

**COMMISSIONERS' MINUTES
KITITAS COUNTY, WASHINGTON
COMMISSIONER'S AUDITORIUM
SPECIAL MEETING**

MONDAY

1:00 P.M.

NOVEMBER 21, 2011

Board members present: Chairman Paul Jewell and Vice-Chairman Alan Crankovich & Commissioner Obie O'Brien.

Others: Julie Kjorsvik, Clerk of the Board; Tip Hudson, Extension Agent; Patti Johnson, Solid Waste Department; Judy Pless, Budget & Finance Manager; Lisa Young, Human Resource Director; Megan Acree, Administrative Assistant; Deanna Panattoni, Treasurer; Clay Meyers, Undersheriff; Gene Dana, Sheriff; Mandy Weed, Administrative Assistant; Kirk Holmes, Public Works/Interim Community Development Services Director; Diana MacKenzie, Upper District Court Administrator; Jim Goeben, Application Development Manager; Duke Senter, Information Services Director; Brenda Larsen, Fire Marshall; Todd Davis, Noxious Weed Director; Maria Canfield, Public Health Administrator; Sue Higginbotham, Administrative Assistant; Greg Zempel, Prosecutor; Kelly Carlson, Administrative Assistant/Airport Manager; Jim Van de Venter, Maintenance Manager; Jerry Pettit, Auditor; Robin Raap, Office Administrator; Paul Sander, Deputy Prosecutor; Matt Anderson, Facilities Maintenance Director; William Holmes, Probation Services Director; Marsha Weyand, Assessor; Cindy Adams, Administrative Assistant; James Hurson, Lower District Court Judge; Christine Luvera, Lower District Court Administrator; Sarah Keith, Administrative Assistant and three members of the public.

SPECIAL MEETING

BUDGET DISCUSSION

COMMISSIONERS

At 1:00 p.m. Chairman Jewell opened a Special Meeting to discuss the 2012 preliminary budgets. He reviewed the history of where the numbers are today, which is a revenue budget of over \$23 million and an expense budget of over \$24 million, leaving a difference of approximately \$863,00.00, which does not include any increase in medical contribution and does include the step increases for employee wages.

Departments offered additional revenue sources. Marsha Weyand, Assessor said there is a reimbursement grant for their annual revaluation program and we can be retroactive to 2009 which could result in approximately \$75,500.00 by the end of 2012. They will also delay hiring in 2011 until 2012. Judy Pless, Budget & Finance Manager said based upon information adjusting property taxes for utilities they were estimating an additional \$30,000.00 and another \$60,000.00 in liquor profits. There was also discussion of additional expenses departments can cut. The Sheriff's department will have an additional expense of the training academy between \$17-

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20,000 due to the Governor's budget. The Prosecutor's office will add \$16,000.00 in additional revenue due to the diversion program.

Ms. Pless suggested a wage freeze for non-union until July 1st and not for January 1st, which would be a cost savings of over \$37,000.00. Chairman Jewell said there had been a meeting requested by the Unions and not one person showed up to it other than himself and a representative of the Human Resource Department. Jerry Pettit, Auditor asked what consideration had been given of a levy shift, different than what has been done in over the last two years. He asked the Board to consider transferring a small levy shift from the County Road fund. Chairman Jewell addressed the unintended consequences, which had been shared at the budget retreat several months ago. Kirk Holmes, Public Works/Interim Community Development Services Director addressed their fund balance of over \$14 million dollars, as its obligated money for projects as well as grant funding sources. He said if the Board determined they wanted to do another type of levy shift, they need to determine how they will recover it because the money was budgeted for specific projects. He said they are required by law to budget in a six-year window, and they do not have excess cash sitting around which has not already been dedicated to some type of project or as a match for federal and state grants.

Mr. Pettit said they have a retirement in their department at the end of December and they do not anticipate replacing that position until July 1st, which would be a cost savings of \$17,000.00. Clay Meyers, Undersheriff, said the Sheriff's department will have to begin paying for half of all of their training including fire arms, etc. Duke Senter suggested that instead of posting for his position when he leaves, maybe hire Jim Goeben and replace it with an entry level position.

Lisa Young, Human Resource Director reviewed an option for health care insurance under WCIF, which would have all employees under the same plan (Premera) and still include vision and dental, but is a high deductible plan (\$1,250 deductible). The County could put the money into a VEBA account and could be used towards their deductible. The coverage would be at 80%/20% except for preventative care, and could result in a savings to the County between \$100-\$200 thousand a year. The only exception would be for the Teamsters Union. She said the employee could still potentially waive medical, but it would be at the Boards discretion. It could become effective January 1st but WCIF would have to be notified immediately. Judge Hurson said for most employees, medical coverage is a huge issue and with such short notice, it could have a negative result on them and he suggested looking at the possibility for next year.

William Holmes suggested a wage freeze for 2012 for all Union, Non-Union and Elected Officials for a cost savings of \$389,136 and the

remainder would be from the Road Levy Shift. Chairman Jewell said the \$389,136 does not include the changes to the wage scales for next year.

Ms. Pless reviewed the fund balance in the General Fund. She said there is a \$1.2 million dollars between the undesignated fund balance and rainy day fund. Commissioner Crankovich said he would be in favor of taking \$500,000 from the fund balance, but not a Road Levy Shift. Commissioner O'Brien said he would be in favor of taking \$500,000 from the fund balance, delay employee wage increases until July 1st and look into the change in medical insurance. He agreed with Commissioner Crankovich and said he did not want to do a Road Levy Shift either. Jerry Pettit said he could come up with \$30,000 from the O&M fund. Kirk Holmes said they have a seasonal ¾ time building inspector position, and they can wait to see if it's warranted bringing it back in the spring. Chairman Jewell said taking \$500,000 from the fund balance concerns him, while recognizing it's been worse at times in the past. He said by taking money out of savings, it will continue to get worse and the problems will still be there. Some other options for cost savings included reductions to libraries, fuel savings, Upper County Senior Center, and to the animal shelter.

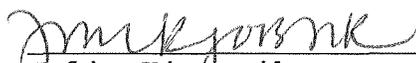
The Sheriff indicated he could provide another \$10,000 from various line items and the Maintenance Department offered up \$10,000 as well.

With all the proposed changes, Chairman Jewell suggested taking \$300,000 from the beginning fund balance and \$300,000 from a Road Levy Shift and keeping the medical contributions for \$675.00 per month. Mr. Pettit said he could offer an additional \$8,000.00 from the O&M fund in order to balance the budget.

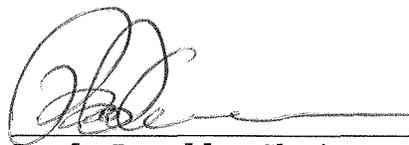
Lisa Young will set up a committee to review options for medical coverage. Chairman Jewell said to expect changes to health care coverage next year, including the Unions.

The meeting was adjourned at 3:30 p.m.

CLERK OF THE BOARD


Julie Kjosrvik

**KITTITAS COUNTY COMMISSIONERS
KITTITAS COUNTY, WASHINGTON**


Paul Jewell, Chairman