



Signature Report

September 27, 2004

Motion 12019

Proposed No. 2004-0407.1

Sponsors Gossett

1 A MOTION approving the unincorporated area council
2 cost allocation report as required in a 2004 Budget
3 Ordinance proviso.

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 WHEREAS, the unincorporated area council budget in the department of
7 community and human services is supported by contributions from King County
8 departments, and

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 WHEREAS, the executive has developed an improved unincorporated area
11 council cost allocation methodology proposed for implementation in the omnibus budget
12 ordinance transmitted to the metropolitan King County council in May 2004, and

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 WHEREAS, a proviso in the 2004 Budget Ordinance requires approval by motion
14 of an unincorporated area council cost allocation report;

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 NOW, THEREFORE, BE IT MOVED by the Council of King County:

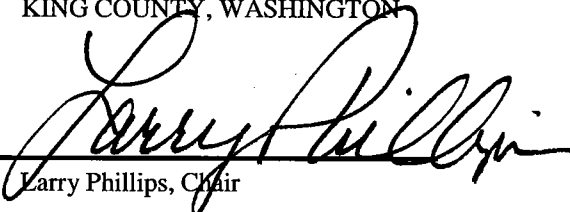
Motion 12019

15 The unincorporated area council allocation report, substantially in the form of
16 Attachment A to this motion, is hereby approved.
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Motion 12019 was introduced on 9/7/2004 and passed by the Metropolitan King County Council on 9/27/2004, by the following vote:


Yes: 12 - Mr. Phillips, Ms. Edmonds, Mr. von Reichbauer, Ms. Lambert, Mr. Pelz, Mr. McKenna, Mr. Ferguson, Mr. Hammond, Mr. Gossett, Mr. Irons, Ms. Patterson and Mr. Constantine
No: 0
Excused: 1 - Ms. Hague

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



Larry Phillips, Chair

ATTEST:



Anne Noris, Clerk of the Council

Attachments A. Unincorporated Area Council (UAC) Cost Allocation Report

Unincorporated Area Council (UAC) Cost Allocation Report

UAC Background

Unincorporated Area Councils were created to improve communication between King County government and those residents of King County who live in unincorporated areas. The UACs, in monthly meetings, provide for distribution of information on county services and create opportunities for community input and involvement. In 2004 there are six UACs: Four Creeks, North Highline, Greater Maple Valley, Vashon-Maury Island, Upper Bear Creek and West Hill. Two Department of Community and Human Services (DCHS) employees serve as county liaisons and facilitate the relationship between UACs and King County government. In 2004 the amount budgeted in DCHS to staff and support the UAC program is \$247,053.

A recent audit report took issue with the accuracy of the allocation of Unincorporated Area Council costs. The existing cost allocation methodology did not appear to adequately match the cost billings with the benefit received by the Department of Natural Resources and Parks (DNRP) and the Department of Transportation (DOT). In response to the audit finding an alternative UAC cost allocation methodology is proposed to address the cost benefit issues. This methodology has been developed to ensure that the UAC costs will be billed to separate County funds according to an improved estimate of the benefit received by each fund.

Proposed UAC Cost Allocation Methodology

The revised UAC cost allocation is based on the agenda summaries of each monthly meeting of each Unincorporated Council. In most instances a meeting agenda consisted of one or two primary issues. Each meeting was allocated to the agency or agencies associated with the agenda items. Each agency's share of the meetings was summed for all Unincorporated Area Councils and the resulting percentage was applied to the total cost of the UAC program to calculate the UAC cost allocation. For example Road Services issues accounted for 21% of UAC agenda items in 2003. As a share of the 2004 UAC costs this amounts to \$51,877 as compared to \$98,821 allocation in the 2004 Adopted budget. Both the 2004 revised allocation and the upcoming 2005 Executive proposed budget will be based on 2003 UAC actuals. The 2006 proposed budget will be based on 2004 actuals.

On occasion a UAC agenda item involved several divisions in King County departments. An estimated allocation was used for issues such as Comprehensive Plan development or Critical Areas Ordinance development. For example, the Critical Areas Ordinance was allocated equally to three divisions: Water and Land Resources, Road Services and the Department of Development and Environmental Services (DDES).

Proposed UAC Cost Allocation

According to the proposed cost allocation a portion of the UAC costs were allocated to DDES and Current Expense. As shown in the table below this proposed reallocation resulted in a net decrease to the DOT and DNRP allocation shares. The calculation resulted in cost allocations to several Current Expense agencies or agencies receiving transfers from CX. For ease of administration the separate CX allocations were combined into a single budget amount of \$101,832 in the CX Internal Support appropriation unit. The list of agencies rolled into this amount include the Sheriff, the Assessor, Office of Management and Budget, and Public Health.

UAC Cost Allocation Comparison 2004 Adopted and Proposed Revision to 2004 Adopted

Appropriation Unit	2004 Adopted	Proposed Revision to 2004 Adopted	Difference
Road Services	98,821	51,877	(46,944)
Transit	24,705	8,404	(16,305)
Airport	12,353	0	(12,353)
Water and Land Resources	19,471	39,636	20,165
Solid Waste	37,242	3,459	(33,783)
Wastewater Treatment	40,152	0	(40,132)
Parks	8,524	20,258	11,734
DNRP Other ¹	5,785	0	(5,785)
DDES	0	21,487	21,587
CX Internal Support ²	0	101,832	101,832
Total	247,053	247,053	0

¹DNRP Other includes: River Improvement, Rural Drainage, GIS, and the Noxious Weed Control Program

²CX Internal Support proposed budget is a combined total of the allocations of the following CX agencies or CX transfer agencies: KCSO, Assessor, OMB, Public Health, and DES

The allocation amounts do not include the technical effect of double budgeting. In 2004 and prior years the UAC allocation to DNRP and DOT were budgeted in the Director's Office appropriation unit of each department and allocated and budgeted in each of the divisions in the two departments. This resulted in a double budgeting will not continue in the new UAC. Each division will be billed directly and the budget at the DNRP and DOT Director's Office level is no longer necessary. The fiscal note reductions to the DOT Director's Office and the DNRP Administration represent the removal of the double budget of the \$247,053 of the UAC costs allocation. This fiscal note was attached to the second quarter omnibus ordinance that implements the proposed changes to the UAC cost allocation.