

Minutes of Meeting
FY21 Budget Deliberations
June 10, 2020
1:00 p.m.

The Kootenai County Board of Commissioners: Chairman Chris Fillios, Commissioner Leslie Duncan and Commissioner Bill Brooks met to discuss the following agenda item. Also present were KCSO Sheriff Ben Wolfinger, KCSO Undersheriff Dan Mattos, KCSO Captains Kim Edmondson, Andy Deak and Kevin Smart, KCSO Administrative Assistant Tamara Exley, Clerk Jim Brannon, Finance Director Dena Darrow, Staff Accountant – Budget Michelle Chiaramonte, Court Services Director Marissa Garza, Court Services Manager Kally Young, Treasurer Steve Matheson, Chief Deputy Coroner Lynette Acebedo, Resource Management Office (RMO) Senior Program Manager Kimberli Riley, First Judicial District Trial Court Administrator Karlene Behringer, Assessor’s Office Administrative Manager Reba Grytness, BOCC Communications Manager Nancy Jones, BOCC Senior Business Analyst Nanci Plouffe and Deputy Clerk Tina Ginorio. Also present was Contractor Shawn Riley. Captains Edmondson, Deak and Smart, Ms. Behringer and Ms. Riley were present via teleconference.

- A. Call to Order:** Chairman Chris Fillios called the meeting to order at 1:04 p.m.
- B. Changes to the Agenda (Action):** There were no changes to the agenda.
- C. Business (Action):**

FY21 Budget Deliberations to Include Revenue Projections

Finance Director Dena Darrow noted that the Commissioners had asked her to provide a basic introduction to government finance. She contrasted the differences between private sector and public sector business practices, reviewed the calculation and collection of property taxes and explained other income received by the County. She stated that the County was also responsible for collecting and disbursing tax funds for other entities such as schools, cities, urban renewal districts, highway districts, water districts and libraries. She went on to define forgone taxes and their function. She broke down the contents of a typical tax bill and concluded with a description of fund balance and its function in the County Budget.

Prosecutor Barry McHugh entered the meeting at 1:07 p.m.

City of Hayden Administrator Brett Boyer entered the meeting at 1:13 p.m.

Ms. Darrow took up the Revenue Summary and invited Treasurer Steve Matheson to comment.

Treasurer Steve Matheson confirmed that he would have more accurate projections of FY21 Revenue in July. He remarked that COVID-19 had affected interest rates and he was being very cautious with investments. He noted that the Board would need to decide how much would be drawn from Fund Balance, so he would have a better idea of how much he would have to invest.

Ms. Darrow commented that the Board would address capital expenditures on Friday, June 12, 2020. She said that these "C" Budget items were typically covered out of fund balance, so she could provide Mr. Matheson with an estimate then.

Ms. Darrow predicted that the greatest variance would be seen in the Intergovernmental revenues, because these were the most strongly affected by the COVID-19 shutdown. She listed the different areas and estimates of what the County might receive from each. She also provided estimates from different departments on their specific projected revenues. She noted areas that received grant funds or restricted funds which were balanced using fund balance and would not impact the levy. She noted that she had not received an update from the Sheriff's Office about the contract for the school resource officers.

KCSO Sheriff Ben Wolfinger said that they had repurposed the school resource officers during the shutdown. He stated he had not heard from the Kootenai School District yet but anticipated an officer would return to duty there.

Ms. Darrow said that the contract for law enforcement coverage with the City of Hayden had also not been completed.

Hayden City Administrator Brett Boyer briefly updated the Commissioners on the progress on their budget.

Ms. Darrow commented that the governor had offered state funds to counties that took 0% increase on their property taxes. She said she was not yet certain how those calculations would be made, so she had refrained from offering any specific suggestions at this time. She stated she thought new growth would be allowed. She said that they were also investigating how the COVID-19 relief funds were to be applied.

All three Commissioners indicated that they were interested in exploring the governor's tax relief offer, but were not willing to make a final decision until they received more information.

Ms. Darrow reviewed items from the FY21 preliminary revenue summary that included property tax, non-property taxes, restricted funds, an estimate of new growth from assessor and restricted fund balance use. She pointed out that she excluded Solid Waste from these figures because they were self-funded. She briefly reminded the Commissioners of the running deficit amount and the projected expenditures in personnel, operating expenses and capital expenses.

Ms. Darrow suggested they return to the discussion of personnel expenses to finish up that area for the present.

Commissioner Duncan stated that she was not in favor of offering on-call pay to hourly employees because they would receive overtime compensation if called in. She said she was willing to consider on-call pay for exempt employees in the Prosecutor's Office due to the specific requirements of their positions. The other Commissioners offered their provisional agreement.

Mr. Boyer, Treasurer Matheson and Contractor Shawn Riley exited the meeting at 1:52 p.m.

Trial Court Administrative Assistant Jamie Robb entered the meeting at 1:52 p.m.

KCSO Undersheriff Dan Mattos asked the Board whether movement through the matrix would be covered and reasons why this needed to be done.

Commissioner Duncan remarked that if movement through the matrix was provided to sworn officers, a similar increase should be offered to all other County employees and they could not afford that this year. She pointed out that employee medical expenses were being kept unchanged and no staff had been furloughed during the general shutdown. She said she would be willing to consider offering two additional paid days off to sworn officers.

The Commissioners addressed other unresolved personnel issues: which unfilled positions should be frozen and for what period, overtime pay and the requests for additional court clerks and the Deputy Trial Court Administrator. It was generally agreed that personnel requests would be reviewed again after capital expenses were covered in the Friday meeting.

Ms. Darrow reported that County Assistance and the Airport both had large restricted fund balances. She suggested that, if the two departments covered their operating expenses out of their fund balances, each would have an adequate balance remaining and the deficit would be substantially reduced.

Clerk Jim Brannon voiced his approval for the suggestion. He noted it would take about \$1.3 million off the deficit if both departments agreed. He added that County Assistance would be left with about \$2.2 million in the Indigent Fund, which was enough for a safety net.

Ms. Darrow commented that if the Commissioners agreed to that funding suggestion, froze certain empty positions and applied a modest amount from the General Fund, the deficit would be eliminated for FY21.

All three Commissioners expressed their enthusiasm for the plan.

BOCC Senior Business Analyst Nanci Plouffe exited the meeting at 1:29 p.m.

Ms. Darrow exhibited the different groupings of positions that could be frozen for part or all of the coming year and showed the amount of savings that would result from each option.

- 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.

Prosecutor Barry McHugh commented that Idaho was one of the few states where no one in jail had contracted COVID-19. He thought that was worth mentioning and said it showed we ran a clean facility.

E. Adjournment (Action): Chairman Fillios adjourned the meeting at 2:38 p.m.

Respectfully submitted,

JIM BRANNON, CLERK

CHRIS FILLIOS, CHAIRMAN

BY: _____
Tina Ginorio, Deputy Clerk
