

**BOARD OF ISLAND COUNTY COMMISSIONERS – MINUTES OF MEETING  
SPECIAL SESSION - NOVEMBER 13, 2001**

The Board of Island County Commissioners met in Special Session on November 13, 2001, at 11:00 a.m., in the Island County Courthouse Annex Hearing Room, Coupeville, Wa., with William F. Thorn, Chairman; Mike Shelton, Member; and Wm. L. McDowell, Member, present. Others present included: Tom Baenen, Phil Bakke Cathy Caryl, Dave Jamieson, Betty Kemp, Jane Koetje, Elaine Marlow, Tim McDonald, Don Meehan, Mike Merringer, Bill Oakes, Maxine Sauter, Suzanne Sinclair, Jan Smith, Dick Toft, and Rick Levine, Whidbey News Times reporter. As indicated in the Notice to Press, the special session was called to conduct the following business: approve previous Minutes of Meetings; to discuss and review the proposed 2002 budget; and schedule the public hearing date for adoption of the budget for fiscal year 2002.

**MINUTES OF MEETING APPROVED**

By unanimous motion, the Board approved minutes from the October 24, October 29 and November 5, 2001 meetings.

**BUDGET DISCUSSION AND REVIEW**

**Budget Hand-outs:**

- Resolution - Fixing and Adopting the final Budgets for Island County Current Expense Fund, Special Revenue Funds, Diking District #4 Fund for Fiscal Year 2002
- Resolution - Increasing the Taxing District's Prior Year's Levy Amount for Collection in Fiscal Year 2002 for the County Current Expense Levy
- Resolution - Increasing the Taxing District's Prior Year's Levy Amount for Collection in Fiscal Year 2002 for the County Roads Levy
- Resolution #C-145-01 Increasing the Taxing District's Prior Year's Levy Amount for Collection in Fiscal Year 2002 for the County conservation Futures Levy

Chairman Thorn opened the meeting to continue consideration on the 2002 Island County Budget, noting that the Board, following the budget workshop held on November 9, received input from various Elected Officials and Appointed Department Heads. The preliminary budget shows a \$991,000 short fall, and by agreement to use a very substantial amount of reserve, \$700,000, the short fall cut to \$291,000.

David L. Jamieson, Jr., Chief Civil Deputy, on behalf of Greg Banks, Prosecuting Attorney, read Mr. Banks' comments for the record and submitted the letter in writing. In summary, the comments noted:

- Philosophically, the 38 hour proposal is a bad one, and would only serve to degrade services provided by government. The 38 hour proposal would not result in 5% cut in PA Office; most wages are paid to salaried attorneys, not hourly employees, who would have to simply accept a 5% pay cut. Would rather cut one attorney position than deal with the effects of a slow burn throughout his organization. Not yet had an opportunity to carefully evaluate what services and case loads would have to be given up if it became necessary to cut an attorney position.
- Propose the County examine non-mandatory programs and services for discontinuance or suspension, or the Board of Commissioners float a property tax levy increase for the voters to decide which of the non-mandatory programs and services the voters wish to fund.

Betty Kemp, Director, GSA, referenced already-submitted Memo under today's date via e-mail with regard to proposed reductions in General Services Administration. One of her suggestions was to do away with collision

insurance on automobiles which would be a \$15,600 savings. She did mention that Parks is not mandated; it is stretched really thin, but did propose some reductions. A suggestion made would impact animal control but was not a big number.

Commissioner Thorn's belief regarding parks was that it is one of the few amenities supported in the County. With impacts on traveling, more people will stay home and be looking for local kinds of things for recreation. Parks and parks maintenance is stretched thin already and there has never been an appropriate maintenance budget for parks, and he was therefore quite reticent to make any cuts in that particular area, and would not propose any cuts in animal control either.

Cathy Caryl, Director, Central Services, reported that reducing employee hours from 40 to 38 per week was not the preferred option and suggested instead that in her office: (1) absorb support clerk position within department = savings of 40% of \$35,000; and (2) delete professional services slated for training next year = savings of 40% of \$10,000. Total savings: \$18,000.

Tom Baenen, Island County Assessor, explained that the Assessor's Office was running behind five months from the tax calendar for last four years. For next year's budget, proposed is to add one new appraiser to help get back on schedule; he saw no way to get back on schedule without filling that position, which would result in a 3% increase over last year's budget. The alternative would be to eliminate services. One of the services the office presently performs is adding new construction on the tax rolls and this year, that amounts to \$130,000 in revenue to the County. Statute allows picking up new construction once every six years in each of the areas re-valued; by doing so the office could get back on schedule. But the cities, town and county would lose new construction dollars except once every six years. The Office could handle a 38 hour work week but the public needs to be aware how onerous it is and that public open hours would have to be cut likewise.

Jane Koetje, Island County Clerk, reviewed the court calendar from past year and looked at the present calendar to see how her office could accommodate a 38 hour work week. Although it could be accomplished, her employees could not be offered the alternative of a 3-day weekend discussed last Friday, since Mondays and Fridays are the biggest court calendar days. There would have to be some other way to handle the 2-hour per employee work week reduction. Staff pointed out they would be asked again to do more with less; they are willing to work harder with less, but public open hours cannot be 40, with 38 hours' worth staff time.

Tim McDonald, Health Services Director, had nothing to add to the proposals provided on Friday during the budget workshop but did ask that should the Board consider changes involving personnel, that he be given an opportunity as soon as possible to tell employees what those changes are.

Jan Smith, Island County Sheriff's Office, referred to correspondence from Sheriff Hawley via e-mail confirming that labor contracts specify a 40 hour work week.

Mike Merringer, Director, Juvenile Court Services, confirmed having gone through services and programs offered to see if any cuts could be made. He found that the only unmandated function is drug court, which is actually paid for from BECCA settlement funds and approximately \$70,000 left. They are very happy with the program and would not want to offer that program up, and given the one-time allocation, probably would not impact the budget because of the means of funding. There is a vacant position within the office. He will do what the Board directs and make it work, but agreed with other comments that it is asking employees to do more with less.

Bill Oakes, Public Works Director, reported that management staff in general did not favor cutting hours from 40 to 38 hours per week, feeling reduced service would be a burden on the employees to provide the same service with less time. In looking at potential Current Expense aid the Public Works Department could give, he told the Board that the latest estimate from the Sheriff's Department for traffic enforcement support is roughly \$20,000 more than budgeted, so the \$395,000 figure could be increased to \$415,000. He has not identified where the \$20,000 would come from but one suggestion was from cuts in the full dig-out and repair pavement maintenance system, which could ultimately result in a small reduction in the life of the pavement. The only other direct Current Expense funds within Public

Works are approximately \$300,000 going into the Courthouse Expansion Project. The project can be completed with the existing contingency, but if that contingency is reduced it would result in scaling the project back. With regard to long term impacts of 1747 on the Road Budget, using a 1% assumption, that would come to about \$800,000 over the plan for capital improvements that would not be available, and translates to level of effort and to staff - roughly over the six year plan that would be 2 fte reduction. He wants an opportunity to analyze with his staff what the priorities are from an engineering standpoint. He sees no projects included that could be viewed "fluff", all very valid projects and some tough choices will have to be made about delaying, slide construction and design out, or look at taking some projects off the list.

Dick Toft, Human Resources Director, pointed out that due to the size of his department, with one and 1.5 employees in the office, doing away with a position would result in closing the office when he is away. In looking at other budget categories, except for three categories, they are under \$1,000 and would not contribute any significant savings. The office could accommodate the 38 hour work week by cross covering.

Suzanne Sinclair, Island County Auditor, noted that on the public side of the Auditor's Office has the same staff positions since 1976. The suggestion to cut dollars in her office was to use half of the current full time employee in the licensing department to focus on conversion of recorded documents, imaging system and preservation of county historical documents, and that amount could be paid from the Auditor's O & M fund which is funded by recording fees rather than Current Expense. This would cause a slow down in service to the public relative to licensing but would save Current Expense fund \$18,760. On the accounting side, she mentioned a possible savings that would bring the total to \$35,760, a 6% savings. On further review of the accounting side potential, that was ruled out and the savings available would be the \$18,760. As far as some discussion about what a few other counties have done, subbing licensing out, she saw several problems: (1) the County pays to maintain a certain level of expertise those sub agents call when they have questions; sub agent turn over is fairly high depending on area - important to maintain at least one person; and (2) the public pays an extra fee to a sub agent; eliminating licensing position in the

Auditor's Office in the Courthouse would leave no option on Whidbey Island for citizens to not pay that extra fee to a sub agent.

Maxine Sauter, Island County Treasurer, opposed cutting staff inasmuch as her staff had not increased in the last 20 years. She thought the best situation for her would be to opt for a cut in salaries which would save about \$12,000 a year, and thought she could cut elsewhere as well.

Don Meehan, Extension Agent, WSU Cooperative Extension, believed the 38 hour work week would pose a challenge if applied to Extension across the board. If grant employees do not work, they cannot bring in the money through grants. Over the last couple of years Extension has been able to generate revenue out of some of the grant projects and billing for administrative services. The preferred path would be instead of banking the money to hold it for grant funded positions as an insurance policy; turn some of that money back to off-set some Current Expense short falls. Going to 38 hours per week would equate to a little over \$10,000 and with revenue generation now, particularly the Near Shore project, he thought he could probably make up that short fall and turn that money around for a different purpose. Bottom line: no on 38 hours; yes on bringing in revenue to support this: \$10,000).

Phil Bakke, Planning and Community Development Director, advised that the 38 hour work week concept was opposed by staff primarily being cognizant about who their customers are, and sensitive about being able to provide customer service in a reasonable time frame, as well as based on the quality of product delivered. By reducing the work week over the entire staff that ability to provide those services would not be as good as it is currently. He has prepared and submitted at a prior meeting a revised fee schedule that would cover the cost for his department. Given comments from the last workshop, if covering costs through fees it makes it difficult to cut back without also cutting back on the ability to generate revenue for the department. He would try to make it work at 38 hours, recognizing the present difficulty.

Commissioner McDowell suggested the Current Expense supported water resource program in the approximate amount of \$100,000 be moved from the Health Department to Planning and Community Development since it is tied very much to the ability to develop in the County. Moving that program would allow costs covered by fees.

Chairman Thorn agreed the water program did support development. An area he suggested thinking about cutting because of the severe budget constraints this year was the 0-3 healthy baby program in the amount of \$154,422.

Commissioner Shelton was aware that other counties took the permitting portion from public health and put it in community development, but he thought that was a mistake because there are public health issues as well as development issues. He needed time to think about the suggestion further.

Tim McDonald advised that the hydrology water resource program for 2002 was set at a budget figure of \$114,210. His recommendation was not to move the program from the Health Department, rather do the work via interdepartmental agreement with Planning and Community Development.

Commissioner Shelton asked that everyone take the tact of providing the best possible service within budgetary limitations. If the citizens continue to vote for initiatives, they will eventually have the opportunity to decide if the level of government they are willing to finance is what they believe is appropriate for their lifestyle.

Revenue from interest income was entered at a very conservative number, and Chairman Thorn was willing to re-look at that number.

With regard to Mr. Banks' suggestion about cutting unmandated services, Commissioner McDowell was interested in receiving Mr. Banks' thoughts on what services performed in the County are not mandated, in addition to those mentioned today. He too was not interested in decreasing parks services. Following on with the Chairman's comment about re-looking at interest income, he asked that the Treasurer provide to the Board this afternoon the amount invested last year on a daily basis [for 365 days, or average per month].

The Chairman was prepared at this point for purposes of setting a public hearing, to bring forward an unbalanced budget, with inclusion of reductions and revenues brought about by today's meeting which total \$110,000:

|              |          |              |           |
|--------------|----------|--------------|-----------|
| Central Ser. | \$18,000 | Extension    | 10,000    |
| Road         | 20,000   | Health       | \$30,383. |
| Auditor      | 18,760   | Ins. Reserve | 15,600    |

Commissioner Shelton agreed, with full recognition an unbalanced budget cannot be adopted, but at this point in time will allow the Board to meet the statutory requirements of getting the hearing scheduled.

Commissioner McDowell was not convinced at this time the County was headed in the direction of a 38 hour work week. He was interested to hear comments from the public at the time of hearing on December 3<sup>rd</sup> because a 38 hour week would mean a decrease in service across the board, with certain exceptions.

### **BUDGET HEARING SCHEDULED**

The Board, by unanimous motion, scheduled the following budget resolutions for public hearing on December 3, 2001, beginning at 1:30 p.m.:

Resolution #C-142-01 Fixing and Adopting the final Budgets for Island County Current Expense Fund, Special Revenue Funds, Diking District #4 Fund for Fiscal Year 2002, with revising Exhibit A at this time showing an unbalanced budget that instead of being \$991,019 will be decreased by adding a \$700,000 revenue source from the Current Expense reserve; and approximately \$110,000 worth of cuts identified this date, giving a shortfall of approximately \$181,000.

Resolution #C-143-01 Increasing the Taxing District's Prior Year's Levy Amount

for Collection in Fiscal Year 2002 for the County Current Expense Levy

Resolution #C-144-01 Increasing the Taxing District's Prior Year's Levy Amount  
for Collection in Fiscal Year 2002 for the County Roads Levy

Resolution #C-145-01 Increasing the Taxing District's Prior Year's Levy Amount  
for Collection in Fiscal Year 2002 for the County conservation Futures Levy

Special Session adjourned at 12:30 p.m. The next regular meeting of the Board is scheduled for November 19, 2001,  
beginning at 9:30 a.m.

**BOARD OF COUNTY COMMISSIONERS  
ISLAND COUNTY, WASHINGTON**

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William F. Thorn, Chairman

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Mike Shelton, Member

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Wm. L. McDowell, Member

**ATTEST:** \_\_\_\_\_  
Elaine Marlow, Clerk of the Board