

# Courthouse Journal

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Washington State Association of Counties  
Washington Association of County Officials

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Don't miss the chance to register for the **WSAC Fall Legislative Conference!** The conference will take place November 14-16 at the WestCoast Silverdale Hotel in Silverdale. The registration form, draft agenda and hotel information are available on our website, <http://www.wacounties.org/wsac/Conference>, or call WSAC staff member, Kim Zydek, if you need more information.

## **Governor Locke Transmits Federal Forest Choices to D.C. -- Recommends Allocation Among Counties**

**G**overnor Locke last week notified U.S. Department of Agriculture Secretary Ann Veneman that Washington counties all chose to elect full payment under the Secure Rural Schools and Community Self-Determination Act of 2000. In doing so, he indicated that he plans to distribute the funds to eligible counties "by an allocation formula based upon the percentage each received over the eligibility period of 1986 to 1999." This is a different formula than that recommended to the Governor by the eligible counties.

WSAC had identified for the recipient counties a number of approaches that could be used in determining allocation:

- the average each county received during the state's three highest payment years;
- the average each county received over the full 14-year period; or
- each county's three highest payment years as a percentage share of the state amount.

The first allocation spreadsheet counties saw – developed in January by the U.S. Forest Service – was based on the average each county received during the state's three highest payment years. A revised U.S. Forest Service spreadsheet, dated April 2001, showed two alternatives: the average each county received during the state's three highest payment years and the average each county received over the

full 14-year period.

After much discussion of those two alternatives and other alternatives, and two votes including a ballot vote of 9-7 with 11 counties not voting, the preferred alternative would have allocated the \$43.8 million statewide based on the percentage of the funds distributed to each county during the state's three highest payment years statewide between 1986 and 1999.

Those three payment years are FY 1988, FY 1989 and the FY 1991 with the Owl Subsidy payment. This allocation approach would provide a greater share of the \$43.8 million to the largest number of counties.

In a letter to WSAC, the Governor indicated that after considering the congressional intent, the legislation itself and U.S. Forest Service memoranda, he concluded that the law requires the use of the 14-year formula – and not the county average during the state's three highest years during the 14-year period.

While all eligible counties receive more under the "full payment amount" than they have in recent years from actual federal timber receipts, the counties that benefit most from the Governor's decision to use the 14-year average are Chelan and Pend Oreille.

The Governor's transmittal also indicates how much counties receiving more than \$100,000 per year are allocating for Title II or

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Title III projects, and specifies how much will be spent under each Title. This allocation determines how much will be transmitted to the State (and then

to each county) because the amounts reserved for Title II projects are reserved at the federal level. A spreadsheet is available from WSAC showing the choices that each county made regarding

the required set-aside for projects in the watershed. Contact Kim Zydek or Ginni Peppert for a copy.

## Governor Seeks Improved Management of Columbia and Snake River Systems

Gov. Gary Locke this week announced a new "Columbia River Regional Initiative" aimed at improving how water is managed in the Columbia and Snake river systems. Tom Fitzsimmons, director of the Department

of Ecology, will lead this effort.

"This regional initiative will be a constructive way to resolve conflict over water use in the Columbia and Snake rivers," said Locke.

The governor said the goal is to develop a strategy to meet the needs of a growing population and a sound economy while protecting the needs of fish and healthy watersheds. Initially the program is designed to protect new and existing water uses while maintaining a water level in the rivers that supports the needs of fish. The process also will result in a schedule of activities designed to increase water reliability for existing uses and water availability for new uses.

A national science team will conduct an independent scientific review of existing knowledge about hydrology and fish. A regional panel of scientists also will participate in the independent review process.

People with various interests in the use of water from these rivers will be invited to study the scientific reviews and participate in facilitated negotiations. The group will represent irrigators, fishing organizations, recreational users, hydropower producers, environmentalists, transportation (navigation) and county and city governments. Federal agencies, other Northwest states and tribal governments also will be invited to participate. The governor expects the scientific reviews, negotiations and schedule of activities to be completed by December 2002.

### The Courthouse Journal

The *Courthouse Journal* is published weekly by the Washington Association of County Officials (WACO) and the Washington State Association of Counties (WSAC).

We welcome your suggestions and contributions. The weekly deadline is noon Thursday.

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## Emergency Planning – Terrorism Response

Some counties and cities already have terrorism response or prevention plans. Many jurisdictions are now reassessing their terrorism plans or developing new policies following the devastating terrorist acts of September 11. The Association of Washington Cities has recommended that cities develop joint preparedness plans with neighboring communities and the county sheriff's office. County efforts include law enforcement agencies that handle terrorism prevention and apprehension of terrorists if an event occurs and emergency management, fire and medical services, which address the consequences of terrorist actions. MRSC has developed a web page

on "Preparing for possible terrorist incidents" - <http://www.mrsc.org/pubsafe/emergency/EM-Terrorism.htm>. This page includes links to general information on terrorism, local government preparedness, including a guide prepared by NLC on "domestic terrorism," [http://www.nlc.org/nlc\\_org/site/files/reports/terrorism.pdf](http://www.nlc.org/nlc_org/site/files/reports/terrorism.pdf), and information on bioterrorism. King County's Office of Emergency Management also has posted information on terrorism preparedness at <http://www.metrokc.gov/prepare/hiva/terrorism.htm>.

## Questions & Answers on I-747

The Department of Revenue has received several questions regarding the effect Initiative 747 would have on the calculation of property tax levies should it pass in the election on November 6th. In response, the Department has

prepared this document to provide county assessors, taxing districts, and other interested parties with information regarding the provisions of the Initiative.

Initiative 747 would amend existing

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statutes to limit taxing districts to a 1 percent increase in property tax levies. Levies could increase by more than 1 percent only if approved by a majority of the voters within the taxing district.

**Q. What is the effective date of Initiative 747 should it pass?**

A. The Initiative does not contain an effective date. So, if I-747 passes, it will become effective 30 days after the election. The Initiative would be effective for levies calculated in 2001 for taxes collected in 2002.

**Q. Could levies of junior taxing districts "pop up" or increase as a result of I-747?**

A. It is possible some junior districts could realize additional levy capacity under Initiative 747. With levy increases limited to the lesser of one percent or the rate of inflation, some senior districts may have lower levy rates than without I-747. Lower levy rates would result in additional capacity under the one-percent constitutional limit and the \$5.90 aggregate limit. The additional capacity could lessen or eliminate the need for prorating junior taxing districts' levy rates. In this manner, some junior taxing districts could realize higher levy rates if Initiative 747 passes.

**Q. How does I-747 affect the ability to use previously banked levy capacity?**

A. Initiative 747 neither repeals nor amends RCW 84.55.092, the statute allowing taxing districts to bank levy capacity. I-747, should it pass, does not affect any taxing district's previously banked levy capacity. So if, for example, a taxing district had banked levy capacity available for its use (assuming that all other applicable restrictions on levies are being observed), the taxing district could increase its levy in a year after the Initiative has taken effect by one percent over the amount of its previous maximum lawful levy. This could mean that a taxing district's levy amount would have a one-year increase in excess of one percent.

The following example shows how banked levy capacity could be used subsequent to passage of I-747:

<b>Year</b>	<b>Maximum Lawful Levy</b>	<b>Actual Levy Amount</b>	<b>Banked Levy Capacity</b>	<b>Increase Over Prior Year Levy</b>
2000 Levy (2001 Collection)	\$50,000	\$45,000	\$5,000	
2001 Levy (2002 Collection)	\$50,500 (\$50,000 X 101%)	\$50,500	0	12.2%

This example assumes the appropriate resolution or ordinance has been adopted by the taxing district, the rate of inflation is greater than 1 percent, and does not consider increases available to taxing districts for new construction, improvements to property, and increases in the value of state-assessed property.

**Q. Does Initiative 747 affect a taxing district's ability to accrue banked levy capacity?**

A. The Initiative will have an affect on a taxing district's ability to bank levy capacity in the future, simply because the maximum levy increase has been lowered from a maximum of one hundred six percent to one hundred one percent. It is conceivable that a taxing district would take less than the one-percent increase allowed under the Initiative and thus "bank" some levy capacity, but the amount that is bankable will be substantially reduced under the Initiative.

**Q. Is the base used in calculating a taxing district's levy the amount levied in the prior year?**

A. RCW 84.55.092, Protection of Future Levy Capacity, allows local taxing districts to calculate levies based on the maximum lawful levy since 1985 for taxes payable in 1986. Initiative 747 does not affect the provisions of this statute. So, if a taxing district voluntarily levied less than its maximum levy amount in the prior year (the district has "banked" levy capacity), the base for calculating its levy would be something other than the amount levied in the prior year.

**Q. Would taxing districts still be required to adopt resolutions or ordinances in order to increase their levies?**

A. Yes. Initiative 747 does not change any of the requirements imposed by Referendum 47 with respect to the need for passage of resolutions or ordinances in order for taxing districts to increase their levies. A taxing district with a population below 10,000 would need to adopt a resolution/ordinance by a simple majority vote of its governing body to increase its levy by up to one percent. Taxing districts whose populations are 10,000 or more could increase their levies by the lesser of one percent or the rate of inflation, with adoption of a resolution/ordinance by a simple majority of the governing body. If the rate of inflation is less than one percent, the taxing district could increase its levy by up to one percent with a finding of substantial need and passage of a second resolution/ordinance by a supermajority vote of the governing body.

**Q. Does I-747 apply to all levies?**

A. The limitations in Initiative 747 apply to all regular levies, including voter-approved regular levies such as Emergency Medical Services levies. Thus, for example, a six-year voter approved Emergency Medical Service levy would be subject to the pro-

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visions contained in I-747 in the second through sixth years of the levy. I-747 does not apply to voter-approved excess or "special" levies.

**Q. Can a taxing district ask voters to approve an increase of more than one percent for multiple years at a single election?**

A. Initiative 747 would allow taxing districts to exceed the one percent limitation if approved by voters "at an election as provided in RCW 84.55.050." The statute referenced is the law that allows taxing districts to do a "lid lift." Under the provisions of RCW 84.55.050, taxing districts may levy an amount in excess of the levy limit (one percent under I-747) with approval of a majority of the voters of the district.

In the year the lid lift is approved by the voters, the levy is set based on the levy rate contained in the ballot proposition. In the following year, the levy could increase by up to one percent over the amount approved by the voters, depending on the resolutions/ordinances adopted by the taxing district.

RCW 84.55.050 requires the vote to occur no more than 12 months prior to the time the levy is to be made. Therefore, taxing districts could not ask voters for increases of more than one percent for multiple years at the same election.

**Q. How would passage of I-747 affect a lid lift approved by the voters at either the same election or in a prior election**

A. Initiative 747 limits levy increases to the lesser of one percent or the rate of inflation unless voters approve a larger increase. If voters have approved a lid lift, the taxing district would be allowed to levy the amount approved by the voters, regardless of whether the lid lift was approved at the same election as Initiative 747 or at a previous election.

**Q. What is the effect if a taxing district adopts a resolution or ordinance to bank levy capacity before I-747's effective date?**

A. Should I-747 pass, assessors will be bound by its provisions when setting levies. Levies would be limited to a one-percent increase above the taxing district's maximum lawful levy since 1985 for taxes payable in 1986, assuming the districts have adopted the appropriate resolutions or ordinances. Districts that did not adopt resolutions or ordinances in prior years to bank levy capacity could not do so now, prior to the effective date of I-747, to increase levy capacity.

## Department of Revenue Releases Guidance on Potential I-747 Implementation

The Department of Revenue released a series of questions and answers to

the Assessors at their meeting at Port Ludlow. A copy of this document is in-

cluded above. Many counties and junior taxing districts have had a number of questions about effective dates, banking, lid lifts and other issues. County officials may want to share this information with the other taxing districts in their area.

## State Budget Rumor Control

As the shock of recent events started to wear off, people have started to focus on the economy and the state budget. The truth is that no one knows for sure which shoes will drop and when. So this week rumors started bouncing around the state and local government community. We have tracked down what we can for you. Here's what we know:

**Rumor Number 1:** The state is going to hold up the I-695 backfill checks.

**What We Know:** The state has already mailed the checks for calendar 2002. The next opportunity for action would be the checks for 2003 that would be mailed next Fall. To eliminate the funding, the Legislature would have to take

specific action to repeal the appropriation for next year.

**Rumor Number 2:** The actuaries will force an increase in the pension rates because of the stock market.

**What We Know:** While the actuaries may make this recommendation, the Legislature is not likely to follow this advice any time soon. The state is facing its own budget problems. State budget writers would be unlikely to increase rates. This would require them to cut real services now, to fund a system that will pay out over decades. Because of the sheer size of the retirement systems, even modest increases can cost the state hundreds of millions of dollars.

**Rumor Number 3:** All state capital projects have been cancelled.

**What We Know:** The Office of Financial Management (OFM) has called for a

"pause" on new projects funded from the state building construction account, which is funded by bonds backed by the state general fund. Ultimately a number of these projects may move ahead. OFM ordered the pause because the drop in state revenues may push the state up against its debt limit. The state's bonding capacity is limited by statute and by the State Constitution. That limit is calculated as the share of revenues dedicated to debt service. As revenues drop, the debt limit drops. Recent capital budgets have used nearly all of the available debt capacity. OFM will wait for the November 16<sup>th</sup> forecast of revenues and interest rates before it resizes the capital budget. It may release some or all of the projects at that point or it may continue to hold projects to permit the Legislature to have the final say in which projects are held. The bulk of the paused project funding is in higher education, but some county projects are in-

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involved. Counties need to work with the agencies funding their projects to nail down the status of individual projects.

**Rumor Number 4:** The state has a billion dollar budget problem.

**What We Know:** Maybe. The fact is that no one knows how the current economic situation will play out. The problem could be that large. We have attached one document from OFM which describes the timing of upcoming decisions and some of the expenditure prob-

lems. Another document describes several ways of estimating the revenue losses, and can be sent to you upon request.

**Rumor Number 5:** The Governor is going to propose elimination of the I-695 Backfill.

**What We Know:** The Governor and his staff have sent a number of messages this week. It all boils down to "everything is on the table (except K-12 which enjoys Constitutional protection), especially if the situation is as bad as we

fear it may be". For counties this means that I-695 backfill and every other stream of funding from the State General Fund is a potential budget cut target. The message from the Legislative branch has taken a similar tone, with a slightly different twist. You can expect that budget staffs will be looking for every way possible to reduce the political pain real budget cuts will inflict on their masters. Both branches are saying they would not dream of raising taxes. Olympia still remembers the lessons of 1981-83 and 1993.

## Eastern District Conducts Business, Learns Lots, Has Fun

Stevens County Commissioner Vicki Strong was elected to WSAC leadership and two resolutions were adopted when the Eastern District met last week in Douglas County. The Thursday and Friday District Meeting began with a business meeting elevating Commissioner Joan Frey of Klickitat County to the Presidency of the Eastern District. She succeeds Pend Oreille County Commissioner Joel Jacobsen. Commissioner Bill Hinkle of Kittitas County moved up to become Vice-President and Vicki Strong is the new Secretary-Treasurer. The three officers of each district, along with an at-large representative, sit on the WSAC Board of Directors.

David Carey, Walla Walla County was retained as the Eastern District at-large representative to the WSAC Board of Directors. Max Benitz of Benton County and Neva Corkrum of Franklin County will stay on as Board alternates.

A resolution sponsored by Joel

Jacobsen was adopted supporting the counties that are challenging the state's requirement that counties pay half the benefits for Superior Court judges. Another resolution was adopted requesting quick action by the Department of Natural Resources and the U.S. Forest Service in removing trees and timber damaged by the fires this summer.

Major General Tim Lowenberg, the State Adjutant General and head of the Washington National Guard, made a breathtaking presentation on the September 11 attacks, our national defenses for homeland protection and readiness in our state. Secretary of Health Mary Selecky took the podium immediately following to speak of the key public health role in protecting ourselves and responding to terrorism.

County engineers held separate meetings and joined Commissioners for meals and parts of the program. Commissioner Jacobsen kept the program

lively and moving along throughout with his easy humor and banter and Spokane County Commissioner Phil Harris helped settle down impatient and hungry officials and staff with an impromptu auction raising \$60 for the WSAC Scholarship Fund. Ferry County Clerk of the Board Lynne Baldwin was the winner of the day, bidding \$35 to be first in line for chow.

Another key presentation at the District Meeting included warnings about the future of agriculture in Washington and America from Jim Jesernig, the soon-to depart Director of the Department of Agriculture. Jesernig stated that without agriculture there will be no rural economy in Washington – diversification won't help much. While he asserted that agriculture is not dead, it will take a lot of work to survive. Jesernig is leaving as department director to join the Olympia office of Perkins Coie.

Synopses of other key presentations from the Eastern and Western District meetings will appear in future issues of *The Courthouse Journal*. Thanks to Douglas County from the Eastern District for its hospitality.



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## Good Things

# Breaking Language Barrier for the Disabled

While the children played with bicycles and balls, their parents gathered to talk – I Somali, Vietnamese, Tagalog, Cantonese, Mandarin, Korean, English and Spanish. Mostly they talked about their special needs kids and how hard it can be to find the resources they need. The meeting on September 29 at King County's West Hill Community Center was the first time many of these families realized what a wide variety of services are available for people with disabilities. "This is great," said Lan Nguyen through a Vietnamese interpreter. "When these meetings are held only in English, sometimes it's hard to know what's going on." Mrs. Nguyen, whose son is autistic, was one of several

hundred people who attended the program sponsored by The ARC of King County, King County Developmental Disabilities Division, and several other government agencies. The program was financed with a \$100,000 grant from the state Developmental Disabilities Council, was the fourth in the area aimed at improving communication and outreach in the culturally and ethnically diverse regions of King County and the Rainier Valley.

Studies have shown that service agencies often do a poor job of reaching out to non-English speaking and immigrant communities. Traditional announcements in English-language newspapers, for example, fail to reach the im-

migrant community. The first was aimed at the African and African-American community and advertised through churches and held in Rainier Valley. The second, designed for the Latino community was advertised through Spanish-language radio and held in Burien. And the third, targeting the Asian and Asian-American community was advertised in Asian newspapers and held in South Seattle.

At each meeting, representatives from a host of agencies and translators were on hand to answer questions as well as provide information about the many services available. Noted Tony-Tuyen Tran, a counselor with the Division of Vocational Rehabilitation, "There are a lot of cultures where the disabled and their families are isolated. Our main task is to teach that it's OK to get help."

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## Commissioner Carey Throws Hat in Ring for WSAC Leadership

*(Letter submitted by David Carey, Walla Walla County Commissioner)*

Dear President Shelton:

I am writing you to express my strong interest in running for the position of Secretary/Treasurer of The Washington State Association of Counties.

My Commission and Association activities have included:

- Elected to the Board of the Walla Walla County Commission four times. Currently finishing my thirteenth year. Three years left on this term
- Served on the Legislative Steering Committee 9 years, one year as co-chair
- Member of the WSAC Board of Directors
- The Risk Pool Board
- WCIF Board thirteen years - one year as President
- Past President, Eastern District

I have served on various sub committees at the Association, and regularly attend the association meetings. I have always been a supporter of WSAC. I believe in its principles and its importance to all of us in the counties.

Personal Information:

- Married to my wife, Maralyn, 47 years
- 3 daughters, college graduates, and married to professional men
- 8 grandchildren that are absolutely fabulous
- Farmed wheat, peas, and cattle most of my life and most recently Walla Walla Sweet Onions
- Our farm is a homestead farm
- Elected to the Walla Walla School Board and served in that capacity for 14 years
- On the Walla Walla Symphony Board and served as its President
- Received the Walla Walla Chamber of Commerce Award of Merit in 1995
- My wife and I enjoy scuba diving in various tropical locations

I would consider it a honor and a privilege to serve the members of WSAC on the Executive Committee for the next three

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## Emergency Response

# Please Respond to NACo Survey on Emergency Management

The National Association of County Officials (NACo) this week distributed a short survey seeking information on county emergency management programs. Please take time to review and respond by Tuesday, October 9. If you misplaced or did not receive the survey an electronic version is available at <http://www.naco.org/itsurvey/eprep/eprep.cfm>.

Because counties are most often the first responders in emergencies, and play a key role in developing and implementing emergency services -- just as they did in New York and Arlington County,

Virginia -- it is important to maximize the level of emergency preparedness for all counties. In order to assist with this effort, NACo is conducting the Emergency Preparedness Survey, which was sent by email to county officials. This survey is designed to collect information that will be used to both educate and encourage federal and state involvement in local preparedness efforts.

In addition, the results of this survey will be compiled and used as part of the information considered by the NACo Homeland Security Task Force, newly created in response to the recent events.

This Task Force, which includes elected and appointed representatives from the NACo membership, will address pertinent issues that cut across all areas of county government. The goals of the Task Force include:

- Serving as a liaison with federal officials
- Educating our members
- Making recommendations on emergency preparedness/readiness programs
- Creating a clearinghouse of best practices

## No Admittance to Camp Murray Without Proper Papers

County officials scheduled to attend any meetings at Camp Murray near Tacoma should be prepared for heightened security procedures recently ordered by the Department of Defense.

Effective immediately, all visitors

or vehicles that do not display an official federal Department of Defense decal will be required to stop at the main gate to obtain a visitor pass. All visitors must carry official photo identification (e.g. driver license), current vehicle registra-

tion and proof of vehicle insurance. Visitors that cannot produce any of the above will not be admitted to Camp Murray.

## County Official Needed to Help Review Hazard Mitigation Grant Applications

The state Emergency Management Division is seeking a county commissioner or councilmember to help review applications for the Hazard Mitigation Grant Program. The ad hoc position is temporary, probably involving at least one meeting in late autumn and a personal time commitment of at least sev-

eral hours.

State staff will initially review all applications for completeness, then the independent review committee will score and rank the applications based on objective criteria. The review committee will include representatives of state and local government as well as private

industry. The county representative on the committee cannot be from a county applying for grant funding.

Interested commissioners and councilmembers should contact WSAC staff Sophia Byrd at [sbyrd@wacounties.org](mailto:sbyrd@wacounties.org) or 360-753-1886.

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## Human Services, Juvenile Justice & Housing

# Statewide Methamphetamine Coordinating Committee Meets

The State Methamphetamine Coordinating Committee met on September 26 at Sea-Tac. The meeting was relatively brief and focused on the draft of the proposal to the federal government for at least an additional \$15 million for the coordinated community approach by Washington State to fight the methamphetamine problem. The draft proposal will encompass four major initiatives: 1) law enforcement; 2) treatment; 3) clean-up and mitigation; and 4) prevention.

Law enforcement is still working on the components of its part of the proposal as well as the total cost of their portion. Thus far, they have identified

additional lab response personnel as a necessary addition. The treatment community (DASA, the counties, and providers) has identified the need to expand treatment admissions by 20 percent, specifically targeting parents with young children at a cost of \$5 million. The Department of Ecology has put together an enhanced clean-up package for approximately \$673,854 with grants to counties for handling meth lab waste at their landfills. The Office of Community Development included its prevention package of \$3 million with community grants to all 39 counties and special meth prevention pilot projects for 4 sites.

Sheriffs Dave Reichart, King, and Paul Pastor, Pierce, along with Dick Van Wagenen, Governor's Office, and Priscilla Lisicich, Safe Streets, Tacoma will work on refining some elements of the draft and have a new edition available in 2 - 3 weeks. A final package will be ready for Sheriff Reichart, Dick Van Wagenen, and either Priscilla or Terree Schmidt-Whalen, TASC to take with them as they visit the state delegation in Washington, DC in mid-November.

The next meeting of the Coordinating Committee will be October 31 at 9 at the Sea-Tac Doubletree.

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## News Briefs

### Pend Oreille Sets Risk Management Training

*(Submitted by Janet Kiser Lambarth)*

The county Extension office in Pend Oreille county has been asked by county commissioners to develop training in personal safety issues for all county employees. The result is a 2-hour class called "Over the Counter: Options for Dealing with the Public." The class will be offered October 31. "Not all class members will think alike," said county Agent Janet Lambarth. "Our approach is to offer insights and suggest options that fit the personalities of our class members as well as what may be an escalating situation with their clientele across the counter. The three segments of the class are "Option 1: Theoretically Speaking, What's Going on Here Anyway?" "Option 2: Customer Service (Otherwise Known as Sucking Up)." "Option 3: The Final Option: Maintaining your Defensible Space." These translate as conflict theory and conflict management styles; techniques from mediation; attitude and mindset; best practices for successful customer relations; legal and safety concerns and strategies. Trainers are county Extension agent Janet Kiser Lambarth, Extension Office Manager David Winkler, and 4-H Assistant Kim Aubrey. Mrs. Lambarth is a certified mediator for dispute resolution and has taught 32-hour workplace mediation classes. Mr. Winkler was formerly employed by Borg-Warner and trained body guards for top executives as well as security guards for big companies. Mrs. Aubrey has extensive volunteer management experience and worked with customer service at Prudential.

### Infrastructure Assistance Council's (IACC) Conference Set

The Infrastructure Assistance Council Conference will be held November 6-8, 2001 in Wenatchee. This conference is designed to inform local government officials about the availability of financing for critical public works projects and to provide training on key components of government operations. Additional information is available at [www.infrafunding.wa.gov](http://www.infrafunding.wa.gov).

### OTED Seeking County Input on Certified Communities Initiative

Robin Pollard, OTED Assistant Director for Economic Development, has invited counties to participate in an advisory group developing the Certified Communities Initiative (CCI). CCI is a voluntary program that is intended to help communities build upon their local investments and improve marketing opportunities for attracting and retaining businesses in communities. Although the program is statewide, several concerns were raised by rural counties and communities at the Eastern District meeting last week. If you want to participate in this effort, speak with Karen McArthur at 360-725-4027.

### Pend Oreille County Planning Director Announces Retirement

Gary Fergen, Pend Oreille County Planning Director, will retire on October 31, 2001 after serving 30 years in the planning profession. Gary began his career at Spokane County in 1971 and worked there for more than 23 years. Gary has worked the past six years at Pend Oreille County. Gary plans to spend more time fishing and hunting, and is contemplating a quieter part-time job for the future. Gary's retirement party will be held on Saturday, October 20 beginning at 5 p. m. at the Eagles Club in Newport, WA. Please contact Pam at (509) 447-4821 for details on the party. Congratulations Gary!!!

### Don't Miss This Year's Local Board of Health Leadership Workshop

There's still time to register for this year's Local Board of Health Leadership Workshop scheduled for October 25-26, 2001 at the Radisson Hotel in SeaTac. It's an opportunity to hear about the latest in public health issues including bioterrorism from Tom Milne, Executive Director, National Association of County and City Health Officials and Mary Selecky, Washington State Secretary of Health.

Additionally, there will be panel presentations and roundtable discussions on public health issues and roles in Emerging Diseases (including bioterrorism), Early Intervention, Water and Waste Water, and Illegal Drug Labs.

This is an opportunity to help shape public health policy in these areas and to develop some next steps. The recent terrorist events highlight the need for strong public health policy and readiness.

Please contact your Health Officer/Administrator or Vicki Kirkpatrick in the WSAC Office for registration information.

### Jail Grant Committee Needs Commissioner or Councilmember

As was reported several months ago in the WSAC/WACO budget wrap-up, the state capital budget includes \$3 million for grants to local jurisdictions for jail capacity expansion projects. The money is included in the budget for the state Department of Corrections (DOC).

DOC director Joe Lehman is organizing a small committee to finalize criteria for the grants. In addition to a DOC staff person, the committee will include one representative each from the Association of Sheriffs and Police Chiefs, Association of Washington Cities and the Washington State Association of Counties. **Interested commissioners/councilmembers should contact WSAC staff Sophia Byrd at 360-753-1886 or [sbyrd@wacounties.org](mailto:sbyrd@wacounties.org) by October 15.**

Lehman met recently with association staff representing counties, cities, sheriffs and police chiefs to initiate a discussion about appropriate criteria and processes for distributing the grant funds. The group determined that for ease of administration the criteria could be similar to criteria already used for the federal "violent offender incarceration/truth in sentencing" (VOITIS) grants that also are administered by DOC. However, unlike VOITIS, the new grants should not require an increase in bed space for any particular type of offender and should not require progress reports.

Section 265 of the 2001-2003 capital budget provides \$3 million of the state building construction account for local jails and includes little direction on how to distribute the grant funds, except that grants shall be limited to \$500,000 per jurisdiction.

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## Ecology, Fish and Wildlife Address Best Available Science for Wetlands

**D**o you need help identifying the best available science for wetlands? Could you use assistance translating the science into protection measures for wetlands?

Under the state's Growth Management Act, local governments must use the best available science when reviewing and revising their policies and regulations on freshwater wetlands. However, there is no comprehensive interpretation of the best available science for wetlands, and most local governments lack the resources to tackle such an undertaking.

The state departments of Ecology and Fish & Wildlife, with funding from the U.S. Environmental Protection Agency, are initiating a project to help Sheldon and Associates, Inc. has been hired to produce a two-volume docu-

ment on the best science available for freshwater wetlands. The first volume will be a synthesis of the current scientific information on freshwater wetlands. The synthesis will be used to complete the second volume, which will contain protection and management measures in the form of options and recommendations for local governments. Volume two will be cross-referenced with volume one. Its contents can be used to craft language for local regulations.

The final two-volume document will be available during summer 2002 and winter of 2002. The second volume will be completed during summer of 2002. Scientists and planners will be asked to review drafts of each volume before they're published.

The Department of Ecology (Ecology) also plans to write a new

model ordinance based on the documents and conduct training for local governments after the documents are distributed.

Ecology and Sheldon and Associates, Inc. will hold meetings with local planners in the early stages of the project to make sure the documents will address their needs and present the material in the most useful way.

All those interested in reviewing the documents are invited to do so. Ecology will develop a mailing list based on requests from interested parties and will establish a Web page to provide updates, make announcements and post the completed documents.

Contact Teri Granger if you have questions or comments, or to get on the mailing list. You can reach her at (360) 407-6857 or at [trga461@ecy.wa.gov](mailto:trga461@ecy.wa.gov). Her mailing address is the Department of Ecology, P.O. BOX 47600, Olympia, WA 98504-7600.

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### NACo News

## NACo Launches Campaign to "Expand Democracy in America"

*By Tom Goodman, Public Affairs Director*

**N**ACo is launching a national campaign to help improve the nation's election system by getting more Americans to work at the polls and by broadening voter education.

The campaign, *Expand Democracy in America*, has two parts: "Work at the Polls" and "Voting is Easy." Initially the *Expand Democracy* campaign will establish a coalition of governments, organizations, corporations, schools and colleges committed to promoting voter education and encouraging Americans to volunteer to work at the polls.

"America's election system is a critical part of our democratic process," said NACo President Javier Gonzales. "Because counties have the primary role for conducting elections, NACo is committed to improving the system and expanding democracy in America by involving more people in the process and having better informed voters."

Last November's election revealed weaknesses in the election system. Two of those weaknesses were an insufficient number of poll workers and too few voter education programs.

"This campaign seeks to strengthen the election system by helping counties

deal with these weaknesses," said Gonzales. "We want Americans to view working at the polls as a civic responsibility — a way that they can actively participate in the democratic process."

### Work at the Polls

NACo will first focus on the "Work at the Polls" portion of the campaign. Approximately 1.4 million people served as poll workers in the last election. The goals of the campaign are to recruit an additional 100,000 poll workers by Election Day 2002 and 400,000 more poll workers by Election Day 2004.

NACo will seek support and commitment from organizations, such as the League of Women Voters, the NAACP, La Raza, as well as other levels of government, corporations, and youth groups.

NACo produced a 30-second television public service announcement (PSA) encouraging citizens to volunteer to work at the polls. The PSA is available free to counties for use on their local cable and network channels. Already 200 counties received copies. NACo also will ask cable companies and television networks to show the PSA.

Counties have an important role and will be asked to make a commitment to the campaign. Counties can agree to al-

low their employees administrative leave to work at the polls, show the PSA on their government and local network channels, and work with businesses, community groups, schools and colleges to get more poll workers.

### Voting is Easy

The "Voting is Easy" portion of the campaign is a nonpartisan effort to assist counties with voter education projects — information not only about candidates and issues, but also how to vote.

The National Association of County Information Officers (NACIO) is producing a guide showing successful voter education programs. NACo will work with NACIO to promote and distribute the guide to every county in the country. The guide will be completed at the end of November.

In the second part of this project, NACo will seek foundation funding to provide grants to counties for voter education programs.

*(For additional information about the campaign or to receive a copy of the PSA, contact Tom Goodman, public affairs director, at [tgoodman@naco.org](mailto:tgoodman@naco.org) or by calling (202) 942-4222.)*

# Coming Events



October 8-9  
Cost Allocation Training, Sponsored by **Washington Association of Prosecuting Attorneys Support Enforcement Project**, Red Lion Hotel, Wenatchee

October 11-12  
**WSAC Western District Meeting**, Super 8 Motel, Long Beach

October 16-17  
Cost Allocation Training, Sponsored by **Washington Association of Prosecuting Attorneys Support Enforcement Project**, West Coast Tri-cities Hotel, Kennewick

October 18-19  
**CRABoard Meeting**, CRAB Office, Olympia

October 25-26  
**Washington State Assn of Local Public Health Officials**, Local Boards of Health Leadership Workshop ("Emerging Public

Health Issues"), SeaTac, Radisson Hotel

November 12-15  
**Washington Association of Sheriffs and Police Chief's Annual Fall Conference**, Doubletree Hotel, Pasco

November 13-14  
Cost Allocation Training, Sponsored by **Washington Assn of Prosecuting Attorneys Support Enforcement Project**, Doubletree Hotel, Spokane City Center

November 14-16  
**ACHS Meeting**, Port Orchards Givens Center

November 14-16  
**WSAC Fall Legislative Conference**, Silverdale Hotel on the Bay, Silverdale

November 14  
**WCIF Board Meeting**, in conjunction with WSAC Fall Legislative Conference, 10 am - 12 pm

December 13-14  
**Washington Association of Prosecuting Attorneys' Annual Winter Meeting**, Crowne Plaza, Seattle

**2002 Meetings**  
January 16-18, 2002  
**ACHS Meeting**, Olympia

January 29-31, 2002  
**Legislative Rally & Tri-Association Legislative Reception**, Olympia

February 7, 2002  
**WSALPHO Meeting**, Olympia

March 20-22, 2002  
**ACHS Meeting**, Tacoma, Pierce County

April 11-12, 2002  
**WSAC Western Dist Meeting**, TBD

April 25-26, 2002  
**WSAC Eastern District Meeting**, Sun Mountain Lodge, Winthrop

May 15-17, 2002  
**ACHS Meeting**, Spokane

June 17, 2002  
**WSALPHO Meeting**, Bellevue (Connected to WSAC Summer Convention)

June 18-21, 2002  
**WSAC Summer Convention**, Bellevue

July 17-19, 2002  
**ACHS Meeting**, San Juan County (or location in Northwest WA)

September 12, 2002  
**WSALPHO Meeting**, Spokane

September 18-20, 2002  
**ACHS Meeting**, Leavenworth

November 20-22, 2002  
**ACHS Meeting**, Seattle

December 5, 2002  
**WSALPHO Meeting**, SeaTac

# Employment Opportunities



**LEWIS COUNTY RISK MANAGER**, Salary Range: \$3,456.58 - \$4,125.67 per month. Closing: October 19, 2001 at 5 pm. This position reports to the General Administration Department Director and is responsible for planning, organizing, and coordinating the operation and administration of Lewis County's risk management, safety, and loss control programs. Key responsibilities include

self-insurance, insurance procurement proposals, workers compensation program, loss prevention and control, lease and contract review, and processing of claims. BA plus two years related experience in the area of risk management or equivalent combination of education and/or experience that provide the necessary knowledge and skills to accomplish the essential functions is required. Certification or program completion in the risk management profession is preferred. A complete job description and application packet available at [www.co.lewis.wa.us](http://www.co.lewis.wa.us) or from Lewis County General Administration Department, 360 NW North Street, Chehalis, WA 98532, telephone (360) 740-1408. Lewis County is an Equal Opportunity Employer.

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**DIRECTOR OF PUBLIC WORKS -**

Clallam County on the beautiful Olympic Peninsula of Washington invites candidates who are experienced in public works and who possess strong administrative, communication and leadership skills to serve as Director. Accountable for the proper operation, maintenance, repair and construction of the County's roads and bridges; storm drainage; other services such as road vacations, land acquisitions, right-of-way determinations, maintenance and preservation of the County's records related to Road facilities; GIS, ER&R, solid waste, Clallam Bay/Seki Sewer, flood control, emergency management, trails programs. Requires BS degree in civil or related engineering field preferred, with previous related Public Works experience sufficient to demonstrate thorough adminis-

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trative competency and extensive knowledge of modern engineering principles and practices as applied to municipal public works design, construction, maintenance and operations, or any combination of education and experience to dem-

onstrate competency. Professional Engineer's License from the State of Washington preferred but not required. Salary: \$5466.79 to 6644.93 per month plus excellent benefit package. Resumes in lieu of applications *not* accepted. Application packages available on-line at

www.clallam.net/local, by emailing us at personnel@co.clallam.wa.us or by calling our Jobs Line at (360) 417-2528. Clallam County Department of Personnel & Risk Management, 223 E. 4th St., Port Angeles, WA 98362. Closes 11/09/2001. EOE.

## Washington State Office of Financial Management Perspectives on How Boeing Company Layoffs May Affect State Revenue

The Sept. 11 terrorist attacks in New York City and Washington, D.C., had an immediate impact on the nation's airline industry and the national economy in general – apparent in the steep fall in stock prices.

A related development that will have a significant impact on Washington State government's revenue outlook was the Sept. 19 announcement by The Boeing Company that it intends to lay off over the next two years about 20,000 to 30,000 employees in its commercial aircraft division – a major employer in the Puget Sound region.

The state Office of the Forecast Council (OFC) did not include impacts of the terrorist attacks in the quarterly state revenue forecast it issued Sept. 19 because those impacts were not possible to measure accurately within the time available to that office. Nor did the Forecast Council take into consideration the impact of Boeing layoffs, which were announced after the forecast was issued. The OFC will make its next official revenue forecast in mid-November.

The state Office of Financial Management (OFM) has undertaken a preliminary examination of the state's revenue situation in the wake of the attacks in order to provide some idea how projected Boeing layoffs may affect the state economy and state-government revenue. Initial findings do not constitute an official forecast, which is the responsibility of the Forecast Council and which requires a broad analysis of state economic conditions.

### It Depends

The impact of a Boeing layoff depends on other events going on in the economy at the time they occur, and how the Boeing situation interacts with those events.

The 1969-71 and 1981-83 Boeing downturns were part of – and accompanied by – major national recessions. The effect on Washington's economy and state revenue was devastating in those cases.

In the 1981-83 Biennium, when Boeing jobs fell by 19,000, state revenue dropped 20 percent below expected levels, based on growth patterns of prior budget periods. This revenue loss is equivalent to a revenue loss of about \$4.5 billion in the 2001-03 Biennium.

An impact of this magnitude is not likely in the current situation for three reasons:

- Any national downturn is likely to be less severe than the 1981-83 recession.
- The Washington economy is today less dependent on the aerospace sector.
- The present revenue forecasts already reflect a slowing economy.

In the spring of 1993, after Boeing announced a layoff of about 20,000 jobs, the state revenue forecast was reduced by nearly \$600 million. Although the actual job loss was close to what was announced in the spring of 1993, the revenue loss was only about \$200 million. The relatively small revenue loss was due to the fact that the US economy was rebounding from a recession and helped offset the effects of the Boeing downturn. By 1993, the Washington economy was also less dependent on the aerospace industry than it was in the early 1980s.

### A Lot of Ways to Look At It

There are several ways to think about – and estimate – the likely effects of a Boeing layoff:

**Estimate 1. The Boeing layoff as an "isolated" economic event – impact on**

**personal income and loss of revenue based on the "effective" General Fund tax rate, with revenue elasticity held constant. Estimated loss: \$185 million**

If Boeing lays off 20,000 workers by the end of 2002, an additional 25,000-job loss can be expected in the economy by the end of the 2001-03 Biennium. (Additional secondary job losses of 15,000 would be felt in the 2003-05 Biennium.) This is based on a "multiplier" of 3.0 – meaning that for every Boeing job loss, two additional jobs are lost in the economy over a two-to three-year period. (Some economists use a higher multiplier of nearly 4.0). OFM estimates total job loss of 45,000 by the end of the 2001-03 Biennium. (The Office of the Forecast Council [OFC] has also estimated a loss of 45,000 jobs).

Using an average wage of \$65,000 for Boeing production workers and an average wage of \$33,000 for other job losses (and making further adjustments for other income losses), the state economy would lose about \$3.5 billion in personal income in the 2001-03 period. (OFC has estimated \$4.0 billion).

The "effective" General Fund "tax rate" – that is, General Fund revenue as a percent of total personal income – is about 5.4 percent. At this rate the General Fund revenue impact in the 2001-03 Biennium would be **\$185 million**. (The OFC has not estimated a revenue impact).

This estimate assumes that personal income falls as a result of a Boeing layoff, but that revenue growth relative to income growth – "elasticity" – is unaffected.

**Estimate 2. The Boeing layoff including effects on revenue elasticity: \$430 million**

Estimate 1, above, assumed *no* accompanying national recession and made *no* provision for any extraordinary impacts that a large Boeing layoff would likely have on consumer confidence and behavior, and overall business invest-

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ment activity. A loss of consumer and business confidence in the Puget Sound area resulting from a sudden and large Boeing layoff would have additional impacts on revenue.

The impact would be reflected in a drop in revenue elasticity – the rate at which revenue grows relative to income. Revenue elasticity in the September OFC forecast for Fiscal Year (FY) 2002 already is associated with slow economic growth (0.6 for the sales tax), while elasticity for FY 2003 in the September forecast (0.9 for sales tax) is associated with “average economic growth.”

A sudden and large Boeing layoff extending through Calendar Year (CY) 2002 would very likely cause at least a small, further reduction in elasticity for FY 2002 and a larger one for FY 2003. A small reduction of 0.1 for FY 2002 and a 0.3 decline in elasticity for FY 2003 would result in sales tax elasticities of 0.5 and 0.6, respectively, for the two years of the 2001-03 Biennium. These

elasticities are typical of “slow economic growth,” but not a recession – when elasticity can fall to 0.2, or even below zero.

Under this “slow growth” scenario, revenue losses from 20,000 Boeing layoffs would result in an additional loss of \$245 million in state revenue. Together with the \$185 million revenue loss from Estimate 1, which is related solely to income loss, the total revenue loss would be about **\$430 million**.

**Estimate 3. The Boeing layoff accompanied by a moderate national recession: \$900 million**

The OFC “pessimistic” economic scenario includes the combination of a significant Boeing layoff and a moderate national recession. This would result in a revenue loss of about **\$900 million**. In a severe recession, the revenue loss would be higher.

**Estimate 4. The “average” loss from a 20,000 Boeing layoff: \$600 million**

OFM staff performed a simple, “two

variable” statistical analysis to establish a correlation between Boeing layoffs and state revenue losses. Using data beginning with the 1969-71 Biennium, a Boeing job loss of 20,000 (over the course of a biennium) is associated with a state revenue loss of about \$600 million (after adjusting for inflation).

A note of caution about Estimate 4: This analysis covers periods in which Boeing downturns were accompanied by a wide range of other conditions – major recessions, no recessions, slow growth in the rest of the economy, and strong growth in the rest of the economy. Therefore, it can be said that “on the average,” a loss of 20,000 Boeing jobs over the course of a biennium results in a revenue loss of **\$600 million**. The actual loss will depend on the specific context of the layoff and related economic conditions.

**Contact:** Irv Lefberg, Office of Financial Management, (360)-902-0590, or irv.lefberg@ofm.wa.gov

## Overview of 2001-2003 Budget and Revenue Conditions - 10/02/01

(Submitted by the Office of Financial Management)

The size of the potential shortfalls, imbedded problems in the 2001-03 budget, and expected longer-term fiscal constraints in the 2003-05 and 2005-07 biennia all combine to create a complex and fragile fiscal climate.

Uncertainty in the budget and revenue picture demands a disciplined approach including “holding” approval of capital budget allotments, potentially “holding” second year operating allotments, re-examining cut options, and limiting agency requests for additional resources and legislation.

**The September 2001 revenue forecast:**

- Released on Sept. 18. Lowered expected general fund revenue by \$101 million compared with the June forecast.
- Does not reflect economic and revenue impact of 9/11 attacks or 9/18 Boeing employment reduction announcements.

**The November 2001 revenue forecast is due on Nov. 16:**

- Once completed, it is expected

to reflect the impact of the more recent economic and employment news on expected revenue.

- A wide range of revenue impacts is possible depending on whether the Boeing employment change is taken in isolation (down \$200m), or is accompanied by some variant of a general economic slowdown (down \$800m).

- Economists have recently shifted from arguing over whether or not there would be a recession to debating how deep one will be and how long it will last. Many currently are saying they believe a recession would be short with a recovery starting in late 2002.

**After the September revenue forecast:**

- The 2001-03 operating budget now contains \$761 million more in state general fund spending than the revenue forecast for the 2001-03 period.
- Additional federal revenue for health and long-term care programs, along with general fund reserves and a variety of other fund transfers, has to fill the \$761 million gap. This leaves only

\$66 million in the unrestricted balance, and another \$390 million in the emergency reserve.

- For a variety of reasons, there is additional spending pressure of nearly \$300 million for 2001-03. Another \$35 million in state revenue will be lost if Initiative 747 passes and \$24 million will be lost to Initiative 773.