

County budget a challenge



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Reserve funds low

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Although balancing the over \$13 million county budget can always be like solving an intricate jigsaw puzzle, county officials have had the added pressure of doing more with less over the last few years. Last year, the trepidation of potentially being unable to pay the monthly bills was real, since the \$600,000 usually kept in reserves was, at times, exhausted in order to cover items like the employee payroll.

The commissioners say they aim to keep \$600,000 in reserve throughout the year in order to balance the twice-yearly cycle of property taxes. While waiting for property tax payments to come in, the county must still pay its bills.

Stevens County Auditor Tim Gray said that balancing act has sometimes meant borrowing from other funds.

Borrowing to cover

“The biggest expenditure every month is payroll that can cost \$600,000 to \$700,000 a month,” Gray said. “Over the past year, the county has had to borrow from other accounts and then pay it back when revenues came in.”

However, the county can't just move money around without cost. The borrowing from other accounts costs around four percent interest and must be paid back to the lending account, creating another unbudgeted expense for the general fund.

And if Gray's predictions are right, the county may have to consider doing more creative financing in the coming year.

“We have a projected revenue of \$1.7 million dollars, but is that realistic? In 2009 we anticipated getting \$200,000 in timber tax, but it was only \$116,000 and sales tax was \$100,000 lower than what we had projected. At this point, we are all wondering if we have hit bottom,” he said. In the 17 years that Gray has been the Stevens County auditor, he noted that 12 of those have included budgetary challenges, but it was usually due to uncertainty regarding funds from the state. Now, however, Gray said the local economy is the unpredictable factor.

“My gut feeling is that we are behind the national perception in regards to the economy,” the auditor figured. “Last year we received some money from one-time projects like the repaving of the north end of Highway 395 via sales tax and some revenue from the expansion of Mt. Carmel Hospital, but those ended in May or June. We don't have any of those shot-in-the-arm type projects in the coming year.”

Tough options

Since the main items for county revenue like property tax, sales tax, timber tax and building permits cannot be raised without a public vote. The county must consider where it can cut back expenses.

Last year that meant laying off 13 people who have not yet been rehired. Although making more staffing cuts would be difficult, Gray said the idea of a weekly furlough is still being considered.

“In order to balance the budget, we would need to cut 20 people from the county payroll, but at this point, we don't really have 20 people to cut,” Gray said. “But theoretically, if we were able to close the entire courthouse for one day a week we would need to do that for 44 weeks out of the year to come out even.”

In a twist of irony, staffing cuts in some departments like the Stevens County District Court have declining revenue to the county since probation officers were laid off. Without probation personnel to act as collections staff on fines and court-ordered restitution, many people are choosing not to pay fines that don't directly affect their driver's license, Gray said.

“There aren't many options out there and when you are talking about furloughs over layoffs, it may be easier, but either way we are going to have to close the door,” Gray added.

The next meeting on the county budget will be held Monday, Dec. 7 at 2:30 at the Stevens County Courthouse (room 215).