account to a new Finance General Account (Supplemental Contingency Account) to address unforeseen expenditures that occur late in the year. To accomplish this, the 2001 contribution will be reduced by \$1,000,000 and the 2002 contribution will be reduced by \$500,000.

In the 2001-2002 Proposed Budget, the City provides sufficient funding to bring the estimated available balance for 2001 to \$23,009,000, or \$1,000,000 below the legal maximum, based on projected assessed valuation of \$64,024,268. The 2002 General Fund contribution brings the estimated balance to \$24,430,000, or \$1,500,000 below the estimated legal maximum for 2002.

In order to address passage of Initiative 722, the 2001 Adopted and 2002 Endorsed Budget further reduces the Emergency Account of the Emergency Subfund by \$2,341,000, reflecting the lower assessed valuation that determines the 2001 legal maximum. This amount has been placed in a reserve account in Finance General until legal issues surrounding I-722 have been resolved. This funding may be restored to the Emergency Subfund through separate Council action if I-722 is permanently overturned. The General Subfund contribution for 2002 remains at \$1,421,000, the amount included in the Proposed Budget, and will be revisited during preparation of the 2002 Adopted Budget.

The Emergency Subfund is divided into two accounts:

- ◆ The **Supplemental Appropriation Account** is used to fund unanticipated and unbudgeted expenditures that arise during the course of the year. By City policy, the balance in this account is set at 1% of the General Subfund budget at the start of each year.
- ◆ The **Emergency Account** is used to fund costs associated with emergencies as defined in State law, including snowstorms, fires, claims, and threats to public health and safety. This account is funded with all moneys not included in the Supplemental Appropriation Account.

General Fund Subfunds

EMERGENCY SUBFUND

Subfund #11800

\$20,668,000/ \$22,089,000 *

Supplemental Appropriation Account

Account #11810

\$6,060,000 / \$6,287,000 *

Emergency Account

Account #11850

\$14,608,000/ \$15,802,000 *

*Estimated available balances for 2001 and 2002.

	Supplemental Appropriation Account	Emergency Account	Total 2001 Adopted/ 2002 Endorsed
December 31, 1999 Fund Balance (CAFR)	5,490,000	9,704,000	15,194,000
Less: 2000 Non-Reimbursable Expenditures	0	(1,418,000)	(1,418,000)
Plus: 2000 General Subfund Contribution	0	2,803,000	2,803,000
Plus: 2001 General Subfund Contribution *	570,000	5,860,000	6,430,000
Less: Transfer to Finance General **	0	(2,341,000)	(2,341,000)
Estimated Available Balance for 2001	6,060,000	14,608,000	20,668,000
Plus: 2002 General Subfund Contribution	227,000	1,194,000	1,421,000
Estimated Available Balance for 2002 ***	6,287,000	15,802,000	22,089,000

* For budgeting purposes, the 2001 contribution will be made from unexpended and unencumbered balances in the 2000 General Subfund.

** Funding sufficient to bring the 2001 available balance to the projected legal maximum before passage of Initiative 722 has been placed in reserve in Finance General until the legal issues surrounding I-722 have been resolved. This funding may be restored to the Emergency Subfund through separate Council action if I-722 is permanently overturned.

*** Balance for 2002 reflects a transfer of \$1,500,000 to the new Supplemental Contingency Account in Finance General.

General Fund Subfunds

Group Term Life Insurance Subfund

This subfund shows the revenues and expenditures associated with the City's group term life insurance and long term disability programs for employees. The subfund balance is being held in reserve pending completion of negotiations with labor unions.

SUMMIT CODE	SOURCE	1999 ACTUAL	2000 ADOPTED	2001 ADOPTED	2002 ENDORSED
<u>Revenue</u>					
569540	Department Contributions & Other Revenues (See Note 1)	3,364,982	1,014,197	1,029,410	1,044,851
379100	Unexpended Fund Balance	0	0	853,000	0
TOTAL RESOURCES		\$3,364,982	\$1,014,197	\$1,882,410	\$1,044,851
<u>Expenditure</u>					
720500	Premium Payout Expenditures	814,600	1,014,197	1,029,410	1,044,851
841111	Administration	0	0	853,000	0
TOTAL EXPENSES		\$814,600	\$1,014,197	\$1,882,410	\$1,044,851

Subfund Balance Calculation

December 31, 1998 Fund Balance	\$629,074
Plus 1999 Revenues/Refunds	3,364,982
Less 1999 Expenditures	814,600
Dec. 31, 1999 Subfund Balance	\$3,179,456
Plus 2000 Estimated Revenues	1,014,197
Less 2000 Estimated Expenditures (Note 2)	1,014,197
Estimated Dec. 31, 2000 Subfund Balance	\$3,179,456
Plus 2001 Estimated Revenues	1,029,410
Less 2001 Estimated Expenditures	1,882,410
Estimated Dec. 31, 2001 Subfund Balance	\$2,326,456
Plus 2002 Estimated Expenditures	1,044,851
Less 2002 Estimated Expenditures	1,044,851
Estimated Dec. 31, 2002 Subfund Balance	\$2,326,456

Note 1: The Fund received premium refunds as a result of the de-mutualization of Standard Insurance and excellent claims experience with the group life insurance policy.

Note 2: The Fund Balance will be reduced during 2000 as a result of refunds of employee shares and recovery of City paid portions of the of the cash received in 1999.

General Fund Subfunds

Health Care Subfund

This subfund displays the revenues and expenditures associated with the City's medical, dental, vision and employee assistance programs. Ordinance 119762, Section 2 requires that the subfund balance be used to establish a reserve account adequate to cover at least 2 ½ months of projected claims.

SUMMIT CODE	SOURCE	1999 ACTUAL	2000 ADOPTED	2001 ADOPTED	2002 ENDORSED
<u>Revenue</u>					
569990	EAP Premium	246,247	270,000	307,000	316,000
569580	Health/Dental/Vision Premium	48,397,284	48,019,309	55,150,202	58,459,214
379100	Fund Balance Transfer		736,646	852,797	866,648
TOTAL RESOURCES		\$48,643,531	\$49,025,955	\$56,309,999	\$59,641,862
<u>Expenditure</u>					
741150	EAP Expenses	301,331	270,000	307,000	316,000
720400	Health/Dental Expenses	47,457,485	48,019,309	55,150,202	58,459,214
841111	Administration	632,489	736,646	852,797	866,648
TOTAL EXPENSES		\$48,391,305	\$49,025,955	\$56,309,999	\$59,641,862

Subfund Balance Calculation

Dec. 31, 1998 Subfund Balance	\$4,263,355
Plus 1999 Revenues	48,643,531
Less 1999 Expenditures	48,391,305
Estimated Dec. 31, 1999 Subfund Balance	\$4,515,581
Plus 2000 Revenues	48,289,309
Less 2000 Expenditures	49,025,955
Estimated Dec. 31, 2000 Subfund Balance	\$3,778,935
Plus 2001 Estimated Revenues	56,309,999
Less 2001 Estimated Expenditures	56,309,999
Estimated Dec. 31, 2001 Subfund Balance	\$3,778,935
Plus 2002 Revenues	59,641,862
Less 2002 Estimated Expenditures	59,641,862
Estimated Dec. 31, 2002 Subfund Balance	\$3,778,935

General Fund Subfunds

Industrial Insurance Subfund

This subfund displays revenues and expenditures associated with the worker's compensation program for City employees. Since 1972, the City of Seattle has been a self-insured employer as authorized under State law. The Industrial Insurance Subfund receives payments from City departments to pay for medical claims, preventative care, workplace safety programs, and directly related administrative expense. The State Department of Labor and Industries requires that the subfund maintain a minimum cash reserve level of at least 25% over the estimated total medical claims and time loss expense for the budgeted period in the Industrial Insurance Fund.

SUMMIT CODE	SOURCE	1999 ACTUAL	2000 ADOPTED	2001 ADOPTED	2002 ENDORSED
<u>Revenue</u>					
569550	Department Contributions	8,933,241	11,570,589	10,565,320	11,690,646
469990	Other Miscellaneous Revenue	425,970	430,000	395,000	395,000
	Total Revenue	\$9,359,211	\$12,000,589	\$10,960,320	\$12,085,646
379100	Unexpended Subfund Balance	4,267,713	2,197,810	4,180,306	3,865,665
	TOTAL RESOURCES	\$13,626,924	\$14,198,399	\$15,140,626	\$15,951,311
<u>Expenditure</u>					
720880	Claims (1)	5,669,799	8,130,290	6,665,050	7,190,815
741190	Other Expenses	2,090,738	2,049,995	2,362,536	2,506,221
841111	Administration	1,930,436	2,286,162	2,441,623	2,506,889
	Total Expenditures to the Fund	\$9,690,973	\$12,466,447	\$11,469,209	\$12,203,925
	Contingency (2)	\$2,052,423	\$1,731,952	\$2,241,200	\$2,330,848
	Total Industrial Insurance Costs to the City (3)	\$11,743,396	\$14,198,399	\$13,710,409	\$14,534,773
Subfund Balance Calculation					
	December 31, 1998 Fund Balance	\$4,977,926			
	Plus 1999 Revenues	9,359,211			
	Less 1999 Expenditures	9,690,973			
	Dec. 31, 1999 Subfund Balance	\$4,646,164			
	Plus 2000 Estimated Revenues	12,000,589			
	Less 2000 Estimated Expenditures	12,466,447			
	Estimated Dec. 31, 2000 Subfund Balance	\$4,180,306			
	Plus 2001 Estimated Revenues	10,960,320			
	Less 2001 Estimated Expenditures	11,469,209			
	Estimated Dec. 31, 2001 Subfund Balance	\$3,671,417			
	Plus 2002 Estimated Revenues	12,085,646			
	Less 2002 Estimated Expenditures	12,203,925			
	Estimated Dec. 31, 2002 Subfund Balance	\$3,553,138			

- (1) Medical care claim costs are paid from the Industrial Insurance Subfund which is reimbursed by City Departments.
- (2) The contingency amount is appropriated for unanticipated claims above the projected medical claims.
- (3) Per State Labor & Industries, the Fund reserve requirement must be equal to 25% of the total cost of claim and time loss expense estimates. The reserve must be cash; in a dedicated and designated fund. The State required reserve amount is included in the Industrial Insurance Fund Balance.

General Fund Subfunds

Judgment/Claims Subfund

This subfund provides for the payment of legal claims and suits brought against the City. The subfund receives appropriations from the General Subfund and the utilities to pay the judgments, settlements, and claims expected in the following year. Unused balances, if any, reduce the contribution required for the succeeding year.

SUMMIT CODE	SOURCE	2000 ADOPTED	2001 ADOPTED	2002 ENDORSED
Revenues				
74431	Reimbursable Judgments and Claims	2,215,000	3,250,000	3,250,000
587001	General Subfund – Operating Transfer In	8,040,000	8,442,000	6,402,000
	Total Revenue	\$10,255,000	\$11,692,000	\$9,652,000
379100	Unexpended Subfund Balance	0	0	0
	TOTAL RESOURCES	\$10,255,000	\$11,692,000	\$9,652,000
Expenditures				
51768	Litigation Expense	1,100,000	1,150,000	1,100,000
51478	Claims	600,000	600,000	600,000
51478	Judgments/Settlements	8,555,000	9,942,000	7,902,000
	TOTAL EXPENDITURES	\$10,255,000	\$11,692,000	\$9,652,000

General Fund Subfunds

Police Support Facility Subfund

This subfund shows revenues and expenditures associated with the Police Support Facility. The existing complex of buildings on airport Way south was acquired in August 1996 as a future location for Police Department functions including evidence storage, parking enforcement, and other support functions that are currently located in the Public Safety Building. The facility also includes the Seattle Public Utilities' Water Quality Lab, which was completed in 1999. Private tenants currently occupy much of the facility. Police Department occupancy will not occur until the middle of 2002. The subfund balance will be held to cover future expenses.

SUMMIT CODE	SOURCE	1999 ACTUAL	2000 ADOPTED	2001 ADOPTED	2002 ENDORSED
Revenues					
462500	Rental/Other Income	2,621,746	1,844,050	1,198,000	1,200,000
	Revenue City Depts	0	0	716,141	483,682
	Revenue General Fund	0	0	415,502	276,305
	Revenue Limited Tax				
	General Obligation Bond	0	0	3,000,000	0
	Total Revenue	\$2,621,746	\$1,844,050	\$5,329,643	\$1,959,987
379100	Contributions from Fund Balance	0	0	200,000	200,000
	TOTAL RESOURCES	\$2,621,746	\$1,844,050	\$5,529,643	\$2,159,987
Expenditures					
741190	Operating Expense	1,325,224	614,050	1,083,000	703,000
SPDTRAIN90/5	Police Training Facility	0	0	3,000,000	0
887200	Operating Transfer - Debt	1,120,860	1,230,000	1,446,643	1,456,987
	TOTAL EXPENSES	\$2,446,084	\$1,844,050	\$5,529,643	\$2,159,987

Subfund Balance Calculation

Actual December 31, 1999 Subfund Balance	\$1,377,130
Plus 2000 Revenues	1,844,050
Less 2000 Expenditures Charged to the Fund	1,844,050
Estimated Dec. 31, 2000 Subfund Balance	\$1,377,130
Plus 2001 Projected Revenues	5,329,643
Less 2001 Projected Expenses	5,529,643
Estimated Dec. 31, 2001 Subfund Balance	\$1,177,130
Plus 2002 Projected Revenues	1,959,987
Less 2002 Projected Expenses	2,159,987
Estimated Dec. 31, 2002 Subfund Balance	\$977,130

General Fund Subfunds

Special Employment Subfund

This subfund shows the revenues and expenditures associated with the City's Temporary Employment Service, Internship, and Work Study programs. These programs are administered by the Personnel Division of the Executive Services Department. The SEP also assists Federal agencies, King County, Sound Transit, and the Seattle School District with temporary employment needs. The subfund balance will be used to pay for specialized internships and training programs.

SUMMIT CODE	SOURCE	1999 ACTUAL	2000 ADOPTED	2001 ADOPTED	2002 ENDORSED
<u>Revenue</u>					
541960	Department Contributions	22,240,419	22,558,339	25,942,089	28,536,298
441960	Total from Outside Agencies	666,849	682,500	770,000	847,000
	Total Revenue	\$22,907,268	\$23,240,839	\$26,712,089	\$29,383,298
379100	Unexpended Sub Fund Balance	0	0	332,866	263,783
	TOTAL RESOURCES	\$22,907,268	\$23,240,839	\$27,044,955	\$29,647,081
<u>Expenditure</u>					
710310	Special Employment Payroll	21,756,100	22,216,100	25,777,166	28,354,882
710310	School to Work Intern Program	74,714	76,582	215,000	222,000
841111	Administration	476,293	648,157	752,789	770,199
	Total Expenditures	\$22,307,107	\$22,940,839	\$26,744,955	\$29,347,081
	Reserve for Payroll Lag	0	300,000	300,000	300,000
	TOTAL EXPENSES	\$22,307,107	\$23,240,839	\$27,044,955	\$29,647,081

Subfund Balance Calculation

Actual Dec. 31, 1998 Subfund Balance	\$695,883
Plus 1999 Revenues	22,907,268
Less 1999 Expenditures	22,307,107
Estimated Dec. 31, 1999 Subfund Balance	\$1,296,044
Plus 2000 Revenues	23,240,839
Less 2000 Expenditures	23,240,839
Estimated Dec. 31, 2000 Subfund Balance	\$1,296,044
Plus 2001 Estimated Revenues	26,712,089
Less 2001 Estimated Expenditures	26,744,955
Estimated Dec. 31, 2001 Subfund Balance	\$1,263,178
Plus 2002 Revenues	29,383,298
Less 2002 Estimated Expenditures	29,347,081
Estimated Dec. 31, 2002 Subfund Balance	\$1,299,395

General Fund Subfunds

Unemployment Compensation Subfund

This subfund displays the revenues and expenditures associated with the City's unemployment insurance costs for employees. This program is centrally administered by the Personnel Division of the Executive Services Department. Since 1997, benefit eligibility and claims management and administration has been contracted out to a third party administrator. The subfund balance will be used to reduce the departmental contributions required to cover unemployment claim costs.

SUMMIT CODE	SOURCE	1999 ACTUAL	2000 ADOPTED	2001 ADOPTED	2002 ENDORSED
<u>Revenue</u>					
569550	Department Contributions	1,439,219	1,320,992	1,440,000	1,440,000
379100	Contribution from Fund Balance	160,454	562,326	256,718	319,586
	TOTAL RESOURCES	\$1,599,673	\$1,883,318	\$1,696,718	\$1,759,586
<u>Expenditure</u>					
720120	Claims Payments	1,478,019	1,765,767	1,576,718	1,634,586
841111	Administration	121,654	117,551	120,000	125,000
	TOTAL EXPENSES	\$1,599,673	\$1,883,318	\$1,696,718	\$1,759,586
Dec. 31, 1998 Subfund Balance		\$1,880,082			
Plus 1999 Revenues		1,439,219			
Less 1999 Expenditures		1,599,673			
Estimated Dec. 31, 1999 Subfund Balance		\$1,719,628			
Plus 2000 Revenues		1,320,992			
Less 2000 Expenditures		1,883,318			
Estimated Dec. 31, 2000 Subfund Balance		\$1,157,302			
Plus 2001 Estimated Revenues		1,440,000			
Less 2001 Estimated Expenditures		1,696,000			
Estimated Dec. 31, 2001 Subfund Balance		\$901,302			
Plus 2002 Revenues		1,440,000			
Less 2002 Estimated Expenditures		1,759,000			
Estimated Dec. 31, 2002 Subfund Balance		\$582,302			