



OFFICE OF ISLAND COUNTY CLERK
Patricia Terry
Clerk of Superior Court

PO Box 5000
Coupeville, WA 98239

360-679-7359

2011 Budget Narrative
Island County Clerk

Introduction:

The imbalance between demands for services and the resources with which to provide those services plague our national leaders as well as local government officials. The economic downturn affecting the nation as a whole is manifest in Island County as well. The availability of traditionally secure funding sources has diminished greatly since 2008. Despite these harsh realities, somehow mandated services must survive. In tandem, non-mandated but essential services must also receive scrutiny. There is no doubt that we are in crisis.

In traditional Chinese script, the word crisis is expressed as two symbols; one symbol is for danger and the other for opportunity. In this instance, the danger is that cuts to essential services, such as Law and Justice, carry both literal and intangible risks. The literal risk is, of course, public safety and safety of those on the front lines. The intangible risks, which are much harder to quantify, include the impact to staffs whose charge it is to carry on the work, no matter what. Devoted public servants can be the shining jewels of government bureaucracy but they are human beings too. As energies are diminished by increased demands for productivity, so too can motivation, pride in one's work, and morale become endangered.

Conversely, there are opportunities. If "necessity is the mother of invention" than a budget crisis surely is the fertile ground of creative solutions. The current budget crisis has already been fodder for a number of changes in the Clerk's office in 2010. These

changes have laid a foundation for what it to come in 2011. The work of the Clerk's office must continue to focus on performance, effectiveness, efficiency, and accountability in 2011, despite the loss of both staff and productive hours.

The role of the Deputy Clerk requires performance of duties both inside and outside the courtroom. Each court proceeding must be staffed with a Deputy Clerk for the purpose of recording "Clerk's Notes" and facilitating the smooth operation of proceedings for judges, attorneys, plaintiffs, defendants, and the public alike. Their job outside the courtroom requires the hands-on processing of a plethora of paperwork that must be handled in compliance with Federal and State statutes and local court rules. The work is complex, voluminous in nature, and done in the presence of a steady stream of customers who come to the front counter each day for help.

A Historical Perspective – 2010 in Review

The budget established for 2010 called for several changes in staffing patterns. In January 2010, the staff consisted of the following:

- Two 1.0 FTE Deputy Clerk I positions (Pay Grade 7);
- One 1.0 FTE Deputy Clerk II position (Pay Grade 7);
- One 0.8 FTE Deputy Clerk I position (Pay Grade 7);
- One 1.0 FTE Collections Clerk position (Pay Grade 7);
- One 0.5 FTE Deputy Clerk I position (Pay Grade 7);
- One 1.0 FTE Vault Clerk position (Pay Grade 5);

The 2010 budget was "balanced" by a decision to leave the Chief Deputy position vacant until May 2010. An essential position to the smooth operation of the department, it proved unwise to use this as a budget remedy.

The table below will describe changes to staff composition during 2010:

Position	Budgeted FTE	Current FTE	Comments
Two Deputy Clerk I and One Deputy Clerk II positions	1.0 each	Same	---
One Deputy Clerk I, part time	0.8	1	Increased to full time in April, employee resigned

Position	Budgeted FTE	Current FTE	Comments
			July 2010, position now vacant.
One Deputy Clerk I - Collections Clerk	1	0.5	Position reduced upon resignation of original clerk in April 2010. Temporary increase in current clerk's hours to 0.8 FTE through October 2010.
One Deputy Clerk I position, part time	0.5	Vacant	No plans to hire in 2010
Vault Clerk	1	1	---
Chief Deputy	1.0 in May 2010	1	Able to hire in March 2010, determined to be budget neutral at that time.

There has been significant savings to the department by the careful evaluation of each vacancy as it occurred. The resignation/relocation of several employees in 2010 has been an opportunity to evaluate the relative contribution of each position to the efficiency/effectiveness of the department as a whole. Even an act as simple as pushing out a start date for 2 weeks to one month beyond approval date can help the budget without significant compromise to workflow.

Other Cost Saving Measures: Adjustments to staffing can be the most lucrative way to reduce expenditures, but a number of smaller measures were taken as well. In 2010, the following helped contribute to overall cost saving for the department:

- The accounting system design generates crime victim restitution checks according to the amount of money paid by the defendants. These payments can be large or small depending on the circumstances. The previous Clerk would send out any amount the system generated, including checks as small as \$0.50. This practice was discontinued by resetting the accounting system to accrue these tiny amounts until they exceeded \$9.99. Rather than sending out 20 checks for \$0.50 each for a total cost of \$8.40 in postage, only one check is sent once it accrues to \$10.00 at a cost of \$0.42 in postage. Additional savings also

came from reduced check usage. The actual savings is difficult to quantify, but it is expected to save several hundred dollars each year.

- When new checks needed were needed, the vendor explained that if we used blue ink as the primary color that this would save \$50 per 1000 checks. This will save the department \$100-\$150 per year.
- This department uses a huge volume of paper for copying each month. A new vendor is now being used that serves only governments, school districts, and non-profit organizations, thus is less profit oriented. The discount on the paper save approximately \$150/year in office supply costs.

Utilization of Staff and Performance Expectations: Despite the fact that this department was fully staffed, (with the exception of the Chief Deputy position being left vacant) for all of 2009, at the onset of 2010, this staff was woefully behind in their work. Hundreds of court documents sat on the shelf waiting processing; there was no individual accountability for the work that was incomplete, and staff was allowed to rotate their duties each week, thereby allowing whatever work they had not completed to become the responsibility of someone else. It was discovered that hundreds of hours of compensatory time had been allowed to accrue for several of the employees, thereby constituting a significant risk to the solvency of the department as step raises came into play. For some employees, compensatory time was requested on nearly a weekly basis. If this had continued, this department surely would not have met its budget goals in 2010.

Several interventions are now in place to address these issues. Significant changes to workflow were implemented and the weekly rotation was eliminated. Now the various tasks are assigned to individual staff, along with performance expectations.

Compensatory time was **eliminated** by mandating that prior approval was required.

The existing compensatory time was either paid out or time off was given as the workload permitted. The addition of the Chief Deputy, who acts as the line supervisor, has helped tremendously to help keep staff on task and clear about what is expected of them. Refinements continue to be made that will hopefully sustain what has become a much more efficient and effective operation.

A Sustainable Source of Revenue Is Identified: One of the success stories of 2010 comes from the in-house collections program. A collection fee was approved by the 2007 legislature that allows County Clerks to charge up to \$100 per year, per defendant, to help recoup the costs of running an in-house collection program. This is the only fee that can be prioritized over crime victim restitution. Each county decides how the fee is best utilized. In Island County, the fee was being imposed only on defendants who were significantly in arrears and then applied to the account for a period of only three years. What this effectively did was eliminate the pool of people who were actually paying their fines and therefore capable of supporting the collection program. Beginning in June 2010, this fee is now applied to all applicable accounts. Omitted were juvenile cases, drug court participants, and any defendant who owed less than \$500. It was also decided that rather than making the collection program the first recipient of this money (which is allowed), we decided to place ourselves on equal par with the crime victims. This was easily accomplished through the numbering system used on the accounts receivables screens in the accounting system. The actual remittance is based on a built-in formula that considers the amount of the monthly payment from the defendant and the balance that is owed. When the payment is small, but the balance owed is high, Island County may receive only pennies on the dollar. Conversely, if the payments are large and the balance is low, Island County may receive as much as \$20/mo. until the full \$100 is paid. This may not sound like much, but with over 3500 defendants in the collections program, the accrual is proving to be significant! A method for specifically tracking these dollars has been established through cooperation of the Auditor's office. At the end of July 2010, it was determined that the combination of the funds collected from those previously identified as being in arrears and the cases that were newly added, this program has yielded \$14,000. This exceeds the entire yield for all of 2009. It is anticipated that the gross revenue from this program will exceed \$60,000 in 2011. Other counties who utilize the fee say that the revenues will increase annually as more defendants are added to the program. In the past, the revenue from this program only covered about 40% of the cost of the full time collections clerk. These new revenues, which are applied directly to current

expense, will more than support the cost of the newly hired collections clerk. It is for this reason that this budget proposes that the position be increased to a 1.0 FTE (including the full benefit package) in 2011.

2011 Budget Recommendations

The Clerk's office must reduce its operating costs by approximate \$44,000 in 2011. Some modest changes to expenditures will be made, such as reducing office supplies, but the bulk of the reductions must come from salaries and benefits. The table below will list the proposed changes:

Position	2010 Budgeted FTE	Current FTE	2011
Two Deputy Clerk I and One Deputy Clerk II positions	1.0 each	Same	Reduce all to 0.9 FTE
One Deputy Clerk, part time	0.8	1.0	Reduce to 0.6 FTE (will begin with new hire in 2010.)
One Deputy Clerk I Collections Clerk	1.0	0.5	Increase to 0.9 FTE
One Deputy Clerk I position, part time	0.5	Vacant	To remain vacant
Vault Clerk	1.0	1.0	Reduce to 0.9 FTE
Chief Deputy	1.0 starting March 2010	1.0	Reduce to 0.9 FTE

Expenditure Requests:

Equipment Discussion: There are items contained within the maintenance of operations portion of the budget that warrant discussion. For example, I\$2500 is listed for small office equipment. Encompassed in this number are two items: Currently staff uses desktop scanners to create electronic copies of court documents. Although several were replaced in 2009, some older models are still in use and are literally falling apart. Preferable to this would be the addition of a high-volume scanner, but the cost estimate of \$12,000 is prohibitive. Three desktop scanners will need prompt replacement in

2011. This should be considered a short-term solution in lieu of the purchase of a high-volume scanner in future years. The remainder of the money is targeted for two date/time/"Filed" stamp machines. A time stamp machine was purchased for the department in 2010 at a cost of \$250. Even though there is a statutory requirement that all documents filed with the Clerk be time stamped, this was not being done. Research of other Clerk offices revealed that the preferred model comes at a cost of approximately \$550. Since we were already using manual "Filed" stamps, a time-only machine was purchased to keep costs down. However, our experience now is that the use of a manual stamp and an electronic time stamp causes multiple handling of documents and decreases efficiency. The addition of two "all in one" stamp machines will free up clerks to tend to their other duties.

Professional Services: The other item worthy of discussion is "Services Professional". The Clerk is charged with the duty to preserve court records for posterity. Court records are considered archival, so essentially must be preserved for all of time. Once records are stored in two alternative media (i.e. electronic and microfilm), the original paper record can be destroyed. Of course, there are some paper records that should never be destroyed, such as those with historical and/or public administrative significance. In the past, the Clerk's office was the recipient of current expense funds (backed by state monies) that permitted routine preservation. Ultimately, this money fell under the control of the County Auditor and ceased to be available to the Clerk's office. The result has been significant crowding of both our office and off-site storage. At present, there is at least 3 years worth of court records that are only in paper form. These records would be the first priority for preservation. Even small amounts of money, consistently devoted to this purpose over time, could go a long way toward helping the Clerk's office meet this mandated task. Whether this money comes from the Auditor's office or from current expense is the decision of the board of commissioners; this is understood. However, this narrative would not be complete without highlighting the importance of this function and making note of a situation that has gone unaddressed for several years now.

Summary:

The Clerk's office is in a unique position within the structure of Island County government. The Clerk's office is one of several departments that are functionally a part of the Law and Justice. These include the Prosecuting Attorney, Court Administration, the Sheriff, and Juvenile Services. However, the Clerk's office, by law, is part of the administrative branch of government. As such, we do not "work for the judges" as it is often perceived. 2011 will call on all Island County departments to be cooperative with one another and sensitive to the limitations the budget reductions place on all.

In 2010, many Island County departments dealt with a reduced workweek through a combination of mandatory furloughs and reduced hours of service to the public. In discussions with Court Administration and the two Superior Court judges, the Clerk's office was told that as long as court was open, we must remain open as well. They define open as 5 days per week, 8 hours per day. This stance made the 2010 reductions doubly difficult. Not only did we lose productive work hours because of the advent of the 37.5-hour workweek, we also did not have the ability to close our window and "catch-up" as was done in other departments.

At present, it appears that Court Administration and the two Superior Court judges are taking this same stance as we move into 2011. Despite the fact that the staff is working at much greater efficiency, there is a limit to what can be expected as staffing is further reduced. *Business as usual* is simply not an option. Research of other counties reveals that Clerk offices and their companions in Law and Justice have found ways to work together in light of these trying economic times.

For example, Snohomish County batches their mandatory furlough time and adds an additional day off (on the Friday prior) to each major holiday that is observed on a Monday. This gives most employees a four-day weekend, thus making the furlough time more palatable. The court remains open, but with a skeleton crew and a purposefully reduced court docket. For example, Superior Court is open, but only for limited and/or emergency proceedings such as obtaining protection orders. Similar arrangements are entirely possible in Island County. Without this kind of tangible

cooperation between departments, the Clerk's staff is being asked to work at a pace that is not only impossible, but also inhuman. This staff has come a long way from where they began in January 2010, but further reductions in staff, reduced productive hours, and having no ability to wall off and "catch up" is a prescription for failure. Reduced public hours in conjunction with scheduling alternatives that recognize the reality of the situation can prevent employee burnout and undesirable turnover. One last unintended consequence of the budget reductions is regarding the reimbursement that can be expected from the Child Support Enforcement Grant. At present, this grant pays for 10.94% of allowable expenses. As the overall budget is reduced, particularly salaries, the amount of money this grant pays out will go down as well. A recent audit by Department of Social and Health Services also shows that child support enforcement cases appear to be less frequent. The reasons for this are varied, but if this trend continues, even less money will be made available to the Clerk's office. This could represent an annual reduction in revenue of as much as \$7000 during 2011. In order for the Clerk's office to succeed in meeting its mandates in 2011, it will take a combination of creativity, hard work, strong leadership, and keeping a close eye on expenditures. Both the dangers and the opportunities inherent to this scenario of diminishing resources must be identified and acted upon quickly and wisely. One strong recommendation is that the collection program be kept strong and fully staffed, as it is likely going to be one of the most important factors in the department's financial security. Staffing patterns will need to adjust according to both the needs of the court AND to the reality of mandatory furloughs, reduced staffing, and the likely reduction of office hours. It is hoped that the foundation laid during 2010 will serve as a firm base for the challenges that lie ahead in 2011.