

Minutes of Meeting
Budget Meeting
July 24, 2013
10:00 a.m.

The Kootenai County Board of Commissioners: Chairman Todd Tondee and Commissioner Dan Green met to discuss the following agenda items. Also present were Chief Deputy Clerk Pat Raffee, Finance Director David McDowell, Staff Accountant Kristi Graves, and Deputy Clerk Nancy Jones. Commissioner Jai Nelson was excused.

- A. **Call to Order:** Chairman Tondee called the meeting to order at 10:04 a.m.
- B. **Changes to the Agenda:** There were no changes made to the agenda.
- C. **Old Business:** There was no old business discussed.
- D. **New Business:**
The Board met for continued review and deliberation of the Fiscal Year 2014 (FY14) budget proposal. Commissioner Green began by expressing concern with taking the full three percent (3%) allowable property tax increase.

Commissioner Nelson joined the meeting at 10:07 a.m.

The attendees discussed anticipated health insurance and PERSI costs for FY14. Chairman Tondee suggested that increases in A and B budget amounts could be addressed with a tax increase, although he was undecided on a percentage. The attendees discussed the recent BDPA Salary Survey findings and the anticipated pay matrix analysis. Chief Deputy Clerk Pat Raffee reminded the Board that the Elected Officials had previously expressed concern about the integrity of the pay system, and that the BDPA findings supported those concerns. Chairman Tondee suggested that funds originally intended for merit increases in FY14 might be used, instead, to support pay system adjustments, should the Board agree with the final BDPA report and decide to move forward with the associated recommendations. The Board considered the required FY14 PERSI increase, and the members were in disagreement as to how that cost should be absorbed. The Board agreed that a property tax increase would be prudent, but debated the exact amount that should be levied. Chairman Tondee stated that he would support a full three percent (3%) increase. Commissioner Nelson suggested an increase of one-and-a-half percent (1.5%). Commissioner Green noted that moving forward with anything less than the full allowable amount would require additional budget cuts or use of additional fund balance amounts to balance the budget.

After considerable debate, the Board agreed that a one-and-a-half percent (1.5%) increase should be included in the FY14 budget, and they directed Finance Director David McDowell to adjust the budget proposal to reflect that decision.

The meeting was adjourned at 10:58 a.m.

Respectfully submitted,

CLIFFORD T. HAYES, CLERK

BY: _____
Nancy A. Jones, Deputy Clerk