

Minutes of Meeting
Fiscal Year 2021 Consolidated Budget Review
May 1, 2020
9:00 a.m.

The Kootenai County Board of Commissioners: Chairman Chris Fillios, Commissioner Leslie Duncan and Commissioner Bill Brooks met to discuss the following agenda items. Also present were Clerk Jim Brannon, Chief Deputy Clerk Jennifer Locke, Finance Director Dena Darrow, Deputy Finance Director Keith Taylor, Staff Accountant – Budget Michelle Chiaramonte, Court Services Director Marissa Garza, Court Services Manager Kally Young, Treasurer Steve Matheson, Chief Deputy Treasurer Laurie Thomas, Coroner Warren Keene, M.D., Public Defender Anne C. Taylor, KCSO Undersheriff Dan Mattos, KCSO Captain Kevin Smart, KCSO Captain Kim Edmondson, KCSO Captain John Holecek, KCSO Captain Andy Deak, KCSO Lieutenant Ryan Higgins, Chief Deputy Assessor Joe Johns, Human Resources (HR) Director Sylvia Proud, Community Development Director David Callahan, Information Technology (IT) Director James Martin, IT Network Administrator Grant Kinsey, Airport Director Steven Kjergaard, Resource Management Office (RMO) Senior Program Manager Kimberli Riley, Veteran Services Officer Thomas Freeman, Civil Deputy Prosecuting Attorney R. David Ferguson, BOCC Communications Manager Nancy Jones, BOCC Senior Business Analyst Nanci Plouffe and Deputy Clerk Tina Ginorio. Also present was Contractor Shawn Riley.

- A. Call to Order:** Chairman Chris Fillios called the meeting to order at 9:07 a.m.
- B. Changes to the Agenda (Action):** There were no changes to the agenda.
- C. Business (Action Items):**

Clerk Jim Brannon thanked all of the people, from all the different departments, who sent their material in a timely fashion so the Auditor's Office could compile it. He welcomed everyone to the new budget season.

Review Preliminary Summary Elements

Finance Director Dena Darrow announced that they would offer a presentation and look at the preliminary summary. She thanked everyone involved for their participation in the process.

Ms. Darrow noted that property tax would have to take on a larger role for the budget this year because other revenues had declined due to the pandemic. She predicted that they would see less revenue coming in through the end of 2020. She stated that the fund balance use in the preliminary summary was associated with grant positions and some restricted funds that were self-balancing and did not use property tax.

Ms. Darrow stated that the current personnel expense at today's rates was \$65.5 million, loaded, which was up \$3.8 million from last year. She said that the most recent estimate of the increase for benefits for FY21 was \$1.09 million (10%), which would be revised as additional information was received. She stated the current operating expense (OPEX) for FY2020 was \$26.5 million. She said that the total increase for the OPEX overall was less than \$120,000, which showed that all departments had been very conscientious

about cutting wherever they could. She reminded those present there had been a 2% increase built into the initial figures, but people were still striving to reduce their requests.

After briefly touching on increased benefits expense and projected overtime expenses, Ms. Darrow moved on to personnel. She reported that there had been about \$2.3 million in new positions requested, including new positions, bonus pool increases, some grade changes, special duty pay and some overtime.

In closing, Ms. Darrow added that Capital requests were at a record low this year of about \$4.4 million in tax supported items, with the remaining \$2.1 million to come from the Solid Waste Enterprise Fund.

Review Binder Content and References

Staff Accountant – Budget Michelle Chiaramonte gave the Commissioners an introduction to their budget books. She said she had included data from a three year period to help the Commissioners see trends.

Board Discussion and Upcoming Events

Resource Management Office (RMO) Senior Program Manager Kimberli Riley reviewed plans for Fleet Management, including the process by which vehicles that were handed down from one department to another would be maintained.

Ms. Darrow walked everyone through the FY2021 Preliminary Budget Survey spreadsheet, including revenue sources that reflected three possible funding levels, according to information provided by the Assessor's Office.

Chief Deputy Assessor Joe Johns reported that he had received word that the Seltice URD (Urban Renewal District) would be closing, but he was not sure how the value would be received. He said he was working with the State Tax Commission and hoped to have more information in a few weeks.

Ms. Darrow announced, that based on a moderate estimate of revenue, the initial deficit for the budget was only \$5.5 million, down from the \$19 million deficit that they started with in the FY20 budget season.

Ms. Darrow updated the Commissioners on the figures from the continued Wage Study adjustments. She went over the different possibilities to consider for raises this year: COLA (Cost of Living Adjustment), among other options.

Chairman Fillios inquired whether they were making any projections on additional revenue from the state as a result of COVID-19. Ms. Darrow replied that they were working on that aspect of the process.

Chairman Fillios placed the meeting in recess as of 9:55 a.m.

Chairman Fillios called the meeting back in to session at 10:07 a.m.

Ms. Darrow announced that the Clerk’s website contained information on the different types of fund balance and how they were used. She offered definition for several terms used in discussing the County budget.

Commissioner Bill Brooks remarked that some of the requests posted for consideration were for mandated services and some were not. He asked if the mandated items could be clearly marked. Ms. Darrow agreed.

Ms. Darrow commented that the Commissioners had decided to keep two months of personnel and operating expenses in reserve last year. Commissioner Duncan suggested the Board consider increasing that reserve amount to three months over the next three years.

Ms. Darrow reviewed the other requests posted for the Board’s consideration.

D. Public Comment (Discussion): This section is reserved for citizens wishing to address the Board regarding a County-related issue. Idaho Law prohibits Board action on items brought under this section except in an emergency circumstance. Comments related to future public hearings should be held for that public hearing. There was no public comment.

E. Adjournment (Action): Chairman Fillios adjourned the meeting at 10:38 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

CHRIS FILLIOS, CHAIRMAN

BY: _____
Tina Ginorio, Deputy Clerk
