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CLARK COUNTY
WASHINGTON

AUDITOR
GREG KIMSEY

MEMORANDUM

Date: July 23, 2008

To: Clark County Board of County Commissioners

From: John Ingram, Finance Director, Clark County Auditor's Office

Subject: Law and Justice Sales Taxes Collected, Expended, and Utilized

On December 6, 2006, the Clark County Board of County Commissioner's (BOCC) approved a resolution, number 2006-12-06 amending Clark County Code section 3.12, authorizing a two tenth of a percent sales tax to be used in support of the county's law and justice programs. The County Auditor, by resolution, is to make an annual report of financial accountability to the Board regarding how funds have been collected, expended, and utilized. This memorandum provides that information.

Methodology

The Auditor's Office performed a "compilation" to produce this report. In other words, work to gather information on the collection, expenses, and utilization of this sales tax was not performed as an audit. Data was obtained from the Budget Office, Decision Packages, through the financial systems for expenditures, and from payroll for staffing expenditures.

Law and Justice Sales Tax

On November 7, 2006, the County Administrator presented to the BOCC the 2007/2008 Recommended Budget (portion reproduced in appendix B). As part of this budget, two tenths of one percent local sales tax was proposed as a new funding source for expanded law and justice programs. An additional expectation was that the tax would allow the return of \$1.25 million to the road fund that currently is diverted to fund traffic enforcement. The BOCC approved budget includes the two tenths of one percent sales tax increase.

Revenues Received

The adopted budget for 2007/2008 includes \$11 million in total for the new two tenths sales tax. The tax, passed in December 2006, went into effect April 2007, the first quarter after the ordinance was passed. The first receipt of revenues by the County occurred in July 2007.

- By the end of 2007, the County had received \$2,938,195 which has been deposited into a dedicated fund (the Law and Justice fund 1034); this represents about 27 percent of the two-year budget. This represents about \$420,000 in tax collected per month for the seven months that the tax was received.
- In December 2007 \$2.5 million was transferred into the general fund, leaving about \$400,000 unspent in fund 1034.
- If the tax collections remain at the same level for 2008, the County should receive an additional \$5 million with biennial receipts being some \$3.0 million less than budget.

Approved Actions and Staffing

While the ordinance passed by the Board included a requirement that the Auditor's Office report back on how the funds had been collected, expended, and utilized, we found that there had been no mechanism put into place to easily identify spending funded by this new sales tax. Expenses are incurred in the General Fund with fund 1034 transferring funds to the General Fund.

We relied upon the detailed list in appendix D as the intent of the Board, and we are reporting against that list. The circled numbers on this list refer to the seven points that are part of the briefing at the Budget Hearing on December 3, 2006 (appendix C). The following table contains those identified activities, staffing, and expenditures for the major items funded by the new Law and Justice sales tax. Confirmation of staffing came from the HRMS/payroll system; expenditures are those that could be reasonably derived from the data available. Additional descriptions of these expenditures – the utilization -- can be found in appendix A.

We note that a total of 28.17 FTE were approved for hiring in 2007 of which 24 FTE (85%) were hired by the end of the year.

DP#	Dec pkg title	FTE		Expenditures		Percent of Budget
		Budget 07/08	Actual 2007	Budget 07/08	Actual 2007	
Clerk's Office						
0001-200-01	Guardianship program-convert project employee to permanent	1.00	1.00	95,744	37,976	40%
0001-200-02	Scanning file clerk-convert from temp to permanent	1.00	1.00	88,328	38,625	44%
0001-200-03	Scanning file clerk-convert from temp to permanent	1.00	1.00	88,328	38,625	44%
0001-200-04	Staff to support new judge/commissioner	2.00	2.00	197,886	75,303	38%
0001-200-05	Collection staff-convert from temporary to permanent	1.00	1.00	97,144	36,516	38%
0001-200-08	New chairs			8,000	4,000	50%
0001-200-09	Collections program supply budget			8,000	4,000	50%
0001-200-10	Increase central stores budget			3,000	1,500	50%
0001-200-11	Increase rent budget for collection program			29,900	10,000	33%
Total Clerk's Office		6.00	6.00	616,330	246,546	40%
Superior Court						
0001-230-01	One-day One-trial jury service	1.00		141,068		
0001-230-03	Upgrade all recording systems			200,000	205,000	103%
0001-230-04	Remodel ground floor hearing room			350,000	34,000	10%
0001-230-06	Third superior court commissioner	1.00	1.00	334,008	142,903	43%
0001-230-07	Law clerk using temporary budget	1.00		36,000		
0001-230-08	Continue project employee approved in 2006 (ends 4/07)	0.17		15,723		
Total Superior Court		3.17	1.00	1,076,799	381,903	35%
Sheriff's Office						
0001-250-01	New positions (8 in 2007 and 8 in 2008)	16.00	8.00	3,105,986	722,111	23%
0001-250-03	Campus security services increases			150,000	75,000	50%
0001-250-04	Meth Precursor detective	1.00	1.00	77,610	36,500	
0001-254-01	Support for new staff (see 0001-250-01) 1 in 2007; 2 in 2008	3.00	1.00	209,011	41,000	
0001-254-02	Courthouse cellular coverage			184,000		
0001-254-04	Electronic citations			89,240		
0001-254-05	Logistics management system (inventory system for property)			55,000		
0001-254-06	IT license fees			222,418	111,209	50%
0001-256-01	Pre-employment polygraphs			20,000	5,000	25%
0001-256-02	Legal consultation fees-labor and personnel situations			20,000	10,000	50%
0001-256-03	Staff for fiscal section	3.00	2.00	313,642	87,500	
0001-261-01	Jail transport officers	2.00	1.00	205,309	54,000	
0001-261-03	Inmate medical and food cost contracts			706,000	235,000	33%
Total Sheriff's Office		25.00	13.00	5,358,216	1,377,320	26%
Prosecuting Attorney's Office						
0001-270-02	Deputy prosecuting attorney - criminal division	1.00	1.00	137,099	114,456	83%
0001-270-05	Legal reference materials			31,400	15,700	50%
0001-270-06	Bar association dues			8,000	2,000	25%
0001-270-07	Central store increases			8,400	2,100	25%
0001-270-08	Legal secretary I - juvenile division	1.00		104,526		
0001-270-10	Legal secretary I for CAIC (beginning in 2008)	1.00		55,998		
0001-270-11	Deputy prosecuting attorney - domestic violence	1.00	1.00	137,099	110,054	80%
0001-270-13	Deputy prosecuting attorney - Docket unit (begin in 2008)	1.00		71,529		
0001-270-14	Deputy prosecuting attorney - CAIC (begin in 2008)	1.00		71,529		
Total Prosecuting Attorney's Office		6.00	2.00	625,580	244,311	39%
Emergency Management						
0001-312-01	2007 increases for emergency mgt services			89,052		
0001-312-03	Impact of "8/8" on CRESA dispatch			474,909		
Total Emergency Management		0.00		563,961		
General Services/Indigent Defense						
0001-320-07	Indigent Defense coordinator baseline adj.	1.00	1.00	168,407	62,654	37%
0001-410-01	YWCA/CASA rate per child increase \$240 to \$350			224,000		
0001-410-02	Sexual assault protection cases begun in 2006			18,000	18,000	
0001-410-03	District Crt misdemeanor contractual increases			122,700	122,700	
0001-410-04	Increased fees by 3% except for YWCA and civil commitments			500,000	203,000	
Total General Services/Indigent Defense		1.00	1.00	1,033,107	406,354	39%
Corrections						
0001-430-01	Obtaining and maintaining accreditation	1.00	1.00	232,555	116,277	50%
Total Corrections		1.00	1.00	232,555	116,277	50%
Law & Justice Total		42.17	24.00	\$ 9,506,548	\$ 2,772,710	29%
Position Expenditures				5,984,529	1,714,501	29%
Other Expenditures				\$ 3,522,019	\$ 1,058,209	30%

Appendix A: Utilization

Utilization information was obtained from departments and offices with approved decision packages funded by the Law and Justice sales tax.

Sheriff's Office

The Sheriff is using a new, web-based, hiring process which aids in screening candidates. In 2007, the Sheriff had 18 enforcement vacancies of which eight were newly authorized as funded by the Law and Justice sales tax, effective April 1, 2007. During 2007, a net of 16 enforcement officers were hired.

The Meth Precursor Detective is partially funded by a grant from the Washington Association of Police Chiefs and was in place in 2006; the difference of just under \$80,000 has an identified funding source as the Law and Justice tax.

The Office created a Professional Standards unit funded by this tax. A second position was converted to create the Chief Administrative Deputy, who is over Fiscal, Professional Standards, Human Resources, and IT within the Sheriff's Office. An additional support staff was hired in 2007. Two additional support staff will be hired in 2008, in accordance with the approved FTE budget.

One Jail Transport Officer was hired in 2007; another is authorized for 2008.

One-time capital expenditures of \$380,000 for vehicles and mobile data computers (MDC's) were incurred in 2007. Expenditures for campus security upgrades, pre-employment polygraphs, and IT licenses, were also made in 2007.

A contingency budget of \$706,000 for increased inmate medical/food costs was to be funded by this tax in 2007-08. This budget capacity has been moved from the contingency to the Sheriff's operating budget. Approximately one third of the \$706,000 was spent in 2007 and the remaining two thirds is expected to be spent in 2008.

Prosecuting Attorney's Office

The Prosecutor hired two of the budgeted attorney positions – that for the Criminal Division and for the Domestic Violence unit. The authorized support staff position remained unfilled in 2007 as the Office undertook reorganization and consolidated workload under new administrative leadership. Remaining unfilled positions are expected to be filled in 2008.

Clerk's Office

The budget included funds for two Clerk's Office staff to support the new third Court Commissioner (see Superior Court, below). One court clerk will clerk for the new commissioner, and the second will process the paper work generated by the new commissioner. The Clerk was able to hire for these two budgeted positions. An additional four positions were converted from temporary to permanent.

The guardianship program began in 1999. The bulk of approved funding for the program was expected to be for staffing to manage the program full time, converting the program from one fully run by volunteers to having an FTE to coordinate and oversee policies and procedures of the program. The Clerk's Office hired this position in February 2007.

Indigent Defense Program/General Services

General Services houses the Indigent Defense Program, with the contract position funded by the new Law and Justice sales tax. This position was hired in 2007.

Superior Court

Using funds from this sales tax, Superior Court hired Commissioner Stahnke in 2007, as the new third court commissioner. This hire is expected to reduce complex trial times by five percent. In addition, a part time law clerk was hired to increase available Judge hearing time and to perform legal research.

Purchase of software to facilitate both the one-day one-trial and those for video recording upgrades were made in 2007. Investment/upgrade of video equipment is expected to reduce error/no-record rates, thereby saving the cost of retrials or repeating hearings and should also reduce the risk of defendants being released as a result of error. Additional expenditures are expected in 2008.

Dollars were expended under the category of remodeling courtroom space in 2007 – about ten percent of the budget for this work. Additional expenditures are expected for this remodel in 2008. The remodel work includes adding a witness box and space for non-jury trials and hearings.

Corrections

In 2007 Corrections expended half of the total budget to obtain ACA accreditation, which provides the department with an affirmative defense against tort litigation through documentation and the demonstration of “good faith” efforts to improve and maintain standards and conditions relating to supervision of offenders. The accreditation process is a professional peer review based on national standards developed by leaders in the field of Corrections.



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CLARK COUNTY
WASHINGTON

MEMORANDUM

November 7, 2006

To: Board of County Commissioners
 Marc Boldt, Chair
 Steve Stuart, Vice Chair
 Betty Sue Morris

From: Bill Barron, County Administrator

Subject: 2007/2008 Recommended Budget

Commissioners, I am pleased to present the Administrator's proposed 2007/2008 biennial budget for your consideration. These recommendations are the product of collaboration with all appointed and elected county officials through your Budget Strategy Process and comply with all policies of the Clark Board of County Commissioners (BOCC) established for this budget.

This recommended budget provides funding for the baseline to sustain current service levels within existing county revenues. It also proposes service level enhancements in Law and Justice that will depend upon new revenues.

Clark County is at a turning point. In the 10 years following the passage of Referendum 47, departments strived to maintain service levels without new employees. The county has been able to keep up with inflation, but not with growth. To close that gap the County has forged partnerships and new, innovative ways to solve problems. We have substantially increased our revenues from state and federal grants to offset revenue losses and leverage remaining resources.

Caps on hiring have created a large, pent-up demand. This budget affords us an opportunity to address this need. This budget proposes that we shift our focus, to update our work force and our programs to address the demands that have been building for the last decade. This budget continues to optimize each dollar, but we will pay more attention to sustainable solutions to our long term needs.

Baseline budget is fully funded

The 2007/08 budget proposal is made possible by the fact that the county is in good financial condition. Due to recent growth, new construction revenues ensure that current staff levels and programs are fully funded. But these are not enough to also pay for

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increased staffing to match that growth. Many key county services have not grown for several years. This has created \$20 million of unmet need. Projected revenue growth can cover only half of that amount. There are enough funds to cover current costs, plus some badly needed, growth-related improvements, including:

- Elections – Increases in the number of elections and voter participation, and the change to vote-by-mail have increased election's workload.
- Online services – The County will continue to increase its offering of Web services, responding to the growing demands of technology savvy citizens, saving them both time and money.
- Technology – Wherever possible, Clark County continues to make solid investments in new information technology instead of new staff positions.
- Environment – Clark County continues its commitment to quality of life, supporting stringent federal requirements for clean water, protection of endangered species, and conservation of open space.

Keeping Children and Families Safe

Law and Justice -- Some areas of the county must add employees to keep up with the County's growth; most notably Law and Justice. This cannot be funded from current revenues. The most likely new revenue source is the 2/10 of 1% local option sales tax. This tax was legislatively authorized years ago to fund the basic business of counties, like Law and Justice. If approved, unincorporated Clark County catches up to Vancouver, Battle Ground, Ridgefield, Washougal, and La Center, all of which have enacted this tax. In addition, it would return \$1.25 million to roads that currently is diverted to fund traffic enforcement.

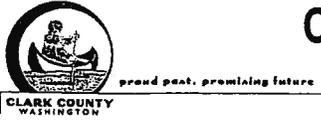
This will generate \$5 million a year, costing the average citizen a dollar a month. With these funds we will be able to hire:

- 16 new deputies, with capacity for 8 more deputies per year after 2008.
- 2 new jail transport officers and 5 new Sheriff's support positions
- 6 Prosecutors staff
- A judicial officer and 4 court staff
- 6 Superior Court clerks

In addition this new money provides planning funds for an expanded jail and court facilities, and savings toward the construction of that new capacity.

This option is recommended. It provides a great return on citizens' dollars and an opportunity to build more sustainable funding for Law and Justice into the future.

Confronting Meth – There is no more serious problem facing the county than the methamphetamine crisis. Meth strains law enforcement and is overwhelming mental health and social service systems. It is creating county-wide problems involving child abuse, public health, and education. To build stronger systems and confront these



Clark County 2007/2008 Budget

Budget Hearing

OBIS:120406

General Fund – Service Level Maintenance

- Internal Services (Auditor, Treasurer, OBIS, HR, General Services, Risk Mgt.)
 - \$1.6 million for carryover of ATS project, web payment implementation, upgrade point-of-sale system, replacement of remittance processor
 - \$3 million for continued legacy system replacements and upgrades including disaster recovery hardware/software
 - \$392k for converting printing, sorting, and imaging from legacy systems to digital
- Facilities
 - \$2.7 million for maintenance of additional facilities at parks, improvements to campus buildings including ADA program upgrades.
- Others
- Cost increases for current services can be supported with increases from existing revenue sources.

General Fund – Service Level Increases

- Bullet*
- Law & Justice
 - 1 • \$6.2 million for an additional 16 deputy's along with staffing support. This also includes two additional transport officers, meth precursor detective, increases in jail medical and food contracts, new property warehouse inventory system, and electronic citations.
 - 2 • \$727k increase for the PA's office towards four additional attorney as well as staff support, and other required expenses
 - 3 • \$1.4 million for a third court commissioner and support, remodel of existing space for a courtroom, juror pay pilot program, and upgrades of video equipment.
 - 4 • Clerk's Office staffing increases to serve the third court commissioner and making the guardianship program permanent
 - 5 • Increases for emergency management in response to the 16 deputy's.
 - 6 • \$1.2 million for increased costs of indigent defense
 - 7 • Obtaining and maintaining accreditation of the Corrections Dept.
 - Begin reserving capacity for a future jail. *(Existing general fund fund balance)*
 - Increased service levels in Law & Justice cannot be sustained with increases from existing revenue sources.
 - Requires the 2/10ths sales tax
 - Mental Health (Meth) 1/10th

DP#	Fund	IST Grp	Sub-Group	Dec pkg title	FTE	On-going	One-time	Total	Revenue Offset	Total Net Cost
0001-200-01	0001	L & J	Clerk's Office	Guardianship program-convert project employee to permanent	1.00	95,744		95,744		95,744 y
0001-200-02	0001	L & J	Clerk's Office	Scanning file clerk-convert from temp to permanent	1.00	86,928	1,400	88,328		88,328 y
0001-200-03	0001	L & J	Clerk's Office	Scanning file clerk-convert from temp to permanent	1.00	86,928	1,400	88,328		88,328 y
0001-200-04	0001	L & J	Clerk's Office	Staff to support new judge/commissioner	2.00	192,486	5,400	197,886		197,886 y
0001-200-05	0001	L & J	Clerk's Office	Collection staff-convert from temporary to permanent	1.00	95,744	1,400	97,144		97,144 y
0001-200-08	0001	L & J	Clerk's Office	New chairs			8,000	8,000		8,000 y
0001-200-09	0001	L & J	Clerk's Office	Collections program supply budget		8,000		8,000		8,000 y
0001-200-10	0001	L & J	Clerk's Office	Increase central stores budget		3,000		3,000		3,000 y
0001-200-11	0001	L & J	Clerk's Office	Increase rent budget for collection program		29,900		29,900		29,900 y
0001-200-12	0001	L & J	Clerk's Office	Increase transfer from O&M for 2 full-time clerk positions				0	20,000	(20,000) y
				Sub-Group Total	6.00	598,730	17,600	616,330	20,000	596,330
0001-210-01	0001	L & J	District Court	Additional staff for workload increases	1.50	149,370	3,000	152,370	38,477	113,893 y
0001-210-03	0001	L & J	District Court	Video conferencing equipment for the three large courtrooms	1.50	149,370	60,000	60,000		60,000 y
				Sub-Group Total	1.50	149,370	63,000	212,370	38,477	173,893
0001-230-01	0001	L & J	Superior Court	One-day One-trial jury service	1.00	126,068	15,000	141,068		141,068 y
0001-230-03	0001	L & J	Superior Court	Upgrade all recording systems			200,000	200,000		200,000 y
0001-230-04	0001	L & J	Superior Court	Remodel ground floor hearing room			350,000	350,000		350,000 y
0001-230-06	0001	L & J	Superior Court	Third superior court commissioner	1.00	316,008	18,000	334,008		334,008 y
0001-230-07	0001	L & J	Superior Court	Law clerk using temporary budget	1.00	36,000		36,000		36,000 y
0001-230-08	0001	L & J	Superior Court	Continue project employee approved in 2006 (ends 4/07)	0.17	15,723	15,723	15,723		15,723 y
0001-230-09	0001	L & J	Superior Court	Juror pay pilot program			353,940	353,940		0 y
				Sub-Group Total	3.17	478,076	952,663	1,430,739	353,940	1,076,799
0001-231-01	0001	L & J	Juvenile	Increase SWAY contribution to \$80,000 per biennium		10,000		10,000		10,000 y
0001-250-01	0001	L & J	Sheriff's Office	New positions (8 in 2007 and 8 in 2008)	16.00	2,377,986	728,000	3,105,986		3,105,986 y
0001-250-03	0001	L & J	Sheriff's Office	Campus security services increases		150,000		150,000		150,000 y
0001-250-04	0001	L & J	Sheriff's Office	Meth Precursor detective	1.00	193,810		193,810	116,200	77,610 y
0001-250-05	0001	L & J	Sheriff's Office	Carryover of approved positions - six OAA's	6.00	752,110		752,110		752,110 y
0001-254-01	0001	L & J	Sheriff's Office	Support for new staff (see 0001-250-01) 1 in 2007; 2 in 2008	3.00	209,011		209,011		209,011 y
0001-254-02	0001	L & J	Sheriff's Office	Courthouse cellular coverage			184,000	184,000		184,000 y
0001-254-04	0001	L & J	Sheriff's Office	Electronic citations		5,000	84,240	89,240		89,240 y
0001-254-05	0001	L & J	Sheriff's Office	Logistics management system (inventory system for property)		5,000	50,000	55,000		55,000 y
0001-254-06	0001	L & J	Sheriff's Office	IT license fees		222,418		222,418		222,418 y
0001-256-01	0001	L & J	Sheriff's Office	Pre-employment polygraphs		20,000		20,000		20,000 y
0001-256-02	0001	L & J	Sheriff's Office	Legal consultation fees-labor and personnel situations		20,000		20,000		20,000 y
0001-256-03	0001	L & J	Sheriff's Office	Staff for fiscal section	3.00	298,642	15,000	313,642		313,642 y
0001-261-01	0001	L & J	Sheriff's Office	Jail transport officers	2.00	190,809	14,500	205,309		205,309 y
0001-261-03	0001	L & J	Sheriff's Office	Inmate medical and food cost contracts		706,000		706,000		706,000 y
				Sub-Group Total	31.00	5,150,786	1,075,740	6,226,526	116,200	6,110,326
0001-270-02	0001	L & J	Prosecuting Attorney	Deputy prosecuting attorney - criminal division	1.00	131,099	6,000	137,099		137,099 y
0001-270-04	0001	L & J	Prosecuting Attorney	Increase for domestic violence		8,000		8,000	8,000	0 y
0001-270-05	0001	L & J	Prosecuting Attorney	Legal reference materials		31,400		31,400		31,400 y
0001-270-06	0001	L & J	Prosecuting Attorney	Bar association dues		8,000		8,000		8,000 y

Purpose: Indicates which Decision Packages (DP's) are funded by 7/10 % Sales Tax (#'s circled)

Source: Jim Dickman, Budget Office

