

**ISLAND COUNTY COMMISSIONERS MINUTES OF MEETING
SPECIAL SESSION – JULY 10, 2002**

The Board of Island County Commissioners met in a Special Session on July 10, 2002 at 11:00 a.m. to meet with the Budget Director, Elaine Marlow, a follow-on to the July 8, 2002 budget workshop. The purpose was to review revenue and expenditure projections for 2003, and budget reduction proposals for Current Expense. The meeting was held in the Island County Courthouse Annex, Basement Hearing Room, Coupeville, Wa. Commissioners Shelton, McDowell and Thorn were present, along with a number of Elected Officials and Appointed Department Heads. One member of the public was present, Bill Byrd. The Commissioners originally planned to recess for lunch and resume the budget workshop after lunch, but completed today's considerations at 12:05 p.m.

Building Fee Increases – Presentation

Hand-Out: 7/10/02 Building Fee Increases Memo with Revenue Fee Worksheet
Presentation by: Phil Bakke, Planning & Community Development Director

As directed by the Board at a previous budget workshop, Mr. Bakke presented three options to consider in raising building permit fees sufficient to cover the cost of added functions to the Department, i.e. the Hydrogeologist Program and a portion of one Deputy Prosecuting Attorney S/W/B. The revenue fee worksheet used actual year-to-date revenues to calculate the possible effect of a 10%, 15% and 20% increase on 32111 building and other permits:

10% = \$114,122.81 15% = \$171,184.21 \$20% = 228,245.09

The hand-out included comparisons with the Cities of Oak Harbor and Langley.

In considering which option to choose, the added functions to the Department represent \$145,000, but also to be factored in are other costs such as vehicle & equipment replacement, and costs associated with GMA 5-year review, and SMA/ESA shoreline update. Of a \$74,000 GMA grant, \$46,000 is left and that would be another off-setting item for 2003 budget.

Current Expense Review/Update-Revenue & Expenditure Projections & Budget Reduction Proposals

Ms. Marlow brought the Board up to date on some of the revised figures that reflect changes from the previous workshop, adding up at this time to a deficit of \$869,000, and this figure does include:

Corrected Banked Levy Capacity figure: \$234,000
Health Insurance premium increase @ 16%
Sheriff Vehicle purchase of total 7 patrol vehicles

Other items suggested for consideration were:

Revenue:

Add \$23,000 from Auditor's Office [\$10,000 recording fees/\$13,000 license fees]

Expenditures:

COLAs [1% = \$130,000]
M&O increases 1% - based on inflation and postage increases
Capital increases 1% over previous year

Consensus

Building Fee Increase. Based upon new functions, GMA update and capital equipment, initiate a 15% building fee permit increase, with revenue increase recognized in the budget in the amount of \$171,000.

Sheriff Vehicles. Add purchase of 2 detective vehicles

Auditor Revenue. Add \$23,000 to revenue side from Auditor's Office [\$10,000 recording fees/\$13,000 license fees]

Work Hours. Based on reducing the budget deficit from 2 million to current figure \$869,000, reduction in hours, 40 to 36 per week, is not the proper solution. Recognize there cannot be uniform cuts throughout every department in the County, and there may be cases where some departments are not cut and others have to be cut more in order to compensate.

Follow-up:

Budget Director to go out to the departments by memorandum asking for new updated revenue figures, and attach revenue worksheets for their use. Work with the Treasurer to come up with accurate investment interest and other revenues.

Budget Director will provide to the Board a new worksheet based on today's decisions/directions

Each Commissioner individually will use the 6/24/02 summary that included every department [even if cuts were not proposed] listing the specific budget reduction proposals for each and any alternatives proposed, to come up with proposed cuts from each department in order to reach the budget deficit and submit same to the Budget Director.

From the individual Commissioner proposals, the Budget Director will develop a spreadsheet department by department, listing in 3 columns the proposed reductions from the individual Commissioners for review and consideration at the next budget session scheduled for July 15th at 11:00 a.m.

There being no further business to come before the Board at this time, the special session adjourned at 12:05 p.m. The Board will meet in Regular Session on July 15, 2002, beginning at 9:30 a.m. in the Law & Justice Facility, Department III [Courtroom 3] located at 101 N. E. 6th Street, Coupeville.

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

Mike Shelton, Chairman

Wm. L. McDowell, Member

William F. Thorn, Member

ATTEST:

Elaine Marlow
Clerk of the Board