

Minutes of Meeting
FY22 Public Budget Hearing
August 25, 2021
6:00 p.m.

The Kootenai County Board of Commissioners: Chairman Chris Fillios, Commissioner Leslie Duncan and Commissioner Bill Brooks met to discuss the following agenda items. Also present were Clerk Jim Brannon, Chief Deputy Clerk Jennifer Locke, Finance Director Dena Darrow, Deputy Finance Director Keith Taylor, Accounting Supervisory – AP & Spending Lori Shaw, Senior Staff Accountant Melissa Merrifield, Staff Accountant – Budget Michelle Chiamonte, Staff Accountant – Fixed Assets Astra Underdown, Administrative Assistant Ronnie Davisson, Elections Manager Asa Gray, County Assistance Manager Shelly Amos, KCSO Sheriff Robert Norris, KCSO Undersheriff Dan Mattos, KCSO Administrative Assistant Tamara Exley, KCSO Detention Sergeant Michelle Hatley, KCSO Detention Deputy Colin Schauer, Prosecutor Barry McHugh, Coroner Warren Keene, M.D., Treasurer Steve Matheson, Solid Waste (SW) Director John (JP) Phillips, Adult Misdemeanor Probation (AMP) Director Keith Hutcheson, BOCC Senior Business Analyst Nanci Plouffe, BOCC Administrative Supervisor Leighanna Keiser and Deputy Clerk Tina Ginorio. Also present were Aquifer Protection District Board Chair Necia Maiani, Kootenai County Emergency Medical Services System (KCEMSS) Chief Bill Keeley, KCEMSS Director of Administration Tracey Abramson, Coeur d’Alene Press Reporter Madison Hardy and Kootenai County Residents Bruce Mattare and David Passaro.

- A. Call to Order:** Chairman Chris Fillios called the meeting to order at 6:00 p.m.
- B. Changes to the Agenda (Action):** There were no changes to the agenda.
- C. Chairman’s Opening Remarks**

Chairman Fillios reminded those present that Fiscal Year 2022 would begin on October 1, 2021. He briefly reviewed the agenda and procedures for the meeting.

- D. FY22 Budget Hearing Pursuant to Idaho Code §31-1605 (Discussion)**

Aquifer Protection District

Aquifer Protection District (APD) Board Chair Necia Maiani stated that the APD was established by the Board of County Commissioners in 2007, for the protection of groundwater quality in the Rathdrum Prairie Aquifer. She reviewed its history, its funding sources and how project requests were handled. She provided details of the different elements of the APD, such as groundwater sampling, sewer and storm water management, facility inspections, enforcement and remediation. She described their education and outreach projects: the Confluence Project, Spokane River Forum, Aquifer Atlas update, Agrimet Stations, the Kootenai County Fairgrounds Well and the Waste and Recycle Directory. She also explained the APD’s focus on critical recharge areas of the Aquifer.

KCSO Lieutenant William Klinkefus entered the meeting at 6:02 p.m.

Ms. Maiani reported that the APD had received five external requests for the 2021-2022 Budget, totaling about \$403,228. She said that there were internal projects planned that would come to about \$122,400. She noted there had been \$89,000 in funds carried forward from the previous budget year, leaving their projection of total budgeted expenditures at about \$525,628, which she noted was a reduction of about 4% from the prior year. She concluded with details from their 5-Year Fiscal Plan Worksheet.

In response to a question from Commissioner Leslie Duncan, Ms. Maiani confirmed that the APD had a fund balance over \$500,000 at present, some of which they planned to use to purchase additional land to protect aquifer recharge areas. She also confirmed that the APD fee per household was \$5.74 at this time.

Commissioner Duncan remarked that the fee might be able to be reduced to \$4.74 in FY23, if the surplus in their fund balance continued to run to the same level.

Chairman Fillios called for public comment on the APD presentation. There were no comments made.

KCEMSS

KCEMSS (Kootenai County Emergency Medical Services System) Chief Bill Keeley described the services provided by this group. He stated that they operated nine ambulances within Kootenai County, six at the paramedic level and three at the advanced EMT (Emergency Medical Technician) level. He noted that those units had responded to 15,816 calls for service during 2020 and that call volumes were expected to continue to increase. He listed the primary targets of their 2022 budget:

- Stabilize CCT (Critical Care Transport) Program
- Complete processes to staff a part-time ambulance
- Provide increases to partner agencies
- Plan for possible changes in coverage within the system
- Support KCEMSS Staff

Chief Keeley remarked that it was difficult to predict the department's revenue, since there was no way of determining how many billable calls for service they might receive. He said they had requested new development plus a 3% levy increase for FY22 and that they also estimated they would have about a 1% increase from patient revenue. He provided charts detailing the projected FY22 Revenue and their Expenses.

Chief Keeley noted that KCEMSS had been significantly affected by the tax changes approved by the State Legislature this year. He cautioned that these changes would create a challenge for the agency as they dealt with the need to increase services and replace their vehicles.

Chairman Fillios asked how much a new ambulance would cost.

Chief Keeley said it was \$342,168.27, at the moment. He added that if one were ordered today, the estimated delivery date would be July 2022.

Chairman Fillios took a moment to recognize KCEMSS Director of Administration Tracey Abramson's hard work.

Chairman Fillios called for public comment. No comments were made.

Kootenai County

Finance Director Dena Darrow reminded those present that there was a packet containing detailed information on the full Kootenai County Budget available online at kcgov.us/218/clerk.

Ms. Darrow announced that the Total Fiscal Year 2022 Budget was \$108,922,877, which did not include KCEMSS, but did include Solid Waste (SW). She said the portion of that amount paid by property taxes would be \$53,826,846, with \$50,422,770 coming from state funds and various fees, and \$4,673,261 taken from Fund Balance. She provided a chart showing budget amounts from 2019, 2020, 2021 and 2022, for comparison. She also provided a chart showing the breakdown of the FY22 Budget by Elected Official.

Ms. Darrow offered some details of how Fund Balance impacted the Budget over the past several years. She also showed how SW's Fund Balance had varied over the same time period.

Ms. Darrow explained the percentage of the total budget that would be used by "A" Budget (Personnel), "B" Budget (Operating Expenses) and "C" Budget (Capital). She pointed out that Personnel consumed about 60% of the total, with Operations at about 35% and Capital at just over 4%. She then broke down each category into the major components.

Under Personnel, Ms. Darrow said that the County was offering a small COLA (Cost of Living Adjustment) and one Matrix step for employees. She stated that COLA was often based on Social Security figures; Social Security was expected to increase 6.2% and the Count was providing about one third of that amount to staff.

Ms. Darrow explained how funds for vacant positions were managed, in order to keep costs down but still provide for new hires. She also explained the change in the Operations portion of the Budget that had occurred when the Capital expenses threshold had been moved from \$5,000 to \$10,000. The change inflated the apparent "B" Budget and decreased the apparent "C" Budget, but really was a simple shift from one section to another.

Ms. Darrow listed the most significant Capital expenditures the County planned for FY22: 911 Technology Upgrade, the IT (Information Technology) Department's OnBase Project, the North Idaho Fair Paving Project, the Phase II HARSB (Hayden Area Regional Sewer Board) Sewer Upgrade and Parks Roof Replacement. She noted that FY22 was the final year for the Sheriff's Office vehicle lease, with a payment of \$700,000.

In response to a question from Chairman Fillios, Ms. Darrow confirmed that the levy rate had gone down again this year.

Chairman Fillios called for public comments.

E. Public Testimony

KCSO Detention Deputy Colin Schauer described the challenges faced at the Jail due to staff shortages. He stressed that the positions needed better pay to attract or retain people.

KCSO Detention Sergeant Michelle Hatley went into detail regarding the hardships faced by Detention staff due to the number of vacancies. She said that Deputies fatigued from taking too many overtime shifts were in much greater danger of coming to harm themselves or making an error in judgement. She described a recent event in which inmates had planned to kidnap a Deputy, which had only been averted by a narrow margin. She asked the Board to improve Detention wages and provide recruitment and retention bonuses so they could achieve a full staff roster.

KCSO Sheriff Robert Norris echoed the remarks of both Deputy Schauer and Sergeant Hatley. He provided a picture showing a poster at the North Idaho Fair that advertised a \$10,000 signing bonus for the Spokane Detention Center. He added that they started new employees at about \$3 more per hour and had a faster advancement matrix than Kootenai County offered. He expressed his concern that KCSO could not compete for quality candidates against offers like this and noted that the Coeur d'Alene Police also offered more money than he could.

Kootenai County Resident David Passaro voiced his support for KCSO and encouraged the Board to take these concerns seriously and find the funds necessary.

Chairman Fillios stated that, since there were no more requests to offer comments, the public testimony section of the meeting would conclude and the Board would enter into deliberations.

F. Deliberations (Discussion)

Commissioner Duncan moved that the Board end public testimony and enter into deliberations. Commissioner Bill 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.

G. Adoption of FY22 Budget (Action)

Motion Regarding Aquifer Protection District Budget

Commissioner Duncan stated that she felt they should monitor the Fund Balance because she felt it should not be allowed to accumulate such a large amount.

Commissioner Duncan moved that the Board approve the Aquifer Protection District Budget for FY22 as presented. 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.

Motion Regarding KCEMSS Budget

Commissioner Duncan moved that the Board approve FY22 KCEMSS Budget as presented. 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.

Motion Regarding Kootenai County Budget

Commissioner Brooks stated that the Board needed to take care of the County employees. He commented that some past Commissioners have refused to allow any tax increases, but that this resulted in the problems seen now in attracting and retaining quality staff. He stated that he supported the 3% tax increase this year because he viewed it as an investment in the County's personnel.

Chairman Fillios commented that there had been a 1.9% average yearly increase in the tax rate over the past five years. He said the County's population had gone from 137,000 in 2010 to about 172,000 now which, averaged, would come out to a 2.48% growth rate. He stated that the one had not kept pace with the other. He noted that the County was introducing a matrix for the General Pay Plan employees for the first time, which, in addition to the COLA, would result in about a 4% increase for all. He concluded that the Budget made sense.

Commissioner Duncan remarked that many government entities tended to overtax citizens because they did not take into proper account the amount of State revenue, such as sales tax and liquor funds. She said that Kootenai County was expecting about \$4 million back in FY21 from these sources.

Commissioner Duncan stated that she would support a 2% tax increase but she would suggest taking \$517,000 from Fund Balance to give back to citizens. She explained that that amount, plus what had been accrued from salary savings and other areas would add up to about \$2 million. She said she had a Resolution prepared to capture the One percent to add to the County's foregone balance, should she receive the required support to move it forward.

Chairman Fillios commented that the Board had approved increases for the Public Defender in a meeting yesterday that totaled about \$100,000 because that department had been laboring under a staff turnover of about 25%. He noted that Community Development and other departments were in similar straits. He added that \$650,000 had been set aside in the budget to

address salary compression issues and this was probably not going to be enough. He stated he felt the right thing to do was take the full 3%, especially in light of the crisis at KCSO.

Commissioner Duncan said that there were funds already set aside for the Detention Deputies and that a fresh Wage Study was going to be done in the coming year. She stated that funds had also been set aside for retention bonuses for the six departments experience the worst difficulties, as well as for a County-wide retention program.

Commissioner Brooks moved that the Board approve the County FY2022 Budget as presented. Chairman Fillios seconded the motion. There being no further discussion, Deputy Clerk Ginorio called the roll:

Commissioner Brooks: Aye

Commissioner Duncan: Nay

Chairman Fillios: Aye

The motion carried.

H. Adjournment (Action): Chairman Fillios adjourned the meeting at 7:15 p.m.

Respectfully submitted,

JIM BRANNON, CLERK

CHRIS FILLIOS, CHAIRMAN

BY: _____
Tina Ginorio, Deputy Clerk
