

Minutes of Meeting
Board of County Commissioners FY22 Budget Review
May 21, 2021
9:00 a.m.

The Kootenai County Board of Commissioners: Chairman Chris Fillios, Commissioner Leslie Duncan and Commissioner Bill Brooks met to discuss the following agenda item. Also present were Chief Deputy Clerk Jennifer Locke, Finance Director Dena Darrow, Staff Accountant – Budget Michelle Chiaramonte, Public Defender Anne C. Taylor, Client Services/Investigations Administrator Jennifer Jenquine, Resource Management Office (RMO) Director Jody Bieze, RMO Senior Program Manager Kimberli Riley, Airport Director Steven Kjergaard, Airport Administrative Assistant Linda Leigh, Parks & Waterways (P&W)/Noxious Weeds/Snowgroomers Director Nick Snyder, Veteran Services Officer Tom Freeman, BOCC Communications Manager Nancy Jones, BOCC Administrative Supervisor Leighanna Keiser, BOCC Senior Business Analyst Nanci Plouffe and Deputy Clerk Tina Ginorio.

- A. Call to Order:** Chairman Chris Fillios called the meeting to order at 9:02 a.m.
- B. Changes to the Agenda (Action):** There were no changes to the agenda.
- C. Business (Action):**

Review of FY22 Board of County Commissioners’ Budget

Finance Director Dena Darrow commented that the data she was about to offer had been collected a few days ago. She assured the Commissioners that any changes would be updated for the meeting on Monday.

Airport Director Steven Kjergaard reported that revenue projections for FY22 had increased to about \$1.2 million and could go even higher. He said that he could delay his department’s capital requests, if necessary, but that he had been unable to find a way to further reduce his “B” (Operations) budget request. He commented that there were some unavoidable increases because the cost of goods or services had gone up. He added that he had not asked for any additional personnel for 2022.

Commissioner Leslie Duncan remarked that, if the Airport’s revenues continued to improve, it should be essentially self-funded next year. She said that the BOCC owed the Airport about \$131,000 and inquired if his General Fund requests could be reduced to that amount.

Human Resources (HR) Director Sylvia Proud entered the meeting at 9:09 a.m.

The Commissioners reviewed the provisions of HB389, the new bill that limited the amount of taxes the County could collect. The bill limited the County to a 3% increase from the prior year’s tax and 90% of new growth, not to exceed a total of an 8% increase over the prior year. It allowed the County to take 80% of any URDs (Urban Renewal Districts) that closed and 1% of its accrued Forgone Taxes.

Chairman Fillios commented that the Board would need to review new information on the ARPA (American Rescue Plan Act) funds available from the federal government and decide how best to use them before the overall Budget was finalized.

Mr. Kjergaard and Airport Administrative Assistant Linda Leigh exited the meeting at 9:14 a.m.

Parks & Waterways (P&W)/Noxious Weeds/Snowgroomers Director Nick Snyder reported that he had requested an increase of \$1,700, to be split between his three programs, to cover sewer fees expected this fall. He said that he also had a \$12,000 capital ("C" Budget) request to remove trees at the Seltice Cemetery. He explained that his staff was working on the project to try and get as much done as they could themselves, to reduce the cost.

Mr. Snyder confirmed that revenue from user fees for the Vessel Account, Boat Launch and Snowgroomers had increased by about \$71,500. He said he had made a request for salary adjustments in P&W and Noxious Weeds in the amount of about \$8,500, fully loaded, which would come from tax dollars. The capital request for replacement of a restroom at Fernan Park would be paid for from the Vessel Account, #137, not tax levy.

Mr. Snyder stated that he had asked that repairs to their office roof be paid from Fund 11. He reminded the Commissioners that he had also asked for two snowmobiles for the Snowgroomers. He listed the other financial adjustments he had made for the upcoming year.

Veteran Services Officer Tom Freeman reported that he had no "C" (Capital) requests and that his "B" (Operations) request was the same as last year. He stated he had requested a 4% increase under the "A" (Personnel) portion of the Budget, to bring the Director's salary up to market minimum.

Commissioner Duncan commented that a new wage study was going to be ordered this October and she would prefer to wait until then to look at individual positions. She pointed out that they were trying to provide a total of a 4%, composed of a 2% COLA (Cost of Living Adjustment) and a 2% general increase, to all employees for FY22 anyway.

Mr. Freeman exited the meeting at 9:35 a.m.

The Commissioners moved on to the request from the Resource Management Office (RMO) for a new Program Manager position.

Commissioner Duncan expressed her desire to make funding of community-facing positions a priority, rather than internal positions. She also remarked that she would prefer to offer staff raises and COLA, rather than dealing with bonuses at present. She added that recruitment and retention incentives would be discussed at a future meeting.

RMO Director Jody Bieze pointed out that her department was managing an increasing number of grants each year and that acquiring more grant funds meant a reduction of demand for tax dollars. She stated that the increase in overall revenue to the County, in the long run, would more than offset the cost of the new position.

Ms. Darrow pointed out that the County could become eligible for about \$32 million from ARPA and that RMO possessed the knowledge and experience to manage such federal funds. She said that the County, in 2016, had a \$13 million grant portfolio, but now it had about \$31.7 million. She suggested that the Commissioners consider encouraging more aggressive pursuit of grants in order to offset future tax increases no one wanted to implement.

Commissioner Duncan reminded those present that grants usually had requirements for matching funds, which had to come from General Fund tax dollars. She cautioned that acceptance of a grant needed to be made with recognition of the associated costs.

Chairman Fillios said he was in favor of taking full advantage of the ARPA funds. He added that he favored this personnel request.

Commissioner Bill Brooks voiced his agreement about accepting ARPA funds but reserved comment about the additional Grants Manager position.

It was generally agreed that these topics would be addressed further next week.

Ms. Bieze and RMO Senior Program Manager Kimberli Riley exited the meeting at 9:49 a.m.

The Commissioners moved on to requests listed under the Community Support category.

Commissioner Duncan inquired about the source for the University of Idaho Extension Office's rent.

Ms. Darrow responded that this could come from Fund Balance. She pointed out that ARPA funds could be used for Community Support items.

Commissioner Duncan said she would suggest that they reduce or eliminate the amount set aside for the Coeur d'Alene Economic Development Corporation (CdAEDC).

Chairman Fillios stated he would not support eliminating it completely, but would agree to keep it at the previous year's amount of \$45,000.

Commissioner Brooks voiced agreement with Chairman Fillios, but said he wanted to see specific benefits to the County from the group.

Chief Deputy Clerk Jennifer Locke shared information she had learned at the recent IAC (Idaho Association of Counties) meeting about the ARPA funds. She noted that County funds directed to Panhandle Health District and Heritage Health seemed to qualify under the program's requirements.

Ms. Darrow reported that the Auditor's Office was setting up a bank account for ARPA funds and would select an executive sponsor to manage it. She said the Auditor's staff needed to review the Treasury guidelines, examine requests for the money and then report to the Commissioners for final approval. She added that there were still many

areas that had not been finalized by the Treasury about the use of the ARPA grant money and urged that the County proceed with care to avoid making any mistakes.

Ms. Darrow suggested that the Board consider using some of the ARPA funds to finish those portions of the Jail Expansion which had just been shelled but not completed.

Ms. Locke asked whether expanding the District Court building, rather than erecting a new building, might be covered under the ARPA requirements. There was general interest expressed in both suggestions by the Board.

Ms. Locke and Mr. Snyder exited the meeting at 10:06 a.m.

The Commissioners moved on to the Public Defender's Office requests.

Commissioner Duncan said she wanted to handle requests for wage adjustments and bonus pool assignments as a whole County consideration, rather than under individual departments.

Chairman Fillios and Commissioner Brooks agreed.

Ms. Darrow reported that the Public Defender's Office had requested a total of about \$392,000 more than last year, primarily driven by their lease expense and salary items.

Public Defender Anne C. Taylor explained that the salary increases she had included were to bring people closer to 90% of the market rate, with some positions higher than that to reflect years of service. She stated that her department had ongoing problems with salary compression, retaining staff and attracting new employees.

Ms. Locke re-entered the meeting at 10:09 a.m.

Commissioner Duncan moved that the Board enter into Executive Session pursuant to Idaho Code §74-206(1)(b). Commissioner Brooks seconded the motion. There being no further discussion, Deputy Clerk Ginorio called the roll:

Commissioner Brooks: Aye

Commissioner Duncan: Aye

Chairman Fillios: Aye

The motion carried.

The Board entered into Executive Session at 10:17 a.m.

Executive Session pursuant to Idaho Code §74—206(1)(b) to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a Public officer, employee, staff member or individual agent – Public Defender Division (Closed Session – Discussion)

Decisions/Direction (Open Meeting – Action)

The Board exited Executive Session at 10:24 a.m.

Commissioner Duncan moved that the Board exit Executive Session with staff to proceed as discussed for hiring outside counsel, not to exceed \$5,000. Commissioner Brooks seconded the motion. There being no further discussion, Deputy Clerk Ginorio called the roll:

Commissioner Brooks: Aye

Commissioner Duncan: Aye

Chairman Fillios: Aye

The motion carried.

D. 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.

E. Adjournment (Action): Chairman Fillios adjourned the meeting at 10:24 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

CHRIS FILLIOS, CHAIRMAN

BY: _____
Tina Ginorio, Deputy Clerk
