

Minutes of Meeting
Fund Balance Discussion
April 15, 2013
9:00 a.m.

The Kootenai County Board of Commissioners: Chairman Todd Tondee, Commissioner Dan Green and Commissioner Jai Nelson met to discuss the following agenda items. Also present were Finance Director Dave McDowell, Clerk Cliff Hayes, Chief Deputy Clerk Pat Raffee, Chief Deputy Treasurer Laurie Thomas, and Deputy Clerk Nancy Jones.

A. Call to Order: Chairman Tondee called the meeting to order at 9:03 a.m.

B. Introductions: There were no introductions made.

C. Changes to the Agenda: There were no changes made to the agenda.

D. Old Business: There was no old business discussed.

E. New Business:

The stated goal of this meeting was to help the Board determine whether changes should be made regarding fund balance allocations, and how to structure any changes within the parameters of the established Fund Balance Policy. Commissioner Green asked about assigned and restricted funds, establishing that only restricted funds have statutory regulations attached, so that they may only be narrowly reassigned within a designated project. Finance Director David McDowell provided clarification of the latest draft of the fund balance report, and answered questions from the Board, in order to help explain fund reassignment procedures and allowances. The group discussed the budgeting of reserves versus the budgeting of expenditures. The Board asked questions regarding the amounts within various fund balances, including the Airport Fund, Emergency Medical Services, Revaluation, and Justice Funds, with specific commentary about levy and revenue use limitations. Chief Deputy Clerk Pat Raffee asked questions about previous contributions to, and allowed expenditures from, the revaluation fund. Mr. McDowell answered questions about the effect of levy rate adjustments, and detailed the reasons why separate funds are established. Mr. McDowell reminded the group that fund balances should be used for one-time expenditures, not used for operations or any perpetual commitments.

Commissioner Green suggested the creation of a specific fund for implementation of the Facilities Master Plan. Mr. McDowell noted that dollars may be assigned to such a fund through instructions, or that they may be committed through a Resolution. In response to a question from Clerk Cliff Hayes, the Board explained that consideration has been given to committing funds to a portion of the Facilities Master Plan (such as the parking structure), in the interest of reducing the bond amount. Commissioner Green expressed interest in gathering input from the Elected Officials, especially their collaborative ranking of capital projects. The Board discussed the importance of reviewing available budget expenditure estimates, as well as property tax and new growth estimates, for Fiscal Year 2014. Mr. McDowell agreed to confirm project amounts and conduct a cash flow analysis on specific fund balance amounts, and to present that information to the Board within one week. Chairman Tondee stated that the Board has strong direction to direct at least \$8,000,000 toward the Facilities Improvements once that information has been reviewed.

F. Staff Reports: There were no staff reports.

G. Public Comment: This section is reserved for citizens wishing to address the Board regarding a County related issue. There was no public comment.

The meeting was adjourned at 10:09 a.m.

Respectfully submitted,

CLIFFORD T. HAYES, CLERK

BY: _____
Nancy A. Jones, Deputy Clerk