

Minutes of Meeting
Preliminary FY19 Balanced Budget Presentation
August 3, 2018
10:00 a.m.

The Kootenai County Board of Commissioners: Chairman Marc Eberlein, Commissioner Chris Fillios, and Commissioner Bob Bingham met to discuss the following agenda item. Also present were Clerk Jim Brannon, Chief Deputy Clerk Jennifer Locke, Finance Director Dena Darrow, Coroner Dr. Warren Keene, Treasurer Steve Matheson, Undersheriff Dan Mattos, KCSO Administrative Assistant Tammy Exley, Adult Misdemeanor Probation (AMP) Director Keith Hutcheson, Buildings & Grounds (B&G) Director Shawn Riley, Grants Management Office (GMO)/Transit Program Manager Kimberli Riley, BOCC Financial Analyst Nanci Plouffe, and Deputy Clerk Ronnie Davisson. Also present were Coeur d'Alene Press Staff Writer Brian Walker and citizens Ruben Miranda, Bill Brooks, Rick Whitehead, and Dan Gookin.

- A. Call to Order:** Chairman Marc Eberlein called the meeting to order at 10:00 a.m.
- B. Changes to the Agenda:** There were no changes to the agenda.
- C. Business:**

Preliminary FY19 Balanced Budget Presentation (Action Item)

Citizen Leslie Duncan entered the meeting at 10:01 a.m.

Clerk Jim Brannon presented an agenda and a copy of the Preliminary Summary to the Board and said the Budget had been balanced with a 1.5% tax increase, a 2.5% wage increase, funding 2% at the top of the Matrix and all New Growth. Finance Director Dena Darrow said the Budget was balanced and wished to thank everyone who had helped during the Budget process.

Information Technology Senior Application Systems Manager Carrie Cole entered the meeting at 10:02 a.m.

Human Resources Director Skye Mercer entered the meeting at 10:03 a.m.

Firstly, Ms. Darrow stated the total Budget, including Solid Waste, was \$94,085,596. She then presented a budgetary fact sheet, which outlined property tax values, medical insurance, employee pay, large cost cutting items and new items to the 2019 Budget. Some of the items discussed were: \$687,982 designated for the 1.5% Property Tax increase and pointed out that based on the New Growth amount and the resulting levy rate, there should be a \$23 net decrease to the taxpayer, per \$100,000. Regarding new items to the Budget, she said there were approximately 7.25 positions added, for a net increase of \$420,553 annually, an increase to Operating costs of roughly \$1.5 million and approximately \$7.75 million in Capital projects. Further, there were 20 positions cut from the budget, resulting in a \$1.3 million savings and had cut Sheriff's Vehicles from a requested amount of 35 to 9 vehicles. She also pointed out that the Board had cut the internal audit funding (\$100,000) and the County Assistance Operating Budget to \$0,

requesting it be fully funded by the Indigent Fund. Ms. Darrow then said the total amount of savings from the larger item cost cutting measures achieved a savings of \$5,148,088.

Ms. Darrow then presented a copy of the Public Hearing document for the Board's review and requested that if the Board were amenable, they approve it to be published in the Coeur d'Alene Press twice during the month of August.

Treasurer Steve Matheson asked what the Fund Balance usage was for the FY19 Budget and Ms. Darrow said it was approximately \$6.9 million. Chairman Eberlein asked what amount was from General Fund and what amount was from Restricted Funds. Ms. Darrow replied that Restricted Fund usage was \$1.4 million, \$3.7 million in Solid Waste, while the remainder was General Fund usage.

Commissioner Bob Bingham said that in speaking with Information Technology, he wanted to bring back the transparency module to the Budget and to use Fund Balance to cover the cost (\$17,000). He also said the Board might consider moving forward with a camera system to televise the meetings (\$35,000). Commissioner Chris Fillios opined that the issue was the room in which they would hold the meetings, because the Board had been informed before that the current Boardroom was insufficient. Chairman Eberlein said the City of Coeur d'Alene had been broadcasting their meetings on a local television station free of charge and said the City of Coeur d'Alene had offered to assist the County in converting the meetings into a format that could be uploaded to YouTube. Chairman Eberlein said he would be amenable to utilizing Fund Balance to fund the camera system. Further, he said he believed the transparency module was one in which multiple entities had begun to use it, only to stop using it after a while. He also stated he had heard that the City of Coeur d'Alene would be ceasing to use it also, as it was not performing to the standard they expected. Commissioner Bingham said he had asked IT Senior Applications Manager Carrie Cole to attend the meeting to speak to the transparency module. Commissioner Fillios said if there were a way in which the camera system could work, he would agree to add it back to the Budget. Chairman Eberlein said he believed they could make it work and asked to allocate \$40,000 to the camera system.

Commissioner Fillios moved to tentatively approve the addition of the ability to video conference for a cost not to exceed \$40,000 and to be paid for from Fund Balance. Commissioner Bingham seconded the motion. There being no further discussion, Deputy Clerk Davisson called the roll:

Commissioner Bingham: Aye
Commissioner Fillios: Aye
Chairman Eberlein: Aye

The motion carried.

Commissioner Bingham asked Ms. Cole to explain what she felt the Board, and the County as a whole, would gain from the transparency module. He said that the module was something that the citizens could interact with online and was specifically designed to interface with the County financial software. Ms. Cole said the module was from Tyler Technologies, the company who owned the County Financial software. She explained there would be data transferred from the County to Tyler Technologies, who would then post it on the County Website for the public's consumption. Further, they would be able to block any type of HIPAA information from the public, but there would still be accurate

numbers based on the financial system. Commissioner Fillios asked Ms. Cole if she believed there to be any drawbacks. She said that she felt it would be helpful for public records requests and would save time producing Accounts Payable reports, as it would save manpower to produce the records. Chairman Eberlein asked what the cost was; Ms. Cole said she was unsure, but Ms. Darrow pointed out it was approximately \$18,000 to start, with an annual subscription cost of \$15,000 and did not know if there were any other additional costs for implementation.

Clerk Brannon asked Ms. Cole how many clients that used the module were also NewWorld clients and she replied there were ten and assured Clerk Brannon the County would not be the Beta testers for the module. Ms. Darrow said her biggest concern with the module was that the public could not pick a certain date range, which would cause issues with reconciliation, and would consequently lead to more questions because numbers are always in motion and would not correctly tie to published reports. Chairman Eberlein asked Ms. Darrow if the concerns were strictly because they would be inaccurate, or if it would cause more questions and she said it was both. Chairman Eberlein asked how much more staff would need to be added to run this module and Ms. Cole said it would take 6-8 weeks to implement, and it would not take an additional staff position. Information Technology Director James Martin said that if the Auditor's Office was not fully on board with the module, then their opinion should weigh more heavily than IT's, as it was the Auditor's information being displayed. Further, he said the module would be more useful than what the County currently offered.

At the conclusion of the discussion, Chairman Eberlein asked Commissioners Bingham and Fillios what their opinions were. Commissioner Bingham said it was the second year in a row that they had been discussing it and he felt it should be implemented. Chairman Eberlein said he was skeptical of the module, its usefulness and the benefits. Ms. Cole offered to schedule a meeting later to show the Board the module's usefulness and benefits and how it works.

Chief Deputy Clerk Jennifer Locke said that she had visited with a member of the State Controller's Office who had informed her they would like to meet with other County Clerks regarding a new program at the State level. She said this program would be free or at a minimal cost. She suggested that would be another avenue to explore if the Board did not support the module, noting that the State would be asking not only other counties, but taxing districts also. Commissioner Bingham said he liked that idea and that it would be good for everyone to use the same type of software.

Commissioner Fillios said he wished they could see Ms. Cole's demonstration of the module, though time did not allow and transparency could not be argued. He said some of the concerns were the recurring charges being close to the initial charges and that it might have a potentially adverse effect on public records requests and inquiries. He explained that it might be difficult for the public to look at information that could be confusing because of the details. He said for him, he had concerns with the implementation also and wanted to see more and if he had to vote today, he would say no. Chairman Eberlein also said he would vote no.

Commissioner Bingham moved to approve the FY19 Budget as presented and to include the \$40,000 for the camera system. Commissioner Fillios seconded the motion. There being no further discussion, Deputy Clerk Davisson called the roll:

Commissioner Bingham: Aye
Commissioner Fillios: Aye
Chairman Eberlein: Nay

The motion carried.

Chairman Eberlein said he would have voted “yes” had the motion been to authorize publication of the document in the Coeur d’Alene Press, however, the Budget itself he did not support. Deputy Clerk Davisson pointed out there was still a need to make a motion to approve the publication of the Proposed Budget in the paper.

Commissioner Fillios moved to authorize the publication, twice, of the Proposed FY19 Budget in the Coeur d’Alene Press. Commissioner Bingham seconded the motion. There being no further discussion, Deputy Clerk Davisson called the roll:

Commissioner Bingham: Aye
Commissioner Fillios: Aye
Chairman Eberlein: Aye

The motion carried.

- D. Public Comment:** 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 were no public comments.

Chairman Eberlein adjourned the meeting at 10:37 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

MARC EBERLEIN, CHAIRMAN

BY: _____
Ronnie Davisson, Deputy Clerk
