

**ISLAND COUNTY COMMISSIONERS - MINUTES OF MEETING
REGULAR SESSION - DECEMBER 3, 2001**

The Board of Island County Commissioners (including Diking Improvement District #4) met in Regular Session on December 3, 2001, beginning at 9:30 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.

By unanimous motion, the Board approved and signed the following minutes: November 13, 2001 special session and November 19, 2001 regular session.

VOUCHERS AND PAYMENT OF BILLS

The following vouchers/warrants were approved for payment by unanimous motion of the Board: Voucher (War.) #111989 - 112254.....\$247,536.69.

Correction from 11/26/01 Voucher Approval:

Per figures provided by the Island County Auditor's Office, the Board by unanimous motion corrected the voucher approval from 11/26/01, to note the following correction:

11/26/01 Voucher transmittal approved by the Board totaled \$71,253.49 corrected to reflect actual total \$71,253.77.

Veterans Assistance Claim V1-22 approved on 11/26/01 in the total amount of \$9,228.11 corrected to \$9,228.49; and vouchers approved 11/26/01 in the amount of \$1,302.18 corrected to \$1,302.46.

PROCLAMATION: RESOLUTION #C-154 -01 PROCLAIMING DECEMBER 2001 AS NATIONAL DRUNK & DRUGGED DRIVING AWARENESS MONTH

Responding to a request from JoAnn Hellmann, Coordinator, Impaired Driving Impact Panel of Island County [IDIPIC] via e-mail message mid-November, the Board considered adopting a resolution to proclaim December 2001 as National Drunk & Drugged Driving Awareness Month. As she stated in her message, December brings holiday cheer, but often holiday sadness when people mix drinking or drugs with driving.

Dr. Robert Bishop, Island County Coroner, attended the meeting, present in support of the Board's adoption of the timely proclamation, and invited the Commissioners to attend the next IDIPIC panel meeting to be held this Saturday.

By unanimous motion, the Board adopted Resolution #C-154-01 Proclaiming December 2001 as National Drunk & Drugged Driving Awareness Month.

PROCLAMATION

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

IN THE MATTER OF PROCLAIMING }
DECEMBER 2001 AS NATIONAL }
DRUNK & DRUGGED DRIVING }
PREVENTION AWARENESS MONTH} RESOLUTION #C-154-01

WHEREAS, people are injured and killed each year on state, county, and city roads from alcohol and/or other drug related crashes; and

WHEREAS, impaired driving needlessly threatens families, friends, co-workers and neighbors daily in cities and towns, and Island County; and

WHEREAS, DUI arrests in Island County decreased slightly in 2000 compared to the year before, attributed in part by lack of law enforcement manpower; and

WHEREAS, all drivers risk impairment when consuming alcohol or other drugs, whether legal, over-the-counter and prescription medications or illegal substances; and

WHEREAS, the Impaired Driving Impact Panel of Island County considers its highest priority to be the protection of citizens from hazards such as impaired driving, and recognizes that designating sober drivers and encouraging safe rides activities are valuable weapons against the battle of impaired during the holiday season and throughout the coming year, thereby helping to make our roads safer for all.

NOW THEREFORE BE IT RESOLVED that the Board of Island County Commissioners join Impaired Driving Impact Panel of Island County to proclaim December, 2001, as **DRUNK & DRUGGED DRIVING PREVENTION AWARENESS MONTH**, and urge that all citizens of Island County designate sober drivers, and encourage safe rides activities.

PROCLAIMED and **ADOPTED** this 3rd day of December, 2001.

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

William F. Thorn, Chairman

Mike Shelton, Member

Wm. L. McDowell, Member

BICC 01-770

ATTEST:

Elaine Marlow

Clerk of the Board

MARINE RESOURCE COMMITTEE FOR ISLAND COUNTY REAPPOINTMENTS

By unanimous motion, the Board reappointed the following members of the Marine Resource Committee for Island County to a three year term running through December 31, 2004 :

Hi Bronson, Camano Island, Representing: Environmental Planning

Tom Roehl, Freeland, Representing: Port of South Whidbey

Jeff Tate, Island County, Coupeville, Representing: Local Government Planning.

APPOINTMENT OF COMMISSIONER, ADMIRAL'S COVE WATER DISTRICT

Adel T. Saba, Commissioner, Admiral's Cove Water District, appeared before the Board at today's meeting to confirm what the District's Attorney, Joan McPherson, indicated on Friday to Chairman Thorn: both Lana Wallace and Howard R. Duncan resigned as commissioner. He requested that the Board appoint Sid Iverson, Commissioner-elect, Position #2, immediately so that the District may conduct business.

RCW 42.12.070 (3) provides that if less than two members of a governing body remain in office, the county legislative authority shall appoint a qualified person to the governing body until the governing body has two members.

The Board by unanimous motion, appointed Sid Iverson effective immediately as Commissioner in Position #2 to serve until his new elected term of office begins.

2001 BUDGET RESOLUTIONS SCHEDULED FOR PUBLIC HEARING

As introduced by the Budget Director, Elaine Marlow, the Board by unanimous motion scheduled a public hearing to be held on December 24, 2001 at 9:50 a.m.:

Resolution #C-155 -01 In the Matter of Declaring Supplemental Appropriations to the following 2001 Island County Fund Budgets: Current Expense, Public Health Pooling, Mental Health, Developmental Disabilities Funds and Alcohol/Substance Abuse Funds

- Resolution #C-156-01 In the Matter of Declaring Emergency Appropriations to the following 2001 Island County Fund Budgets: Current Expense, Public Health Pooling, Conservation Futures, Drug Seizure, Capital Improvements (Reet 1), Anti-Profitteering Fund, Public Works, Federal Asset Forfeiture, Construction & Acquisition, Courthouse Expansion, and Solid Waste funds.

HEARING SCHEDULED - RESOLUTION #C-157-01 ESTABLISHING ISLAND COUNTY FIRE PERMIT PROGRAM FUND & ADOPTING BUDGET FOR YEAR 2001

- Resolution #C-157-01 In the matter of Establishing the Island County Fire Permit Program Fund and adopting a budget for the year 2001 was by unanimous motion of the Board, scheduled for public hearing on December 24, 2001 at 9:45 a.m.

HIRING REQUESTS & PERSONNEL ACTIONS

As presented by Dick Toft, Human Resource Director, the Board by unanimous motion, approved the following personnel action authorization:

Dept.	PAA #	Description	Position #	Action	Eff. Date
Planning	125/01	Permit Coord II	1603.01	Replacement	12/3/01

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RESOLUTION #C-158-01 ADOPTING AMENDMENTS TO ISLAND COUNTY DEFERRED COMPENSATION PLAN

By unanimous motion, the Board adopted Resolution #C-158-01 Adopting Amendments to Island County Deferred Compensation Plan, to conform with changes made by Congress' adoption of the Economic Growth and Tax Relief Reconciliation Act of 2001.

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

RESOLUTION ADOPTING
AMENDMENTS TO ISLAND COUNTY
DEFERRED COMPENSATION PLAN

RESOLUTION NO. C-158 -01

WHEREAS, this Board heretofore established the Island County Deferred Compensation Plan and revised it November 9, 1998 (hereinafter "Plan"); and

WHEREAS, this Board desires to amend the Plan to conform with changes in the federal law brought about by the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA"); and

WHEREAS, this amendment is intended as good faith compliance with the requirements of EGTRRA and guidance issued thereunder, and

WHEREAS, this amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this amendment; **NOW, THEREFORE**,

BE IT RESOLVED, that, effective January 1, 2002, the Island County Deferred Compensation Plan is amended, as follows:

Contribution Limit – The maximum amount a Participant may defer during a calendar year to this and/or any other Eligible Deferred Compensation Plan shall not exceed the lesser of: (i) the applicable dollar amount as set forth in Section 457(e)(15) of the Code; or (ii) 100% of the Participant's Includible Compensation.

Pre-Retirement Catch Up Contribution – The maximum amount a Participant may defer under Section 457(b)(3) of the Code each calendar year to this or any other Eligible Deferred Compensation Plan shall not exceed the lesser of: (1) twice the applicable dollar limit as set forth in Section 457(e)(15) of the Code; or (2) the applicable dollar limit as set forth in Section 457(e)(15) of the Code plus any Employer provided compensation eligible for deferral that was not deferred for any prior taxable year which began after December 31, 1978.

Age 50+ Catch-Up Contribution - All Participants who have attained age 50 before the close of the plan year shall be eligible to make catch-up contributions in accordance with, and subject to the limitations of, Section 414(v) of the Code. Such contribution shall not, with respect to the year in which the contribution is made, be subject to any otherwise applicable limitation contained in Section 457 of the Code, or be taken into account in applying such limitations to other contributions or benefits under this Plan or any other plan. This provision shall not apply for any year in which Section 457(b)(3) of the Code applies.

Rollover Contribution - An Employee may contribute a Rollover Contribution to the Plan. A Rollover Contribution is a Participant contribution or a direct rollover of an eligible rollover distribution as defined under Section 402(c)(4) of the Code. The Plan Administrator may require the Employee to certify, either in writing or in any other form permitted under rules promulgated by the IRS, that the contribution qualifies as a Rollover Contribution under the applicable provisions of the Code. If it is later determined that all or part of a Rollover Contribution was ineligible to be contributed to the Plan, the Plan Administrator shall direct that any ineligible amounts, plus earnings or losses attributable thereto (determined in a uniform and nondiscriminatory manner) be distributed from the Plan to the Employee as soon as administratively feasible. Separate accounting shall be maintained by the Plan Administrator for

any Rollover Contribution not attributable to an Eligible Deferred Compensation Plan. Rollover Contributions will be nonforfeitable at all times.

Distribution Eligibility – All references to “separation from service” contained in the Plan are hereby replaced with “severance from employment.”

Installment Payments – Upon becoming eligible for a distribution, a Participant may elect to receive so much of his or her Participant Account in installment payments made at least annually. A Participant may elect to vary the amount or frequency of any such payments at least once each calendar quarter. However, at no time may the installment payment period exceed the Participant’s life expectancy.

Distribution On or After Age 70-1/2 or Severance From Employment - Upon becoming eligible for a distribution, a Participant may elect to commence distribution of his or her Participant Account in accordance with the payment options available under the Plan. A Participant who wishes to receive a distribution must submit a request to the Plan Administrator. Upon a valid request, distribution will commence as soon as administratively feasible.

Distribution On Account of the Participant’s Death – In the event of the Participant’s death, if distribution has not commenced prior to the death of the Participant:

- (a) a non spousal beneficiary must either;
 - (i) elect a distribution payable over a period not extending beyond the life expectancy of the beneficiary, commencing no later than the end of the calendar year following the calendar year in which the Participant died; or
 - (ii) elect a single-sum payment to be made no later than the end of the calendar year which contains the fifth anniversary of the date of death of the employee, otherwise, such single-sum payment shall be made by the end of such calendar year.
- (b) a spousal beneficiary may elect a single-sum payment or a distribution payable over a period not extending beyond the life expectancy of the spousal beneficiary. Distribution to the spousal beneficiary must commence on or before the later of: (i) the calendar year immediately following the calendar year in which the Participant died; or (ii) the year the deceased Participant would have reached age 70-1/2.

Minimum Distribution Requirements - Notwithstanding anything in this plan to the contrary, distribution from the Plan shall commence and be made in accordance with Section 401(a)(9) of the Code and, until the last calendar year beginning before the effective date of the final regulations under section 401(a)(9) or such other date as may be published by the Internal Revenue Service, the regulations under section 401(a)(9) that were proposed on January 17, 2001. Participants must commence distribution no later than April 1st following the later of (i) the calendar year in which the Participant attains age 70-1/2 or (ii) the calendar year in which the Participant retires.

Domestic Relations Orders - No benefit or interest available hereunder will be subject to assignment or alienation, either voluntarily or involuntarily pursuant to a domestic relations order, unless such order is determined to be a qualified domestic relations order, as defined under Section 414(p) of the Code.

Direct Rollovers - A distributee may elect to have all or any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the distributee.

For purposes of this section an Eligible Rollover Distribution means any distribution of all or any portion of the balance to the credit of the distributee, except that an Eligible Rollover Distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee’s designated Beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; or any amount that is distributed on account of hardship.

For purposes of this section an Eligible Retirement Plan means an eligible retirement plan that is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an eligible deferred compensation plan described in Section 457(b) of the Code which is maintained by an eligible employer described in Section 457(e)(1)(A) of the Code, an annuity plan described in Section 403(a) of the Code, an annuity contract described in section 403(b) of the Code, or a qualified trust described in Section 401(a) of the Code, that accepts the distributee’s eligible rollover distribution. The definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relation order, as defined under section 414(p) of the Code.

For purposes of this section, a distributee includes an Employee or former Employee. In addition, the Employee’s or former Employee’s surviving spouse and the Employee’s or former Employee’s spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined under Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse.

For purposes of this section a Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the distributee.

Distribution for Certain Non-Participating Participants – Rollover Contributions are excluded in determining whether the total amount of a Participant's Account under the Plan exceeds the dollar limit under Section 411(a)(11)(A) of the Code.

Transfers In - If a transfer is associated with a distributable event and the Employee is eligible to receive an eligible rollover distribution as defined under Section 402(c)(4) of the Code, such transfer will be considered a Rollover Contribution.

Transfers Out - If a transfer is associated with a distributable event and the distribution is an eligible rollover distribution as defined under Section 402(c)(4) of the Code, such transfer will be considered a Direct Rollover.

Trustee to Trustee Transfers to Purchase Permissive Service Credit – A Participant may elect to have all or a portion of a his/her Participant Account directly transferred to a defined benefit governmental plan (as defined under Section 414(d) of the Code) if such transfer is:

- (a) for the purchase of permissive service credit (as defined under Section 415(n)(3)(A) of the Code) under such plan; or
- (b) a repayment to which Section 415 of the Code does not apply by reason of subsection (k)(3) thereof.

DATED this 3 day of December, 2001.

**BOARD OF COUNTY COMMISSIONERS
ISLAND COUNTY, WASHINGTON**
William F. Thorn, Chairman
Mike Shelton, Member
Wm. L. McDowell, Member

ATTEST:

Elaine Marlow
Clerk of the Board

BICC 01-772

HEALTH CONTRACTS APPROVED

The Board, on unanimous motion, approved the following Health Department contracts:

- Contract # HD-11-00(1) [RM-HLTH-00-0015] Amendment 1, in the amended amount of \$4,200.
- Contract # HS-07-01(1) [RM-HLTH-99-0056] Toddler Learning Center – DDD Amendment Amount-\$131,508.00;
Contract Amount: \$156,498
- Contract #HS-10-01(1) [RM-HLTH-99-0057] Service Alternatives for Washington, Inc. –Amendment Amount-\$176,769.00; Contract Amount-\$210,330.00

HEARING HELD - FRANCHISE #141R, BAYVIEW BEACH WATER DISTRICT; RENEWAL OF EXISTING WATER DISTRIBUTION SYSTEM

A Public Hearing was held at 10:20 a.m. as advertised, for the purpose of considering the proposed renewal of Franchise #141R, Bayview Beach Water District, for the renewal of existing water distribution system, located in Sections 12/13/23/24, Twp. 29N., R 2E., and Sections 7/8, Twp 29N., Rge 3E., and consolidation of Bayview Beach Water District Franchise #15, 67 and 141.

Bill Oakes, Public Works Director, stated that on review of the proposal, staff confirmed there are no plans for expansion of the current system. As noted in the 10/23/01 Memo from the County Engineer, all departments requested to comment responded with no objections to the proposal. The Prosecuting Attorney's Office reviewed and approved the documents as to form and the document also has been approved by Risk Management.

When the Chairman called for public comments, no one in the audience expressed a desire to speak either for or against said renewal of the franchise.

By unanimous motion, the Board approved renewal of Franchise #141R, Bayview Beach Water District, for the renewal of existing water distribution system, located in Sections 12/13/23/24, Twp. 29N., R 2E., and Sections 7/8, Twp 29N., Rge 3E., and consolidation of Bayview Beach Water District Franchise #15, 67 and 141.

HEARING HELD: FRANCHISE #79R, HONEYMOON BAY VISTA WATER ASSOCIATION RENEWAL OF EXISTING WATER DISTRIBUTION SYSTEM

A Public Hearing was held at 10:25 a.m. as advertised, for the purpose of considering the renewal of Franchise #79R, Honeymoon Bay Vista Water Association; renewal of existing water distribution system, Plat of Honeymoon Bay Vista, Sec. 27, Township 30N, Range 2E.

Mr. Oakes noted in this case that on review of the proposal, staff confirmed there are no plans for expansion of the current system. An 10/24/01 Memo from the County Engineer, advised that all departments requested to comment responded with no objections to the proposal. The Prosecuting Attorney's Office reviewed and approved the documents as to form and the document also has been approved by Risk Management.

Art Peterson, President, Honeymoon Bay Vista Water Association, was present to support the Board's approval of the franchise renewal. No other comments, for or against, were made.

By unanimous motion, the Board approved Franchise #79R, Honeymoon Bay Vista Water Association; renewal of existing water distribution system, Plat of Honeymoon Bay Vista, Sec. 27, Township 30N, Range 2E.

**PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
HEARINGS SCHEDULED**

As presented and introduced by Phil Bakke, Planning and Community Development Director, the Board scheduled public hearings to be held on January 7, 2002 beginning at 10:45 a.m. as follows:

A. OPS 337/01, John & Irene Carr - Request to change 35.9 acre parcel from Designated Forest to Timber Land current use classification. Parcel #R03225-463-4640 located in Central Whidbey Island. Staff Recommendation: Conditional Approval

B. Ordinance #C-159 -01/PLG-028-01 Adopting amendments to Chapter 16.19 ICC, Land Use Review [GMA #_____]

C. Annual Comp Plan Amendments

- Ordinance #C-160-01/PLG-020-01 Penalties and Enforcement [GMA #_____]
- Ordinance #C-161-01/PLG-021-01 Development Standards for Schools [GMA #_____]
- Ordinance #C-162-01/PLG-022-01 Site Coverage Variance Standards [GMA #_____]
- Ordinance #C-163-01/PLG-024-01 Mobile Homes zoned Rural [GMA #_____]
- Ordinance #C-164-01/PLG-025-01 Height Variance Standards [GMA #_____]
- Ordinance #C-165-01/PLG-026-01 Standards for Schools [GMA #_____]
- Ordinance #C-166-01/PLG-027-01 Au Sable Special Review District [GMA #_____]

HEARING HELD: RESOLUTION #C-137-01 REDISTRICTING OF ISLAND COUNTY COMMISSIONER DISTRICTS IN ACCORDANCE WITH RCW 29.70.100

A Public Hearing was held beginning at 11:00 a.m., as scheduled and advertised, for the purpose of considering the adoption of Resolution # C-137-01 Redistricting of Island County Commissioner Districts in Accordance with RCW 29.70.100. Resolution #C-137-01 was introduced at the November 5th meeting and scheduled for this date and time, to consider a redistricting plan of the three Island County Board of County Commissioner election districts.

Suzanne Sinclair, Island County Auditor, referred to the proposed Redistricting Plan and maps. The census changed in Island County significantly enough to require redistricting. Census data showed total population for Island County at 71,558, distributed in the three districts:

District #1: 22,205; District #2: 24,818; and District #3: 24,535. The ideal distribution would be 23,853 people per district. Census data was reviewed in relation to the existing 63 Island County precincts and determined that if 1648 people were moved from District 2 to District 1, and 682 people from District 3 to District #2, the distribution among the three districts would come close to an even distribution, with: District #1 - 23,829; District #2 - 23,757; and District #3 -

23,972.

Looking at the precincts data indicated that Polnell Precinct could be moved from District #3, 563 people, to Commissioner District #2; and move the southern portion of Westview Precinct, 724 people, and the southern portion of Hastie Lake Precinct, 545 people, to District #1, which would result in the following distribution: District #1 – 23,829; District #2 – 23,757; and District #3 – 23,972. Ms. Sinclair showed the Commissioners and audience members how that ends up looking on a map. She confirmed that the changes were determined to have no impact on any communities of special interest. The Plan will require splitting West View Precinct and Hastie Lake Precinct to form two new precincts, West Beach and Fort Nugent.

Commissioner McDowell was surprised that the census did not break the tracts down into smaller units. He noted the census tracts for 2000 had really only a limited amount of tracts to choose from. The two precincts chosen to be split are convenient because each of those had a census tract.

Chairman Thorn commented to note that for District #3 it was convenient that Polnell Precinct abutting District #2, made sense to move bodily, no splitting required to take care of that.

David L. Jamieson, Jr., Deputy Prosecuting Attorney, reviewed the list of criteria used in reformulating the redistricting plan, in RCW 29.70.100 (4) setting forth five criteria to use:

1. Each commissioner district shall be as nearly equal in population as possible to each district; and every other district;
2. Each district shall be as compact as possible;
3. Each district shall consist of a geographically contiguous area;
4. The population data may not be used for the purpose of favoring or disfavoring any racial group or political party; and
5. To the extent feasible, the district boundaries shall coincide with existing recognized natural boundaries and shall to the extent possible preserve existing communities of related and mutual interest.

Procedurally, Mr. Jamieson indicated that after the public hearing is held the Board is not to adopt an actual redistricting plan for at the plan for at least one week. With regard to the nearly equal as possible population in each district, that concept has been defined by the courts as being within 10% from the district with the highest population to the district with the lowest population. Of note, the proposal would make that differential less than 1% (actually .89%).

George Crampton, Oak Harbor, was interested in knowing how soon the Auditor's Office have the new voting lists.

Ms. Sinclair explained that the Commissioners would first have to take action to split the precincts, which would not occur until next Monday. A persons' precinct and polling place cannot be changed within 45 days of an election so it is not physically possible to change people's precincts in time for the February election. This should have no affect on school district elections at all.

The Public Hearing was closed. The Board's December 10th agenda will include a Resolution to adopt the Redistricting Plan, and Resolution #C-138-01 in the matter of dividing and creating new election precincts.

HEARING HELD: 2002 ISLAND COUNTY BUDGET

A Public Hearing was held as scheduled and advertised, beginning at 1:30 p.m. to consider the following 2002 Island County Budget Resolutions:

- Res. C-142-01 Fixing and Adopting the Final Budgets for Island County Current Expense Fund, Special Revenue Funds, and Diking District #4 Fund for Fiscal Year 2002
- Res. 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
- Res. C-144-01 Increasing the Taxing District's Prior Year's Levy Amount for Collection in Fiscal Year 2002 for the County Roads Levy
- Res. 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

A number of County Elected Officials, Appointed Department Heads and staff were present at the time of hearing, as well as Rick Levine, Whidbey News Times.

A variety of proposed solutions were reviewed and discussed, and the Board acknowledged basic decisions needed now to deal with the shortfall, estimated between \$200,000 and \$350,000 even with the use of \$700,000 in reserves. Considerations include: cut programs and services; cut employee hours of work where possible; and how much reserve to use to cut impact recognizing it is a one time use and will not be there next year when the budget may be even more severe. On second thought, the Commissioners were reluctant to use a full \$700,000 from reserves, inclined to split that in half between 2002 and 2003 budgets. Realistically, a healthy reserve on an 18 million budget would be not less than 5% or \$900,000. Of course, if the full \$700,000 from reserves is not used, the budget shortfall goes up by that much.

Elected Officials and Department Heads generally have said they do not believe shortening the work week is the way to go, and those present today nodded in agreement preference is that the Board specify either the dollar amount of percent to cut, and they will come back with a proposal.

Although the Board is ultimately responsible for adopting a balanced budget, the Commissioners recognized that each Elected official and Department Head are the ones who can best judge where reductions can be made.

Based on the current projected shortfall in the 2002 budget, the Board agreed that a Memo be sent to all Elected Officials and Appointed Department Heads requesting for Current Expense, they prepare and submit on or before Friday, December 7, 2001, a proposed budget reduction of 6% for planning purposes using the Budget Director's data sheet, not submitted budgets. As far as the cuts some of the Departments made voluntarily November 13th, those should be re-assessed and if still valid, included in the 6% budget reduction proposal.

By unanimous motion, the Board continued the public hearing on the following budget resolutions to December 10, 2001, 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

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

There being no further business to come before the Board at this time, the meeting adjourned at 2:30 p.m., to meet next in Regular Session on December 10, 2001, beginning at 9:30 a.m.

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

William F. Thorn, Chairman

Mike Shelton, Member

Wm. L. McDowell, Member

ATTEST:

Elaine Marlow, Clerk of the Board