

Kitsap County Citizen's Budget Committee

January 5, 2009

Attending: Steve Maxim, Chair and members John Ahl, Gary Nelson, Robert Meadows, Shannon Childs, Rob Gelder, Paul Uhlig, Monica Hunsaker, Bob Lamb; Staff Stephanie Pinard, Deanna Erstad; Guests Charisse Dahlke and Shawn Gabriel, Administrative Services and Nancy Buonanno Grennan, County Administrator.

Members absent: Jim Sommerhauser, Chris Tibbs

Steve called the meeting to order at 5:00 pm.

Charisse gave presentation with historic graphs and projections. There were no handouts but she said she would forward an updated version to the committee. Some of the points touched on were:

- Kitsap Consolidated Housing Authority – county's guarantee of loans
- Harborside Condo's – county's guarantee of loan

Questions:

- Paul – What would happen if the county had to meet the debt service?
- Bob – Why is county guaranteeing these loans?
- Steve – Are there any operating principles behind these decisions – if so would like to see.
- Robert – Is there any source of revenue tied to this debt. Is there any power to tax because of these loans?
- Bob – Are they going to go to the voters for more taxes?
- Robert – “Borrow/guarantee” does not create ability to pay
- John – Isn't it a conflict of interest for the Commissioners to sit on both boards?

Charisse talked about projected revenue on:

- Property tax
- Diverted road tax
- Sales tax

- Sales tax for criminal justice
- Gambling taxes
- Treasurer's collected fees – excise tax
- Penalties/interest on property tax
- Levy rate
- Cable TV tax
- Total taxes
- Total licensing/permits – went with DCD and not in general fund
- Animal licensing

- Steve – Sales & real estate are major contributors to general fund

- Robert – Jail/Juvenile tax – all go to county – no sharing with cities?

- Robert – How was this data produced?

- Nancy Buonanno Grennan stated that the main cost driver in a budget is personnel.

- Steve – is there a way to get rid of high priced employees and replace with lower paid people?

Other items discussed were:

- Deputies – the highest paid employees
- Arbitration
- Health care benefits
- Retirement funds

- Steve asked how Silverdale incorporation would affect the county – how many employees and what services would be reduced?

- John – If Silverdale incorporated there would be revenue to county in services, i.e. roads, sheriff, etc.

- Steve – Employee drives costs – tools we have to control?

- Robert – Re: PERS 1, 2 or 3 – any way to quantify?

- Nancy – State regulates what county pays for retirement

- Shannon – Can county put into reserve for when retirement costs go up?
- Bob – Can the county hire people who don't want to build a retirement or medical benefits?
- Steve – Regarding Bob's comment – maybe it could be made part of the selection criteria.
- Nancy – The county does have a waiver option on medical coverage.

Nancy then gave a briefing on the Commissioners' budget.

- Bob – PIO – what does that mean and why would you “contract” for this with public works?

Nancy talked about the boards and commissions the Commissioners sit on and gave a handout listing them.

- John – Do these dilute their duties as commissioners – conflict of interest – mandated by law?
- Steve – KCCHA – separation of BOCC & KCCHA – seem they would be.
- John – Asked what the job of the Olympic Consortium Board is.
- Bob – What do the taxpayers get out of the PRSN/Olympic Consortium? He also asked about the different committees of the Washington Association of Counties.
- Paul – Questioned the use of time if they can't make an impact.
- John – Questioned if they get mileage “per mile”?
- John – Being on all these different boards – are they using time away from their primary duties as commissioners?

- Steve – Have commissioners ever expressed whether it is necessary to sit on the various boards?
- Monica – Is WSAC membership required by law?

Nancy gave members handout on KCCHA.

- Steve – Asked about the Poulsbo court...will closing Silverdale fund the Poulsbo District Court costs?
- Steve – Questioned need for north end court – it gets very little use so why not close and bring it all to Port Orchard?
- John – Why not share the Poulsbo Council Chambers which is empty most of the time instead of having a dedicated space. It could be done with a lot less expense.
- John – Who is it that wants District Court to be in Poulsbo...why not say we can't afford it?
- John – Is there any written agreement if we don't sell old one...we don't pay?
- Steve – During tough times have to make hard decisions.
- Shannon – Why do we need a court in Poulsbo when everyone goes to Silverdale anyway...yet we are closing Silverdale – why not move to Silverdale?
- Paul – If there is nothing in writing why wouldn't county want something to be written that would benefit and protect the county? They need to look out for the county's best interest. Is there any policy of making these decisions?

Steve said the goal is to pursue the top 5 issues identified. In the February meeting Shawn Gabriel will review the 2009 budget.

John proposed members send out questions they would like to see included on the budget presentation.

Minutes for the December 15, 2009 meeting were approved with one correction.

Steve and Monica will get the database updated. The next meeting will be February 2, 2009.

Stephanie reminded everyone not to allow anyone to enter the building as they are leaving. This is for the safety of our custodial crew.

The meeting was adjourned at 7:10 pm