

Budget informational meeting – Special Meeting

November 14, 2019

Time

Present: Commissioner Jackson, Commissioner Stamper, Commissioner Fund, County Manager Erik Martin, Budget Services Manager Becky Butler

Citizens Budget Committee members: Frank Corbin, Paul Crowner, Bill Kassen, Laura Berg, Bill Marshall, Bill Serrahn

Guests: Dr. Lindsey Pollock, Linda Wood, Ron Averill, Ralph Mancini, Ed Fund

Recorder: Rieva Lester

Participants introduced themselves.

County Manager Erik Martin discussed the work that goes into the budget process as well as work being done regarding strategic planning.

Becky outlined the budget timeline:

- **May:** Budget outlook, analysis and projections
- **June:** Set budget limitation, internal service rates
- **August:** Distribute call letter and budget worksheets
- **September:** Offices and departments submit preliminary requests
- **October:** Present preliminary budget to BOCC
- **October:** Meet with offices and departments
- **November:** Final review of changes and increase requests
- **November:** Final tax levy calculations
- **December:** Adopt final Budget and set Tax Levies

Becky and the group outlined challenges the county faces:

- Unfunded mandates – Commissioner Fund expanded on the frustrations the county faces regarding unfunded mandates.
- Indigent defense – Commissioner Fund discussed the high costs associated with indigent defense.
- Inmate medical care – Commissioner Fund discussed inmate medical care.
- Increased medical insurance premiums – Commissioner Jackson discussed changes the county made in response to insurance premium hikes.
- Public disclosure costs – Commissioner Fund and Commissioner Jackson discussed the high costs associated with vexatious requesters.
- Continued increases to state retirement.

- Decreases in investment interest income.
- Revenue limitations.
- Decrease in timber revenue – Commissioner Stamper discussed the challenges associated with having the state manage the county’s timberlands. He discussed marbled murrelet protections, forest board yields and Secure Rural Schools funding.
- Capital project costs / culvert replacements – Erik Martin discussed the high costs of maintaining the county’s 120-plus buildings and vast acreage. Erik also outlined the extraordinary costs of replacing culverts on county-owned roads.

Becky outlined the various fund types:

- The General Fund (Current Expense), which relates to non-restricted revenue such as property tax and sales tax.
- Special revenue funds, which hold restricted revenue that is dedicated to a specific use and usually cannot be used for operations in General Fund.
- Debt service funds, which are transferred from other funds depending on the type of debt.
- Capital funds, which are used to track capital projects such as buildings (REET revenue is mainly dedicated to capital improvements).
- Enterprise funds, which are supported by fees from a business-type activity that cannot be used for any other activity.
- Internal service funds, which include charges to other departments/offices for services provided internally.

Becky outlined the additional funding requests offices and departments submitted for 2020.

She said the commissioners have approved the following requests, totaling \$1,683,399, as of Nov. 13, 2019:

- Jail medical, prescription and prisoner supplies costs
- District Court Probation Officer
- Auditor finance system maintenance
- Court Commissioner salary increase
- Superior Court Indigent Defense Fees
- Lewis County Seniors – Nutrition Support
- Drug Court program housing and defense costs
- Mental Health prescriptions – LC Jail
- Increase salary for Juvenile Administration
- Prosecutor interpreters, and operations related to increased caseload
- Public Health Officer contract
- Animal Shelter spay and neutering fees
- Commercial vehicle enforcement truck and equipment

Becky reviewed some of the cost-saving measures the county already has implemented, including the following:

- Reducing staffing in 2009.
- Transitioning Senior Services to a nonprofit in 2018.
- Moving to PEBB employee medical in 2018 to avoid the significant increase in WCIF rates.
- Decentralizing Fiscal Services and eliminating an administrator position.
- Amortizing annual leave payouts before rehiring.
- Deferring building maintenance and capital projects.
- Reviewing grants and other funding opportunities.
- Sharing WSU Extension director with Cowlitz County.

Becky recapped some of the biggest impacts on the General Fund reserves:

- Inmate medical costs.
- Indigent defense costs.
- Labor agreements.
- Continued restrictions on the ability to collect fines and fees in the courts.
- Employee medical costs.
- State retirement increases.
- Public disclosure management costs.
- General liability insurance increases.
- Reduced timber revenue.
- Reduced investment interest income.

Meeting adjourned at 7:10 p.m.