

**BOARD OF ISLAND COUNTY COMMISSIONERS MINUTES OF MEETING
MAY 21, 2010 – SPECIAL SESSION**

The Board of Island County Commissioners met in Special Session on May 21, 2010 beginning at 12:00 p.m. in the Board of County Commissioners Hearing Room (Room # 102B), Annex Building, 1 N.E. 6th Street, Coupeville, Washington. Helen Price Johnson, Chair, Angie Homola, Member, and John Dean, Member were present.

The purpose of the Special Session was to continue the ongoing discussions concerning the County's 5-year Budget Projections including further budget reductions, a possible property tax levy lid lift, and other options to alleviate the continuing structural budget deficit in the County Current Expense Fund.

Ms. Marlow began the meeting by reviewing Island County's finances, the 2011 General Fund Revenues:

- All County funds distribution by program
- County General Fund distribution by program
- Current Expense Fund – 5-year trend – revenues minus expenditures
- Steps taken 2008-2010
- Percentage level of Current Expense reductions
- Current Expense Fund 2011-2015 outlook
- Island County property tax rates compared to other counties
- Current Expense levy rates compared with neighboring counties
- Levy lid lift options
- Multi-year option

She indicated that the County is at a place of diminishing essential services whereby cuts have left "mission critical" positions unfilled and deeper reductions would cost taxpayers more in the long run. There is a need to balance the budget and stabilize the County's financial future. If the County continues as is, it will be unable to meet statutory requirements and citizen expectations.

The County's need at this point is to:

- Balance the budget
- Respond to current local economic challenges
- Recognize political dynamics
- Be clear about use of funds
- Maintain realistic expectations

Following comments from those in attendance the Board engaged in conversation about the possibility of stabilizing Island County government for the next five years by way of a possible levy lid lift. The Commissioners evaluated their options taking into consideration that to stabilize the County would mean \$1.6-\$1.8 million in additional revenue.

Discussion then ensued to craft the scope of a proposed resolution providing for the submission of a proposition to the voters of Island County at the August 2010 Primary Election for their ratification or rejection to levy an increase in the Regular Property Tax Levy. The Board also conferred about the levy lid lift rate.

The Prosecuting Attorney will be asked to review the draft resolution for sufficiency.

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The Board will continue its dialogue on the proposed resolution in Special Session May 24, 2010 at 1:00 p.m.

BOARD OF COUNTY COMMISSIONERS
ISLAND COUNTY, WASHINGTON

Helen Price Johnson, Chair

Angie Homola, Member

John Dean, Member

ATTEST:

Elaine Marlow, Clerk of the Board