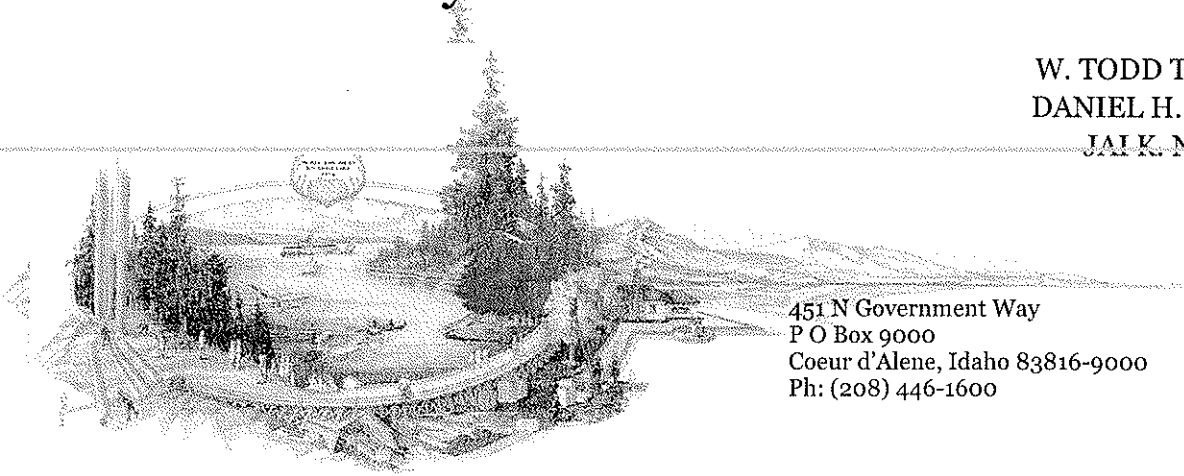


Kootenai County Commissioners

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Press Release

Date: August 14, 2012

Re: Kootenai County Purposed 2013 Budget

Kootenai County's purposed fiscal year 2013 budget is being published this week after many months of input and meetings.

The preliminary budget was drafted by Clerk Cliff Hayes in collaboration with the Assessor, Coroner, Prosecutor, Sheriff and Treasurer. We wish to thank Clerk Hayes, the county officials and the Clerk's staff for all of their hard work. The preliminary budget was presented to the Board on July 10th and included a 3% wage adjustment for all county employees equating to \$1,089,510, in addition to paying for the projected \$675,000 increase to maintain our medical benefits package. The preliminary budget had a shortfall of \$5,770,503.

The Board is proposing a total budget of \$79,057,544. This figure includes a one-time expenditure of \$6,000,000 for Solid Waste to develop the next expansion phase of our landfill at Fighting Creek. If we didn't fund the expansion this coming year, our overall budget would have been lower for FY 2013 than FY 2012 by \$1,069,615. This project could have been postponed for up to two years. We feel it's prudent to take advantage of lower construction costs by including the project in the upcoming budget. Solid Waste has already accrued the money from user fees and the expansion does not impact the amount generated from property taxes.

The Board cut over \$6,700,000 in funding requests from the proposed budget to arrive at the final number. For healthcare coverage, we raised the level of our stop-gap insurance. By assuming additional liability, we were able to lower the amount for medical costs to a \$575,000 increase.

We have budgeted for a 3% total compensation wage adjustment which includes the funding for medical benefits. The amount to be distributed for wage adjustments will be \$514,510. The balance of the fund, after funding the medical benefits and matrix employees, will be distributed to each elected official based on their percentage of payroll to distribute as they see fit. Employees covered by a matrix are sworn deputies, jail detention deputies and employees of the 911 center. The money for distribution by the Elected Officials may be a one-time bonus or an adjustment to someone's compensation rate.

We budgeted \$312,547 for new personnel and \$1,448,745 for capital outlay. The new personnel are two Sheriff's Detectives, a Court Assistance Officer that is funded almost entirely by the state of Idaho, two Prosecuting Attorneys who are grant funded and a Information Systems support position.

We are not taking a property tax rate increase but did include the revenue from new growth. We are not taking any foregone taxes. Our fund balance appropriation is \$2,607,053.

Trying to balance the needs of employees, facilities, ongoing operations and the constituency we all represent is always a challenge. Our goal was to maintain the taxpayer's percentage of the budget as flat or have it be reduced. In FY 2012, the percentage funded of the budget by property taxes was 52%. For FY 2013, that number will go down to 49%. These percentages are based upon total budget vs. total property taxes collected.

The Board encourages the public to attend and provide testimony on the purposed FY2013 budget at our budget hearing scheduled for August 29, 2012 at 6 p.m. The hearing will be held at the Kootenai County Administration Building, Room 1A/B, 451 North Government Way, Coeur d' Alene Idaho.