

**BOARD OF ISLAND COUNTY COMMISSIONERS MINUTES OF MEETING  
OCTOBER 28, 2009 – SPECIAL SESSION**

The Board of Island County Commissioners met in Special Session on October 28, 2009 beginning at 1:00 p.m. in the Board of County Commissioners Hearing Room (Room # 102B), Annex Building, 1 N.E. 6<sup>th</sup> Street, Coupeville, Washington. John Dean, Chairman, Helen Price Johnson, Member, and Angie Homola, Member were present. The purpose of the Special Session was to review revenue and expenditure estimates with the Budget Director.

Elected Officials and Appointed Department Heads joined in a conversation with the Board and Ms. Marlow concerning the 2010 budget revenue and expenditure estimates. Provided was a hand-out reflecting the general fund (current expense) amount shortage of \$1.2 million. It was hoped that the County could work with the bargaining unions to reduce the cost of providing medical for a potential savings of approximately \$736,000; unfortunately, that did not happen. For discussion purposes the hand-out also looked at how the Board might achieve a \$1.2 million reduction in its budget by applying a percentage evenly across the board of target reductions in salaries and benefits, with the exception of the small departments already taking furlough days.

Ms. Marlow explained why at the last meeting attended by Elected Officials and Department Heads the shortage was \$1.4 million versus \$1.2 million now. At subsequent budget workshops the Board looked at changing the way the County does indirect overhead transfers between funds to a method that the State Auditors would approve; that is, 4.19% against the total expenditures in funds that some departments may need because with a transfer coming against those departments support may be needed from current expense. The net effect of that change in the transfers was an additional approximately \$175,200 to the general fund.

Discussion ensued and ideas were expressed about Ms. Marlow's suggested starting points for decreasing the budget shortfall.

- What have other counties successfully done? Some counties have closed.
- Equalizing the reductions rather than just some shouldering the brunt.
- Negotiated furloughs rather than a reduction in force. Negotiator needs to sit down now with the unions to determine what the unions have to say.
- Declare an official financial emergency which merely would communicate the message
- It was requested that the Commissioners not cut across the board. Speaking from a public safety standpoint the Board should look at what is mandated versus non-mandated functions of the County

Dialogue followed about possible revenue sources and other ideas for reductions:

- 3/10<sup>th</sup> of 1% for Law and Justice (voter approved and includes non-supplanting language provisions but still worth considering)
- Clean water funding
- Tax to be used to fund ICOM (voter approved)
- Levy maximum amount of local use and sales tax
- Reduction in the number of committee meetings attended by the Board
- Banked capacity
- Borrowing (challenge exists as to where the money would come from to repay the loan)
- Levy lift (voter approved)
- Surplusing of assets
- Consolidation of staff and closure of space

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Other than fee increases, few options remain for increasing the general fund when talking about revenue.

The Board has not yet reached a decision on non-reps moving to a different medical plan, a conversation with the unions is first needed. The bargaining units need to know that the deficit equals about 50 jobs.

Ms. Marlow urged everyone not to hold out hope that there would be a significant change in the bottom line. Her recommendation to the Board will be to reduce salaries and benefits which is the highest growth area in expenditures at 73-74% of the budget.

Elected Officials and Department Heads were requested to each take a look at their departments for areas that can be reduced. The Board needs further discussion about the proposed numbers before taking any action and would appreciate talking points from Elected Officials and Department Heads as to the effect of reductions to their departments.

It was pointed out that there are fewer non-mandated programs remaining, and mandated programs are crippled. Anything done will have an impact on basic services of the County.

The meeting adjourned at 2:27 p.m.

BOARD OF COUNTY COMMISSIONERS  
ISLAND COUNTY, WASHINGTON

\_\_\_\_\_  
John Dean, Chairman

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Helen Price Johnson, Member

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Angie Homola, Member

ATTEST:

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Elaine Marlow, Clerk of the Board