

**Minutes of Meeting**  
**FY2016 Budget Deliberations**  
**July 17, 2015**  
**2:00 p.m.**

The Kootenai County Board of Commissioners: Chairman David Stewart, Commissioner Dan Green and Commissioner Marc Eberlein met to discuss the following agenda items. Also present were Clerk Jim Brannon, Chief Deputy Clerk Pat Raffee, Senior Staff Accountant Kimberli Price, Prosecutor Barry McHugh, Coroner Warren Keene, Assessor Mike McDowell, Chief Deputy Assessor Richard Houser, and Deputy Clerk Meshell Missler. Also present was citizen Bob Bingham.

- A. Call to Order:** Chairman David Stewart called the meeting to order at 2:02 p.m.
- B. Introductions:** There were no introductions.
- C. Changes to the Agenda:** There were no changes to the agenda.
- D. Old Business:** There was no old business discussed.
- E. New Business:**

Clerk Jim Brannon gave the Board the remaining FY2016 Budget deadlines as follows:

- Preliminary Budget by August 3, 2015
- Publish and inform the public by August 17, 2015
- Public Hearing to amend or adopt the FY2016 Budget on August 26, 2015

Mr. Brannon said there were only two meetings remaining for deliberations.

**Revenue Budget Increases**

Senior Staff Accountant Kimberli Price presented and discussed with the Board the County's FY2016 Budget revenues. Ms. Price opened a discussion regarding Payment in Lieu of Taxes and Personal Property Tax Exemption revenues from state. Ms. Price requested the Board's approval to budget for these items. The Board approved.

Ms. Price said many departments have under-budgeted their revenues, and she presented the Board with a comparison of the budgeted and actual year to date amounts. The Board analyzed the data and noted that some amounts were significant. Chairman Stewart and Commissioner Green agreed to add \$500,000 to the County's Revenue Budget.

**Property Tax Increase**

Mr. Brannon requested the Board's direction on Property Taxes and distributed the levy rates from 2008 to present showing that there was only one tax increase over the last five years. Commissioner Green said he does not support a Property Tax increase, but due to the wage increases that were approved in March for the Sheriff's Office, and Health Insurance costs increasing, he thought a tax increase was imminent. He proposed a 1.5% increase. Chairman Stewart supported a 1.75% increase. Commissioner Eberlein said he supported a 1.5% Property Tax increase and suggested using only a small amount of Fund balance to balance the FY2016 Budget.

**B Budget (Operations) and Salary Increase Discussion**

The Board discussed at length the new growth levy amount, the proposed 2% cut to the B Budget, and the possibility of using Fund balances to balance the FY2016 Budget. The Board also discussed the salary adjustments for non-Sheriff employees as there are many under the market rate of compensation.

Assessor Mike McDowell said he had cut his department's expenses for the FY2016 B Budget by 1.3%, and said he thought he was pushing those dollars toward a salary increase for his staff. Mr. McDowell said if the Board cuts another 2% from the B Budget (Operations), the Board and Assessor's office would be at risk of not meeting their statutory obligations.

Commissioner Eberlein proposed to not take 2% from the B Budget but use Fund balance to balance the FY2016 Budget. Chairman Stewart agreed. Commissioner Green said he did not support using fund balance for salary increases, but said he does support using fund balance for onetime expenses.

In summary, Mr. Brannon clarified the following Board decisions:

- Keep the salary increase to 2% for County employees (non-Sheriff)
- Reduce the Health Insurance increase by \$250,000
- Increase Property Taxes by 1.5%
- Not cut the B Budget by an additional 2%
- Increase the other Revenue Projection by \$500,000
- Use Fund balance to balance the FY2016 Budget

Commissioner Green moved to tentatively accept the FY2016 Budget amendment adjustments at this point. Commissioner Eberlein seconded the motion. There being no further discussion, Deputy Clerk Missler called the roll:

Commissioner Eberlein:           Aye  
Commissioner Green:           Aye  
Chairman Stewart:           Aye  
The motion carried.

**F. Public Comment:** This section is reserved for citizens wishing to address the Board regarding a County related issue.

Citizen Bob Bingham said he would not like to see a tax increase or any salary increases. Citizen Jennifer Locke said she thought County employees were over compensated in comparison to the private sector. The Board thanked Mr. Bingham and Ms. Locke for their comments.

Chairman Stewart adjourned the meeting at 4:16 p.m.

Respectfully submitted,

JIM BRANNON, CLERK

DAVID STEWART, CHAIRMAN

BY: \_\_\_\_\_  
Meshell Missler, Deputy Clerk

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