

## BOARD OF MASON COUNTY COMMISSIONERS' PROCEEDINGS

DECEMBER 6, 2004

The special meeting was called to order at 9:00 a.m. by the Chairperson. Commissioners Herb Baze and Jayni L. Kamin were in attendance.

### **Public Hearing to consider the 2005 Budget**

Ione Siegler, Budget & Finance Director, presented the proposed 2005 budget for consideration of adoption. In the budget, the Current Expense and Road Levy are levied at 101%, which is a 1% increase as allowed by state statute. \$807,377 of the Road Levy is diverted to Current Expense Fund as allowed by state statute. The Current Expenses Fund budget will use between \$1.3 and \$1.4 million of the beginning fund balance. They are estimating the beginning fund balance will be \$4 million. They will have to use between \$1.3 and \$1.4 of that cash on hand to balance the budget. There is not adequate revenue without using the cash on hand to balance the budget. The budget includes a 2% wage increase for non-union and union employees. In addition, salary surveys were completed on bargaining units and non-union positions. Adjustments to salaries were approved as warranted. Elected officials received a 3% wage increase. Employees and elected officials also received an increase in employer contributions to the medical/dental benefits in the estimated amount of \$65 a month. District Court and Superior Court Judges received wage increases as dictated by the State of Washington.

Late in November, they received a decision from the arbiter regarding the deputies union. As a result, deputies will no longer be able to bank their holiday pay. The County will pay deputies for all holidays earned and worked each year. It is estimated that decision will cost the county approximately \$62,100 in 2005. It will reduce the liability for banked holiday pay in the future. Human Resources Director estimated that the 2003 banked holiday pay for the deputies was worth \$475,000 at today's wages. Paying the holiday pay every year will help in future years to keep that liability from increasing. In addition, the County now allows employees in the Sheriff's department to cash in banked holiday pay up to \$10,000 per year. Through November they had paid out \$161,883 to employees in the Sheriff's Department.

No positions were cut in the preliminary 2005 budget. There is one new grant funded position in the Planning Department. It is 100% funded by grants. The Administrative Assistant in the County Administrator's Department was increased from .6 FTE to FTE.

Cmmr. Johnson asked if there are salary increases included in the preliminary budget.

Ms. Siegler replied most of the increases are included. They are still posting changes.

Cmmr. Johnson also asked if the increased insurance benefits are included in the preliminary budget.

Ms. Siegler noted they are still making corrections, but the majority is in the budget.

Cmmr. Johnson noted that the preliminary budget is similar to 2004 budget with same positions.

Ms. Siegler stated that is correct.

Cmmr. Johnson noted that it would require \$1.3 million out of ending fund balance to balance the budget.

Ms. Siegler concurred. She noted they had revenue, which exceeded the anticipated revenue in 2004. There was unexpected revenue in timber sales from Dept. of Natural Resources. They also received MVET replacement money in the amount of \$238,000, sales tax was up, and the building activity was up. That has allowed the County to have more cash on hand this year.

Cmmr. Johnson noted that projection for 2005 timber sales is very low.

Ms. Siegler interjected the state may be looking at averaging of revenues.

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Cmmr. Baze referred to the arbitration with the deputies union. Also, there was consideration for health insurance to deputies. That remains the same as proposed by the county.

Ms. Siegler concurred the county's proposal that went to arbitration were granted. The deputies will receive the same insurance package as the other county employees.

Cmmr. Kamin asked how much the deputies are able to cash out.

Ms. Siegler replied they could cash out up to \$10,000 of banked leave. Leave that is still on the books. That was also to help alleviate the future liability.

Cmmr. Baze asked if there is a figure for the total liability to date for the County.

Ms. Siegler responded the total liability for leave for the end of 2003 was over \$2 million in the Current Expense Fund. They looked at the people who would be eligible to retire between 2004 and 2007. At that time, it was approximately \$800,000 that could be paid out.

Al Brotche, Mason County Auditor, spoke to an all mail ballot for 2005 and staffing levels. He requested funding to comply with the federal mandate to replace punch card voting. The federal mandate needs to be accomplished within 12 months. In order to implement an all mail ballot he would need an additional .5 FTE in the year 2005. This would be necessary in order to implement new voting equipment by January 1, 2006 as well as being responsible for conducting six statutory election dates. Precinct lines would need to be redrawn and adopted by the Board. Program changes in the voter registration system would need to be changed. Voters would need to be moved to the proper precinct and new ID cards issued.

He noted that if the board does not support an all mail ballot he would need an estimated \$400,000+ to implement two voting systems.

He asked each Board member if they support an all mail ballot and provide the necessary funding to implement a federal mandate.

Cmmr. Kamin stated she is not prepared to give an answer at this time. She supported putting it on the ballot and that is something they are taking into consideration.

Cmmr. Johnson voiced his support of the all mail ballot. The cost involved is unknown and will have to be resolved in order to implement it.

Cmmr. Baze stated he has supported the all mail ballot for the last two years. It is federally mandated and they will do what they have to do to make it happen.

Mr. Brotche addressed staffing levels in the Auditor's office before and during 2005. He felt throughout the entire budget process a picture was painted from administration that they were in a financial crises. The budget personnel reinforced there was a \$600,000 deficit going into budget year 2004. Because of this deficit, he was advised to reduce staffing by \$40,000. He stated he has fewer employees than when he started 22 years ago. He urged the County to restore his staffing level of 1.25 FTE for 2005.

Cmmr. Kamin stated she could not respond at this time, she will do the best she can to look at the request.

Cmmr. Johnson commented the staff included in the preliminary budget is what is proposed at this time.

Cmmr. Baze also stated the budget as proposed is where they are at this time.

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Pat Sykora, Mason County Elections Superintendent, stated she came in because it is important to hear the reasons why the elections staffing levels are short and they need to be increased. They have possible six elections every year. It takes 45 days to set up and process an election. That does not include the time necessary to perform other tasks to assure the elections are conducted correctly and the integrity of the elections is saved. They do address verification and updating information between election cycles. By law, Help America Vote Act and the National Voter Registration Act has required them to do new things. Over the last two years they increased from a little over 26,000 to over 31,000 registered voters with the same staffing levels. Also, they have had to put in a new voter registration system so they can have a statewide voter registration system. They are going to be required to have a new tabulation system. By federal law they will no longer be able to use a punch card system. The clerk's office uses their information for jury lists. They will be doing a recount this year and cannot afford to make an error. They need proper staff to get the job done.

Theresa Ehrich, Chief Accountant for Auditor, Financial Services Supervisor, explained that in the Auditor's financial services department they audit all vouchers for the whole County. They make sure there is proper documentation, contracts, paying the right tax, they send out 1099's. In payroll, they audit the county's entire payroll and pay all taxes. They pay insurance and personnel benefits. They research and help the personnel director with items. There are approximately 400 county employees and 300 fire district and other jr. taxing district employees.

They present a preliminary budget and check to make sure all the items presented are coded properly. They provide state auditor's office electronic copy of annual report. They provide monthly reports on the various funds. At this time, Current Expense is at 78% for expenditures and income is at 85%. They have tried to streamline to get work done; however, the volume of vouchers and payrolls is constantly increasing. They could use another .5 FTE staff person.

Cmmr. Baze noted that with Mason Transit assuming their financial duties he questioned how this affects the accounting department.

Mrs. Ehrich responded they have ports and fire districts that have had difficulties in the past year which has used quite a bit of the staff's time.

Jackie Burnett, Licensing Manager, with staff diminishing to meet required budget cuts in 2004 it is a very hard year. They have a diligent and efficient staff. If everyone is there they can do good work. She has come to work sick knowing that the burden is great. There have been long lines in their department when the state policy changed on address verification. In two weeks that policy was implemented they got behind in their mail and dealer processing. She requested additional staff.

Cmmr. Johnson asked if the Extra Help/Temporary Help line item for \$3,000 would be of help.

Ms. Burnett stated she would check into that.

Karen Herr, Chief Deputy/ Supervisor of Recording Department for 12 years, noted this is a job that she enjoys however it was one of the most difficult and trying years. They have recorded larger numbers of document and it is frustrating and impossible to keep pace with the workload and reduction in staff. The recording department is responsible to record and process documents in a timely manner. They must also post and make the information available to the public. Historically, they have been able to complete posting process within two weeks or less. Because of the reduction in staff, they are currently recorded back in September and falling further behind. They get angry customers who request current recording information they are not able to provide. They have received two warnings from IRS because they cannot process liens on a timely basis. The employees and customers deserve better.

Pat Swartos, Mason County Clerk, spoke in favor of the county officials and department heads that spoke. The County is in a situation where the elected officials need to be considered strongly as far as needs that are mandated.

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Dixie Smith, Assessor, reiterated the Clerk. She also works with the Auditor's office and realize how bad their staffing is on a daily basis.

Chairperson Johnson closed the public hearing.

Chairperson Johnson thanked those who gave presentations. He pointed out the expenses are increasing at a more rapid rate than the revenue to support those expenses. They are doing what they can to see if there is some way the County can increase the staffing levels under the existing revenue levels. The expenditures are \$1.3 million higher than the anticipated revenue. The County can't keep on doing that forever.

The purpose of the hearing was to take a look at the preliminary budget and see if there is ways to see if it can be modified. Given the revenue projections and the expense projections and adjust according to the needs.

RECESS – The board recessed at 9:45 until 9:51 a.m.

9:30 A.M. Public Hearing to consider amendments to the Mason County 6-year Capital Facilities Plan as contained in the County Comprehensive Plan.

Bob Fink, Planning Manager, explained that the proposed update of the Mason County Comprehensive Plan is intended to incorporate the current six year capital facilities planning and financial planning into the plan, updating the plan for the period 2004 to 2009 (or 2010 for some facilities).

The Capital Facilities Chapter addresses: Wastewater/sanitary systems; water supply systems; parks and recreation facilities; county administration buildings and police and criminal justice buildings – referred to as “facilities and grounds” and solid waste facilities.

He recommended the Board close the hearing and schedule consideration for the same day that action on the county budget is proposed.

There are copies of the amended six-year plans with amended sections in the Capital Facilities element and six-year Transportation Improvement Program.

The Planning Advisory Commission had a public hearing and recommended action on the capital facilities improvement plan. In the future, they recommended a standing citizens committee might be proposed for some of the facilities.

No public comment was received.

**Cmmr. Baze/Kamin moved and seconded to close the hearing and schedule consideration for the same day that they adopt the 2005 county budget. Motion carried unanimously. B-aye; J-aye; K-aye.**

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Adjournment – The meeting adjourned at 9:57 a.m.

BOARD OF COUNTY COMMISSIONERS  
MASON COUNTY, WASHINGTON

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Wesley E. Johnson, Chairperson

ATTEST:

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Jayni L. Kamin, Commissioner

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Rebecca S. Rogers, Clerk of the Board

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Herb Baze, Commissioner