

BUDGET RETREAT
July 30, 2015 – 8:30 A.M.
Kittitas County Fairgrounds-Armory

Those Present:	Gary Berndt	Mandy Buchholz	Angela Bugni
	Obie O'Brien	Jim Goeben	Mike Stafford
	Paul Jewell	Julie Kjorsvik	Kari Elkins
	Brett Wachsmith	Greg Zempel	James Hurson
	Brenda Larsen	Pat Gigstead	Kim Dawson
	Patti Johnson	Diana Mackenzie	Robin Rapp
	Cindy Adams	Judy Pless	Lisa Lawrence
	Marsha Weyand	Jan Ollivier	Val Barschaw
	Gene Dana	Mickey Webb	Sue Higginbotham
	Clayton Myers	Kathy Jurgens	Stephanie Mifflin
	Steve Panattoni	Terry Powers	Andrew Drain
	William Holmes	Terrie Anderson	Paula Hoctor
	Todd Davis	Christine Luvera	Doc Hansen
	Nick Henderson	Kaitlyn Reddick	Kasey Knutson
	Tip Hudson	Stephanie Conley	Lindsey Ozbolt-Presenter
	Holly Myers	Candi Blackford	Liz Whitaker
	Sen. Judy Warnick	Rep. Matt Manweller	Rep. Tom Dent

Chairman Berndt opened and welcomed all County Staff to the 2016 Budget Retreat. He reviewed the Agenda and noted that the BoCC Staff had previously e-mailed a letter of key policies for County departments to use when drafting their budget proposals. He outlined the Boards priorities and asked that departments prepare their budgets to address the following priorities:

- Strengthen Kittitas County's ability to provide high quality service to the public and continue to improve customer service.
- Invest in efficiency improvements in County operations.
- Capital facilities improvements.
- Investing in economic development opportunities.
- Employee compensation and professional development.

He stated that customer service remains a top priority for the Board of Commissioners. The other priorities are not in a ranked order and should be viewed as of equal importance.

Chairman Berndt reviewed the following 2016 budget policies including:

- This year's budget process will again utilize baseline budgeting methodology. Your beginning 2015 departmental budget will be considered your baseline for normal operating expenses. Capital expenditure line items and salaries and benefits are to be figured and justified individually based on current conditions.
- Proposed increases in FTE's should include a funding source specifically designated to pay all costs associated with such a request. The BOCC reserves the right to approve or deny new FTE requests regardless of designated funding.
- Vacancy savings may not be spent elsewhere within a department budget without the approval of the BOCC.
- The Board will plan to budget an increase in the current "Rainy Day" fund balance.
- A 3% wage increase for non-represented employees will be budgeted. Any discussion of other benefit increases will take place when information is available from the providers.

Commissioner Jewell introduced Senator Judy Warnick, Representative Matt Manweller & Representative Tom Dent. Chairman Berndt had the Management Team introduce themselves to the 13th District Legislators. Senator Warnick, Representative Manweller and Representative Dent provided legislative updates from Olympia as well as taxes that are being discussed; including \$16 million dollars in drought relief funding obtained and budget forecasting. They provided an opportunity for the County Management Team to openly ask questions.

Commissioner Jewell opened the meeting up for a roundtable discussion & feedback on the County's perspective of Legislative Session and impacts. He stated that last year was the first time the County had a formal Legislative Agenda that they could hand out to its Legislators when meeting with them and he felt that it was very beneficial.

Judy Pless, Budget and Finance Manager reviewed handouts regarding Kittitas County's net assets, changes in net assets, assessed and estimated actual value of taxable property, property taxes levies and collections, principal taxpayers, principal employers and limitation of indebtedness. She reviewed employee costs (employer retirement rates for PERS). She provided an explanation of the "rainy day fund" because she had received a few inquiries as to what that actually meant. She indicated that this year they would be using "family" groups again and that the location and dates are not yet set for the budget meetings, but to expect additional information in the near future. She provided a budget calendar and budgeting guidelines.

- Lunch Break 11:50 a.m. – 12:50 p.m.

Commissioner Jewell reviewed the list of current Capital Facilities projects. He discussed the Rodeo Arena & Livestock Barns upgrades as well as the recent RFQ for the Courthouse re-design and an update on the Fairgrounds Master Plan.

Lindsey Ozbolt, Staff Planner II provided an update of the current status of the LEAN "KAIZEN" event project and there was roundtable Q&A for other departments that have interest in the idea. Jim Goeben, IT Director and Andrew Drain, Application Developer discussed the Team that will go through the "lean" process with IT.

Commissioner O'Brien discussed with Staff 2015/2016 wages and noted that the County recently obtained a wage survey, from Lisa Young, HR Director and the Board was reviewing it. Stephanie Conley, HR Representative reviewed the costs involved when employees with large vacation bank payouts hit that department budget and the unexpected financial impacts.

Meeting was adjourned at 2:45 p.m.


Deputy Clerk of the Board


Gary Berndt, Chairman