

Minutes of Meeting
Fiscal Year 2017 Budget Deliberations
July 22, 2016
9:00 a.m.

The Kootenai County Board of Commissioners: Chairman Dan Green, Commissioner Marc Eberlein, and Commissioner David Stewart met to discuss the following agenda item. Also present were Clerk Jim Brannon, Chief Deputy Clerk Pat Raffee, Finance Director Dena Darrow, Senior Staff Accountant Kimberli Price, Human Resources (HR) Director Skye Reynolds, HR-Generalist- Benefits & Compensation Dorothy Cross, Assessor Administrative Manager Jan Lindquist, Administrative Secretary Reba Grytness, and Deputy Clerk Alicia Lynch. Also present were citizens Bob Bingham and Chris Fillios.

- A. Call to Order:** Chairman Dan Green called the meeting to order at 9:00 a.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:**

Fiscal Year (FY)2017 Budget Deliberations with the Auditor's office- Deferred Decisions

Microsoft Office 2016

Commissioner Marc Eberlein updated his fellow Commissioners with the revised request from Information Systems (IS) for Microsoft Office 2016 at the reduced amount of \$200,000. He said he would support the upgrade at the reduced cost because Office 2016 could potentially serve the County through the 2022. Clerk Jim Brannon expressed concerns with IS's estimated number of required licenses, stating that in his opinion the Elected Officials needed to decide which staff required the full Office 2016 package. Chairman Green said he supported the upgrade.

Commissioner David Stewart moved to approve the FY2017 Capital Request for Microsoft Office 2016 in the amount of \$200,000. Commissioner Eberlein seconded the motion. There being no further discussion, Deputy Clerk Lynch called the roll:

Commissioner Stewart: Aye
Commissioner Eberlein: Aye
Chairman Green: Aye

The motion carried.

Treasurer Steve Matheson entered the meeting at 9:12 a.m.

Senior Staff Accountant Kimberli Price requested clarification regarding the Board's prior decision regarding Fund 8245. Chairman Green clarified that it was the Board's

intention not to fund the BOCC Breakfast in FY2017, but it was not the Board's intention to terminate the fund.

Vacation Buyback

Chairman Green opened discussion of funding the Vacation Buyback policy, which allows the County to buy back up to 40 hours of unused vacation from employees with over 240 hours accrued at calendar year-end. The Board discussed both the amount and the policy at length.

Prosecutor Barry McHugh entered the meeting at 9:25 a.m.

Aquifer Protection District (APD) Budget

Commissioner Stewart said he did not support the FY2017 APD Budget as presented, because he did not think it was appropriate for the County to contribute \$1,250 toward the Kootenai Environmental Alliance (KEA) through APD. He said that he also did not favor accelerating the Department of Environmental Quality's (DEQ) Aquifer project with APD fund balances; instead he recommended lowering APD fees to slow their fund balance growth.

Chairman Green said the APD Board reviewed the requests from DEQ and KEA, and found the projects relevant to their mission statement of protecting the Aquifer, so he would support their decision to fund the projects. Commissioner Eberlein asked for a second meeting with APD before making a decision.

Citizen Linda Rider entered the meeting at 9:35 a.m.

Preliminary Budget Summary Review

Ms. Price reviewed the Budget Comparison by Elected Official. Treasurer Steve Matheson noted that his department's Personnel budget was incorrectly stated. Ms. Price said that a portion of the Assessor's budget had been mistakenly attributed to the Treasurer, and she revised both Elected Officials' budgets.

Ms. Price informed the Board that due to a formula error the previously presented health insurance savings option was misrepresented. Instead of an estimated savings of \$575,000, she said the savings was actually only \$371,000.

Health Insurance Contributions

Finance Director Dena Darrow presented wage increase scenarios compared to potential increased employee medical contributions. HR Generalist- Benefits & Compensation Dorothy Cross reviewed the County's six tiers of employee coverage. Commissioner Eberlein said that companies were increasing dependent insurance premiums nationwide, spouses and children equally, which HR Director Skye Reynolds confirmed. Commissioner Stewart said that he did not believe increasing the employees' contributions was putting people first.

The Board requested the Auditor's staff return from recess with more health insurance options.

The Board recessed the meeting at 10:24 a.m.

Chairman Green reconvened the meeting with all attendees at 11:00 a.m.

The Board resumed the health insurance options discussion. Ms. Darrow presented scenarios featuring the effects of potential increase amounts for incentivized employees and those employees that did not participate in the wellness program. The Board discussed health insurance options at length.

Chairman Green requested the Auditor's staff use both employee contributions and the County's portion of insurance contributions, and to lower the estimate provided by Mercer to balance the budget. Commissioner Eberlein agreed adding his recommendation that the employee have the lowest increase.

Fair Budget

Ms. Price said the Fair's budget was drawn from a levied amount specifically for the Fair so the \$100,000 allocated by the Board to the Fair in FY2017 would need to remain in the Fair's fund, though the expenditures would be overseen by Buildings & Grounds Director Shawn Riley.

Fair Board member Linda Rider inquired how the funds would be distributed to the Fair and what the Fair Board's role would be. Chairman Green replied that the Commissioners would consider approving funds for Fair improvements, especially those related to the Americans with Disabilities Act compliance. He said both the Commissioners and Mr. Riley would welcome input from the Fair Board, but the funds would not be provided for Fair use without the Commissioners' approval.

The Board recessed the meeting at 11:44 a.m.

Chairman Green reconvened the meeting with all attendees except Ms. Grytness at 1:30 p.m.

Health Insurance Options Continued

The Board reviewed additional health insurance options. Chairman Green and Commissioner Eberlein both supported the option with premium increases of \$20 for employees, \$95 for spouses, \$25 for a single child, and \$40 for multiple children. Chairman Green noted there would be no changes to the dental or vision plans.

Commissioner Eberlein moved to tentatively adopt health insurance option three with employee contributions totaling \$755,151. Chairman Green seconded the motion. There being no further discussion, Deputy Clerk Lynch called the roll:

Commissioner Stewart: Nay

Commissioner Eberlein: Aye

Chairman Green: Aye

The motion carried.

Vacation Buyback Continued

Chairman Green said he would support a one-time vacation buyback from fund balances with the caveat that the Vacation Buyback policy be removed from the employee manual, since the policy had not been funded in years. He suggested buying back 20 hours over 240 accrued vacation hours. Commissioner Eberlein agreed to the suggestion but requested a \$350,000 cap on the amount the Board would fund. Commissioner Stewart agreed to the proposal.

Ms. Reynolds asked when the policy would change and how it would affect rolling over hours from one year to the next. Chairman Green said the Board would meet to update the policy manual on Monday, July 25, 2016, and he would support eliminating rolling over hours over the allowed 240. Commissioners Stewart and Eberlein agreed.

Commissioner Stewart moved to tentatively approve \$350,000 for vacation buyback. Commissioner Eberlein seconded the motion. There being no further discussion, Deputy Clerk Lynch called the roll:

- Commissioner Stewart: Aye
- Commissioner Eberlein: Aye
- Chairman Green: Aye

The motion carried.

Chairman Green noted the Aquifer Protection District Board representatives would come before the Commissioners again to review their budget next week.

- F. 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 Green adjourned the meeting at 2:01 p.m.

Respectfully submitted,

JIM BRANNON, CLERK

DANIEL H. GREEN, CHAIRMAN

BY: _____
Alicia Lynch, Deputy Clerk
