

**Minutes of Meeting**  
**Elected Officials**  
**April 24, 2013**  
**9:00 a.m.**

The Kootenai County Board of Commissioners: Chairman Pro Tem Dan Green and Commissioner Jai Nelson met to discuss the following agenda items. Also present were Clerk Cliff Hayes, Treasurer Tom Malzahn, Assessor Mike McDowell, Sheriff Ben Wolfinger, Chief Deputy Clerk Pat Raffee, Chief Deputy Treasurer Laurie Thomas, Chief Deputy Assessor Richard Houser, Finance Director David McDowell, Civil Deputy Prosecuting Attorney John Cafferty, Administrative Supervisor Patti Surplus and Deputy Clerk Pamela Bogaert. Chairman Todd Tondee was excused.

- A. Call to Order:** Chairman Pro Tem Green called the meeting to order at 9:05 a.m.
- B. Introductions:** There were no introductions made.
- C. Changes to the Agenda:** Treasurer Tom Malzahn asked that a discussion regarding the recent Jobs Plus Annual Luncheon be added to the agenda.

Commissioner Nelson moved to add a discussion regarding the recent Jobs Plus Annual Luncheon to the agenda. Chairman Pro Tem Green seconded the motion. There being no discussion, Deputy Clerk Bogaert called the roll:

|                      |         |
|----------------------|---------|
| Commissioner Nelson: | Aye     |
| Commissioner Green:  | Aye     |
| Chairman Tondee:     | Excused |

Assessor Mike McDowell requested that the Board add a discussion regarding global emails that potentially obligate staff time to the agenda.

Commissioner Nelson moved to add a discussion regarding global emails to the agenda. Chairman Pro Tem Green seconded the motion. There being no discussion, Deputy Clerk Bogaert called the roll:

|                      |         |
|----------------------|---------|
| Commissioner Nelson: | Aye     |
| Commissioner Green:  | Aye     |
| Chairman Tondee:     | Excused |

- D. Old Business:**

Chairman Pro Tem Green reported that HR Specialist Christina Anderson has received 19 responses to the Salary Survey to date, mostly from public entities. Further, BDPA, Inc. is tentatively scheduled to meet with the Board on May 23, 2013, and Chairman Pro Tem Green agreed to make sure that all Elected Officials are invited to the meeting.

Chief Deputy Treasurer Laurie Thomas advised the group that the Position Review Committee (PRC) had only one remaining “sore thumb” process on a position that has been appealed and reclassified. After completion, the PRC will begin training new members.

Chairman Pro Tem Green announced that the Paid Time-Off (PTO) Committee is in the process of generating a PowerPoint presentation and survey that will be brought to employee groups, Countywide, to measure the amount of support for the subject. Commissioner Nelson noted her general support for PTO, however, would like staff input before making a final decision. Chairman Pro Tem Green advised the group that Chairman Tondee is convinced that implementing PTO would be too costly; however, Chairman Pro Tem Green felt that there are important intangible benefits to consider. Chairman Pro Tem Green reported that, at the worst, the first year maximum possible exposure could be approximately \$296,000. However, Finance Director David McDowell felt that that figure was too high and estimated that \$200,000, or less, was a more reasonable

prediction. Further, Mr. McDowell felt that PTO could become benefit neutral in just two (2) to five (5) years. Assessor Mike McDowell felt that employees would have negative feelings regarding PTO being funded with monies designated for salary increases. Chief Deputy Assessor Richard Houser noted that if PTO is accepted and rolled out on January 1, 2014, the first buy back would be scheduled for December 31, 2014 and would have no impact on the Fiscal Year 2014 budget. Assessor McDowell requested that the three (3) Old Business Agenda Items of (1) Salary & Benefits Survey Status; (2) Position Review Committee Progress and (3) PTO Discussion remain on the Elected Officials Agenda until completion.

Treasurer Tom Malzahn noted that a table at the Jobs Plus Annual Luncheon was designated for Kootenai County and wondered why an invitation was not sent out to the Elected Officials. Chairman Pro Tem Green advised that the table was not sponsored by Kootenai County, but assigned to Kootenai County officials and that lunch for the Board was paid for by the County. Chief Deputy Clerk Pat Raffee reported that she was assigned to sit at the table and that the luncheon was paid for out of her personal funds.

Assessor Mike McDowell noted that it has previously been policy to make Elected Officials aware of any upcoming releases of global emails that would potentially impact staff time. Further, Mr. McDowell wondered why an email announcing an upcoming survey from the Human Resources Department was not forwarded to the Elected Officials for approval. Chairman Pro Tem Green knew of no such policy change and reminded the group that an employee survey was only one of the tasks assigned to Interim HR Director Wade Larson. Sheriff Ben Wolfinger felt that, because the survey is not a mandatory requirement, staff could complete the survey, or not, depending on time limitations.

**E. New Business:**

Chairman Pro Tem Green asked to move on to a discussion regarding the BOCC Expenditure Policy that was initially drafted by the Auditor's Division, revised by the Board, reviewed by the Legal Department and forwarded to the Elected Officials for comment. Chairman Pro Tem Green noted that no comments, in writing, have yet been received from the Elected Officials and extended the comment period to Friday, April 26, 2013. Civil Deputy Prosecuting Attorney John Cafferty noted that the budgetary control limits of \$5,000 cannot be used by the Board to limit the Elected Officials' constitutional, or statutory, powers. After review, Mr. Cafferty and Prosecutor McHugh agreed that the policy of requiring Board approval to move \$5,000 within the B budget does not violate that principle. Commissioner Nelson noted that the \$5,000 amount was not a limit, but a threshold. Mr. Cafferty requested clarification on the wording of the policy and Chairman Pro Tem Green advised that the policy was specific to the B budget. Further, Mr. Cafferty noted that, regarding A budget, funds that have been allocated to a specific A budget item may only be used for that item. Mr. Cafferty also felt that there was no verbiage that would preclude an Elected Official from moving funds between departments.

Clerk Cliff Hayes noted that he has oversight of five (5) departments and fully expects to be in the black at year's end. Further, he wondered why he would need to come before the Board to ask permission to move funds if, for example, the Elections Department were over budget and the Auditor's Department were under budget. Also, Clerk Hayes felt that the law was clear in that appropriated funds are to be used at the Elected Official's discretion. Chairman Pro Tem Green felt that a \$5,000 (or \$10,000) limitation could be used as a tracking mechanism for future budgeting purposes. Sheriff Wolfinger explained that line items were estimates, at best, and that items were prioritized and reprioritized again mid-year. Chairman Pro Tem Green advised that Elected Officials have the authority to prioritize funds, absent specific instructions from the Board, and informed the group that the reason for the implementation of the new policy is that some of last year's surplus A budget funds were distributed without Board knowledge. Mr. Cafferty noted that the transfer of funds within a budget could limit the public's ability to comment on the use of County funds and that budget line items are required to be a reasonable estimate of funds required. Clerk Hayes pointed out that funds are not specifically "transferred" from one line item to another. Expenses are assigned to the specific line item and at the end of the year, some lines items may be over budget and some may be under budget. Chairman Pro Tem Green and

Commissioner Nelson both agreed that the issue of transferring \$5,000 may be removed from the policy after legal review. An updated policy will be sent, via email, to the Elected Officials.

Moving on to a discussion regarding the A budget, Clerk Hayes noted that the Board did not want the Elected Officials to use surplus funds for employee bonuses. Chairman Pro Tem Green explained that the primary focus of the Board, each year during the budgetary process, is employee compensation and that Elected Officials circumvent the process by awarding additional bonuses based on surplus funds. Mr. Cafferty explained that allocated funds may only be spent as assigned in the line items, regardless of salvage dollars remaining.

Ms. Raffee advised the group that Clerk Hayes has budgetary responsibility for five (5) departments and that in Fiscal Year 2012 the Clerk's Division A budget was under by \$156,000 - \$158,000. Clerk Hayes spent \$14,500, less than 10%, on bonuses to employees and the remaining 90% of carryover funds were then swept into the General Fund balance. Commissioner Nelson noted that by doing so, the Clerk was spending dollars twice, as carryover funds had been assigned to the Fiscal Year 2013 budget. Both Chairman Pro Tem Green and Commissioner Nelson agreed that they would be open to the idea of bonuses using salvage dollars, but only if the Elected Official receives Board approval. Ms. Raffee pointed out that the Sheriff sought permission from the Board last year and was denied. Clerk Hayes asked Chairman Pro Tem Green if the Board was against bonuses being given out at the end of this year and Chairman Pro Tem Green replied that only bonuses that are appropriated and agreed upon through the budget process were allowable.

Ms. Raffee reported that the County has a published midpoint for new hire compensation that is not a mathematical midpoint, but a lower number. Further, she noted, the County has a practice, maybe a policy, of not hiring anywhere close to that midpoint. There are also caps to the ranges and the Elected Officials squeeze to the low end of the compensation range. She felt that the return on investment on the relatively small amount of funds used for bonuses returned a maximum amount of value. Ms. Raffee reported that the Clerk's Division employees believe that extraordinary performance, innovation, extra work and going the extra mile are recognized by the Clerk. Chairman Pro Tem Green felt that it is ultimately the Board's responsibility to set salary increases and bonuses.

Clerk Hayes pointed out that the PRC has lowered the grade of several department heads and those employees are now maxed out in their pay range. Clerk Hayes also pointed out that it is unfortunate that those employees, who often work more than 40 hours, cannot be rewarded in any way. Commissioner Nelson suggested the idea of an Executive Pay Band. Assessor McDowell felt that removing specific positions from the pay ranges defeats the purpose of the pay grade system. Mr. McDowell was in favor of waiting for the results of the salary survey that would tell what public and private sectors are paying for quality staff and then implementing changes based on the results.

**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 10:18 a.m.

Respectfully submitted,

CLIFFORD T. HAYES, CLERK

BY: \_\_\_\_\_  
Pamela B. Bogaert, Deputy Clerk