



MASON COUNTY PROPERTY TAX LEVY LID LIFT FACT SHEET

Proposition No. 1. Levy to Support General Fund Expenses and Services including but not limited to basic public safety, criminal justice and other mandated services

The Board of Mason County Commissioners adopted Resolution 45-17, concerning voter approval of its regular property tax levy to maintain Public Safety, Criminal Justice and General Fund Services. This proposition permanently increases the regular property tax levy by \$0.37 to a rate of \$1.77 per \$1,000 assessed value for collection in 2018 and authorizes use of the 2018 levy rate as the base for computing levy limitations in succeeding years; provided by RCW Ch. 84.55.

Should this proposition be Approved / Rejected?

Requires a simple majority of voter approval to pass

FREQUENTLY ASKED QUESTIONS

BACKGROUND

1. Why is Mason County putting “Levy to Support General Fund Expenses and Services including but not limited to basic public safety, criminal justice and other mandated services” on the ballot for a vote of the citizens on November 7th?
 - The cost of providing County services outpaces revenues received. This economic situation exists despite already cutting costs by \$1.7 million, which is about 7.3 percent of the affected Current Expense Fund, and eliminates over 27 full time positions and 3 seasonal positions.
 - Additional budget cuts totaling \$3,200,000 are required to balance the 2018 budget bringing the total amount of required cuts to \$4,900,000.
 - As cuts continue, the County believes there will be serious impacts to the delivery of quality County services in Mason County.
 - The Levy to Support General Fund Expenses and Services including but not limited to basic public safety, criminal justice and other mandated services provides an opportunity for voters to choose if they want to retain the current, yet already reduced level of quality County services.
2. What is the problem Mason County seeks to solve with the proposed property tax levy increase?
 - Without a property tax increase, the County cannot continue to provide the citizens with the current level of deputies, courts, prosecuting attorneys, and other mandated services. This is due to a persistent gap between revenues and expenditures.



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3. What are some of the causes of the budget gap?

- Two state-wide, voter approved initiatives in the past twenty years have altered local government financing. I-695 eliminated funds for sales tax equalization and eliminated funds dedicated to public safety and public health. I-747 prevented the County's property tax from increasing more than 1% annually, while the average inflation rate has been 3%.
- In earlier years, growth in sales taxes, interest earnings and other revenue derived from new construction was used to fund the gap, in order to maintain public services, however, these revenue sources have not kept pace with inflation, increased caseloads and increased cost for providing County services.

BALLOT MEASURE

4. What will the Levy Increase pay for?

- The Levy to Support General Fund Expenses and Services including but not limited to basic public safety, criminal justice and other mandated services is estimated to provide an additional \$3,400,000 which will pay to retain some County services including public safety, and other mandated criminal justices services as well as other mandated and state mandated services. The County will also begin replenishing the County's cash reserves. Without adequate cash reserves, the County will be unable to meet its minimum operating cash requirements and further cuts to County services will need to be made.

5. What is the increase the average homeowner will pay?

- The average homeowner will pay \$4.29 more per month based on a county-wide average home value of \$139,066 or \$37.00 per \$100,000 of assessed value.
- The proposed increase represents an increase in the total property tax bill for the average homeowner of \$51.45 per year.
- If all jurisdictions levying property taxes are included, the average property tax rate is \$10.45 per \$1,000 of assessed value. The Levy to Support General Fund Expenses and Services including but not limited to basic public safety, criminal justice and other mandated services, if approved would result in a \$0.37 increase, which is a 3.5% increase.

6. How is the new levy rate (\$0.37) calculated?

- The property tax rate is computed based upon the overall total assessed value of property in the County on January 1. The Mason County Assessor estimates that the total assessed value of property for January 1, 2017 will be increased by 5 to 10% on January 1, 2018, but the final figure will not be determined until later in the year. The tax levy for 2016 was \$1.40 per \$1,000 of assessed valuation and it has been determined that the County needs \$1.77 per \$1,000 of assessed valuation for 2018. If the added levy rate is approved by the voters it would raise an additional \$3,400,000 and would increase the levy rate by be \$0.37 per \$1,000 of assessed valuation.



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7. How long will the proposal last?
 - The levy lid lift proposal is permanent, however future property tax increases returns to a maximum increase of 1%, if authorized by the Mason County Board of County Commissioners.
8. When will the election be held?
 - The election date has been set for November 7, 2017. The election is vote by mail, citizens will receive their ballot in late October.

CURRENT EXPENSE FUND FINANCES

9. What happens if the ballot issue fails?
 - If the ballot issue fails, over the next 5 years the County will face a projected budget shortfall exceeding \$5 million. The options will include looking at additional service reductions.
 - Possible service reductions could include the following:
 - Further reductions in Public Safety and Criminal Justice services
 - Diminished capacity in providing Public Health services
 - Continued reductions in County Park maintenance and/or closing County Parks
 - Additional reductions or eliminating funding to outside agencies
 - Continuing to diminish public services and access to those services by further reducing office hours and support services for operating the County
10. What is the cost of Mason County's Public Safety and Criminal Justice system cost?
 - Public Safety and Criminal Justice cost the County \$22.2 million, 62% of Governmental Activities in the General Fund in 2016.
 - Every County is required to pay for law enforcement and operation of Superior Court, District Court and Juvenile Court systems. These include the cost for deputies, corrections officers, judges, court clerks, court staff, prosecuting attorneys, coroner, probation officers, and public defense.
 - Deputies and corrections officers provide 24 hours a day, 7 days per week coverage.
 - The State Constitution mandates the court system to be open 5 days each week.
 - The County receives less than \$848,000 in state and federal grants dedicated to Public Safety and Criminal Justice.
11. Why can't Mason County use money collected for other purposes such as County Roads or Housing Programs to help solve the problem?
 - Monies collected for programs such County Roads, Housing Programs, Indigent Veterans, and Mental Health are restricted in use by state law and the revenue must be spent for specific purposes based upon state law.
 - State law provides for penalties when restricted revenues are not spent for the intended purpose. Penalties usually mean a loss of state funds and grants, which would make the Current Expense Fund deficit worse, and create the inability to provide vital services such as road maintenance.



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12. Why doesn't Mason County continue to use the cash reserve in the Current Expense Fund to fund the budget gap?
 - The cash reserve is the cash remaining at the end of each year that is set aside for use in future years. Since 2012 to offset lost revenues, the County has spent over \$4 million of available reserves.
 - At the end of 2018 the County will have used up all of its cash reserves in the Current Expense Fund.
 - Without adequate cash reserves, the County will be unable to meet its minimum operating cash requirements in 2018.

13. Why did Mason County negotiate employee salary increases?
 - The County is required to negotiate salary and benefit increases with its 12 Unions on a periodic basis, generally every three years. The Unions request increases in salaries and benefits that match comparable counties and PERC, the state Public Employees Relations Commission requires all state agencies to bargain in good faith and keep state and county employee salaries comparable to surrounding counties.

14. I hear about mandated and essential, what's the difference? Is there a list of mandated services provided by each department?
 - "Mandated" refers to a program or service that the County is required to provide under state and federal laws.
 - "Essential" refers to those programs and services that while not legally mandated, it would be difficult to do without. For example, the County is not mandated to have computer systems; however, it is essential to have effective computer systems in order to provide efficient, cost-effective services.
 - A link to a list of mandated services is included on the County's website.

15. Why doesn't Mason County eliminate all the waste in government and just live within its means, providing only the services it can afford?
 - The County is required by State Law to provide public safety (deputies, courts, prosecutors, juvenile justice programs, etc.), protect public health (such as drinking water and communicable disease prevention), and other mandated services.
 - Without voter approval of the Levy to Support General Fund Expenses and Services including but not limited to basic public safety, criminal justice and other mandated services, the County will no longer have sufficient resources available to maintain even the current reduced level of mandated and essential services.
 - Due to its unique geography, Mason County continues to be a rural, residential community. And as such, the County does not have regional shopping centers (like Olympia or Silverdale) or industrial areas (such as Port of Tacoma or Kitsap Industrial Center), which provide additional sale tax revenue and expand the County's property taxbase.



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16. What services are provided by Mason County?

- A link to a list of departments and a description of the services each provides appears on the County's home page.

17. Where is there additional information?

- The information the County has collected is available on the County website, www.co.mason.wa.us.
- If you have additional questions, please email Frank Pinter at fpinter@co.mason.wa.us.