



KOOTENAI COUNTY

BOARD OF COMMISSIONERS

DAVID STEWART • DANIEL H. GREEN • MARC EBERLEIN

Media Release

Date: August 12, 2015

Re: Fiscal Year 2016 County Budget

The BOCC has proposed a budget in the amount of \$80,888,286 for FY 2016, an increase of \$1,492,022 from the FY15 adopted budget. Capital requests for this year are \$5,148,231 which is a decrease of \$1,594,088 from last year's budget. Capital requests are one time expenditures and do not continue on from year to year.

The BOCC has tentatively penciled in a 3% wage increase for non-matrix covered employees and funded the Sheriff matrices enabling individuals covered by a matrix to advance through the steps. Current medical, vision, and dental benefits will remain the same with no increase to the employee contribution rate. The above mentioned items will cost the county an additional \$1.6 million in FY2016 with nearly \$675,000 attributed to the funding of health care benefits. Our benefits consultant recommended appropriating more than \$900,000 for the benefits increase, but the BOCC reduced this amount by \$250,000 after analyzing historical trends. These dollars are in addition to raises that were appropriated to the Sheriff Patrol deputies and Command staff earlier this year. This mid-year decision added approximately \$915,000 to our budget. In essence, the BOCC has and is projecting to fund a total of more than \$2.5 million for wage and benefit increases in FY 2016.

The BOCC will distribute the 3% wage increase to each Elected Official to allocate as they see fit. We consider this a merit increase. Some employees may receive raises in excess of 3% while others may receive less based on the decision of their Elected Official.

This BOCC embraces the concept of a "total compensation package", considering all costs when we develop a compensation strategy. With that being said, budgeting nearly \$675,000 to maintain medical benefits results in each employee receiving nearly \$900 in additional compensation regardless of the merit increase allocated by their elected official.

The BOCC has tentatively funded 8 new positions bringing the total of full time budgeted positions to 780. The demand on our justice system, a mandated service, continues to consume the majority of our budget. Justice related services are provided by the Sheriff, 911 Emergency call center, Prosecutor, District Court, Public Defender, Adult Misdemeanor Probation, Juvenile Detention, Juvenile Probation and Juvenile Diversion. Approximately 55% of the overall county budget is expensed to these services. Solid Waste accounts for 12%, and County Assistance 4.5%. The total of the mandated services mentioned here account for 71.5% or \$57,834,124 of our total budget.

The BOCC is funding the budget increases using several mechanisms. First, a big thank you to the Clerk's staff for identifying additional revenue sources. The county is also capturing new growth of approximately \$1,000,000 and increasing the property tax rate by 1% (\$410,290). This total tax increase will result in \$9.64 per year in additional taxes for a property owner of a home assessed at \$200,000 to support the county's operations. If the individual qualifies for the homeowner exemption, the amount of tax due will be reduced.

Fund balances will be used to balance the budget. A significant change to our fund balance took place by the re-booking of interest earned by the Solid Waste Fund. Over \$5,100,000 was moved from the Solid Waste Fund to the County General Fund based on the recommendation and research initiated by Treasurer Steve Matheson. Kootenai County fund balances remain healthy enabling us to fund significant capital requests if and when approved by the BOCC. Our potential bond ratings are very high thereby keeping the cost of money, if we were to bond, very low. Kootenai County is currently debt free.

Hearing Information

The Board encourages the public to attend and provide testimony on the proposed fiscal year 2016 budget at our hearing scheduled for August 26, 2015, at 6 p.m.

The budget hearing will be held at the Kootenai County Administration Building, Room 1A/B, 451 North Government Way, Coeur d' Alene, Idaho. For additional information or questions please contact the Commissioner's office at 446-1600 or by email at kcboce@kcgov.us.