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1 WHATCOM COUNTY COUNCIL  
2 **Special County Council Meeting**  
3

4 PROPOSED 2004 WHATCOM COUNTY BUDGET  
5

6 October 30, 2003  
7

8 The meeting was called to order at 9:30 a.m. by Councilmember Sam  
9 Crawford in the Council Chambers, 311 Grand Avenue, Bellingham, Washington.  
10

11 Present:

12 Dan McShane

13 Sharon Roy

14 L. Ward Nelson

15 Barbara Brenner

16 Laurie Caskey-Schreiber

17 Seth Fleetwood  
18

Absent:

None  
19

20 **DISCUSSION OF THE COUNTY EXECUTIVE'S 2003 RECOMMENDED**  
21 **BUDGET (AB2003-228A)**  
22

23 Brenner stated Gayle Pattenauade spoke at the previous budget work session.  
24 Ms. Pattenauade had heard from someone that the people who spoke were  
25 orchestrated, and she came because she was generally concerned. Ms. Pattenauade  
26 wanted the Council to know that no one told her to come in and testify.  
27

28 County Council and County Executive  
29

30 Caskey-Schreiber asked if there is any money to upgrade their five-year old  
31 computers.  
32

33 Dana Brown-Davis, Clerk of the Council, stated the technology rent and  
34 revolve (TR&R) fund is available for upgrades. Councilmembers may bring requests  
35 to her as needed.  
36

37 Nelson asked if they are supposed to have both laptops and desktops.  
38 Brown-Davis stated the councilmembers have docking stations for the laptops to  
39 use them as their desktop computers.  
40

41 Roy thanked the administration for bringing forward the information on  
42 County boards and commissions. It will be very helpful in many discussions  
43 throughout the year.  
44

45 Council Discussion  
46

1 Crawford stated he wanted to discuss revenue generation scenarios for the  
2 County.

3  
4 Dewey Desler, Deputy Administrator, gave a power point presentation. He  
5 showed a projection from 2004 through 2009 based on the administration's best  
6 guess of where the County is going with revenues and expenditures. There are 600  
7 different revenue sources for the general fund. The expenditure for salaries and  
8 wages is based upon historical activity, which is about a two percent increase plus a  
9 modest increase that covers step increases. They are predicting a nine percent  
10 increase in health insurance costs each year. They expect an increase in retirement  
11 benefit costs. They are not going to spend more than about \$400,000 for capital  
12 outlay items in each year.

13  
14 The difference between budgeted revenue and budgeted expenditures results  
15 in an budget deficit each year. However, generally, departments won't spend  
16 anywhere from one to five percent of their budget every year. They estimate a  
17 three percent budget lapse each year, which is money that goes into the next  
18 year's budget. The result is the fund balance. In 2003, they started with a general  
19 fund balance of \$16.5 million. At the end of 2003, they will end up with a fund  
20 balance of \$15 million. At the end of 2004, the fund balance will be about \$15.1  
21 million.

22  
23 During the course of the year, the Council will approve supplemental budgets  
24 that will affect the expenditure and revenue lines. So far in 2003, the Council has  
25 approved supplemental budgets in a total amount of about \$1.2 million. There are  
26 compensating revenues as well, but not enough to cover the supplemental  
27 expenditures.

28  
29 When they project a conservative amount of revenue and no program or staff  
30 growth, the ending fund balance will reduce over the years due to the increase in  
31 expenses compared to the flat increase in revenue. The general fund declines over  
32 time. The budget assumes the County will pay its employees a modest amount of  
33 an increase each year to cover inflation. The administration recently received a  
34 notice from the Department of Retirement Systems to plan for an increase  
35 contributions to retirement from one percent of wages to five percent of wages.  
36 That affects both employer and employee.

37  
38 Crawford stated they've estimated a \$1.9 million increase in property tax  
39 revenue from 2003 to 2004. Each year thereafter, they estimate an increase of  
40 about \$500,000. He asked the difference. Desler stated the \$1.9 million includes  
41 the value of new construction in the amount of \$466,000 and \$1.4 million is the  
42 corresponding increase in property taxes administration recommends to the County  
43 Council as a result of eliminating the countywide flood fee.

44  
45 The administration recommends eliminating the flood fee. In 2004, the flood  
46 fee would have brought in \$4.25 million. Instead, the administration recommends  
47 eliminating the flood fee and replace it with a \$2.5 million flood tax and an increase

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1 in general fund property taxes of \$1.4 million, for a total of \$3.9 million. That's  
2 \$350,000 less than the current flood fee revenue. The change is to a new flood tax  
3 and a property tax increase. When people see their property tax statements every  
4 year, there will be a decrease in taxes and fees in total.  
5

6 Caskey-Schreiber asked if \$2.5 million would go to the flood fund, and \$1.4  
7 would go to the general fund. Desler stated that's correct.  
8

9 Desler stated the County fund balance would become insolvent by 2008. The  
10 Council has generally wanted to maintain a fund balance of around \$6 million,  
11 which is prudent.  
12

13 Nelson asked what dropping to a zero fund balance would do to the County's  
14 bond rating. Desler stated that when the County goes through a bond rating  
15 review, the County will receive a lower credit rating, which will require the County  
16 to pay more for the cost of the borrowed money. There are other implications. The  
17 County has to come up with money for insurance settlements, insurance  
18 appropriations, and cash flow. If the balance gets too low, the County will have to  
19 go to the banks and borrow money with the promise to pay it back. The County  
20 will become more and more subject to the management of the banking community.  
21 In the past, the County had to issue registered warrants. It was pretty  
22 disconcerting for people who received County checks. The County had to borrow  
23 money to make the payroll.  
24

25 The Council and administration can make different projections by adding or  
26 subtracting to either the revenues or expenditures. For example, there has been  
27 talk of building a co-generation plant in Ferndale. In terms of sales tax and  
28 property tax, a co-gen plant would bring revenue to the County. Also, the County  
29 could ask the voters to approve the one-tenth of one percent sales tax increase.  
30 Additionally, they can see the effect on the fund balance if the County decided to  
31 spend more for planning or on sheriff deputies, for example. The real estate excise  
32 tax (REET) would generate \$1.2 to \$1.3 million if the County took the additional  
33 one-quarter of one percent of REET. The REET funds can only be used for the  
34 repair, rehabilitation, and construction of roads and parks. It can't be used to fund  
35 other general fund activities. They could supplant the repair costs in the Parks  
36 Department with REET funds.  
37

38 Brenner asked if any of the REET funds could be used to manage REET fund  
39 administration. Desler stated part of REET could be used for the management of  
40 the REET funds, but not that much.  
41

42 Brenner stated the Treasurer made a request for a .5 full-time equivalent  
43 (FTE) employee to handle REET transactions. That position could be funded from a  
44 REET increase. She asked if the administration is factoring in the impact of Alcoa  
45 goes out of business. Desler stated the impact from Alcoa would not impact the  
46 property tax. The rest of the property tax levy would be picked up by all the other  
47 taxpayers in the community. The budget projection also assumes the emergency

1 medical services (EMS) levy support continues to come from the general fund. He  
2 prepared a fact sheet on what the REET and Convention Center fund can pay for  
3 (*on file*).  
4

5 Revenue from the construction of the co-gen plant would include sales tax  
6 for two years only of about \$2 million. The property tax increase would ramp up to  
7 a level of about \$600,000 per year, fully realized in 2008. This assumes a start of  
8 construction in July 2004. This makes a difference in the ending fund balance for  
9 the County.

10  
11 (*Clerk's Note: End of tape one, side A.*)  
12

13 McShane stated another fund they have to worry about is the road fund. If  
14 they increase the REET, some of that money might go into the Public Works  
15 Department. They might have to deal with the national pollution discharge and  
16 elimination system (NPDES) permitting in parts of the county. He's pleased with  
17 the idea of shifting the flood fee to a flood tax, and offsetting it with revenue to the  
18 general fund. He asked if something like that might be done within Public Works  
19 Department funds as well. Desler stated there is approximately \$311,000 in  
20 additional funds they could take for the road fund from the property tax. The road  
21 fund could also benefit from the use of monies from the rural sales tax and REET  
22 funds. Certain conditions would have to be met. The flood fund and REET might be  
23 able to support certain stormwater issues.  
24

25 Brenner stated it's appropriate to look at REET. She would not support any  
26 tax increase without a decrease in nonessential services. It's insulting to go right  
27 to tax increases instead of cutting nonessential services.  
28

29 McShane stated some councilmembers are considering increasing the REET.  
30 He's not sure it's necessary to do it right now. He would like to know what  
31 nonessential services councilmembers would want to cut.  
32

33 Nelson asked to see the impacts of an approved one-tenths of one percent  
34 sales tax.  
35

36 Crawford stated he assumed the County would have an expanded jail  
37 capacity of some sort within these years. He asked if any of that has been included  
38 in the budget projections. Desler stated they have not. They can make some  
39 assumptions about it.  
40

41 If they opened a minimum security jail, it would cost about \$500,000 in  
42 additional expense to the general fund. That assumes the cities pay for a portion of  
43 this. It could cost up to \$1 million or more if the cities don't participate, and the jail  
44 ends up filled with offenders that are the County's responsibility, which is  
45 conceivable. A one-tenth of one percent corrections tax would collect \$2.5 million  
46 per year. It would be modestly increased over time given economic increases. The  
47 administration recommends that the \$2.5 million be used to pay for the minimum

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1 security jail or save and bond for a long-term facility. Once the jail is constructed,  
2 part of the money could be used for the bonding of that jail as well as the increased  
3 operational costs associated with a larger jail facility. He doesn't know if it would  
4 cover all the costs, but he doesn't think it would. Most communities use bonding  
5 capacity and going to a vote of the people to build the jail, then use the increased  
6 sales tax to pay for ongoing operations. The law allows the County to use the \$2.5  
7 million to pay for the existing cost of operating the jail and the cost of operating  
8 juvenile detention.

9  
10 Caskey-Schreiber stated the first quarter percent of the REET the County is  
11 already collecting could be used for a jail also. Desler stated it could, under certain  
12 conditions. It has to be in the County's capital plan.

13  
14 Crawford asked to include in the budget projections a revenue increase of  
15 one-tenth of one percent for the sales tax and an expense increase for the jail.  
16 Desler stated they could assume a \$2.5 million revenue increase from the sales  
17 beginning approximately in 2005.

18  
19 Nelson asked if the County would receive all that revenue, or if the cities get  
20 some of it. Desler stated the County gets all of it.

21  
22 Caskey-Schreiber stated the County could use the existing REET fund balance  
23 to build a jail facility. Desler stated the revenue impact on the rural sales tax fund  
24 if the co-gen plant goes through would be roughly \$3.5 million. It's not an increase  
25 in taxes. It's just a rebate from the state.

26  
27 Caskey-Schreiber asked if it could be used for jail operations. Desler stated  
28 it could not, just for the capital.

29  
30 In terms of expenses, they should plan on spending \$500,000 in 2005, with  
31 a inflation increase over the following years. It assumes they capitalize a building  
32 valued at about \$4 million out of the rural sales tax fund.

33  
34 Caskey-Schreiber stated they could also use REET. Desler stated they could.

35  
36 Caskey-Schreiber stated REET is there. They can build up the REET balance.  
37 Desler stated they can find the money to build the jail. The issue is finding the  
38 money to pay for ongoing operations.

39  
40 Crawford asked how much revenue the REET increase would bring into the  
41 County.

42  
43 Caskey-Schreiber stated a REET increase should bring in at least an  
44 additional \$1.5 million per year. Instead of having the voters approve a broad tax,  
45 explore the possibility of something just the Council has to vote on and approve.  
46 The voters voted it down before. It's the Council responsibility to start making  
47 decisions. Desler stated they can't use the REET fund to pay for salaries and

1 wages. It's only for the construction. The sales tax increase can pay for the  
2 salaries and wages.

3  
4 Caskey-Schreiber stated they may need a combination of both.

5  
6 Brenner asked the increase in tax a seller pays on a \$200,000 purchase if the  
7 County increases the REET.

8  
9 Crawford stated one-quarter of one percent would be \$500 on a \$200,000  
10 sale.

11  
12 Brenner stated the sales tax increase was voted down last time, but the  
13 times were very different. Also, she recalls that there wasn't any information or  
14 education of the public on the issue. There were two or three tax increases on the  
15 ballot at the time.

16  
17 Caskey-Schreiber stated she's hopeful for voter approval, but if the County  
18 has the power to get this going, it should.

19  
20 Brenner stated she doesn't want to compare with the EMS levy. The Council  
21 had a choice to go lower on the EMS levy. If it doesn't pass, it will be because of  
22 the amount being asked for rather than the purpose of emergency medical services.  
23 This one-tenth of one percent is the minimal amount they can ask for. It's a  
24 different approach.

25  
26 Roy asked if the County would receive credit for owning a facility once it  
27 builds a capital project like a jail. Desler stated it's in the balance sheet for the  
28 organization, but it doesn't have an effect on the cash flow, which is what he's  
29 tracking right now. They have to assume the investment would last for 40 years.

30  
31 McShane asked if the increased criminal justice expense estimate of  
32 \$500,000 is for the jail. Desler stated it is for a minimum security jail. The County  
33 would get about \$500,000 or \$600,000 in revenue from the cities, but it would  
34 have a total expense of about \$1.1 million. He's showing the net increase to the  
35 County.

36  
37 Caskey-Schreiber stated the County wouldn't do the minimum security  
38 payments to the Rustand Corporation anymore. Desler stated he's already  
39 calculated that in.

40  
41 McShane asked if the additional cost to the County would be \$500,000 if it  
42 has this expanded jail capacity, however it happens. Desler stated the reason is  
43 because they are adding 100 to 110 beds, including the additional operating cost.

44  
45 McShane asked if they are assuming revenue from the cities for housing  
46 people arrested in the cities. Desler stated that's correct. Revenue of \$600,000

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1 from the cities would cover \$600,000 in operating expenses, leaving the County an  
2 additional expense of \$500,000.

3  
4 Crawford stated the 2004 budget proposal includes a \$4.25 million flood fee  
5 decrease, a \$2.5 flood tax increase, and a \$1.4 million property tax increase. He  
6 asked why the administration chose those tax increase numbers. He understands  
7 the reason for the flood fee decrease. Desler stated the County has been using half  
8 of the flood fee for water resources planning and half for flood funds. They have to  
9 start using the flood fund for allowable functions. The management staff of the  
10 Public Works Department provided an estimate of \$2.5 million for the flood fund.  
11 Then the administration asked itself what it would take to sustain operations and  
12 provide modest increases in 2004 for things like additional capacity in the Sheriff's  
13 Office. They tried to keep the budget in balance, assuming the EMS levy is not  
14 approved by the public. The administration also wanted to show the public that the  
15 County is being responsible about using County funds. The Executive wanted a  
16 modest decrease in overall taxes to allow for this change. Some people at the  
17 upper range of property values will see an increase.

18  
19 If the Council wants to increase capacity to the criminal justice system, they  
20 can look at those effects.

21  
22 Nelson stated the additional service requests (ASR's) from the sheriff and jail  
23 totaled about \$750,000.

24  
25 Caskey-Schreiber stated that including money for the rest of the criminal  
26 justice system, which would be impacted, would total about \$1 million.

27  
28 Desler calculated and showed the effect to the general fund balance by the  
29 additional revenues and expenditures mentioned. The fund balance flattens out  
30 through 2006, and then starts a downward trend. The County is roughly \$4 million  
31 out of balance in 2009. They can't sustain that.

32  
33 Nelson stated the rate of expenditure increase is too steep compared to  
34 revenues. He asked if the projection includes the revenue from the one-tenth of  
35 one percent sales tax increase and the REET increase. Desler stated it includes the  
36 sales tax increase. REET funding would only generate about \$250,000 per year to  
37 the general fund.

38  
39 Nelson stated they should add it in.

40  
41 Brenner stated the REET can only be used for buildings. The largest cost is  
42 salaries and health insurance.

43  
44 Roy stated \$250,000 would be in the general fund and available.

45  
46 Caskey-Schreiber stated the general fund provides money to the Parks  
47 Department for park repairs.

1  
2 Roy stated that if they used REET funds for that, they don't have to use the  
3 general fund money.  
4

5 Desler stated REET funds would supplant general fund money used now.  
6

7 Nelson stated some of the sales tax increase could be used for salaries and  
8 ongoing expenses for jail operations. Desler stated they could. That's what the  
9 projections assume. The sheriff indicated that the minimum security jail is a  
10 bandaid. It is a quick bandaid on a more fundamental problem with the criminal  
11 justice system. They have to solve the problem.  
12

13 Nelson asked what bonding for construction of a courthouse jail facility would  
14 do to overall expenditures over a period of time. He asked the rate of increase  
15 compared to revenues. Desler stated that if the County bonded itself, the bonding  
16 would only go for capital expenses. He wouldn't include it in the projections  
17 because it would be money in and money out. It would be a three-year  
18 construction project. If the County tried to bond itself and use existing revenue to  
19 pay for the permanent jail, the County would have to start increasing the  
20 expenditures and assign it to the repayment of the bonds. They'd have to add \$1  
21 million as an expense. He added a bond payment of \$1 million to the County's  
22 expenditure projection.  
23

24 Caskey-Schreiber asked why they would have to bond for construction of a  
25 jail. They could use the current REET balance right now. Desler stated the current  
26 REET balance is \$2.5 million.  
27

28 Caskey-Schreiber stated they could use the current REET balance plus the  
29 extra monies that the first quarter percent of REET collected would bring in and the  
30 first quarter rural sales tax money. Desler stated the administration is currently  
31 using the rural sales tax money to make the courthouse bond payments.  
32

33 The administration's real concern is that revenues, without any action,  
34 remain flat and expenditures continue to rise by four to five percent each year.  
35

36 Roy asked if the objective of the property tax change is to make sure the  
37 property owner would not experience a property tax increase, with a few  
38 exceptions. Desler stated that's correct.  
39

40 Roy asked if they looked at any other tax amounts. Desler stated they could  
41 do that.  
42

43 Roy asked for a scenario where they raise the property taxes more than what  
44 the administration recommends so the tax collected from each property owner is  
45 the same as, rather than decreased from, the current tax. Desler stated the dollar  
46 amount collected by the County would be \$350,000 per year. That amount could  
47 be assigned to the flood fund or the general fund.

1  
2 Roy asked the difference if they don't increase the property tax. Desler  
3 stated that if the total revenue take is \$4.25 million instead of \$3.9 million, the  
4 increase would be \$350,000.

5  
6 Caskey-Schreiber stated she doesn't want to consider a property tax increase  
7 unless the EMS levy fails.

8  
9 Desler stated the budget projections now include a \$1 million bond payment  
10 from the general fund for a jail, as a result of the corrections tax increase. A  
11 minimum security jail still has an expense. With the opening of a new jail, they  
12 won't have the money to pay for the increased cost of operating the jail. They will  
13 have to add another \$1.5 million to pay for the jail operation.

14  
15 Nelson stated that assumes they maintain the minimum security facility. He  
16 asked if \$1.5 million would be the same cost if they designed one facility for the  
17 minimum security facility and jail. Desler stated they have to assume an increase  
18 in staff if they go from 350 beds to 600 beds. That cost has to come from  
19 someplace.

20  
21 Bill Elfo, Sheriff, stated a lot of the staffing level depends on the design of  
22 the facility. A lot can be done with technology, routing systems, and jail design.

23  
24 Desler stated the master facilities planning projection assumes an extensive  
25 increase in jail staff. It's more than the current projection of 72 for 2005 with this  
26 projection.

27  
28 Nelson asked if there is anything that demonstrates that increasing jail  
29 capacity can happen with existing or slightly increasing personnel. Elfo stated that  
30 a doubled increase in population will require an increase in personnel. He doesn't  
31 know if they will need to double personnel.

32  
33 Crawford stated that a larger capacity would allow more revenue from  
34 municipalities. Elfo stated that's correct. The cities are frustrated they can't get  
35 people into the jail.

36  
37 Desler stated the City of Bellingham has clearly said that it will not have  
38 money for additional jail capacity if the EMS levy does not pass.

39  
40 Crawford asked why the City is not placing sentenced people in jails such as  
41 the one in Benton County. Elfo stated that's a good question. He just received a  
42 proposal for bed space at \$40 per day. Those facilities only pick up prisoners once  
43 a week. The cities can't put their prisoners in the County jail until they are picked  
44 up. That's the problem. They will only pickup at a jail, not at a police station.

45  
46 Desler stated they can see what it would cost to send 100 prisoners off to  
47 Yakima County or another facility, at a rate of about \$50 per day.

1  
2           *(Clerk's Note: End of tape one, side B.)*  
3

4           Desler estimated the financial effect of building a 100-bed minimum security  
5 facility and sending an average of 100 County prisoners per day to Yakima County  
6 at a rate of \$50 per day.  
7

8           Elfo stated that 30 percent of the people in the jail are post-sentenced. He  
9 could clear out about 75 beds to Yakima County.  
10

11           Desler stated they won't have the expense of bonding if they don't build a jail  
12 and instead send to prisoners to another location.  
13

14           Brenner asked if there's any way to combine the interim minimum security  
15 jail with the long-term plan, so they don't have to build twice. Elfo stated Harris  
16 Faulkner, who is doing the study, is looking at that vacant land at Bakerview to see  
17 if there's enough for a minimum security jail and a permanent jail. However, the  
18 problem is that there's not enough vacant acreage now. Building up would add to  
19 the cost.  
20

21           Desler stated building a jail away from the courts will not be appropriate or  
22 cost effective in any way. There are major security concerns and costs to  
23 transporting prisoners back and forth. The administration is looking at all the  
24 options, which it will bring to the Council in the future.  
25

26           Brenner stated she would hate to see the County pay for a building, and then  
27 pay again for another building. Elfo stated a primary objective of the minimum  
28 security jail is to make the design such that it's easily converted to warehouse  
29 space, used for another County function, or sold on the open market.  
30

31           Caskey-Schreiber asked if they could use video-conferencing. Elfo stated  
32 they could for some of the preliminary hearings. For the trial and sentencing, the  
33 inmate has to be before the judge. Access to the public defender could be done  
34 through video-conferencing.  
35

36           Desler stated a minimum security facility would be used for sentenced  
37 offenders. There would be little need for video-conferencing. Expense increases  
38 are significant over time.  
39

40           Brenner asked about cutting positions through attrition. Desler stated the  
41 County has a seven or eight percent turnover every year. They would see a huge  
42 impact on the organization.  
43

44           Brenner stated some things are not essential services. Either the County will  
45 suffer, or the public will suffer when the County raises taxes and doesn't offset the  
46 raised taxes.  
47

1 McShane stated they need to know what Councilmember Brenner considers  
2 nonessential services.  
3

4 Brenner stated two positions that should be dropped are the outdoor  
5 coordinator and Teen Adventure Program coordinator. Nine employees in the  
6 Water Resources Division is not necessary. Determine the amount that will be cut  
7 for certain departments, and then let the departments decide where to make the  
8 cuts.  
9

10 McShane asked Councilmember Brenner to name the departments.

11  
12 Brenner stated one department is the Public Works Department.  
13

14 Caskey-Schreiber stated a cut in the Public Works Department will not help  
15 the general fund. They have to look where the funding for the departments comes  
16 from.  
17

18 Crawford stated Councilmember Brenner can work with the administration on  
19 the eight percent attrition issue. This is a good time to make specific  
20 recommendations and motions to amend the budget.  
21

22 ***Caskey-Schreiber moved*** to add additional services request (ASR) 2004-  
23 2672 as listed on ASR packet page B4 from the Planning Division of the Planning  
24 and Development Services Department in the amount of \$13,660. This ASR is for  
25 the extra help for the agricultural program in the Planning Department to secure  
26 more matching funds for Purchase of Development Rights (PDR) program. That will  
27 free up staff's time to work on Councilmember Brenner's proposed non-traditional  
28 architectural design standards.  
29

30 McShane stated he supports the motion. The Council may be doing  
31 significant things in the rural part of the county that will require additional help.  
32

33 Nelson stated he did not support the motion. The department has the  
34 capacity to do the work now. If the County is going to work on criminal justice  
35 issues, it has to be prudent about every thing.  
36

37 Roy stated she supports the motion for now. She wants to see the big  
38 picture in terms of all the changes the councilmembers want to make to the  
39 proposed 2004 budget.  
40

41 Desler stated the administration wants to follow through with the Council's  
42 desires. If the Council anticipates beginning new efforts, the administration will be  
43 more aggressive in asking the Council to consider the fiscal impact on the entire  
44 organization. The administration will either ask for more expenditure authority or  
45 ask the Council to adjust the work plan.  
46

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1 McShane stated he has been frustrated on planning issues because of the  
2 lack of staff support. Major planning issues are coming up.  
3

4 ***Motion carried 4-2 with Nelson and Crawford opposed and Fleetwood***  
5 ***absent.***  
6

7 ***Caskey-Schreiber moved*** to amend ASR 2004-2467 as listed in ASR packet  
8 page A11 to add the second deputy and associated costs to the drug task force for  
9 whatever amount it takes. The growth rate has become astounding. They can't  
10 send one officer to these kinds of operations and expect there to be the level of  
11 safety for the officer. The Sheriff's Office was never structured to be a city police  
12 force. Because of poor judgment in the past, the county has two urban growth  
13 areas (UGAs) not connected to a city with a level of urban density. Some of their  
14 most vulnerable population lives in Kendall/Paradise area because its affordable  
15 housing in the county. It has the highest population of children. A basic need is for  
16 everyone in the county to feel safe in their home environment. The Council is being  
17 negligent by not having enough law enforcement.  
18

19 Nelson stated they don't have the capacity to meet everyone's needs in the  
20 community. That particular area voted down both sales tax increases that would  
21 have helped their community. The Council has added capacity to the Sheriff's  
22 Office in a responsible way, and is continuing to evaluate the needs. If the Council  
23 adds large numbers of deputies, it is not doing the communities justice because  
24 they won't be evaluating those needs with the dollars needed to support the  
25 deputies and departments. He would rather put the effort into the volunteer  
26 sheriff's force. Come back in 2004 to review the impact and see other sources that  
27 become available. Put the one-tenth of one percent sales tax increase back to  
28 voters instead of increasing staffing at this time.  
29

30 Roy stated the Law and Justice Council recommended an increase of 25  
31 deputies. They added eight deputies. Statistically, Whatcom County is one of the  
32 lowest funded Sheriff's Offices in the state. She lives in one of these communities  
33 that is experiencing a lot of problems. The number of meth labs are increasing at a  
34 tremendous rate. There is a difference between having an urban level of service  
35 and having no service at all. There are communities in the county that see almost  
36 no service. The drug task force is a safety issue for the deputies and the  
37 communities. The Sheriff's Office is understaffed. She doesn't like the argument  
38 that a certain low economic community is being held hostage because of the way  
39 they voted in a certain election. The community members are the victims. There is  
40 a real problem in these communities.  
41

42 Brenner stated they're talking about one of the most important essential  
43 services. There are many other things the Council can cut to fund this life and  
44 death issue. The Sheriff's request was for the bare minimum.  
45

46 Caskey-Schreiber stated the meth problem needs to be addressed right now  
47 because there is only a six percent recovery rate among addicts. People who use

1 this drug will use it the rest of their lives. That's why it grows so quickly. Give the  
2 Sheriff the tools necessary to eradicate the problem from the county before it takes  
3 up everyone else's time.

4  
5 ***Motion failed 3-4 with Caskey-Schreiber, Roy, and Brenner in favor.***

6  
7 Nelson asked Desler about the reserve coordinator in ASR 2004-2562 on ASR  
8 packet page B6. Desler stated the administration did its best to balance all the  
9 priorities for the County. The Executive found enough budget capacity in other  
10 existing line items to support the reserve coordinator position.

11  
12 ***Nelson moved*** to add ASR 2004-2562 from the Sheriff's Office on ASR  
13 packet page B6 in the amount of \$46,822, and request that the administration to  
14 work with the Sheriff to find the capacity for the position at this time.

15  
16 Roy stated she doesn't want to approve something if the Sheriff will have to  
17 decrease service, personnel, or equipment to fund this position. Make sure they  
18 use the money that lapses each year.

19  
20 Desler stated there is left over money budgeted for postage and travel, and  
21 they can use a portion of a grant that will come in. The administration will reduce  
22 some things in the budget that would not affect the operations and also use flexible  
23 grant money. It will not increase the draw down on the general fund balance.

24  
25 Fleetwood stated he would support the motion.

26  
27 Brenner stated she wants to make sure they don't take any money away  
28 from the Sheriff's budget, which doesn't have money to spare.

29  
30 ***Motion carried 6-0 with Caskey-Schreiber absent.***

31  
32 ***Nelson moved*** to amend ASR 2004-2481 from the Jail on ASR packet page  
33 A3 to increase funding from \$12,000 to \$18,000. Reinstate \$6,000 for the Sheriff's  
34 Office to outfit the used bus it just bought. He asked if that money was to make  
35 the bus serviceable.

36  
37 Elfo stated Corrections Chief Wendy Jones would arrive soon to answer that  
38 question.

39  
40 ***Nelson withdrew his motion.***

41  
42 Nelson asked about the staffing switch between the Water Resources Division  
43 of the Public Works Department and Cooperative Extension for watershed  
44 education.

45  
46 Desler stated the Council approved an expansion of water resources activities  
47 four or five years ago, including a public information officer. The Cooperative

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1 Extension officer and Public Works director saw that position moving to Cooperative  
2 Extension at some point. Now, the Public Works Department still needs this  
3 educator to complete some of its activities. The request was for a second person to  
4 start working at Cooperative Extension. The Council can reduce the position in the  
5 Public Works Department and transfer it over to Cooperative Extension, but he  
6 doesn't recommend that.

7  
8 Nelson stated that's his recommendation. He asked why the Council should  
9 not transfer that position to Cooperative Extension. Desler stated that position is  
10 still needed in the County.

11  
12 *(Clerk's Note: End of tape two, side A.)*

13  
14 Roy stated the Cooperative Extension Manager Craig MacConnell and Public  
15 Works Director Jeff Monsen both agreed to this transfer.

16  
17 Desler stated the position in the Water Resources division is now being  
18 funded by a combination of flood and road monies. If moved to Cooperative  
19 Extension, the position would have to be paid from the general fund.

20  
21 Brenner stated she's not sure the position can be justified and legally funded  
22 from the flood fee and road fund. It needs to be funded separately. The position  
23 belongs at Cooperative Extension.

24  
25 Jeff Monsen, Public Works Director, stated the agreement with Cooperative  
26 Extension was to reinstate a broad educational position that existed at Cooperative  
27 Extension. He eliminated a position in the Water Resources Division to do that  
28 transfer. That takes care of the full-time equivalent (FTE) position. The monies for  
29 the flood district will go from \$4.1 million to \$2.5 million. Even though he  
30 extinguished the FTE, he couldn't send cash from the flood district to support the  
31 position at Cooperative Extension. Therefore, the position request also requires a  
32 general fund expense. It is a financial issue from the general fund.

33  
34 Brenner asked why that flood money can't be moved to Cooperative  
35 Extension if it can legally be used for this work. Monsen stated two things have  
36 happened. First is a review of the focus of the flood district from general  
37 government to specific water quality and quantity activities. Also, there will be a  
38 reduction of revenue going into the flood district from \$4 million to \$2.5 million.  
39 Additionally, \$1.4 million that was going to the flood district will go to the general  
40 fund instead. He has extinguished the FTE and reduced the flood district monies by  
41 \$1.4 million.

42  
43 **Nelson moved** to amend ASR 2004-2726 from Cooperative Extension on  
44 ASR packet page A1 in the full requested amount of \$20,781 to fund the water  
45 resource coordinator. Desler stated the administration doesn't have any  
46 information on the position or what it would address.

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1 Nelson stated the position would be a placeholder, which the Council would  
2 approve later when the service request is brought forward. Desler stated the  
3 administration can or cannot go forward with it, once it's in the budget. The  
4 emphasis on public safety is more important. There are other things they are  
5 trying to do in the Public Works Department and Cooperative Extension for  
6 watershed management.

7  
8 Nelson stated they need watershed education in the community. Mr. Monsen  
9 cut the FTE. He is concerned about not having any education.

10  
11 Desler stated there is an education component to the nutrient management  
12 and integrated pest management programs. ASR 2004-2697 from the Public Works  
13 Department on ASR packet page A14 includes a public education component. The  
14 Executive proposes to focus activities on Lake Whatcom management because of  
15 the high priority the Council has made that effort.

16  
17 Roy stated she supports the educational aspect. Given the cutback in  
18 resources given to water resources, look carefully at where the resources go. She's  
19 not sure that Lake Whatcom is the only thing they want to talk about.

20  
21 Brenner stated this is general fund money. Traditionally, the Cooperative  
22 Extension has been doing a good job of providing that service. All they have to do  
23 is take the \$100,000 that was transferred from the general fund and transfer only  
24 \$50,000 to Cooperative Extension.

25  
26 ***Motion carried 4-2 with McShane and Crawford opposed and Caskey-***  
27 ***Schreiber absent.***

28  
29 Carey James, Undersheriff, stated the prisoner transport bus they had at the  
30 beginning of the year kept breaking down. They found funds to buy a true  
31 passenger bus for prisoner transport. They are in the process of retrofitting that  
32 bus and adding it to the fleet. The Jail needs funds in its equipment rental and  
33 revolve (ER&R) fund to cover expenses if there are problems with the bus or to  
34 cover the bus when it does need to be replaced.

35  
36 Wendy Jones, Chief of Corrections, stated \$6,000 is the difference between  
37 what was requested and what was allocated. The ER&R amount needed was  
38 \$18,000 for the new bus and \$12,000 for the existing bus. The recommendation  
39 from the Executive's Office was \$6,000 too short.

40  
41 ***Nelson moved*** to amend ASR 2004-2481 from the Jail on ASR packet page  
42 A3 to increase funding from \$12,000 to \$18,000. Reinstate \$6,000 for the Sheriff's  
43 Office to outfit the prisoner transport bus it just bought.

44  
45 Crawford asked about the future of the existing bus. James stated it will be  
46 a backup for the new bus. The old bus was breaking down a lot.

1 Jones stated that once the new bus is online, they can get the existing bus  
2 into the shop for repairs.

3  
4 **Motion carried 5-1 with McShane opposed and Caskey-Schreiber**  
5 **absent.**

6  
7 Brenner asked about funding for the drug court. She asked if they are  
8 talking about eliminating drug court. Desler stated drug court will be fully  
9 operational in 2004.

10  
11 McShane stated the money for drug court will go away in 2005. He  
12 anticipates using general fund money in the future to continue that program. He's  
13 very worried about the program.

14  
15 **Brenner moved** to eliminate ASR 2004-2714 from the Parks Department on  
16 ASR packet page A6 in the amount of \$60,439 for the outdoor coordinator position.

17  
18 Nelson stated the program is beneficial, but the County may not be able to  
19 afford the position full time. Make it a half-time position. Don't eliminate the  
20 position without getting more information.

21  
22 Crawford stated the total outdoor recreation budget is \$150,000. He asked if  
23 Councilmember Brenner is proposing to cut the entire program or keep the program  
24 going without the coordinator.

25  
26 Brenner stated it's okay for Parks Department to do some of the services  
27 without the coordinator. The County can't afford the position.

28  
29 Roy asked if the program generates money and could be self-sustaining.  
30 Desler stated it generates money, but not enough to be self-sustaining. In 2004,  
31 the administration is going to work on getting that program to be self-sustaining.  
32 That's why the Executive recommended the position as a one-time expense. They  
33 will look at it carefully next year to allow the Parks Department time to raise an  
34 amount to support the expenditures.

35  
36 **Brenner amended her motion** to eliminate the entire outdoor program,  
37 fund 6015.

38  
39 Crawford stated that when the Council is going to increase the property tax,  
40 it must demonstrate to the taxpayers that it is also making good expenditure  
41 decisions. It's important that a few things be cut. He reluctantly supports the  
42 motion. He encouraged the Parks Department to come forward this year with self-  
43 sustaining alternatives. The Council is very open to pursuing an outdoor recreation  
44 program that is self-sustaining.

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1 Roy stated she's not to the point of accepting the premise that they have to  
2 cut non-essential services to fund essential services. She won't support the motion  
3 at this point. She may support it at a later time.  
4

5 Brenner stated her motion is not meant as an insult to the program. It's  
6 about what the County can and can't afford. Some people who are paying property  
7 taxes don't have time to take advantage of these kinds of programs because they  
8 are trying to make ends meet. The criminal justice system is in crisis. The Council  
9 has to make tough decisions.

10  
11 Nelson stated he supports cutting the position to half time. Many times,  
12 even the people who are low and middle income have opportunity to participate in  
13 activities.  
14

15 McShane stated it's clear that the Parks Department's new director and the  
16 administration indicated they are going to review this program carefully in 2004.  
17 Allow the new Parks Department director time to figure out how to make the  
18 program more self-sustaining.  
19

20 ***Motion failed 2-5 with Brenner and Crawford in favor and Caskey-***  
21 ***Schreiber and Fleetwood absent.***  
22

23 ***Nelson moved*** to amend ASR 2004-2714 from the Parks Department on  
24 ASR packet page A6 for the outdoor coordinator position by cutting the position to a  
25 .5 FTE position.  
26

27 ***Motion failed due to a lack of Council majority, 3-2 with Roy and***  
28 ***McShane opposed and Caskey-Schreiber and Fleetwood absent.***  
29

30 ***Brenner moved*** to eliminate the Teen Adventure Program. It competes  
31 directly with the Boys and Girls Club. Transfer to the Boys and Girls Club the  
32 \$17,243 that the County spends in supplies, other services, and charges.  
33

34 Desler stated the Teen Adventure Program is completely paid for from fees  
35 and grants from Alcoa and others. It's not funded out of the general fund.  
36

37 Brenner stated Alcoa would not be disagreeable providing the grant to a  
38 private, non-profit organization.  
39

40 ***Motion failed 1-4 with Brenner in favor and Caskey-Schreiber and***  
41 ***Fleetwood absent.***  
42

43 ***Brenner moved*** to eliminate 4.5 FTE's from the Water Resources Division.  
44 They are supposed to be at the end of the water resource inventory area (WRIA)  
45 process. Desler stated those positions are embedded throughout the Public Works  
46 Department.  
47

1 Crawford stated he supports the cut, but before he can do that he needs to  
2 understand the functions that would be cut.

3  
4 Roy stated she agreed with Councilmember Crawford.  
5

6 McShane stated that May or June, when the Council decided on its budget  
7 guidelines, was the time to say they wanted the Water Resources Division to be cut  
8 in half, not now. The administration has come forward with a budget that reflects  
9 the Council's guidelines. The Council pushed the issue to reduce the flood fee.  
10 Ultimately, people will be paying a little less this year overall. That's reflective of  
11 the Council's desire as well.  
12

13 Nelson agreed with Councilmember McShane. He agreed with  
14 Councilmember Brenner's intent, but he needs to know the programs that would be  
15 impacted by such a cut. The water resource educator is important, but it was cut.  
16 Work with the department and administration first.  
17

18 Brenner stated the Council had no idea in May or June that there were such  
19 problems and the extent of those problems. She had no idea how much the meth  
20 lab problem is increasing. They have to start cutting somewhere. Start with the  
21 positions, and then decide what programs get cut. This water resources project  
22 ballooned so rapidly it's unwieldy and out of control.  
23

24 ***Motion failed 1-4 with Brenner in favor and Caskey-Schreiber and***  
25 ***Fleetwood absent.***

26  
27 *(Clerks Note: End of tape two, side B.)*  
28

29 Brenner stated it's well-known throughout the state that Whatcom County is  
30 unable to handle criminal justice. The County should be ashamed. Everything else  
31 the County does should be secondary to that.  
32

33 ***Brenner moved*** to approve ASR 2004-2616 from the Prosecutor's Office on  
34 ASR packet page B5 in the amount of \$89,153 to add an attorney to go along with  
35 the increases in the Sheriff's Office.  
36

37 Roy stated there are 157 law enforcement officers not in the Sheriff's Office.  
38 The sheriff has 77 deputies. More than half of the law enforcement is not in the  
39 Sheriff's Office. Have more support for and information on community policing.  
40 She does not support the motion at this time unless someone can show her that the  
41 small addition of two sheriff deputies will make a huge impact on the Prosecutor.  
42

43 Brenner stated there is a bottleneck at the Prosecutor's Office already. The  
44 reason for her motion is not because of the two additional sheriff deputies. People  
45 are being discharged because they can't be prosecuted. They are already at a crisis  
46 point.  
47

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1 Nelson stated he would support the motion except he doesn't have  
2 information on the effects to the whole system. They need revenue to support all  
3 of the system.  
4

5 **Motion failed 1-4 with Brenner in favor and Caskey-Schreiber and**  
6 **Fleetwood absent.**  
7

8 **Brenner moved** to approve ASR 2004-2559 from the Public Defender's  
9 Office on ASR packet page B5 in the amount of \$68,408 to add an attorney.  
10

11 **Motion failed 1-4 with Brenner in favor and Caskey-Schreiber and**  
12 **Fleetwood absent.**  
13

14 Brenner asked for information on the administrative services fund, which had  
15 a balance of over \$6 million at the end of the year last year. She asked if part of  
16 that left over money is the tort and self-insurance. Desler stated it is. He would  
17 provide a breakdown of all the components of the fund.  
18

19 **Roy moved** to add ASR 2004-2617 from the Planning and Development  
20 Services Department on ASR packet page B4 in the amount of \$12,500 to support  
21 community advisory committees. These are large unincorporated areas the County  
22 created and are bigger than many of the small cities. These people are trying to  
23 work together to make community plans. They have no government or other way  
24 to get together. This cost would cover the basics of pulling the community together  
25 to have a plan. This is a minimal amount of money to support local planning  
26 efforts. Find a way to fund the request.  
27

28 Nelson asked if the communities would receive support at all if this isn't  
29 funded.  
30

31 Hal Hart, Planning and Development Services Director, stated he got the  
32 communities through the planning process. He is concerned because each area is  
33 taking on one big project. He doesn't have the resources to provide that kind of  
34 assistance. If this item were approved, he would have a community group  
35 appointed that would work with agencies on the community projects. The money  
36 would be used for mailings to the entire community.  
37

38 Nelson asked if this is a one-time request.  
39

40 Crawford stated it is.  
41

42 **Motion carried 4-1 with Crawford opposed Caskey-Schreiber and**  
43 **Fleetwood absent.**  
44

45 **Roy moved** to add ASR 2004-2679 from the Sheriff's Office on ASR packet  
46 page B6 in the amount of \$108,389 for laptops in sheriff vehicles. It's a safety  
47 issue. This may not be as high a priority for the sheriff as it is for her. She hopes

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1 there is equipment money or grants that can only be spent on this type of thing.  
2 She wants to keep the need at the forefront of everyone's minds.

3  
4 Crawford stated it wouldn't need to be part of the budget if they got a grant  
5 for the equipment.

6  
7 ***Roy withdrew her motion.***

8  
9 ***Crawford moved*** to add ASR 2004-2425 from the Treasurer's Office on ASR  
10 packet page B8 in the amount of \$12,416 for a .5FTE customer service support.  
11 They are already paying the benefits for this person. The benefit the County will  
12 receive for only \$12,000 is very badly needed. The Treasurer recognizes the desire  
13 to create efficiencies among staff to alleviate problems. The Treasurer is also  
14 restricted by State law in terms of how she handles money and who on staff can  
15 staff the counter. The Treasurer is limited in how she can arrange her staff work  
16 assignments.

17  
18 Nelson offered a friendly amendment that the position be funded from the  
19 real estate excise tax (REET).

20  
21 Barbara Cory, Treasurer, stated she can't use the funding from REET directly,  
22 but a one percent fee from REET for administration goes into the general fund.

23  
24 Nelson asked how much of the one percent they are using for REET  
25 administration. Cory stated they aren't using the entire amount. The County  
26 collected \$180,000 this year. She estimates they use about \$100,000 in support of  
27 REET.

28  
29 Nelson withdrew his friendly amendment.

30  
31 Brenner stated she would support the motion.

32  
33 ***Motion carried 4-1 with McShane opposed and Caskey-Schreiber and***  
34 ***Fleetwood absent.***

35  
36 Desler submitted technical corrections (*on file*). He will add the amended  
37 items to the technical corrections and submit the changes to the Council and the  
38 public before the public hearing.

39  
40  
41 **ADJOURN**

42  
43 The meeting adjourned at 1:00 p.m.

44  
45  
46  
47 \_\_\_\_\_  
Jill Nixon, Minutes Transcription

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These minutes were approved by Council on November 18, 2003.

ATTEST:

WHATCOM COUNTY COUNCIL  
WHATCOM COUNTY, WASHINGTON

\_\_\_\_\_  
Dana Brown-Davis, Council Clerk

\_\_\_\_\_  
Sam Crawford, Councilmember