

COMMISSIONERS APPROVAL

LUND

THOMPSON

CHILCOTT

TAYLOR (Clerk & Recorder)

Date.....April 20, 2004

Members Present.....Commissioner Betty Lund,
Commissioner Alan Thompson and Commissioner Greg Chilcott

Minutes: Glenda Wiles

The Board met in regular session for the following agenda items.

Commissioner Thompson made a motion to adopt the following Budget Transfers by the following resolutions.

- Resolution No. 1459 which is a budget transfer for Fiscal Year 2004 in the Road Department in the amount of \$10,000.00.
- Resolution No 1460 which is a budget transfer for Fiscal Year 2004 in the Clerk and Recorders Office in the amount of \$8,888.24.

Commissioner Chilcott seconded the motion and all voted “aye”.

Commissioner Thompson made a motion to approve of the corrected minutes of March 29, 2004 through April 9, 2004. Commissioner Chilcott seconded the motion and all voted “aye”.

The Board also addressed the vacant position on the Park Board. Three applications were received from the following applicants; Parnelli Sharp, John Cornish and Raphael Tilton. Commissioner Thompson advocated for John Cornish. He stated that John is a school teacher in Florence and has lived in the valley for 31 years. John is active in the community which includes his service to the Florence Park District. Commissioner Thompson felt John would be a valuable asset to the Ravalli County Park Board. Commissioner Chilcott stated he likes people from all areas of the county to serve on these volunteer boards. It was commented that Matthew Kannenwisher is possibly moving to Texas and he represents the at large position. Commissioner Thompson stated he will contact Matthew to ascertain if he is moving, which would free up another position on this board. Commissioner Thompson made a motion appoint John Cornish to the at large position with a term ending December 31, 2004. Commissioner Chilcott seconded the motion and all voted “aye”.

The Board also discussed the Department of Transportation Highway projects that have been proposed by the DOT. The Board agreed these projects met with their approval.

Jeff Peters stopped in to see the Board relative to the road realignment that was approved by a previous Resolution which was the result of a road petition by Russell Esau on Birch Creek Road. Jeff indicated he wanted to split his property in half. Commissioner Lund indicated the county is just realigning the easement which gives Jeff a small piece of land but it does not create a parcel. It also gave the county a wider easement in order to do the road realignment. Commissioner Lund advised Jeff that no structures could be built on the easement.

The Board also addressed other ministerial matters related to correspondence they had received.

The Board met with Sheriff Chris Hoffman and Internal Auditor Klarryse Murphy. Also present at this meeting was the Sheriff's Administrative Assistant Wanda Lorea, Accounting Supervisor Jana Exner, Administrative Officer Skip Rosenthal and Treasurer JoAnne Johnson. It is noted that Jana, Skip and JoAnne left the meeting numerous times during this meeting. A brief discussion took place on the Black Frog Fire and the barricade costs for this fire. Wanda indicated she did not bill for these barricades as she was advised to give this invoice to Commissioner Lund. Commissioner Lund indicated she was working with the Forest Service and the State of Montana in order to obtain the \$12,000.00 due from the State since the Forest Service is declining payment on it.

Sheriff Hoffman reiterated his question and concern over the FY 03 and 04 budget overruns. He stated he is very frustrated that he has not had his questions answered and now they are entering into another budget year. He stated he sees obvious discrepancies over how the salary lines were loaded and he has asked for the formulas on the salary projections. He asked why over the last two fiscal years they have had the budget over runs. Sheriff Hoffman stated it is difficult for him to enter into another budget year without this knowledge, and to answer the questions that the public will have when he goes out to solicit the mill levy increase for the public safety levy. He also stated he was told not to track the salary lines.

Klarryse asked if anyone in the Sheriff's Office looked over the salary line when they were given the budget. Sheriff Hoffman stated he did not and he has taken responsibility for that. He also stated that he took over in January 2003 when there were only six months left on the 03 budget and he did not make any additions in Deputy positions. Klarryse stated she does not load the salary sheets; rather Skip estimates salaries and 2004 was based on 2003 figures. Klarryse stated that when the accounting office saw the overages in 2003, she personally met with Sheriff Hoffman relative to the overtime. She also stated those salary sheets go out to all Department Heads for their review. Wanda stated she has never received the salary sheets until well after the fiscal year has started. Klarryse indicated Jana has run the hours and this information has been discussed. Klarryse asked how the previous Sheriffs (Perry Johnson and Jay Printz) were able to stay within their budget but Sheriff Hoffman can not. Sheriff Hoffman stated he does not

give raises. Commissioner Lund then gave Sheriff Hoffman a spread sheet for salary lines, which included overtime, reserve deputies overages, contribution overages, supplies overages and clothing allowance overages which made the total amount of \$216,000.00 in overruns. Commissioner Chilcott asked how the clothing expenditures went over when the deputies are allotted a certain amount. Sheriff Hoffman stated that prior to him taking office, there were a lot of vacant deputy spots and his newly hired officers had to be outfitted. Sheriff Hoffman also stated he did not pay out those clothing allowance checks. The previous Sheriff (Perry Johnson) had outfitted three new deputies, and he had outfitted three new deputies.

Wanda asked about the vest income. Klarryse stated there was no vest grant income in this budget report but vests were purchased, so there was no offset to that expenditure. Wanda stated she will check with Carla Larson relative to the purchase of any vests.

Commissioner Lund also pointed out the overages on car repair. Sheriff Hoffman stated he understands those overages, but he does not understand the salary overages. Commissioner Lund suggested they do a detail for Sheriff Johnson's overtime etc. Sheriff Hoffman stated the deputies have told him that the use of vacation days along with holiday pay will be stopped. However, the deputies have done this since the 'beginning of time'. Klarryse thinks these overages are an accumulation of many of the line items over several months. Klarryse stated there is an underlying thought by the Sheriff's Office that something is being done wrong in the accounting office. She stated it is important to look at everything, including the possibility of the deputies being overpaid. Sheriff Hoffman stated he has been the subject of finger pointing as well. Klarryse stated that historically, over the past five years, there have been no overages in the Sheriff's Office. Sheriff Hoffman stated he could not have pulled out the amount needed to cover the salaries that are light loaded if he had not been watching his budget.

There was some discussion of the 2,080 hours within the year and the 24 X 7 shifts that deputy's work. Sheriff Hoffman asked why the holiday hours were not loaded in. Commissioner Chilcott stated the hours are loaded in for all of the different departments and the Sheriff's Office is different due to the shifts, and labor negotiations.

Commissioner Chilcott stated Sheriff Hoffman is the expert on the manpower and staffing needs along with the labor negotiations, so he needs to review this under the needs assessment of the department. Commissioner Chilcott also stated that the training and other safety needs are under the Sheriff's perview, and as such it is his responsibility to factor this in. Commissioner Chilcott stated that at this point in the discussion no one should be pointing fingers. Sheriff Hoffman stated if this is his fault he needs to know how and why. He also stated they caught a few errors on the time sheets but that does not account for the overages and he is not doing anything different from Sheriff Johnson's budget. Commissioner Chilcott stated Sheriff Johnson spent \$177,000 in 6 months and Sheriff Hoffman spent \$242,500 in 6 months. It was also noted the fire season was in Sheriff Johnson's term, not Sheriff Hoffman's term. Commissioner Chilcott stated the shift in budget numbers and this extra \$70,000 is a 33% increase in the six month period under Sheriff Hoffman's watch.

Wanda stated Marty Birkender's salary was not calculated into these figures. Skip stated they calculated salaries based on staffing levels which included Sergeant Stewart's open position. Skip further indicated that they calculate this based on 40 hrs per week at 2,080 hours with the typical benefits such as insurance, unemployment, retirement, Medicare etc., which totals 41%. Other positions that Sheriff Hoffman requested were deputies and dispatchers and Skip indicated he projected the figures from last year which included the overtime hours, comp time and longevity. Skip stated the formula he used was 1% for sworn officer per year. This also included the 1.6% projected increase, and his initial projections included the School Resource Officers which were backed out due to funding. He indicated he did not calculate the additional money for holidays, as some employees get time and a half if they are already working. There was some discussion of the union contract and how they use the holiday for pay or the day off. There was some question if Skip had adequately projected the holiday pay. Sheriff Hoffman indicated if the deputies are expected to work they are given holiday pay, or they can take another day off. Commissioner Chilcott asked if the day to day operations include nine deputies for patrol on a regular day and seven deputies for a holiday. Sheriff Hoffman stated most Deputies will want the holiday day off. And Veterans Day is a good example of how they utilized training on the holiday. He stated this training day had been planned out and they do not add deputies to a shift unless it is for special circumstances.

Skip stated he has looked at the trends for the Sheriff's Office and while he had loaded the normal 1.6% increase in the salaries, the compensation board agreed to a 2% increase which was another \$6,000.00. Skip stated he felt the overages were a combination of a lot of things. Commissioner Chilcott asked about the retirement of the two detectives (Jimmy Chinn and Pete Clarkson) skewing the calculations on the salary line. Sheriff Hoffman stated the cash out was taken from those salary lines. And the checks for those two positions were issued in January under Sheriff Hoffman's watch which would explain roughly \$30,000.00 in the salary overages.

Skip indicated in regards to the trend for FY 03/04 in the first six months, they need to hone in on the hours worked for regular, overtime and comp time. Sheriff Hoffman stated they don't allow the deputies to use their comp time if it puts a burden on the schedule.

Skip also suggested they look at the Detention hours. Wanda stated if there is a holiday, the pay moves to the regular hour's line, and the 2,180 hours should be the base because of the holidays.

Commissioner Chilcott commented about the FTO program in that it runs up the hours of the training officer and trainee, but the county receives very little benefit for their time until the training is over.

Sheriff Hoffman asked if they are approved to have ten deputies and each of the ten deputies gets 2,080 hours; then as long as the deputies stay at those hours, why does it matter how many deputies are on a shift?

Commissioner Chilcott indicated one of the concerns they have is the amount of deputies covering a shift which includes FTO positions. Sheriff Hoffman stated he is still allocated those positions. Commissioner Chilcott indicated it changes the hours because it adds one more deputy into the shift for the three months at 40 hours per week. Sheriff Hoffman stated that only matters as to what kind of bang for the buck they obtain for the deputy positions. He reiterated they still have a certain amount of employees, and it should not matter when they work.

Klarryse stated that Black Mountain has had some problems in the 111 and 110 lines. For example in December they split a salary in the Public Health Nurses Office. In December the program calculated the salary correctly, but not in January. Klarryse indicated they need to visit with Black Mountain about this problem and see if it is impacting the salary line within the Sheriff's Office.

Wanda stated they still need to add those 100 holiday hours for the 58 people.

Klarryse stated the static line changed due to benefits. Skip stated those come out of the benefit line, however the salary pay is increased by a percentage.

Sheriff Hoffman indicated he can understand some of the overages but he can not understand the \$124,000.00 overage in the salary line. It was agreed that part of that overage of \$33,000 is due to two retirees. There were some calculations on the black board to find the other \$90,000.00 in overages in the salary line. Those calculations included the holiday hours.

Klarryse stated they need to work with Skip on this issue. Wanda indicated this was not her responsibility. Commissioner Lund suggested they go forward for 2005 and give the Sheriff his 'bucket of money' and let him load the lines as he sees fit.

Commissioner Chilcott stated that Skip put a lot of effort into loading the salary line correctly. However that amount of money did not fit what the Sheriff needed. Therefore, in the next fiscal year, Sheriff Hoffman needs to work with Skip on this budget line.

Sheriff Hoffman indicated that many people, including him, are asking what the difference is between the year's past and the FY03-04 budget. He stated he can not answer those questions, nor can the Accounting Office. He indicated the Sheriff's Office is not in good shape, as their operating budget is now in salary lines. Sheriff Hoffman felt he is being thrown to the lions, because the Commissioners are now saying the Sheriff's budget looks good, but when the end of the fiscal year arrives, the Commissioners will say he has over spent and he is responsible for it. Sheriff Hoffman suggested the Commissioners declare a moratorium on crime.

Commissioner Chilcott stated the Commissioners gave his budget a \$400,000.00 bump in his budget this year which should have put the Sheriff's budget in good shape. He stated the Commissioners feel they have put forth a good faith effort in order to fund the Sheriff's budget. Commissioner Chilcott stated the Commissioners are not throwing

Sheriff Hoffman out to the wolves. Rather they will continue to try to give the Sheriff's budget what they can. However they do not have a crystal ball. Commissioner Chilcott further indicated that the Commissioners have to write the check out front when they set the budget and the Sheriff needs to use his crystal ball and stay within that budget.

Sheriff Hoffman stated he has shown some good faith by being able to cover the salary lines with the other lines in his budget which are the operating monies. However he indicated they are still discussing an overage of \$300,000 in FY03 and FY04, and the salary line is instrumental in those overages. Sheriff Hoffman felt he has been handed an impossible task to provide the citizens with public safety with no money to do it.

Commissioner Chilcott stated the Sheriff is an elected official and as such one of his tasks is to work within his budget. He further indicated that the Sheriff's Office received over \$370,000.00 in increased budget for this fiscal year.

Sheriff Hoffman stated the increase did not amount to that much because the salaries were loaded too light.

Wanda indicated if their expenditures were where they should have been, and they were short \$302,000 last year, then the extra \$370,000.00 was only a wash for what they were already short. Then raises were given and now they are in the hole even more. Commissioner Lund stated if the Commissioners give the Sheriff 3.7 million in the upcoming budget, it will be the Sheriff's responsibility to figure out the shortage and work out the budget formula for FY 05.

There was some discussion of severance pay. Klarryse stated the law does not allow the county to keep a reserve fund for severance pay. Wanda stated the Commissioners need to tell them what they have and then they would have to do their budget around that amount. Sheriff Hoffman stated he did not want to operate that way. Rather he needs to calculate out what the public safety needs are then ask for that amount. If the Commissioners do not fund him with that amount, then that is his safety net to tell the citizens that the Commissioners do not fund his budget appropriately.

Commissioner Thompson stated they are already looking at the FY 2005 budget and there are no increases in the revenues. He further stated that the Commissioners have dug into reserves for the last two to three years in order to increase the Sheriff's budget and they are not able to do that any more. Commissioner Thompson stated they need to build the county reserves; therefore there will be no increases in any department budgets.

Sheriff Hoffman stated the situation for criminal activity will not get any better. He anticipates housing more people in the detention center and therefore there will be more costs. He stated he does not have a formula to more efficiently cover the square miles in the county as there are no other formulas. He felt the only savings in his budget is termination of manpower. Sheriff Hoffman stated that the Commissioners call on him to account for his shift staffing, however nothing has changed in the way they staff their shifts for the past two years. He also stated he has asked for an explanation of the salary

overages but no one in the accounting office can explain them. Sheriff Hoffman stated the accounting office does not have a full time budget person and no one can ever answer his questions.

Klarryse stated that compiling the hours by each person is not a simple process, and it is not her job to find the answer to this question.

There was some discussion of the 2,080 hours per man, plus the 100 hours of holiday pay. Some calculations were then done on the black board by Commissioner Lund for the regular hours, holiday hours and number of deputies. She calculated that if they take the number of deputies (at 26), times the hours, it would equal \$65,000.00. If they added in the severance pay amount at \$33,000.00 plus Marty Birkendeder's salary at \$20,000.00, it would account to a large percentage of the overages. Commissioner Lund stated she felt the overages were a combination of these hours and salaries.

Sheriff Hoffman stated he understands Commissioner Lund's calculations, but he has not done anything differently from the previous Sheriff. So why are the overages occurring now? Klarryse stated she would go back and look at the previous years.

Commissioner Thompson commented that one Deputy received a 9.7% salary increase. However the salary increases of 2% coroner, 2% range master and the cost of living at 2.6% should only total 6.6%. It was agreed that these individual salary lines need to be reviewed.

In other business Commissioner Chilcott attended a RC & D interface meeting during the afternoon hours.

Commissioner Thompson attended a RAC meeting during the evening hours.