

BOARD OF MASON COUNTY COMMISSIONERS
BUDGET WORKSHOP MINUTES
Tuesday, October 8, 2013
Commission Chambers
411 North Fifth Street, Shelton WA 98584

The 2013 budget workshop commenced at 11:25 a.m. Commissioners Neatherlin, Jeffreys and Sheldon were in attendance. An attendance roster was circulated.

Cmmr. Jeffreys noted the 2014 budget requests are \$2 million over the anticipated revenues.

Cmmr. Neatherlin pointed out that some budget submittals exceed the budget guidelines.

Cmmr. Sheldon stated the important points to consider are: what are the realistic expectations; what are the ER&R rates and what are the revenues.

Cmmr. Jeffreys stated the Commissioners have agreed to labor contract cost increases, 50% of ER&R rates, and increased medical contributions. Other items she would like to consider are salary increases for elected officials and non-represented employees. She estimates the total cost of these items is approximately \$1.15 million. Because existing revenues are not increasing, she wants to discuss a levy shift. She has a contract example that would buy down the City's levy rate so the City of Shelton taxpayer will not see an increase. It is estimated that it would cost \$200,000 per \$1 million shifted. If this contract is entered into, the City of Shelton would need to reduce their Current Expense levy rate.

The Commissioners discussed levy shift concerns.

Dawn Twiddy presented estimated budget numbers with different levy shift scenarios, the Criminal Justice Levy (50 cents per \$1,000 assessed value) that would require voter approval; and 3/10 of 1% Public Safety Tax, which would also take voter approval.

Banked capacity was discussed. Cmmr. Jeffreys has also discussed, with the Assessor's office, the ability to use banked capacity for the Road Levy because according to the discussion with the CRABoard, the county residents would see a slight property tax decrease. She suggested using enough of the banked capacity of the Road Levy so fill in the slight decrease to county residents so the Road Fund would feel less of a financial impact from the levy shift.

Cmmr. Jeffreys noted there is also L&I rate increases.

Cmmr. Neatherlin supports exploring a levy shift.

Cmmr. Sheldon suggested meeting with the City of Shelton.

Cmmr. Neatherlin talked about the intent of the budget guidelines was that supplemental budget requests would be submitted separately. Cmmr. Jeffreys agreed it would make it easier to understand the requests.

The Commissioners agreed to request those departments that did not follow the budget guidelines, to resubmit their budget requests and use supplemental requests. These are due in one week. Cmmr. Jeffreys will also continue her discussion with the City of Shelton in pursuit of the levy shift.

Ending fund balance was discussed.

Discussion of the ER&R rates and should an outside auditor be hired to review the ER&R Fund and proposed rates. Brian Matthews explained how the rates were calculated.

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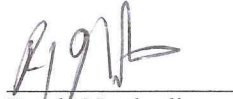
Bill Kenny noted there are two issues: what should ER&R rates be moving forward; and the \$3 million due from Current Expense to the ER&R fund. He believes it is proper to use due diligence before accepting a debt of that size.


The budget workshop adjourned at 12:19 p.m.

Respectfully submitted.

Diane Zoren, Assistant to County Commissioners

BOARD OF MASON COUNTY COMMISSIONERS


Randy Neatherlin
Chair


Tim Sheldon
Commissioner


Terri Jeffreys
Commissioner