

## BOARD OF MASON COUNTY COMMISSIONERS' PROCEEDINGS

August 11, 2009

1. Call to Order – The Chairperson called the regular meeting to order at 9:01 a.m.
2. Pledge of Allegiance – Doug Sayan led the flag salute.
3. Roll Call – Present: Commissioner District 2 – Tim Sheldon; Commissioner District 3 – Ross Gallagher.  
Absent: Commissioner District 1 - Lynda Ring Erickson.
4. Correspondence and Organizational Business
  - 4.1 Correspondence
    - 4.1.1 Joyce Evans expressed her support of a curbside recycling program.
    - 4.1.2 Debra Jacobs is seeking appointment to the Planning Advisory Commission.
    - 4.1.3 Brenda Hirschi submitted a proposed schedule for 2010 budget hearings.
    - 4.1.4 Comcast announced that they will be changing their late fee rates, effective September 1, 2009.
    - 4.1.5 The Washington State Utilities and Transportation Commission responded to questions regarding curbside recycling in Mason County.
    - 4.1.6 The Washington Finance Officers Association announced that Karen Dowling has earned the Professional Finance Officer Award.
  - 4.2 Charlie Butros announced the bid award for County Road Project 1563-1 Bear Creek Dewatto Road has been made to JR Hayes & Sons, Inc. of Maple Valley in the amount of \$194,253.04.  
  
Cmmr. Sheldon asked if this bid would complete the work on the road.  
  
Mr. Butros stated no, this is just the initial work for the project.
5. Open Forum for Citizen Input –
  - 5.1 Chris Moore, Washington Trust for Historic Preservation, would like to discuss St. Edward's Church. One of the programs of the Washington Trust is they maintain an annual most endangered properties list. In 2009 St. Edward's was included on the list because of the proposed demolition of the church building. It was also included because the Washington State Department of Archeology and Historic Preservation has determined the building is eligible for listing in the national register of historic places. It is also the design of architect by Paul Theory, who was know as the father of northwest modernism. He designed the State Capital Library and was the lead architect for the Seattle World Fair in 1961. Most importantly the building was included on their list because there is a group of local advocates who are passionate about the building and value the historical significance that the building embodies.  
  
That group put forth a proposal on July 15<sup>th</sup> to the County to purchase the parcel on which the church sits in order to create a community center. To its credit, the County is being a great steward of the County Courthouse with an exterior restoration program. This local group wants to do the same thing for another significant building in the community. It doesn't meet with the vision the County had a year ago when the land was purchased, but that was part of a planning process and the reality now is different then it was then. The Washington Trust urges the Board to consider the proposal as it comes through and to understand the economic benefits that a rehabilitated church building could bring as a community center.

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- 5.2 Richie Cunningham stated the question is to raze the church or raise the culture. He has lived here for 35 years and been a member of St. Edward's Church for most of those years. He has spent some of his years doing a job similar to the Board's. He has come to realize the important things in life are not money, power and pressure, but things exemplified by "know Jesus, know peace". The further question is will the residents of Mason County be best served if the subject land is used in the manner and vision of the proposal that was submitted. He submits that raising the culture of a community is the highest and best use of property.

How can the County be assured the project will turn out well and how can the County minimize it's risk? Is the proposal comprehensive and complete? Is the funding secure? Is the vision flushed out? It is probably a qualified no to all of those questions, but it is a good start. All that is being asked by this proposal is that the land and building in question be used to raise the beauty and culture of the Mason County community. The citizens that submitted the proposal don't expect the County to throw caution to the wind. It will mean a lot of hard work, but the final result will be well worth it. It will raise the culture of the community and enhance the lives of its citizens. To minimize risk the County should be an active project partner to the extent that the milestones are built in to the project and reports to the County are forthcoming. If the project fails its expectations, action would be taken to revert to the County's original plan. No harm would be done and all that would be lost is the short time the project would require. He thinks it is worth taking a chance and he hopes the County sees it that way too.

- 5.3 Rhoda Pykonen stated we were all raised to believe that to waste is a sin. Tearing down the church is a waste. It is a beautiful old part of the town that needs to be preserved. The committee wants two years to show what they can do with a building that has served the community so well. People have gone to the church for generations. One family has gone to that church for over 50 years. The church needs to stay the way that it is for at least two years so they can prove what they can do. They want to make it a cultural center. Anna's Bay and the Peninsula Arts Association have supported the idea. They need a venue for a small theater in Shelton. She hopes there can be some imagination and a future for the building. There is no rush in all of this.
- 5.4 Annette McGee thinks the Commissioners needs to show some common sense and give this committee an opportunity to show what they can do to make the church a community center. She knows where Commissioner Sheldon stands, but her plea is for Commissioner Ring Erickson and Commissioner Gallagher. Listen to the committee. They have plans and they have the money. It would be a win-win situation for everyone. It would be a win for the community, it would be a win for the County and a win for the church. The Board can't go on with construction with the way the economy is, so give the Committee a chance.

Cmmr. Sheldon clarified that the County does not own the church. The building was not purchased by the County. The Archdiocese of Seattle owns the building. He has had a chance to meet with people to talk about the issue. There is a lot to it and he appreciates the proposal.

6. Adoption of Agenda - **Cmmr. Gallagher/Sheldon moved and seconded to adopt the revised agenda to include item 8.7. Motion carried unanimously. S-aye; G-aye; RE-absent**
7. Approval of Minutes – July 27, 2009 briefing minutes and August 4, 2009 regular meeting minutes.

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**Cmmr. Gallagher/Sheldon moved and seconded to approve the July 27, 2009 briefing minutes and August 4, 2009 regular meeting minutes. Motion carried unanimously. S-aye; G-aye; RE-absent**

8. Approval of Consent Agenda:

- 8.1 Approval to award the bid for the Mason County Recreation Area Office Remodel Project to Simroe Contracting 1, Inc. in the amount of \$182,112.00 including sales tax. This will be paid from Real Estate Excise Tax (REET) Capital Funds.
- 8.2 Approval of the contract with Lynn Hannah for professional services in the amount of \$600 for the 2009 Mason County Fair & Rodeo. This is budgeted in the Fair Budget.
- 8.3 Approval of a resolution to continue the suspension of the salary increases for certain Mason County Elected Officials for the year 2010. The 2010 monthly salaries shall remain as follows: Assessor - \$5,677.50; Auditor - \$5,677.50; Clerk - \$5,677.50; Coroner -\$4,266.00; Sheriff - \$6,929.08; Treasurer - \$5,677.50. The County Commissioners' 2010 monthly salaries shall be established by Resolution 85-01 as follows: 1<sup>st</sup> District Commissioner- \$6,155.61; 2<sup>nd</sup> District Commissioner - \$6,155.61; 3<sup>rd</sup> District Commissioner - \$6,340.30. **Resolution No. 69-09 (Exhibit A)**
- 8.4 Approval of a resolution to continue the suspension of the salary increases for certain Mason County Department Heads and Managers for the year 2010. The 2010 monthly salaries shall remain as follows: Department of Community Development, Program Manager, \$5,768; Public Works Director, \$7,540; Permit Center Manager \$5,768; Utilities & Waste Management Director \$7,540; Parks & Trails Manager, \$5,490; Public Health Director, \$6,721; Human Resources Director, \$6,352; Facilities Manager, \$5,494. **Resolution No. 70-09 (Exhibit B)**
- 8.5 Approval of a resolution amending Resolution No. 71-00 for the Reserve Legal #2 Fund allowing the Commissioners to transfer monies to Current Expense for general government purposes, as needed. The minimum balance in the Reserve Legal #2 Fund shall be \$25,000 and the purpose of this fund is to pay for the cost of murder cases that exceed the annual operating budgets of those affected departments. **Resolution No. 71-09 (Exhibit C)**
- 8.6 Approval of veterans assistance applications for: Robert Ramar - Utilities \$62.30; Franklin J. Eslick - Housing \$525.00; and Christopher Giddings - Utilities \$300.03 for a total of \$887.33 as recommended by the Veterans' Assistance Screening Committee.
- 8.7 Approval of a resolution setting a public hearing on Tuesday, September 1, 2009 at 9:30 a.m. to consider budget revisions/reductions to the 2009 Current Expense Budget not to exceed a reduction of (\$350,000) and action may include reallocation of existing funds. **Resolution No. 72-09 (Exhibit D)**

Cmmr. Gallagher commented on item 8.3. Constitutionally, the Commissioners can't adjust their salaries midterm. Last year he accepted that his wages would stay at the 2008 level. For the 2010 budget he will continue to have his wages at the 2008 level. He will be donating \$4,368 to charity. He feels the Commissioners should be at the same level with the other elected officials. He feels donating this money is a good thing for the community.

Rick Ryan commented on item 8.3. He recommends an amendment to resolution 85-01 to reverse this. There are people losing their jobs. Eight more people could be laid off tomorrow. It is a travesty to see everything else cut while the Commissioner's salaries continue to go up.

Cmmr. Sheldon clarified that there are constitutional limitations. There are other considerations as to why it is done this way.

Cmmr. Sheldon asked about item 8.5. He understands that there is a murder trial that will begin soon. The fund has over \$200,000 in it. It was discussed what might need to be held over for the

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trial in October. He asked Bob Sauerlender if he has any idea how much money might be necessary for the upcoming murder trial.

Mr. Sauerlender stated he is speaking on behalf of the Superior Court judges regarding item 8.5, Reserve Legal Fund #2. The Superior Court relies on Reserve Legal #2 for payment of indigent defense costs and other expenses incurred in homicide cases. The Prosecutor's office can also rely on the fund. Resolution 71-00 provides the following: "the purpose of the Reserve Legal Fund, 130-000-000, is to pay the costs associated with murder cases to include indigent defense costs, and extraordinary costs incurred by the Prosecutor and the court systems." Currently there is one homicide case pending before the court. It is scheduled to resume in September. A homicide trial can last two plus weeks and it can be very expensive. It is anticipated that this case alone could cost upwards of \$25,000.

There is a concern that depleting this balance will not preserve what is needed for the future. His figures show that the Reserve Legal Fund balance as of June 30, 2009 was \$191,517. As the Board knows, the payment of cost for indigent defense in jury trials for all criminal cases is a non debatable expense. The right to a jury trial and adequate defense are guaranteed by the United States Constitution and the Constitution of the State of Washington.

Superior Court believes that long term budgeting for these expenses is sound fiscal policy. There is a concern that if these funds are depleted this year, should Superior Court have one or two homicide cases next year, they may be in the position of coming into an extraordinary expense. It is sounder financially to plan that these expenses will be somewhat routine. There should not be a depletion of these funds to the amount currently set. He asks that the resolution not be adopted. He asks for a delay in any changes to the prior resolution at least until there is a forecast from Superior Court for next year.

Cmmr. Gallagher asked to set aside item 8.7. He would like to change the amount to \$700,000.

**Cmmr. Gallagher/Sheldon moved and seconded to approve Consent items 8.1, 8.2, 8.3, 8.4 and 8.6. Motion carried unanimously. S-aye; G-aye; RE-absent**

Cmmr. Sheldon commented on item 8.5. The Board has the ability to use these funds even though they are set aside for a different purpose. Making sure the County has an adequate fund balance at the end of 2009 will make all of the difference to this Commission. Being on warrants isn't a good thing. It would mean that a bank would manage the finances of the County. He proposes that \$50,000 be left in the fund. \$25,000 would be the minimum balance and \$25,000 would be for the upcoming trial. That would leave \$141,000 for the ending fund balance, which has now been depleted to 1.6 million. The County is getting very close to the point of being on warrants. Money can always be added to the fund, but this would give a cushion for the end of 2009.

**Cmmr. Gallagher/Sheldon moved and seconded to amend item 8.5 to read the minimum balance for Reserve Legal Fund #2 shall be \$50,000 and the remaining balance will be moved to the Current Expense Fund. Motion carried unanimously. S-aye; G-aye; RE-absent**

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**Cmmr. Gallagher/Sheldon moved and seconded to approve a resolution setting a public hearing on Tuesday, September 1, 2009 at 9:30 a.m. to consider budget revisions/reductions to the 2009 Current Expense Budget not to exceed a reduction of (\$700,000) and action may include reallocation of existing funds. Motion carried unanimously. S-aye; G-aye; RE-absent**

9. 9:30 a.m. Public Hearings and Items Set for a Certain Time. –

- 9.1 Public hearing to consider the Budget Revisions/Reductions, not to exceed a reduction of (\$700,000), to the 2009 budget for the Current Expense Fund due to an unanticipated downturn in Current Expense Fund revenues. The action may include a reallocation of existing funds.

Cmmr. Sheldon noted the sales tax figures for July show that sales tax collections in the unincorporated areas of Mason County were down another 10% over 2008. It was a month with 31 days and July is traditionally a very good month for tax collection in Mason County.

Cmmr. Sheldon also recommended that the items in Attachment A all be acted on separately.

TJ Martin, Human Resources Director, agreed that the seven separate items listed in Attachment A should be acted on separately. He noted that Fund 130, the Legal Reserve Fund, currently has \$191,629.20. If the minimum balance is to be \$50,000 that amount will be \$141,629.20.

There are several options that have been brought forward in the last several weeks to meet the unanticipated budget shortfall. The items under discussion today are the Legal Reserve Fund, the elimination of the Budget and Finance Director position in the amount of \$25,000, the elimination of the Central Operations Director position in the amount of \$25,000, the Mental Health Fund in the amount of \$200,000, reductions in the Parks Department in the amount of \$83,500, and reductions in the Department of Community Development in the amount of \$200,000. Also under discussion today is a transfer to cover the AFSME 2009 contract obligations in the amount of \$69,437.45. Any of these items, not to exceed a total of \$700,000, is what is under discussion today.

Questions for Staff

Cmmr. Sheldon asked the Treasurer if the reductions in sales tax in July are at \$43,000.

Ms. Frazier stated that is correct. In any given month the County expenses are about 2.5 million dollars. In county government revenue comes in on property taxes in April and October. The rest of the months the income is based on fees and sales tax. There are months that require the use of the ending fund balance to cover expenses. She would like to see an ending fund balance in the amount of 2.5 million in order to keep the county financial stable. Property tax revenue is looking pretty good. Sales tax revenue continues to be down every month between 10% and 18%. That trend isn't changing. There have already been adjustments made to the amount of sales tax revenue budgeted.

Cmmr. Sheldon stated he saw that liquor excise taxes are also down.

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Ms. Frazier clarified that those taxes come to the County quarterly. They should be okay by the end of the year, but it may look low now.

Cmmr. Sheldon asked about Timber Excise Taxes.

Ms. Frazier stated Timber Excise Tax is down about \$200,000 and she doesn't expect that to increase.

Cmmr. Sheldon asked what a registered warrant is.

Ms. Frazier stated the County does not issue checks. The Treasurer is responsible for paying the bills through a warrant process. Warrants are paid by the Treasurer, it is not a checking account. If there are not funds to pay those warrants they have to be registered and the County would need to find financing to cover them. The County would have to find a bank to cover the warrants and charge an interest rate or it would need a short term loan. It would be very difficult to find a bank that would cover the County's warrants, they just don't do that anymore. The County would be looking at a short term loan to cover finances, such as what has been done with inferfund loans. She hopes policies are put in place to have a sufficient ending fund balance so the County does not have to do that.

Cmmr. Gallagher asked if initiative 1033 passes and the County can only receive 1% higher than the budget, would it make it more difficult to pay warrants.

Ms. Frazier stated if the initiative passes the County would have to dramatically cut expenses to meet the declining revenues the County would receive.

An audience member asked what the \$200,000 in the Mental Health Fund is being used for. He has the same question regarding the Parks reduction. He would like to know what would happen as a result of cutting those two funds.

Cmmr. Sheldon stated the Parks Director has done an excellent job of finding money and taking care of projects. He would leave it up to the Director as to where the cuts should be made. Personally he would like to see MCRA and Sandhill Park left open. Perhaps they would cut back on some maintenance or let the summer maintenance people go early. He doesn't want to micromanage the parks system.

The question on the Mental Health Fund is a little more complicated. He would like a point/counter point from the Superior Court Judge and the Deputy Prosecutor. They both have strong opinions on how that fund should be used. He would like to delay that action until they are available to brief the Board on the consequences. He noted the Sheriff has inmates that benefit from the fund. Money from property taxes goes to the mental health program, which is administered by Thurston County. These funds, as he understands it, are reserve funds that are not allocated as the other funds are. It involves some complicated levy amounts that need to be researched.

Cmmr. Gallagher noted the County pays Thurston County \$85,000 annually to participate in their mental health program.

Allan Borden asked about the Department of Community Development reduction. How does the resolution that was passed last week regarding the Abatement Fund affect this proposed reduction.

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Cmmr. Sheldon stated the \$221,000 was moved from the Abatement Fund to the Department of Community Development and this proposal is to reduce the department of \$200,000. That \$200,000 would be used to help the ending fund balance. It would obviously mean reductions in the Department of Community Development. The department has already spent more than they brought in. He would like to see some proactive ways to reduce regulation, to streamline permitting and to make it easier for citizens. There needs to be some creativity to serve the public better, faster and cheaper. It is difficult to reduce expenditures, but the County is in the position where if we had acted sooner we would not be paying this premium price now.

Larry Waters stated the regulations that the department follows are strictly dictated by the State. Staff does not have the authority to wipe out State laws. That suggestion is not relevant.

Cmmr. Sheldon clarified that he is not proposing the department do anything against the law. He is asking that the department find ways to streamline and look at the County regulations and find a way to be more efficient.

Public Testimony

Kell McAboy, Mason County Planning, stated she is here on behalf of the Teamsters Union employees in the Department of Community Development in the Planning and Building divisions. She would like to discuss voluntary furlough days for the Department of Community Development staff. She is asking the Board to accept DCD union staff's voluntary offer of a 20% reduction in salary, which would be a 4 day 32 hour work week for all remaining DCD staff and management, conditional upon no further reductions to the DCD budget.

DCD's current staffing level, including management, is at about 46% compared to last year at this time. AS a department they understand that staff cuts have been prudent and imperative given the downturn in the economy and the subsequent drop in permits. With hindsight being 20-20, it is clear that the department could have reduced staff at a much quicker number than what has occurred.

The remaining DCD union staff strongly encourages the Board to consider an alternative to further staffing reductions. As public servants, they are concerned that any additional reductions in staff will severely impact the very public they are here to serve. It is understandable that the expectation is for DCD staff to live within their means. It isn't clear whether those means only include permit fees. Is it being suggested that DCD staff no longer accept phone inquiries? Is it fair for the developer to pay increased permit fees in order to subsidize those using the department for free? DCD staff remains committed to serving the public to the best of their ability.

At this time they are compelled to come together for the greater good and offer a 20% reduction in salary in order to stave off losing additional staff. This does include staff that has been here for so long that they would not be impacted by budget reductions. It is DCD unions staff's understanding that their budget is in the black for fiscal year 2009 with the inclusion of the \$221,000 Abatement Fund. The voluntary 20% reduction in salary supplements the 2009 DCD budget and is an equivalent to reducing staff by another 3.7 full time employees. They recommend the Board accept this voluntary reduction in salary, conditional upon including DCD management and no further reductions to the DCD budget.

Cmmr. Sheldon stated he finds this unusual. Staff is represented by a union and usually a union proposal goes to the Director of Human Resources and those things are then discussed in executive session. He finds it very difficult to understand how this proposal relates to the union. He can't agree to anything conditional. He thinks this should be discussed through the proper channels.

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Ms. McAboy clarified that their union representative has said any staff can voluntarily decide to reduce their hours upon agreement from their management. It is clear during these economic times that would be allowed. They have all come together at the same time to do this voluntarily. It was made conditional because if the conditions weren't accepted they could have the discussions with their union representative in a more formal process.

Barbara Adkins, Department of Community Development Co-Manager, read into the record a memorandum that she provided to the Board yesterday. When viewed as an enterprise fund, the Department of Community development has been challenged to live within their means and adjust expenditures to match revenues. To meet that goal they have reduced their budget 5 times over the last 9 months. While they continue to strive at keeping expenditures in line with projected revenues, reductions have been necessary. With every reduction the department has lost training, travel, office supplies, reference books, vehicles computers and most importantly, staff. With 38 budgeted positions in 2008, the department has eliminated 18 since last November, reducing staffing levels by nearly 50%.

On July 27<sup>th</sup> they provided a memorandum to the Finance Committee outlining their current revenues with respect to the projected expenditures for 2009. With the recent revision to the Abatement Fund, the department has the ability to transfer a portion of that fund into revenues. With this, combined with additional revenues and some additional reductions, the department is projected to be in the black for the remainder of 2009. The reduction to their budget being proposed today is not necessary or needed to bring the department's expenditures in line. A reduction of this amount will require the department to reduce staff by another 8 or 9 positions. This equates to an additional 40% reduction in staff from June 2009, a total of 70% over the past 9 months.

They are mandated by several sections of the Revised Code of Washington to apply and enforce local and State building and planning codes, to provide permit assistance, to create and staff a planning commission, to provide long range planning under the Growth Management Act and to staff the Historic Preservation Commission. A list of these applicable codes has been provided to Human Resources for the priorities of government outreach efforts. Mason County is estimated to reach a population of 56,800 in 2009. With a staff of no more than 12 people their ability to provide mandated building, planning, and growth management services to Mason County will be severely diminished. She respectfully asks the Board to reconsider it's proposal to further reduce her department's budget.

John Eaton stated he is here about the budget cuts to Mason County Parks and Trails. Their annual budget has already been cut from approximately \$850,000 to \$600,000. It has come to his attention that Parks could be cut an additional \$71,000 to \$83,000. One consideration on the table would be to close the Parks Department from October to February. There are quite a few projects that would be funded by REET that would receive approximately \$50,000. Most of this would happen during the off season. If that money is factored in the department is only short \$20,000 to \$30,000. Mason County Parks and Trails have started a friends of the park program, which is just starting to bear fruit. Non-profits and business can donate to help with the budget shortfalls of Mason County Parks and Trails. The Shelton Rotary has already provided \$1,000 for sponsorship and signage. He is providing a check for \$1,000 for Parks and Trails from his business. There are many other businesses and nonprofits that will be donating and they can come up with this shortfall of \$20,000.

Debra Coker stated she has worked for the Department of Community Development for 17 years. She has arranged to take vacation time in order to present her concerns. She is concerned about Community Development experiencing another round of budget cuts that will have a drastic impact. Her husband works for a contractor in Mason County who proudly follows the laws and carefully follows code regulations in order to protect customers. The reduction of staff available to enforce the code has caused building permit review times to substantially increase. This causes concerns for contractors

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because they rely on timely turn around times for permits in order to make a living. This puts a burden on the contractor and their employees and encourages some contractors not to comply with the law. All cities and counties are required to adopt a building code specified in RCW 19.27. The State of Washington mandates that jurisdictions adopt these codes to promote fire and life safety in buildings. The building code improves living standards and minimum safety standards. She is one of the staff that would like to voluntarily reduce her time by 20%. It is important maintain the current staff so when permits do build up they will be ready to take it on. It is important to improve turn around times and find ways to streamline. They are finding ways to do those things right now.

Mark Core, Department of Community Development Co-manager, stated he is a lifetime resident of Mason County. What the staff has volunteered to do is a huge gesture and he wants them to know he appreciates it. The donation to Parks is a great statement too. Some of the things he has been thinking about are that Community Development has made huge adjustments. No one could have predicted this devastation to the economy in the last year. He is in Community Development every day and they are extremely busy. They are swimming in a 30 foot pool with 15 feet of water and they are about to drown. If this cut goes through it will have a dramatic impact. It will be 7 or 8 people and they only have 20.

There are contractors that depend on them. The county is blessed with good contractors that follow the rules. He knows what it is like to wait 3 months for a permit. This is a dicey slope. It will cripple the department and the economy that supports the department. There are families that depend on the timing of permits. Contractors are trying to feed their families. If they cannot provide the service to the people that are making the biggest purchase of their life contractors will do things on the sly and they will not have the bodies to do enforcement. He respects that the Board has a huge job to do, but this could be a domino effect that will ripple through Mason County.

Bob Sauerlender, on behalf of Mason County Superior Court, handed the Board a memorandum from the presiding judge regarding the use of the Mental Health Fund.

Cmmr. Sheldon stated he appreciates the Department of Community Development and the hard work the employees do. It is a difficult situation. In January and February they were spending over \$10,000 a month more than they were bringing in. Hind site is 20-20, but there were lots of things they could have done. He appreciates the proposal by the staff, but he wonders how that would have worked out if a 20% reduction was made in February or March. We are getting down to the time when the ending fund balance can't drop much lower or it will be extremely detrimental to everyone in the county. The cost of doing business will rise if the County is forced to use registered warrants.

Cmmr. Gallagher stated he appreciate the efforts of Department of Community Development and the dilemma with the contractors. He also appreciates the donations to the Parks Department. He feels there might be other ways to make things work in Parks.

Cmmr. Sheldon stated he understand there are several mandated services. There are some non-debatable things that the County Commissioners have obligations to do, such as speedy trails, fair trials, law enforcement and the health department. Counties are an agent of the State. Many of these problems are because of some of the unfunded mandates. The Clerk's office, for example, has to spend \$10,000 of additional funds for publications. It is a State mandated action that the County has to pay for. The consequences are some of these proposals that the Board doesn't want to do, but they are necessary.

**Cmmr. Gallagher/Sheldon moved and seconded to reduce Fund #130, the Legal Reserve Fund to the amount of \$50,000, transferring \$141,629.00 to the Current Expense Fund. Motion carried unanimously. S-aye; G-aye; RE-absent**

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TJ Martin stated between the elimination of the Budget and Finance Director position and the elimination of the Central Operations Director position a total amount of approximately \$74,000 was saved. \$24,000 has been set aside for an M.O.U. with Kitsap County for picking up risk management responsibilities and payment for assistance in budget and finance for the projection of numbers.

**Cmmr. Gallagher/Sheldon moved and seconded move \$25,000 from Fund #001-050-00 to the Current Expense Fund due to the elimination of Budget and Finance Director position. Motion carried unanimously. S-aye; G-aye; RE-absent.**

**Cmmr. Gallagher/Sheldon moved and seconded to move \$25,000 from Fund #001-090-000 to the Current Expense Fund due to the elimination of the Central Operations Director position. Motion carried unanimously. S-aye; G-aye; RE-absent.**

**Cmmr. Gallagher/Sheldon moved and seconded to table the discussion of the Mental Health Fund to September 1, 2009. S-aye; G-aye; RE-absent.**

**Cmmr. Gallagher/Sheldon moved and seconded to reduce the Parks budget, Fund 001-147-000, in the amount \$83,500. Motion did not pass. S-aye; G-nay; RE-absent\***

*\*Brought forward to August 18, 2009 regular meeting per RCW 36.32.130.*

**Cmmr. Gallagher made a motion to reduce the Department of Community Development budget, Fund number 001-125-000, in the amount of \$200,000.**

Cmmr. Sheldon reminded Commissioner Gallagher that according to Robert's Rules of Order, if you make a motion you need to argue in favor of the motion. To vote against a motion that you make is very unusual and confusing, but he will accept the previous vote against the Parks reduction.

It is a prudent choice to reduce the Department of Community Development's budget by \$200,000. The County is faced with an unprecedented financial issue here. The Board has waited and delayed and come up with different scenarios and nothing is coming up with a second vote. There needs to be reductions sometime or this ship will keep sailing to unregistered warrants.

**Cmmr. Gallagher withdrew his motion to reduce the Department of Community Development budget, Fund number 001-125-000, in the amount of \$200,000.**

**Cmmr. Sheldon made a motion to reduce the Department of Community Development budget, Fund number 001-125-000, in the amount of \$200,000.**

**The motion died due to lack of a second.**

**Cmmr. Sheldon/Gallagher moved and seconded to table the discussion of reductions to the Department of Community Development budget to September 1, 2009. Motion carried unanimously. S-aye; G-aye; RE-absent.**

Cmmr. Gallagher stated this has been a failed act to try to make this an enterprise fund because the public hasn't supported it. Contractors need to step up to make the economy better. The department has been creative and perhaps the August reports will be better. He is giving the department a little leeway to try to make things work. If they can't make it work he will seek further reductions. Being on

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warrants is not okay in this kind of economy. He hopes DCD can serve the public and move forward with the staffing levels they have. If that doesn't happen there will have to be cuts.

Cmmr. Sheldon doesn't think August will be a better month. The State will be facing their revenue forecasting in September. They are anticipating reduced revenues again. The County is not any different. The Board needs to act because we pay a premium for every day that cuts are not made. That means there will be additional cuts later on. It is going to take a long time for the County to recover from this recession.

TJ Martin stated the next item would be a transfer from the cost savings achieved today to the various departments that are part of the AFSME collective bargaining agreement. There have been discussions over the past months on why that contract has not been funded. Today is the opportunity to resolve that.

Cmmr. Gallagher asked if this is the current amount or the amount that should have been paid months ago.

Mr. Martin clarified that this is the current amount that is left to be paid. There had been a number of reductions in the various departments, which affected the AFSME collective bargaining unit amount. Those reductions were factored in and this is the remaining amount that is needed to fund the rest of the year.

Cmmr. Sheldon stated this is a multi-year contract that began in 2008.

**Cmmr. Gallagher/Sheldon moved and seconded to transfer \$69,437.45 from the Current Expense Fund to fund AFSME contract obligations. Motion carried unanimously. S-aye; G-aye; RE-absent.**

Mr. Martin went over the approved budget reductions. The total budget reductions approved today totaled \$122,191.55. **Budget Order (Exhibit E)**

Cmmr. Sheldon noted this was a small step to finding \$700,000.00.

10. Other Business (Department Heads and Elected Officials) –

- 10.1 Vicki Kirkpatrick, Public Health Director, presented a news release regarding West Nile Virus. A crow found in Mason County was the first bird to test positive for West Nile Virus in Western Washington this year.
- 10.2 Bob Simmons, WSU Extension Director, announced that last Thursday 17 youth graduated from the 4-H Youth Forestry Program and reminded the Board that the Fresh Bite Beach Night is on August 27<sup>th</sup>.
- 10.3 John Keates, Parks Director, thanked the 4-H Youth Forestry group for the great work they did on the trails at Oakland Bay Park.
- 10.4 TJ Martin, Human Resources Director, announced that he has concluded his priorities of government workshops. He will be issuing a report for the Board in the first part of September. He is also getting ready to finalize agreements with the various bargaining units. He also stated that since the Department of Community Development has offered voluntary furlough days he will be discussing with his staff matching those furlough days. He would like other departments to see if any of their employees are willing to take voluntary furlough days as well.

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11. Board's Reports and Calendar - The Commissioners reported on meetings attended the past week and announced their upcoming weekly meetings.
12. Adjournment – The meeting adjourned at 11:00 a.m.

BOARD OF COUNTY COMMISSIONERS  
MASON COUNTY, WASHINGTON

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Tim Sheldon, Chair

ATTEST:

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Lynda Ring Erickson, Commissioner

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Shannon Goudy, Clerk of the Board

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Ross Gallagher, Commissioner