



Skagit County Board of Commissioners

Ron Wesen, First District

Kenneth A. Dahlstedt, Second District

Lisa Janicki, Third District

Date: November 6, 2017

Re: 2018 Preliminary Budget

This preliminary budget provides a balance of quality core services that address our most critical needs within our available resources. We present a total expense budget in the amount of \$209.2 million. This includes spending down approximately \$16.7 million in reserves for multi-year capital projects in primarily the Economic Development project fund and Real Estate Excise Tax fund. Excluding the Community Justice Center construction expense, this budget is less than 1 percent larger than the 2017 budget. The General Fund expense budget is \$56.2 million, also reflecting an increase of less than 1 percent from the 2017 budget.

Total revenues in this preliminary budget are \$192.5 million. The General Fund revenue budget is \$51.2 million and includes a 1 percent property tax increase to the current levy (\$248,797), estimated collections from new construction (\$402,008), and a sales tax projection increasing by 1.5 percent compared to the current year (\$149,451).

Public Safety, Legal and Judicial

Public Safety continues to be our highest priority. Under the Washington State Constitution, the civil and criminal justice system is the County's responsibility. Our preliminary budget includes the following:

- Addition of a Public Defense Attorney to comply with caseload requirements.
- Continuation of two Pro-Active Patrol Deputies in our Sheriff's Office, originally established through a Community Oriented Policing Services (COPS) grant, now funded by the County in the amount of \$211,000.
- Significant operational expenditures associated with the new Community Justice Center, including contracted inmate medical care, increased staffing and additional training. We have devoted significant resources to implement video court.
- Inclusion of a Search and Rescue Coordinator position to be established in the Department of Emergency Management.
- Continued agreement with the City of Mount Vernon to fund 2/3 of the Embedded Social Worker Program.
- Significant ongoing support of the Spillman law enforcement communication system (\$258,133) and the 911 dispatch system (\$882,523).

Personnel

Employees continue to be our most valuable asset, as well as our largest expense. This budget reflects a substantial investment in maintaining a quality workforce. Our preliminary budget includes the following:

- A 1.5 percent general wage adjustment for non-represented employees with a contingency for a mid-year adjustment should that be necessary to keep non-represented employees aligned with represented employees, and amounts for represented employee wage adjustments will be as negotiated. The projected 2018 budget impact is \$1,073,599.
- Continuation of a 100 percent employer-paid benefit package for all full-time employees.
- Continuing implementation of the Total Cost of Compensation study results.

SKAGIT COUNTY COMMISSIONERS ADMINISTRATIVE BUILDING

1800 CONTINENTAL PLACE, SUITE 100, MOUNT VERNON, WA 98273 PHONE (360) 416-1300

Public Health

- Population Health Trust is a shared commitment of community leaders to improve the health and quality of life in our community. We are dedicating our strategic and collaborative efforts towards priority issues including the opioid crisis, homelessness and affordable housing.
- Inclusion of a Housing Specialist to support our ongoing work to address homelessness and lack of affordable housing in our community.
- Continued funding of a County Veterans Service Officer with the state Department of Veterans Affairs.
- Continued engagement with North Sound Behavioral Health Organization to provide a continuum of services to address Mental Health issues and Substance Use Disorders.

Facilities and Public Works

- In an effort to be good stewards of our buildings and facilities, this budget includes the addition of a facilities operations engineer and a custodian to adequately address daily and deferred maintenance of our expanded facilities portfolio.
- Ongoing construction of the Burlington Northern Overpass extensively using dedicated federal and state funding.
- Continued investment of design dollars towards the necessary replacement of the aging M/V Guemes, potentially with an all-electric ferry.
- Planned work sessions with staff to identify needs and develop priorities for the next Capital Facilities Plan.

Budget and Finance

- Continued practice of assigning uncertain funding (that has not yet been authorized by the federal government) such as Payment in-Lieu of Taxes (PILT) to one-time expenses for capital facilities, deferred maintenance, and growing technology needs.
- Reinstatement of a Financial Analyst position to support efforts in obtaining solid data, making efficiencies and fostering sound financial decisions.

Partnerships

- Continued partnership with the State of Washington (DES), Port of Skagit and City of Sedro-Woolley to fully develop the Swift Center.
- Sustained collaboration with the Port of Skagit to establish a county-wide fiber plan.
- Continued support of the NW Innovation Resource Center and the Economic Development Alliance of Skagit County to foster economic growth in the valley.
- Participation in Washington and National Association of Counties working with our fellow counties on issues on a statewide and national level.

We want to thank our Elected Officials and Department Heads and their staff for their diligent work in preparing and presenting their preliminary budget requests.

BOARD OF SKAGIT COUNTY COMMISSIONERS



Ron Wesen, Chair



Kenneth A. Dahlstedt, Commissioner



Lisa Janicki, Commissioner