

STAFF REPORT

June 30, 2008

Purpose of Action

The Resolution before you today, Resolution FD2008-13.1, is intended to amend the King County Ferry District 2008 Budget to align with the adopted work plan for management controls.

Background

The King County Ferry District Board of Supervisors adopted a 2008 budget for the Ferry District in November 2007. Your action then was to create a general framework to guide the start-up activities for the District.

On April 14, 2008 the Board of Supervisors adopted an Interlocal Agreement with King County to provide Elliot Bay Water Taxi and Vashon Island passenger only service. An annual service plan and the November 2007 version of the Ferry District Budget were attached to the Interlocal Agreement.

On May 5, 2008 the Board of Supervisors hired an Executive Director charged with monitoring the affairs of the district, including budget and financial accountability. During May the Executive Director worked with the King County Marine Division Interim Manager as well as audit, risk management, legal and financial staff to determine the requirements for implementing the 2008 service plan and complying with legal requirements.

On June 9, 2008 the King County Ferry District approved a revised 2008 Budget for the Ferry District that is slightly less than the original budget in bottom-line assumptions due to a revised lower estimate of revenue. Within the budget categories are established to make transparent the activities of district oversight and service provision.

Key Budget Components:

Payment to King County for 2007 Services from August 1 – December 30.

Contracted service for Elliot Bay Water Taxi and Vashon Island Passenger Only Service.

The Executive Committee and Board of Supervisors will further evaluate the capital budget after engineering analysis is completed.

Budget reports from the Marine Division and District will align with this budget format for review of progress and any variances.

The district's oversight is 3% of the total budget.