

TRANSCRIPT - SKAGIT COUNTY BOARD OF COMMISSIONERS
Meeting of December 9, 1992 - Budget Adoption, 1993
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- Comm Robinson: It is now 11:00 a.m., Wednesday, December 9th and we have continued the budget session until today for a decision and...
- Comm Vaux: Hey, Charlie, could you unlock the door there, I have a feeling maybe it's locked.
- Connie Carter: It is unlocked.
- Comm Vaux: Is it? Oh, sorry. I thought maybe McInturff was trying to get in, thank you. If you are looking for a lead off statement I'm prepared to give such a thing.
- Comm Robinson: Go ahead and lead off...
- Comm Vaux: This process didn't start yesterday or the day before. It started in August when Jerry, the County Auditor, put out the call for the budget. We had a room plum full of department heads and elected officials at that date. And one of the things that was discussed by all of us, from Mike to we three commissioners was this was a very difficult budget year. We asked all of the department heads and elected officials to take in account the fact that we thought 1993 would be a year of fewer resources than in '92. And we took it very seriously. That is the first year that I have ever said that in eight budgets. I've had the luck of serving in eight years that the revenues were pretty strong. So that began our thinking, and department heads' and elected officials' thinking, for 1993. I want to go back just a little bit, and Mike you'll have to correct my numbers if they are haywire, but either in '85 or '86 the federal government stopped the revenue sharing program, and that meant to Skagit County in the neighborhood of \$800,000?
- Mike Woodmansee: Yes.
- Comm. Vaux: And we had a hold card at that point that we played. And that was the additional 1/2 cent sales tax. We passed that additional 1/2 cent sales tax and that filled that gap for revenue sharing. We've gone along with growing

revenues and have had the ability to answer the demand for increased services, and believe me the demand has not done anything except sky-rocket. The county government today is asked by constituents of Skagit County to do things that we weren't asked to do yesterday. And probably the worst thing that we have to do is to respond to the demands of the federal and state government who pass on legislation without the enabling funding to do the job. So we are caught in a squeeze and the squeeze has come forward in 1993. The issue that I know a considerable amount about is timber revenue. Having been on the Board of Natural Resources for the last 4 years, I can tell you that state timber dollars are going to decline. We all know that federal timber dollars are declining and that whole picture, which in 1992 will probably generate in the neighborhood of, I'm guessing, 4 million dollars. You throw in the private harvest timber tax, the state cut, and the federal monies, not only the general fund, but the road fund, and that number will significantly decrease in '93 and really decrease a substantial portion in 1994. So we are looking here at trying to figure out how to carry out all of these services with dwindling resources. I don't believe that many of our department heads and elected officials took this seriously. And I think that's why our budget requests came back in the neighborhood of 4 and 1/2 million dollars out of whack. And yet the buck stops right here. We are the ones who have to pass a budget that we think is balanced. That we think...in this case where we're looking at a decrease in revenue, a budget that spreads the pain evenly. And it's not easy, and nobody that I know of wants to lay people off. I have never met anybody that is sadistic enough to want to do that. The thing that makes the budget process so dog-gone difficult is the fact that there is people involved. These aren't just numbers on a piece of paper, these numbers represent over 500 full-time, hard-working people. I don't relish your position Bob, and yours Robby, and Harvey's coming in here, because I think next year's budget sitting right here will represent substantial cuts. This budget is a

budget that's trying its best to maintain status quo. I think you're going to be looking at some severe decisions that will have to be made a year from today. There is very little on the horizon that would indicate to me that county revenues will go up. On the contrary, every city in the county is wanting to annex a certain portion surrounding that city. When you look at our sales tax dollars, those areas represent a substantial portion of the nearly \$4 million in sales tax we receive. If they are annexed we'll lose a substantial portion of that. We will also lose their contribution to the road fund. So it's a two edged sword for Skagit County, and I don't see anything coming in right behind that that will make up that revenue. It's going to be a difficult thing to adjust the balance and maintain county government as we know it today. With that background we have had to go through a process to balance the budget. We have had three different meetings here this week to get to that point, and we've heard a lot of well-founded discussion as to what we're trying to do. Unfortunately, the thing that separates we three from the rest of the world is we have to make that decision. And we have to say here's the program. I would like to make just a little comment on the Planning Department. It was made a budget issue and it truly isn't a budget issue, it is a management issue. In my opinion, I think there is enough reason to justify not splitting that department at this time. I say that really for two reasons. Number one: We are going to have a new Board of County Commissioners in January and they are going to be the ones responsible for hiring that new department head. I suspect with luck you Robby, you Bob, and you Harvey might have a department head in place by the first of April. That is 90 days. We have not put out a., we haven't posted a job at this point. And I suspect that that will not happen until you fellows are on board. So from what I know of the hiring process, by the time you get done with receiving the applications and going through them, and with some kind of a matrix, and setting up your final bunch, and then interviewing, and then making a job offer to

somebody - and maybe they'll take it and maybe they won't - you are probably looking at a 90 day period there. And in that 90 days I think that Dave Hough is very capable of guiding that department. He might be the one you pick, if he applies, I don't know, that's going to be up to you, but I think that the planning end of things is in good hands. And I think that hiring a new director in the next 90 days, that new director should have the ability to recommend to you folks within a year or whatever, if that person wants to make some dynamic changes in the organization down there. But I think for a new director to come into a recently reorganized department is a kind of a great disadvantage to that new person coming in. I have wrestled with that, I've thought about it, and I'm just giving you my opinion. Finally, in regard to personnel, as I said, nobody, and absolutely nobody, likes to lay people off. And hopefully the people that are layed off in this budget will apply for the new positions that they might feel they are qualified to fill. It is their privilege and our responsibility to give them that ability. But the buck stops here and I've said that before and I'll keep saying it. I wish the new board well in carrying out the services that we think this budget represents. I just want to finish with my favorite punchline that I used four years ago, and that is, "It's a whole lot easier to be a commissioner when you aren't one." Thank you, and with that I would put forth the motion to pass the budget as presented.

Comm. Robinson: Would you like to make a comment there, Mrs. Wylie?

Comm. Wylie: Yes, I would. I think it's time for me to do so. One thing I would like to say to Robby, to Bob, and Harvey is not here, but in the years of my county involvement I have usually attended budget hearings and I have seen one or two people in all of those years, I have not seen any interest. But now with facing declining budgets, etc., I would think that you might be prepared to hold some night meetings and to have some meetings when you seem to have... A majority of our audience was

employees and maybe sometime they could come into those hearings. I think that would be important. I can't add too much to what Bill said about the revenue pictures. We have always been lucky, as he said, because we have revenues. Well, in the 1980's we had high interest rates and they will accumulate several million, 6 or 7 million dollars, just from the interest, along with the timber. And then when the environmental interest became apparent, we started cutting a little heavier, and we got more revenue than we would, so we have some of that revenue which will help us over some of the rough spots in the next couple of years. But I see in 1994 and 1995 that we are not going to be that lucky here in Skagit County anymore. We have good roads, we have good government, and a lot of that has been because of our financial situation here. And we have good management here in the county. I remember four years ago, Michael, when I first came in, we had no Data Processing in the county and we were on Snohomish County which was a very unwieldy system. What you put in you got out, you couldn't get anything else out of there. We passed a budget. What was it, 300 and some thousand dollars for our first initial investment? A lot of that has been scary to start this whole thing. But over the four years it has really paid off. We did some good hiring, we have a good crew. It is really amazing. For a long time we only had two people down there and that's almost unheard of in many county governments, doing what has been done. And our auditor now has been awarded the...

Mike Woodmansee: Certificate of Performance

Comm. Wylie: Certificate of Good Performance, which is a national certificate, because of this system. It has pretty well passed the test. It is a good system. But there is a transition period and I have known throughout this whole thing that someday we would need to have also an accounting function along with an auditing function, I guess is what we are talking about, and to go out to the departments to make sure that it's used, because it is not going

to be any good for the tax payers to pay for that system and to have it sit there and have people afraid to use it. We do have at this time, we have hand systems going on out there, which are called side bar. They are being done by hand. It needs to stop and we need to have someone with the expertise and the attitude that says, "yes I'm going to do it and know how it works". And we need to initiate and go into these departments, and this is truly, truly what is needed here and it's time for the consolidation of all of the accounting functions here. We have been fragmented too long and this is why we... And I feel that I wouldn't be able to leave this office without doing this for the taxpayers with all of the knowledge that I have to say that we need to combine these into a person that can do that and bring everybody on line. Then in two or three years from now, people are using the system and it has a lot of advantages in the fact that you're not going to see people walking all over here, handing, visiting other departments. They are going to be able to put it on their screens and they are going to be able to transmit it that way. It is going to be easier to get by with less people and that is what's going to happen here. We are going to not be able to have everyone like we have had in the past. And I think that decision is a good one. I'm just happy that in four years we have gone that far. There are a lot of things said about the GMA here and I'm sorry that all of these people aren't here. Skagit County has come a long way under Growth Management and originally the legislature passed it and it aimed at counties that had no Growth Management. And, believe it or not, there were some right here on the corridor of I-5, several, that did not have any. Skagit County had a 40 acre minimum lot size, they had their forestry, and had many laws in effect to take care of some of the things that the other counties did not. So to get through and to get the policies and now to get on the way to the Plan itself, I think is, I think the Planning Department should be congratulated for what they have done. I agree with Bill, I, the new commissioners, the new board can do

the hiring and see what needs to be done. What we have heard in the last couple of days probably was from, more from the environmental side than it was from the user side of the Planning Department. There are major problems there with the consolidation of permits. You can go in and ask for a housing permit and get your building permit and find out you have to wait six months for a shoreline permit. Those are the type of the things that we were trying to avoid by doing that. I have to agree with that too. That can be done and taken care of. So I will just with that, second your motion.

Comm. Vaux:

The one thing that I'm looking at, and I had it in big bold letters, and if I would have had it in little bitty print here I would have done it. And that is to thank you, Mike, for all of your hard work. From what I know this is your most difficult budget that you have had to work through and it was almost like you were the messenger that was going to get shot. But you were the messenger. For the eight years that I have been here working through budgets, I sincerely want to thank you for all of your work on the budget. And you, too, Bob. I know that the two of you work hand-in-hand and the two of you work well together. Your recommendations for the most part to us are very well-founded and we take them with the most sincere degree of seriousness that anything could be listened to. We don't always agree, but we don't always disagree either. It has been a pleasure to work with both of you for the last eight years.

Comm. Wylie:

I want to thank you, too.

Mike Woodmansee:

It's a two-way street. We love our work. Obviously I've lived in Skagit County virtually every day of my life. I was away in Seattle at school for a short time. But, we take...and Bob, of course, he's an outsider from Ferndale. I know Bob and I try to put as much of our heart into our work as we do our minds. We like to start where other people give up because that is where the challenges are. It is a unique relationship we have. We

work as equals, neither is the boss of the other. And yet we have worked together for 8-1/2 years. And it has been a great 8-1/2 years. I have nothing but respect and admiration for my peers. And we don't agree on everything either. In fact, we've both learned a lot just from having to try to tell the other one why something is not a good idea, trying to convince one another what is best, what is right. Just as we do together. Like you say, Bill, the neat thing is that when the discussions are done and the plan has been set then what we have tried to do for you and will always continue to do is, to the best of our abilities, is to make your wishes happen. Period. Thank you.

Comm Wylie: Well you've done a good job with that. Because there's enough day-to-day problems that come up with a county of this size and to have everything run as smoothly as it does. You've done very good, both of you.

Mike Woodmansee: I would ask one simple clarification, this is an easy think for me to do. What I gathered is that you would like to reverse the switch of short range planning from Planning to the Administrative Services. And if that is the case, I would simply need the direction. What I would do is I would go ahead and move that back in this document it would take a few reprinted pages. But, the total budget would not change, but if you threw in that additional instruction then this resolution could be signed and I would make the changes in the detail pages.

Comm Vaux: That's fine.

Mike Woodmansee: It's actually easier to put back than it was to sort out because I had extracted it, but now it stands alone so I can just put it back. If that is your wish.

Comm. Vaux: That would be my wish.

Comm. Wylie: We need to amend your motion that we're going to change that. It doesn't really affect the budget dollars.

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Comm. Vaux: My motion would be to read that the budget that I am making a motion to pass would reflect putting the Planning Department back together.

Mike Woodmansee: Okay. That's great, I just wanted that clear.

Comm. Robinson: Well I did have a bunch of comments to make, but they've already been pretty well said by Bill and Ruth and rather to continue this on, it has been moved and seconded to approve the 1993 Budget as stated, with the exception of moving the short- and long-range planning back together so that the new board and possibly the new director can look at it at that time. All in favor?

Comm Wylie: Aye.

Comm Vaux: Aye.

Comm Robinson: Aye.

Mike Woodmansee: Go ahead.

Bob Taylor: Robby, as chairman you always get to go third, which, in this situation, is clean-up. A lot of times there's nothing to clean up.

Comm Robinson: Yeah.

Mike Woodmansee: I do have the resolution here if you would like to sign it. Are you prepared to?

Comm Vaux: Yes.