

BEFORE THE BOARD OF COUNTY
COMMISSIONERS OF MASON COUNTY, WASHINGTON

A RESOLUTION PROVIDING FOR THE
SUBMISSION OF A PROPOSITION TO THE
QUALIFYING VOTERS OF MASON COUNTY AT THE
NOVEMBER 2017 GENERAL ELECTION FOR THEIR
RATIFICATION OR REJECTION, PROVIDING FOR
AUTHORITY TO LEVY AN INCREASE IN THE
REGULAR PROPERTY TAX LEVY

RESOLUTION NO. 45-17

WHEREAS, Mason County is authorized to levy a regular property tax not to exceed \$1.80 per \$1,000 of assessed value on the property within the County; and

WHEREAS, Mason County continues to experience a financial crisis resulting from the cumulative long-term effects of the passage of Initiative 695 which indirectly, drastically reduced funding for law and justice and public health, and Initiative 747 which limited property tax increases to 1%, while the average rate of expenditure increases is approaching 3.3%. As a result, the financial solvency of Mason County is threatened, and in spite of aggressive crippling reductions, continues to be in peril without prudent and swift revenue adjustments; and

WHEREAS, the Mason County Commissioners responded by taking action to cut expenses to offset the drastic increase in expenditures and attempt to balance the budget:

- Government expenses in 2017 were cut by \$1.7 million or approximately 7.3% of the Current Expense Fund
- County workforce was reduced by over 27 positions
- Work hours were reduced for some positions
- Offices shortened their hours open to the public as a result of fewer employees
- Commissioners, Elected Officials and Department Heads can make donations to the County
- Commissioners, Elected Officials and Department Heads are requested to eliminate unnecessary expenses
- Fees for service were adjusted where prudent to recoup the cost of doing business
- The Commissioners will pursue an Adopt-a-Park plan, to help maintain County Parks; and

WHEREAS, these sweeping measures have significantly reduced county government services, strained internal systems, and left some essential programs underfunded and understaffed; and

WHEREAS, Mason County Finance Committee has recommended to maintain a reserve for the current expense fund that is at least equal to 12% of annual expenditures. The reserve will be used to stabilize county finances during temporary financial shortfalls and unexpected one-time emergency expenditures. Mason County will avoid using one-time revenue and reserve funds to support ongoing expenses; and

WHEREAS, in an effort to restore trust with taxpayers and provide financial stability, Mason County will strive to implement a Balanced Budget Resolution, excluding beginning and ending fund balances, to ensure expenditures do not exceed revenues in any fiscal year. All fund balances must be maintained at a level to meet ongoing budgeted obligations without incurring improper surpluses or deficits; and

WHEREAS, the financial shortfall for 2018 will exceed \$4.8 million and the five year financial forecast shows that despite rigorous budget reductions, Current Expense Fund expenses will continue to exceed revenues by over \$1.8 million per year, completely exhausting Mason County's cash reserves by 2019; leaving the County's Elected Officials unable to provide our citizens with fundamental support and services required by law; and

WHEREAS, all Washington State Counties are required to provide similar essential services. Mason County currently has a property tax rate of \$1.4015546 per \$1,000 of assessed value; and

WHEREAS, the Board of County Commissioners finds that it is necessary to protect the financial viability of the County Current Expense Fund by allowing the electors to approve or reject a proposition under RCW 84.55.050(1) to authorize the Board of County Commissioners to levy the County's regular property tax in an amount that would not exceed the limit factor that would otherwise be prescribed by RCW 84.52.043 of \$1.80; and

WHEREAS, RCW 84.55.050(1) authorizes the County to place a proposition before the voters to approve permanently an increase in regular property tax levy for 2018. The dollar amount of the levy will be used for the purpose of computing the limitations for subsequent levies; and

WHEREAS, the property tax rate is computed based upon the overall total assessed value of property in the County on January 1. The Mason County Assessor estimates that the total assessed value of property for January 1, 2018 will be increased 5% to 10% but the final figure will not be determined until later in the year. If the total assessed value of property is increased 7.5% the dollar rate to raise the same regular levy amount in 2018, plus the 1% limit factor, would be \$1.40 per \$1,000 of assessed valuation and the voter-approved added levy rate to raise an additional \$3,400,000 would be \$0.37 for a total levy rate to be collected in 2018 of \$1.77 per \$1,000 of assessed valuation; and

WHEREAS, the proceeds of the increase in the regular property tax on real property that would be authorized by the ballot proposition requested below will provide funding for general fund expenses and services, retaining public safety, criminal justice and other mandated services provided by the County to its citizens; and

WHEREAS, the proposal set out in this resolution requires approval by a simple majority of the voters in Mason County; NOW, THEREFORE,

BE IT RESOLVED by the Board of Mason County Commissioners, pursuant to RCW 84.55.050(1) and RCW 29A.04.321, as follows:

Section 1. The best interests of the citizens of Mason County require the submission to the qualified voters of the County a proposition to levy regular property taxes above the limitations established in RCW 84.52.043 for approval or rejection at the general election to be held November 7, 2017. The proposition shall be to permanently increase the County's regular property tax levy by \$0.37 per \$1,000 of assessed valuation for collection in 2018, for a total rate not to exceed \$1.77 per \$1,000 of assessed valuation.

Section 2. The proposition would authorize the County to levy the regular property tax at a rate of \$1.77 per \$1,000 of assessed valuation on property in the County for collection in the year 2018. Therefore the proposed increase will generate approximately \$3,400,000 additional revenue for 2018. Revenues from the property tax increases that would be authorized by the ballot proposition shall be used for the limited purposes of support of general fund expenses and services including but not limited to retaining public safety, criminal justice and other mandated services, and, secondarily, begin replenishing the County's contingency cash reserves.

Section 3. The proposition to be submitted to the electorate of Mason County shall read substantially as follows:

Proposition No. 1. Levy to Support General Fund Expenses and Services including but not limited to basic public safety, criminal justice and other mandated services

The Board of Mason County Commissioners adopted Resolution 45-17, concerning voter approval of its regular property tax levy to maintain Public Safety, Criminal Justice and General Fund Services. This proposition permanently increases the regular property tax levy by \$0.37 to a rate of \$1.77 per \$1,000 assessed value for collection in 2018 and authorizes use of the 2018 levy rate as the base for computing levy limitations in succeeding years; provided by RCW Ch. 84.55.

Should this proposition be Approved / Rejected?

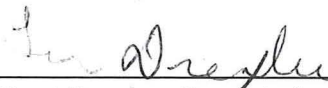
DATED this 1st day of August 2017.

BOARD OF COUNTY COMMISSIONERS
Mason County, Washington

ATTEST:



Kevin Shutty, Commissioner



Terri Drexler, Commissioner



Randy Neatherlin, Commissioner



Melissa Drewry, Clerk of the Board

APPROVED AS TO FORM:



Tim Whitehead, Chief
Deputy
Prosecuting Attorney