

**Minutes of Meeting
Compliance Meeting
Statutes §31-2112 and §31-2113
October 8, 2013
1:00 p.m.**

The Kootenai County Board of Commissioners: Chairman Todd Tondee, Commissioner Dan Green and Commissioner Jai Nelson met to discuss the following agenda items. Also present were Treasurer Tom Malzahn, Chief Deputy Treasurer Laurie Thomas, Clerk Clifford Hayes, Chief Deputy Clerk Pat Raffee, Civil Deputy Prosecuting Attorney John Cafferty, and Deputy Clerk Nancy Jones.

A. Call to Order: Chairman Tondee called the meeting to order at 12:59 p.m.

B. Introductions: There were no introductions made.

C. Changes to the Agenda: There were no changes made to the agenda.

D. Old Business: There was no old business discussed.

E. New Business:

1. Annual Statement from Treasurer to Auditor with BOCC in supervisory role

Chairman Tondee explained that this meeting had been called pursuant to *Idaho Code* §31-2112, which stipulates that the County Treasurer must “make a full statement of all accounts with the Auditor, annually, on the first Tuesday after the first Monday of October, in the presence of the Commissioners”.

Treasurer Tom Malzahn then presented County Clerk/Auditor Clifford Hayes with a copy of the annual settlement, which included information from September 1, 2012 through August 31, 2013. Mr. Malzahn explained that the statement did not correspond to the fiscal year because the September reconciliation had not been completed. All future annual statements shall contain an audit of these same dates, in order to allow for comparable analysis of the information provided. The report included balances for five accounts, including cash, certificates of deposit (CD), the local government investment pool, the diversified bond fund, and other securities. Mr. Malzahn stated that details of each account could be obtained within the monthly reconciliation reports. In response to a query from Commissioner Nelson, Mr. Malzahn explained that the cash account reflected a significantly higher amount than the beginning balance due to a decision to keep more compensating credits readily available. Further, Mr. Malzahn noted that the CD Account held a higher balance due to the maturation of a \$6,000,000 certificate.

Mr. Malzahn also presented a statement of the outstanding personal property taxes and fees. Chairman Tondee noted that statute requires reporting of past due amounts for a maximum of five (5) years, and asked if any amounts were due prior to 2008. Chief Deputy Treasurer Laurie Thomas stated that the Treasurer’s Office has been working to clear the rolls of past due taxes; however, the County continues attempts to collect all amounts due unless the Board takes action to cancel the amount owed. Amounts that were due prior to 2008, including any accounts that are subject to bankruptcy proceedings, are not included on this statement.

2. Treasurer and Clerk Office Space Issues

Mr. Hayes asked the Board to reconsider a previously denied request, which would allow the Clerk and Treasurer to exchange office space. Mr. Hayes explained that the Auditor's Department is in the process of hiring additional staff, but that the department does not have a physical workspace for another employee. Previously, the Board had recommended that the Treasurer might be able to offer an open workstation for this purpose; however, this solution is unfavorable, due to the physical separation of staff members from one department. Therefore, it was the request of the Treasurer and the Clerk that the Board reconsider approving an office exchange between the County Assistance Office and the Treasurer's Office. Mr. Hayes noted that the Treasurer's concerns regarding security issues might also be alleviated through this process. Commissioner Nelson stated that she had already spoken in support of the exchange, but noted that the security issues would not be completely resolved, as ingress and egress concerns would still not be adequately resolved. Chairman Tondee stated that he was not supportive of the office transfer, as he felt that the security would not increase sufficiently to justify the cost of the project. Mr. Malzahn opined that the move would provide some increased security, as well as improving customer service by centralizing the services most commonly used by local citizens. Long term options for the location of the Treasurer's Office were deliberated. The Board determined that the topic should be tabled, pending Commissioner Green's return. The item will be scheduled for additional discussion, either during a Commissioners' Debriefing or in a separate meeting, after October 15, 2013.

- F. Staff Reports:** There were no staff reports.
- G. Public Comment:** This section is reserved for citizens wishing to address the Board regarding a County related issue. There was no public comment.

The meeting was adjourned at 1:20 p.m.

Respectfully submitted,

CLIFFORD T. HAYES, CLERK

BY: _____
Nancy A. Jones, Deputy Clerk