

**OFFICE OF THE BOARD OF COUNTY COMMISSIONERS
OF BLAINE COUNTY
SPECIAL MEETING – BUDGET WORKSHOP - OF THE JULY 2012 SESSION**

Third Day

Monday, July 9, 2012

Pursuant to Statutory Provisions, the Board of Blaine County Commissioners (BCC) met this day at 9:00 a.m. Present were Chairman Angenie McCleary, Vice Chairman Tom Bowman, Commissioner Lawrence Schoen; County Administrator Derek Voss; County Clerk JoLynn Drage; Chief Deputy County Clerk Leslie Londos; Operations Director Char Nelson; Human Resources Generalist Susan Potucek; IT Manager Clay Landon; Chief Deputy Assessor Carma Angelo; Blaine Manor Finance Director Stephanie Jaskowski; Recording Secretary Sunny Grant; and Idaho Mountain Express reporter Kate Wutz.

Chairman McCleary called the meeting to order at 9:03 a.m.

BUDGET WORKSHOP

FY2013 Budget Process Overview

The Blaine County Commissioners asked department heads and elected officials to develop and present their FY2013 outcome-based budget requests based on strategic planning and performance measurements. The BCC will establish the price of government. Then, based on expected revenues, the BCC will determine priorities and engage with service providers.

Budget Officer Presentation – JoLynn Drage

The Budget Officer presented a list of Assumptions and Questions.

FY2013 Revenues Assumptions

Budget is based on Budget Officer's revenue projections and not County departments. Amounts may be revised during the budget process. Revenue projections are conservative, but not overly so. Property tax revenues are based on the Treasurer's figures. Taxes are 98% collected. Additional assumptions:

- All property tax revenue will be taken, including allowable 3% increase and new construction.
- Continuing the 4/10 service model.
- Dispatch will collect everything owed by emergency communications partners.
- Sheriff's projection of \$450,000 for jail revenue for FY2013 will be met.

FY2012 Reserve

- The fund balance must be adequate to cover the first quarter 2013.
- The BCC set a guideline for a 15% reserve. Funds at end of FY2012 will easily exceed 15%.

Expenses

County department heads and elected officials have put a lot of effort into the outcome-based budgeting process, starting with strategic planning. FY2013 performance management will require every County department, elected official and employee to strive for even better teamwork, integrity, and excellence in day-to-day operations.

Expenses may also be revised during the budget process. Assumptions to date are:

- Small increase in Blue Cross health insurance and no increase in Delta Dental.
- Blaine County's leadership is entrusted with maintaining County assets and efficiently using County resources, which is a full-time job. Full-time professionals should be compensated accordingly.

Blaine County Commissioners' comments:

- Blaine County's property tax levy rate is less than surrounding counties.
- Property values for 2012 are at 2004 valuation; but County government can't operate at 2005 budget levels. County expenses have not kept pace with inflation. County employees' salaries were frozen for several years, ending with last year's 1% market adjustment, and they deserve a cost-of-living increase. A merit pool for merit-based increases should be established for exemplary County employees who excel in their jobs.
- The Prosecutor's office needs to be consolidated into one location to work more efficiently.

Establish the Price of Government

- It is necessary to take all allowable revenue, including the 3% allowable property tax increase and new construction. Blaine County has reduced expenses each year for the last few years, but now has to catch up on maintenance and repairs to neglected County buildings and roads. Also, state legislation requires the County to provide services, such as health and welfare, that were formerly paid by the State.
- The BCC must first set the price of government, then see what revenue is available. It may be necessary to consider an override levy at some point for certain capital expenses.
- Blaine Manor still needs careful review.
- Sarah Johnson appeal cost is an unknown that should be included in the budget.

Capital Improvements

- Voss recommended establishing a policy to set aside money annually for a Capital Improvements Fund. The fund would be to maintain and preserve the County's long-term investments, and could be used to purchase heavy equipment and other high-cost equipment. The County Clerk said \$800,000 could be available from the General Fund for FY2013 Capital Improvements Fund.
- The Old County Courthouse is a serious life-safety issue. East-side dormers must be removed; and a new roof is necessary. Floor joists and new roof must be connected to the building walls.
- All County buildings need updating, sooner or later.
- Roads and bridges need maintenance and repairs.
- The County may have to provide a facility for the county coroner when the current coroner retires.

PUBLIC COMMENT - NONE

BREAK

BOARD OF EQUALIZATION APPEAL HEARINGS

Schoen moved, seconded by Bowman, to convene as the Board of Equalization. Motion carried unanimously.

AC & CE Investments, Inc. – RP05N17014022C and RP05N17014022D

Chairman McCleary outlined the procedure for the assessment appeal.

Appellant's representative John Hastings, Jr. and Appraiser Tammy Robison were sworn in by Chairman McCleary.

Appellant's representative John Hastings, Jr. presented the property assessment appeal. Appraiser Tammy Robison said she had revisited the property. She recommended changing the value on both parcels. The BOE concurred.

Bowman moved, seconded by Schoen, to accept the stipulated value of \$1,665,406 for Parcel #RP05N17014022C, 83 Eagle Creek Road. Motion carried unanimously.

Bowman moved, seconded by Schoen, to change value of Parcel #RP05N17014022D, 85 Eagle Creek Road, to stipulated amount of \$2,233,449. Motion carried unanimously.

Old Cutters Subdivision, continued – Parcel #s RPH03530020000, RPH04890010010, RPH04890010020, RPH04890010040, RPH04890010050, RPH04890010060, RPH04890010070, RPH04890010080, RPH04890010090, RPH04890010100, RPH04890010110, RPH04890010120, RPH04890010130, RPH04890010140, RPH04890010150, RPH04890010160, RPH04890020010, RPH04890020020, RPH04890020030, RPH04890020040, RPH04890020050, RPH04890020060, RPH04890020070, RPH04890020080, RPH04890020090, RPH04890020110, RPH04890020120, RPH04890020140, RPH04890030010, RPH04890030020, RPH04890030050, RPH04890030060, RPH04890030070, RPH04890030080, RPH04890030090, RPH04890040010, RPH04890040020, RPH04890040030, RPH04890050010, RPH04890050020, RPH04890050030, RPH04890050040, RPH04890050050, RPH04890050060, RPH04890050070, RPH04890050080, RPH04890050090, RPH04890050100, RPH04890050110, RPH04890050120, RPH04890050130, RPH04890050140, RPH04890050150, RPH04890060020, RPH04890060030, RPH04890060040, RPH04890060060, RPH04890050150, RPH04890060020, RPH04890060030, RPH04890060100, RPH04890060110, RPH04890060150, RPH04890060160, RPH04890070030, RPH04890070040, RPH04890070050, RPH04890070060, RPH04890070070, RPH04890070090, RPH04890070100, RPH04890070120, RPH04890070130, RPH04890070160, RPH04890070170, RPH04890070180, RPH04890070190, RPH04890080010, RPH04890080020, RPH04890080030, RPH04890080040, RPH04890080050, RPH04890080060, RPH04890080070, RPH04890080080, RPH04890090010, RPH04890100010, RPH04890100020, RPH04890100030, RPH04890100040, RPH04890110010, RPH04890110020, RPH04890110030, RPH04890120010, RPH04890120020, RPH04890030030, RPH04890030040, RPH04890060010, RPH04890050050, RPH04890060120, RPH04890060130, RPH04890060140, RPH04890060170, RPH04890070010, RPH04890070020, RPH04890070080, RPH04890070110, RPH04890070140, RPH04890070150, RPH04890070200

Chairman McCleary outlined the procedure for the assessment appeal. Both appraiser and appellant were previously sworn in.

Appellant John Campbell referred to an MLS list of parcels sold in Hailey in 2011. The list does not include Woodside lots. The appellant said his results were close to those presented by the assessor, with a couple exceptions. Assessor Valdi Pace said she had made adjustments according to locations within the subdivision.

State Statute requires the County Commission to consider the past year's market evidence, and not speculate on prospective value. The BCC reviewed the subdivision's lots, and adjusted some individual values.

Schoen moved, seconded by Bowman , to adjust 2012 valuations within Old Cutters Subdivision as follows:

Phase II , Rimrock Cottages adjust to \$55,000.

Block 1 Lots 1-15 adjust to \$72,000; Lot 16 adjust to \$74,000.

Block 2 Lot 1 adjust to \$72,000; Lots 2-12 adjust to \$74,000.

Block 3 Lot 2 adjust to \$74,000; Lots 5, 6, 7, 8 adjust to \$76,000.

Block 4 all lots adjust to \$70,000.

Block 5 Lot 1 adjust to \$60,000; Lot 3 adjust to \$54,000; Lot 4 adjust to \$50,000; Lot 5 adjust to \$54,000; Lots 9-10 adjust to \$50,000; Lot 12 adjust to \$50,000; Lot 14 adjust to \$35,000; Lot 15 adjust to \$60,000; all remaining lots adjust to \$58,000;

Block 6 Lot 4 adjust to \$60,000; Lot 6 adjust to \$50,000; Lot 15 adjust to \$35,000; all remaining lots adjust to \$58,000.

Block 7 Lot 5 adjust to \$54,000; Lots 6-7 adjust to \$50,000; Lot 9 adjust to \$35,000; Lots 12-13

adjust to \$54,000; Lot 17 adjust to \$54,000; Lot 18 adjust to \$55,000; Lot 19 adjust to \$54,000; all remaining values adjust to \$58,000.

Block 8 all lots on list adjust to \$61,000.

Block 10 Lot 1 adjuststo \$61,000; Lots 2-3 adjust to \$62,000.

Block 11 Lots 1-2 adjust to \$62,000; Lot 3 adjusts to \$65,000.

Block 12 Lot 1 adjust to \$72,000; adjust to Lot 2 \$76,000.

Assessor is directed to adjust all privately-owned lots in Old Cutters Subdivision to the values comparable to lot sizes and locations just described. In discussion, McCleary said motion reflects values submitted by appellant and assessor, except for certain smaller lots within Blocks 5, 6 and 7 that are .14 acre are revalued at \$50,000, and .18 acre lots are revalued at \$54,000. **Motion carried unanimously.**

David Heier – RP005490020090

Chairman McCleary outlined the procedure for the assessment appeal.

Appellant David Heier (by phone) and Assessor Valdi Pace were sworn in by Chairman McCleary.

Appellant David Heier presented his property assessment appeal. Assessor Valdi Pace presented for the Assessor's office. The BOE deliberated on the appeal. The BCC can only consider 2011 market sale year.

Bowman moved, seconded by Schoen, that the appellant has not presented a preponderance of evidence to support a revaluation on Parcel #RP005490020090. The BCC sustains the property valuation of \$150,000. Motion carried unanimously.

Tax Exemption per I.C. 63-602C & D continued

Appellant's representatives Pete DiDio and Amy Quilici and Assessor Valdi Pace were sworn in by Chairman McCleary.

Assessor Valdi Pace said the original applications did not have up-to-date information. The county started valuing exempt parcels about 2008. Appraiser Jim Williams valued the hospital parcel and the Assessor's office mapped the parcel. Hospital representatives Pete DiDio and [Amy Quilici](#) requested 100% exemption on the land and hospital value, pursuant to I.C. Title 63-602D Property exempt from taxation for hospitals. The BOE discussed the appeal with the Assessor, appraiser and appellant's representatives.

Bowman moved, seconded by Schoen, to uphold assessor's valuation of \$4,302,727 on Hailey Parcel #RPH04000010200, and grant a 92% exemption. In discussion, the taxable value is \$344,219. **Motion carried unanimously.**

Bowman moved to accept 2012 assessed value of \$1,430,000, on Parcel RP04N18030728D, and grant 51% exemption, which leaves taxable value of \$700,700. Motion died for lack of a second.

Bowman moved, seconded by Schoen, to accept assessed value of \$26,449,548 on 100 Hospital Drive, #RP04N18030728D, and grant a 100% tax exemption. Motion carried unanimously.

Bowman moved, seconded by Schoen, to accept assessed value of \$14,592 on 120 Hospital Drive, #RP04N18030738B, and grant a 100% exemption. Motion carried unanimously.

Bowman moved, seconded by Schoen, to accept valuation of \$48,336, on 12622 State Highway 75, #RP04N18030738A, and grant a 100% tax exemption. Motion carried unanimously.

Bowman moved, seconded by Schoen, to accept new assessed value of \$6,987,696 on a medical office building at 120 Hospital Drive, #RP04N18030728E, and grant a 51% exemption. The taxable value is \$3,423,971. Motion carried unanimously.

Bowman moved, seconded by Schoen, to accept assessed valuation of \$20,697 on personal property in the medical office building at 120 Hospital Drive, #PP1P00000S6250, and grant a 51% exemption. The taxable value is \$10,142. Motion carried unanimously.

Bowman moved, seconded by Schoen, to accept assessed valuation of \$37,811 on personal property in the Hailey Medical Office Building at 1450 Aviation Drive, #PP1P00000M239A, and grant a 100% exemption. Motion carried unanimously.

Golf Courses (see motion for list of parcels) continued

The BCC has already assigned the 2012 value for the Elkhorn Golf Course. This is a BCC review of other golf clubs in Blaine County.

The Big Wood Golf Course – total valuation \$1,555,804. Appraiser Tammy Robison has already reduced the value.

The Valley Club – total valuation adjusted to \$8,8,704,963, Trail Creek and White Clouds golf courses were adjusted about 32-35% from previous value, using about the same adjustment given the Sun Valley-Elkhorn Golf Course.

Schoen moved, seconded by Bowman, to approve adjusted valuations on Valley Club Golf Course of \$805,000 on Parcel RP0056900000C0; an adjusted value of \$1,265,000 on Parcel RP0056900000E0; and an adjusted value of \$1,035,000 on Parcel RP0057100A0000, for a total valuation of \$8,704.963. Motion carried unanimously.

Schoen moved, seconded by Bowman, to approve adjusted valuations on Trail Creek Golf Course of \$3,392,000 on Parcel RPS0000000001F; an adjusted value of \$424,000 on Parcel RPS0000000001G, for a total valuation of \$13,360,068. Motion carried unanimously.

Schoen moved, seconded by Bowman, to approve adjusted valuations on White Clouds two nine-hole golf courses of \$1,866.000 on Parcel RPS052500100J0; an adjusted value of \$932,000 on Parcel RPS052500200F0, for a total valuation of \$3,964,260. Motion carried unanimously.

Appraiser Williams noted these figures just referred to the golf courses.

ADJOURN

At the hour of 3:09 p.m., the BCC finding no more business before them adjourned.

Attest: _____ Approved _____
JoLynn Drage Angenie McCleary
County Clerk Chairman