



# San Juan County News

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## **County Administrator's Budget Proposal Cuts Deep**

October 21, 2008

On Tuesday, San Juan County Administrator Pete Rose submitted a \$13.3 million dollar budget proposal to the Council that includes cuts in every county department and reduces or eliminates some highly visible government services.

Proposed cutbacks include the lay off or reduction in hours of more than 10% of the County workforce, a 23% reduction in the County Health and Community Services Department's budget, closing seven County parks and several public restroom facilities, reductions in programs for youths and seniors, increased fees for farmers markets and for the use of County facilities for community events, and closing some county service offices on Orcas and Lopez Islands.

"This is by far the largest budget gap I have had to deal with in my career," said Rose – a 28 year veteran of county and municipal administration. "The amount we had to cut was the equivalent of the combined total budgets of the Assessor, Auditor and Treasurer's departments. The cuts we have had to propose will set the County Health Department, the Parks department and Juvenile Court back to where they were 15 to 20 years ago."

When the 2008 County budget was adopted, Rose and County Auditor Milene Henley warned that very little slack was being left in the budget. Historically, actual spending by the County had averaged approximately six percent below budget and

revenues historically exceeded projections, leaving unspent cash at the end of the year. To sustain programs the County Council deemed essential, department budgets were tightened to within less than 2% of projected spending and roughly a million dollars of working cash reserves was used to balance the budget.

The Auditor's revenue and spending projections through the second quarter showed that, assuming even a lower than average 4.9 percent growth in revenue, the County's budget could be sustained with some modest cutbacks.

But the nationwide credit and foreclosure-fueled economic crisis grew quickly after mid-year. State, county and local governments which depend on property taxes, and sales and excise tax revenue from construction and home sales, were hit especially hard. Pierce and Snohomish Counties in Washington had to borrow money to meet last month's payroll. And in San Juan County, with 2009 budget preparations well underway, Auditor Milene Henley projected that total available funds in 2009 will actually be lower than in 2008, primarily because of reduced sales tax revenue projections and reduced cash reserves.

"By law, the most we can increase tax revenue from existing property is 1% and that amounts to approximately \$40,000;" said Henley. "That is less than our anticipated increase in gasoline costs." In early October the County Administration confronted a difference between projected revenues and departmental budget requests of approximately \$1.8 million – nearly 13%.

Among the early cutbacks in department budget proposals, Henley noted, was that requests for increased budgets for gasoline were simply cut in half, based on the dropping price of oil.

Administrator Rose said he began with formal priorities: (1) Public Safety, (2) Core and legally mandated services, (3) Long range planning projects that would bring the County into compliance with the State Growth Management Act, (4) Public Health, (5) Environmental and quality of life programs including parks. But in the end, all of those programs were cut back.

With 203 authorized full-time positions and 61 part time and seasonal jobs, the San Juan County government is the County's largest single employer. The proposed cutbacks affect approximately 30 employees, eliminating the equivalent of 20 full-time jobs. According to County Human Resources director Pamela Morais, all employees who are at risk of lay-off or cutback have been informed by their supervisors.

It will now be up to the San Juan County Council to review and ultimately adopt a balanced 2009 County budget before the end of the year. The Council has scheduled additional meetings to review and discuss departmental budgets (See listing below).

A brief description of the most visible cutbacks in services is listed at the end of this article. A viewable "PDF" version of the budget will be posted on the county's web site (<http://www.sanjuanco.com>) by the end of the day on October 21.

A public hearing on County Revenue will be held on November 4. The Council has scheduled the final budget public hearing and adoption of the budget for December 2; however Administrator Rose says that it is possible that the budget may be adopted sooner if work can be completed in time.

## **Council Department Budget Discussions**

November 3, 2008: 1:00-4:00 p.m.

Public Services & Environment

1. Community Development & Planning
2. Health & Community Services
3. WSU Extension
4. Fair
5. Parks & Recreation
6. Land Bank

November 5, 2008: 10:00-12:00 p.m.

Courts, Law & Justice

1. Clerk's Office
2. District Court
3. Juvenile Court
4. Superior Court
5. Prosecuting Attorney's Office
6. Sheriff's Office

November 5, 2008: 1:00-4:00 p.m.

Financial Services, Administration

1. Assessor
2. Treasurer
3. Auditor
4. Elections
5. County Administration
6. County Council

November 17, 2008: 2:00-4:00 p.m.

Public Works & Revenues

7. Public Works
8. Revenues

## **Proposed Budget Cutbacks and Effects**

**Listed in order of Percentage Budget Reduction**

*Figures current as of 10/20/2009*

*(Percentages compare 2009 department budget request to Administrator's proposal to Council)*

### **San Juan County Park Department – Budget Reduced \$314,770 – 33%**

In 2008 the Parks Department received 26% of its operating funds from the County Current budget. In 2009 the county fund will provide only 5% of the department's budget. The most visible cuts in Parks:

- **Parks to be closed on San Juan Island**
  - Reuben Tarte Memorial Park
  - Eagle Cove Day Park
  - Turn Point Park
- **Parks to be closed on Lopez Island**
  - Shark Reef Sanctuary
  - Otis Perkins Park
  - Blackie Brady Park
  - Mud Bay Park
- Close Public restrooms at Eastsound Village Green, Eagle Cove, Shark Reef and Reuben Tarte Parks.
- Increase fees charged to farmers market at Village Green by \$3,000 per year.
- Charge higher fees to use Park facilities for special events..
- Eliminate all county cash contributions to Orcas Island Recreation Program – an amount equal to 13% of that program's budget last year. Staff hours will be cut by 10% and staff will focus on fundraising. Some programs will be discontinued and scholarships for low income children to attend Orcas Rec programs will be reduced.
- No money provided for park trail maintenance or major repairs to facilities or infrastructure.
- Administrative support for the San Juan Island Trails Committee will be cut.

“The main issue is that this budget doesn't contain enough money to properly maintain the camping parks that will remain open and must generate the department's funding,” said Parks Director Dona Wuthnow. “If we aren't able to do major repairs or fixture and equipment replacements, we will see a decline in the total park system over time.”

### **Community Development and Planning – Reduced \$477,401 – 24.6%**

The department was stripped of virtually all costs not having to do with permitting, code enforcement and long-range planning. The proposed budget would:

- Eliminate one of the department’s four clerical positions.
- Reduce professional services budget for major projects, including the Critical Areas Ordinance, GMA compliance and planning projects concerning the Lopez/Eastsound UGAs by \$60,000.
- Eliminate county funding for the Marine Resources Council and the Lead Entity for Salmon Recovery. The survival of those programs would depend entirely on grant funding.
- Support a 5% increase building permit fees.

### **Administration – Reduced 211,934 – 27%**

- Reduce travel, office and professional services expense budget.
- Combine Communications Program Manager position with Information Services and Public Works departments.

### **WSU Extension (Agriculture) – Reduced \$53,319 – 24.2%**

- Eliminate funding for one 4-H Agent (the 4-H Coordinator remains).
- Eliminate funding for Agriculture Resources Committee Coordinator.

### **Health and Community Services Department – Reduced \$332,856 – 23.1%**

A total of 6 staff will be laid off from part time jobs and the hours for two additional positions will be reduced. Two more employees will be moved into a grant funded project. Among the most visible impacts under the proposed budget:

- Lay-offs of some staff members at senior centers on Lopez, Orcas and San Juan Islands.
  - The transportation program that provides rides to seniors for medical appointments, grocery shopping and to congregate meals will be drastically reduced.
- Reduced nursing staff and clinic hours.
  - Travel immunizations, tetanus, pneumonia, hepatitis and other recommended adult vaccinations would no longer be readily available.
  - Flu immunization clinics would be reduced or eliminated.
  - Probable reduced nurse home visits and medical travel assistance to Medicaid clients.
- Suspend the Derelict Vessel Program.
- Staff reductions in Environmental Health could double the wait time for a septic or water permit to be processed.

**Information Services – Reduced \$121,444 – 17.5%**

- .5 time position reduction in 4 person department will reduce internal software and computer support.
- Desktop computers will be replaced on a six-year cycle rather than five years.
- \$10,000 cut from program to upgrade network servers.

**County Council – Reduced \$93,603 – 16.2%**

- Eliminate administrative assistant position
- Eliminate request for lobbyist/lobbying expenses
- Eliminate funding for video-conferencing program.
- Reduce travel, professional services and office expenses.

**Juvenile Court – Reduced \$56,657 – 14%**

- Eliminate position of Juvenile probation officer serving Orcas and Lopez islands.

**Facilities Maintenance – Reduced \$86,855 – 14%**

- Eliminates 1 full time maintenance worker and reduces another from full to part time.
- Cuts one half-time custodian.

**Elections – Reduced \$24,508 - 11.3%**

- The Elections assistant position in the two-person office would be reduced to part time.
- Budgets for voters' pamphlet production and other offices expenses would be trimmed.

**Superior Court – Reduced \$20,446 – 11.1%**

- Budget for Court Reporter reduced by \$10,000
- Reduced budgets for jurors and office expenses.

**Treasurer – Reduced \$45,410 – 9.4%**

- Combine a part-time position with Assessor's office.
- Reduce overtime budget for major accounting system conversion.
- Reduction in anticipated interest expense.

**Prosecuting Attorney – Reduced \$92,912 – 8.9%**

- Eliminates funds to renovate the law library.
- Transfer one member of the two-person Victim Services team to grant funded program. Small reduction in authorized hours.

**Auditor – Reduced \$61,729 – \$61,729 – 7.8%**

- Close Orcas Licensing office and lay-off part-time licensing employee.
- Assume administrative duties for other departments affected by lay-offs.

**Assessor – Reduced 7.8% (\$70,386)**

- Reduce the authorized hours of one property appraiser.
- Reduce hours and combine clerical support positions.
- Share customer service window

**Sheriff – Reduced \$145,999 – 5.7%**

- Will not fill vacant investigator's position.
- Reduce additional fuel budget request by half.
- Clerical support cut from full-time to less than half-time.