

Onward to “Skamania Forward!”

In 2000, the Skamania County Board of County Commissioners had the “Skamania Forward” study completed in order to determine what the financial outlook would be in the future and how Commissioners should plan. The report detailed that financial outlook, and, how to financially survive and continue to provide County government services. We did not follow most of the recommendations and are now paying the price.

At the start of the new century, Skamania County was recognized as one of the richest County government in Washington. An estimated \$ 8 million in cumulative resources was set aside in reserve accounts and regularly invested in short term limited Cash Deposits (CD’s) and Money Market accounts with regional banks. The School District also had large reserves and invested in CD’s. That was when banks actually paid a reasonable interest rate on your savings! Today, interest rates are so low, banks don’t offer CD’s paying any interest of note.

The accumulated reserves were primarily the yearly proceeds from the 25% of revenue received from federal timber sales on the Gifford Pinchot National Forest. By 1990, Federal timber sales rapidly declined as logging was severely restricted due to the listing of the Northern Spotted Owl and the creation of the Northwest Forest Plan. From 2000 through 2015, the yearly federal Secure Rural Schools payments to Counties with National Forests compensated counties for the lack of these timber sales and property tax loss. But, Congress reduced these payments over time, and they just ended in 2015. The County reserve accounts were completely exhausted, and by late 2012, County government was in debt by nearly \$ 3 million!

With a new Board in 2013, we closely reviewed yearly planned “Revenue” and “Expenditures,” especially the *Current Expense* portion of the budget. Most of the Revenue is private property taxes and the Secure Rural School federal payment. Our biggest spending is nearly 80% in staffing costs, primarily for our Elected Officials. In early 2015, we faced the possibility of not receiving the yearly federal payment due to Congressional inaction. We then reduced staff by 15 positions, most in the Sheriff’s office. (By April, Congress authorized 2 more years of payments.) With the lowered staffing cost in 2015, we reduced our current debt by more than half. We are planning to pay off the remaining debt by the end of 2016. Federal payments have not been authorized beyond 2015 and the consensus is that they will not be renewed.

The 2017 Board of Commissioners will still have a big challenge. A possibility of further reduced or no federal payments causing further staff reductions. This brings me back to the importance of your yearly property taxes, and, the Skamania Forward recommendations. Next month, you will see another op-ed on property taxes, and where they are distributed. (Hint: The top three are County government, Schools, and the Emergency Medical Services.)

Over 83% of our County is federal lands. We can’t afford to lose any remaining private lands to federal land purchases. (If the National Forests paid a County agricultural property tax each year the bill is \$ 14 million/year! Instead of the most recent federal payment of \$ 1.3 million.)

The Skamania Forward report is available online at www.skamaniacounty.org
Please contact any Commissioner to further discuss, and to learn more about the County finances.

Special to the Skamania County Pioneer. By Commissioner Chris Brong.