

Office of the Mason County Treasurer

A Report to the Citizens

Fiscal Year 2017



Elisabeth (Lisa) Frazier, Mason County Treasurer

Special Points of Interest:

- Full Time Employees 8
- Parcel Count 55,747
- Operating Budget \$ 774,986
- Cash & Investments 12/31 \$205,533,452

Mission Statement:

To efficiently and effectively collect, report and manage all monies and debt for the County and all other junior and special purpose districts. To provide responsive, courteous and knowledgeable service to all our customers.

About The Treasurer's Office

What do we do?

- The County Treasurer acts as the "bank" for the county, school districts, fire districts, water districts, and other entities of local government.
- The Treasurer's office receipts, disperses, invests and accounts for the funds of these entities.
- The Treasurer is also charged with the collection of various taxes that benefit a wide range of governmental entities.
- The Treasurer's office makes tax adjustments authorized by the Assessor's Office or courts and issues refunds to the appropriate taxpayers.
- The Treasurer's office collects and distributes the real estate excise tax associated with the sale of real estate.
- Excess monies not currently being used by the county or various other entities of local government are invested with the emphasis of ensuring public monies are safe and secure, available when needed, and achieve the best rate of return after meeting the first two objectives.
- The Treasurer's office is responsible for ensuring the debt payments of the county and other entities of local government.

Why do we exist?

- The Treasurer is a constitutional officer elected by the people for a four year term. This position is elected to provide independence from the legislative branch of the county (Board of Commissioners) and independence from all other various entities of local governments that have the ability to levy taxes and assessments. This provides separation from the branch of government responsible for levying taxes to the branch charged with collecting tax revenue.

How do we operate?

- The Treasurer's Office is organized in such a manner as to properly segregate duties for effective internal controls.
- **Tax Collection:** Staff in this area are responsible for the collection of taxes, processing real estate excise tax on the sale of land, and receipting funds from various county department and entities of local government, processing adjustments to the tax rolls, and if required property tax refunds.
- **Accounting:** Staff in this area are responsible for the banking, daily account reconciliation, receipt auditing and posting, investments, redemption of warrants (checks), transfers, remittances and monthly reporting to the county and various entities of local government.

WHAT A YEAR 2017

Looking back at 2017, the Treasurer was closely monitoring the county's cash flow. The county ended up with a lower ending cash balance than it was anticipating. Having a healthy cash balance is what the county uses to get through January, February and March until property taxes are paid in April.

The County Finance Committee discussed the issue and worked to update its general fund cash reserve policy. Resolution #58-17 was approved October 24, 2017. And while it is a good start the policy gives the county a five year window to get to the established reserves.

The County Finance Committee and Treasurer's Office worked to restructure approximately \$7,250,000 in outstanding bonds, with the hopes of realizing lower interest costs. The process requires the county to update its Bond rating. S&P Global Ratings downgraded the county's rating from AA- to A+ with a negative outlook. The lower rating reflects S&P's view of the deterioration in the County's budgetary performance, leading to significant reductions in budgetary flexibility. The County was only successful in restructuring \$4,435,000 for North Base Case Inlet saving \$671,665 over the term of the bond.

The 2018 budget process was a nightmare as the County Commissioner's struggled again to balance the costs of doing business and providing services with the reality of our revenue streams. The result is that the Treasurer's Office lost one (1) FTE in 2017 and one (1) FTE in 2018.

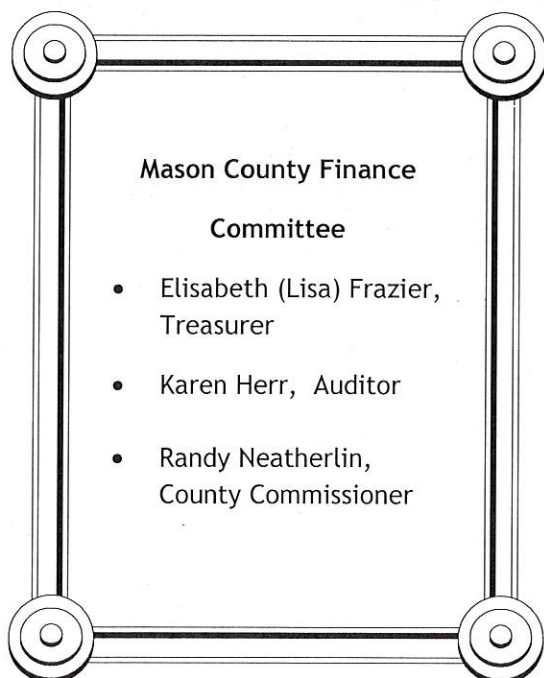
Date	Amount
10/20	\$738.97
10/21	\$218.82
10/22	\$280.53
10/23	\$248.21
	\$1,486.53

WHATS NEXT 2018

With the loss of 2 staff, the Treasurer's office has had to reduce its hours of service to the public. While staff still works an 8 hour day. The Treasurer's office is now open to the public between the hours of 9:00 a.m. to 4:00 p.m.. Staff volunteered to take 30 minutes lunches in order not to close to the public during their required lunch period.

We have placed as much information as we can on our website at www.co.mason.wa.us/Treasurer and on our phone message to help guide our customers when we are unavailable in assist in person. We thank you for your patience.

What is the Finance Committee?



RCW 36.48.070, County Finance Committee

The county treasurer, the county auditor and the chair of the county legislative authority, ex officio, shall constitute the county finance committee. The county treasurer shall act as the chair of the committee and the county auditor as the secretary thereof. The committee shall keep a full and complete record of all its proceedings, and all records shall be kept in the office of the auditor and be open for public inspection. The committee shall approve the county investment policy and a debt policy and shall make appropriate rules and regulations for carrying out the provisions of RCW 36.48.010 - 36.48.060, not inconsistent with law.....

- The Finance Committee meets at a minimum quarterly, or as needed to review county finance or debt related issues.
- Next up for review is the Mason County Investment Policy and Debt Policy

“WHEW”, WE WERE BUSY

TRANSACTIONS BY TYPE	# OF TRANSACTIONS	# OF TRANSACTIONS	# OF TRANSACTIONS
	IN 2015	IN 2016	IN 2017
REAL PROPERTY TAX PAYMENTS	88,619	88,442	88,633
PERSONAL PROPERTY TAX PAYMENTS	2,702	3,043	2,399
REAL ESTATE EXCISE TAX PAYMENTS	3,447	3,798	4,501
MISCELLANEOUS REVENUE RECEIPTS	9,293	9,972	10,234
PROPERTY TAX ROLL CORRECTIONS	1,838	2,352	1,854
PROPERTY TAX REFUNDS	251	375	293
DELINQUENT PROPERTY TAX PAYMENT PLANS	*	50	52
CURRENT YEAR PROPERTY TAX PAYMENT PLANS	*	57	49
AUTOMATIC PROPERTY TAX PAYMENT PARCELS*		1,030	994

* While the Treasurer's Office has been offering Automatic Withdrawal from a designated bank account for property tax payments for several years, 2016 is the first year that the information is being included in this report. Since parcels come on and off the program, there is no accurate parcel count data information available prior to 2016.

PROPERTY TAX CALENDAR

JANUARY

1ST All taxable property is valued for taxes due.

15TH County Assessor delivers tax roll to county treasurer.

FEBRUARY/MARCH

PROPERTY TAXES CAN BE PAID ONCE THE TREASURER HAS PROVIDED NOTIFICATION THAT THE TAX ROLL IS COMPLETE.

APRIL

30TH Property Taxes are due. For payments over \$50 a half payment may be made at this time.

MAY

1ST Unpaid property taxes are delinquent, 1% interest is charged monthly until paid.

JUNE

1ST 3% Penalty is charged on all current year unpaid property taxes.

OCTOBER

31ST 2ND 1/2 property tax payments are due.

NOVEMBER

1ST Unpaid 2ND 1/2 property taxes are delinquent, 1% interest is charged monthly until paid.

DECEMBER

1ST 8% Penalty is charged on all current year unpaid property taxes.

OUR CUSTOMER'S

TAXPAYERS

MASON COUNTY GOVERNMENT	33 DEPARTMENTS
STATE OF WASHINGTON	MULTIPLE AGENCIES
CITIES	1
METROPOLITAIN PARK DISTRICTS	1
MACECOM	1
PUD'S	1
LIBRARY DISTRICTS	1
HOSPITAL DISTRICTS	2
WATER DISTRICTS	5
PORT DISTRICTS	6
SCHOOL DISTRICTS	9
FIRE DISTRICTS	15



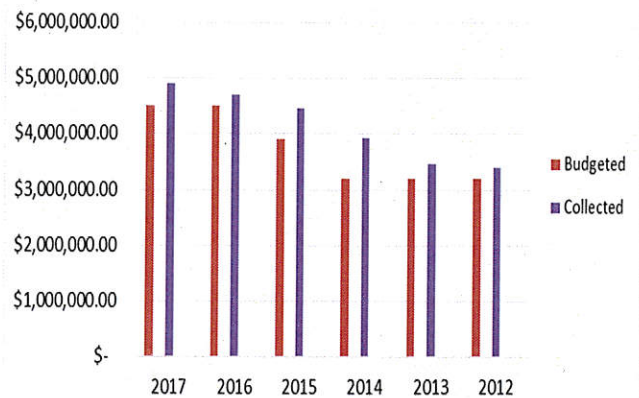
Your Money



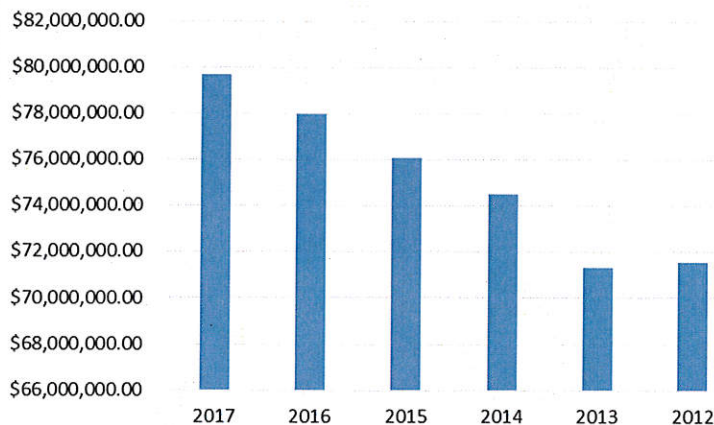
Mason County Sales Tax Collect (Current Expense Fund)

Year	Budgeted	Collected
2017	4,500,000	\$4,907,329
2016	\$4,500,000	\$4,709,220
2015	\$3,900,000	\$4,446,441
2014	\$3,200,000	\$3,921,615
2013	\$3,200,000	\$3,463,112

Mason County Current Expense Sales Tax Collections



Current Year Taxes in Dollars Collected

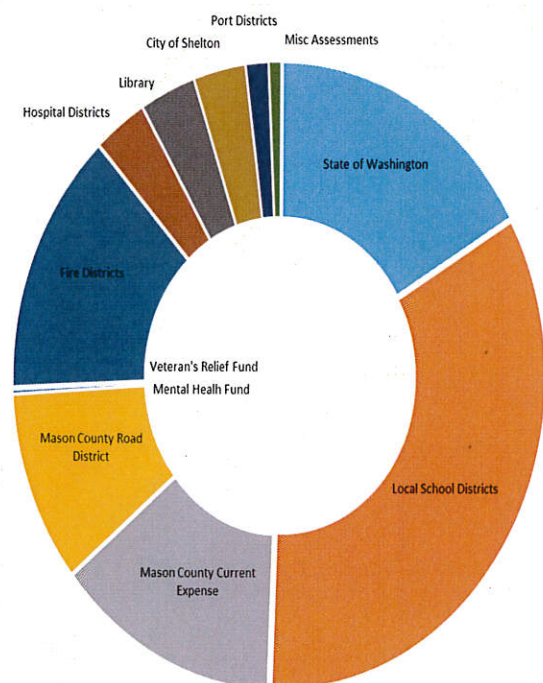


Mason County Property Tax Collection for 2017

Mason County Property Tax Collections

2017	Year	\$79,708,706
2016	Year	\$77,956,700
2015	Year	\$76,061,605
2014	Year	\$74,504,057
2013	Year	\$71,301,728
2012	Year	\$71,543,106

2017 Property Tax Collections Grouped by Fund



FUND TYPE

State of Washington

Local School Districts

County Current Expense

County Road District

Mental Health Fund

Veterans Relief Fund

County Fire Districts

County Hospital Districts

Timberland Regional Library

City of Shelton

County Port Districts

Miscellaneous Assessments

2017 Property Tax Collections

COLLECTIONS

\$13,252,176

\$27,043,467

\$10,792,355

\$7,936,987

\$169,620

\$76,417

\$10,936,552

\$2,551,442

\$2,708,763

\$2,523,509

\$1,114,108

\$603,310

\$79,708,706

% COLLECTED

17%

34%

14%

10%

.00%

.00%

14%

3%

3%

3%

1%

1%

100%

WAC 458-61A-100 Real estate excise tax—

Your Money

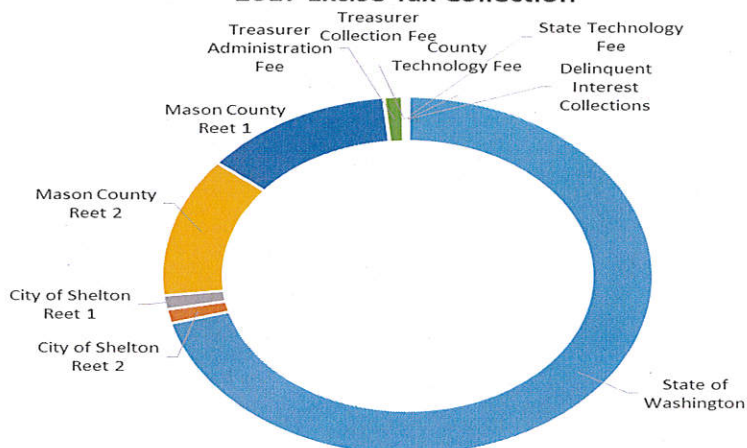
- (1) **Introduction.** Chapter 82.45 RCW imposes an excise tax on every sale of real estate in the state of Washington. All sales of real property in this state are subject to the real estate excise tax unless specifically exempted by chapter 82.45 RCW and these rules.

Mason County Real Estate Excise Tax Collections		Mason County Real Estate Excise Tax Transactions	
2017	\$8,394,551	2017	4501
2016	\$6,415,601	2016	3798
2015	\$5,174,883	2015	3447
2014	\$4,532,583	2014	3399
2013	\$3,405,025	2013	3273
2012	\$3,233,334	2012	2715

2017 Real Estate Excise Tax Distribution

Fund	Dollars Collected	Percentage
State of Washington	\$ 5,934,210	71%
City of Shelton (.25%)	\$ 106,562	1%
City of Shelton (.25%)	\$ 106,562	1%
Mason County REET 1 (.25%)	\$ 1,055,991	13%
Mason County REET 2 (.25%)	\$ 1,055,991	13%
Treasurer's Administration Fee	\$ 101,647	1%
Treasurer's REET Collection Fee	\$ 9,264	0%
State Technology Fee	\$ 11,250	0%
Local Technology Fee	\$ 11,250	0%
Delinquent Interest Collections	\$ 1,824	0%
2017 Real Estate Excise Tax Collected	\$ 8,394,551	100%

2017 Excise Tax Collection



Your Money



Senior Citizen/Disability Exemption

If you are a senior citizen or if you are disabled, Washington State has a program that may help you to pay your property taxes and/or special assessments. The household income and age or disability of the applicant determines eligibility for the program. Applicants must be at least 61 years of age, or unable to work because of a physical disability. Proof of disability is required by submittal of a doctor's statement with the application. Combined Disposable Household Income must not exceed \$40,000.

For more information go to http://www.dor.wa.gov/docs/pubs/prop_tax/seniorexempt.pdf or contact the Mason County Assessor's Office at 360-427-9670, Ext.491

Mason County				
Income Level	\$30,000 or Less	\$30,001 - \$35,000	\$35,001 - \$40,000	Total
Number of Participants	2,156	428	184	2,768
Tax Savings of Participants	\$532,583	\$85,427	\$21,696	\$639,706

Who Determines the amount of my property tax bill?

Two things determine the amount of a property tax bill: the property's assessed value and the tax rates of the taxing jurisdictions in which the property is located. The tax rate is determined by the amount of tax levy to be raised from all, or part, of a taxing district and the district's taxable assessed value. The assessment is determined by the assessor and is based on the market value of the property less any applicable property tax exemptions.

Each year after the total assessed value is set, the assessor calculates tax rates based on taxing districts budget requests which are regulated by statutory limits. Each taxing district in the county sends its approved budget to the assessor. The assessor uses the budget request and the total value of all taxable properties in the district to calculate a tax rate.

The rate is expressed in dollars per each thousand dollars of property value. The tax rate of each district is combined with the rates of other districts to get the total rate. From this the treasurer can easily determine the total tax you owe for support of schools, special service districts, and local governments.

What If I disagree with my taxes?

The assessor's office values thousands of properties each year. A **Change of Value Notice** is sent to you when the assessed value of your property changes. Taking into account that those values are the basis for a tax, it is not uncommon for questions to arise. If you disagree with the county assessor's valuation of your property, you have the right to appeal.

Contact the assessor's office and speak with an appraiser to review the valuation of your property at any time. Property owners can often settle disagreements at this level without filing a formal appeal. You can contact the Mason County Assessor's Office at 360-427-9670, Ext 491.

If you are still not satisfied, you may file a written appeal with the Mason County Board of Equalization. The Board of Equalization (BOE) is a separate entity, independent of the assessor's office.

For more information on appealing your taxes go to <http://www.co.mason.wa.us/equalization/useful-form-instructions.php> or contact the Mason County Board of Equalization at 360-427-9670, Ext. 397.

We Value Your Feedback/Contact Us

Did you find this report informative?

Would you like to see other information included in this report?

Please let us know by contacting the Mason County Treasurer's Office:

Mason County Treasurer's Office

411 N 5th St, Bldg 1

PO Box 429

Shelton, WA 98584-0429

Shelton 360-427-9670, 475

Belfair 360-275-4467, 475

Elma 360-482-5269, 475

Fax 360-427-7267



Treasurer's Office Business Hours

Monday–Friday

9:00 a.m. to 4:00 p.m.



Did you know you can look up property taxes and parcel information and pay your property taxes on line?

"payments made on line are subject to a convenience fee"

Visit us on the web at:

<http://property.co.mason.wa.us/Taxsifter/Search/Results.aspx>

Or

www.co.mason.wa.us/Treasurer

On Line Services

Property/Parcel Information