

Minutes of Meeting
Annual Treasurer's Settlement
October 7, 2014
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 Clerk Jim Brannon, Chief Deputy Clerk Pat Raffee, Treasurer Tom Malzahn, Chief Deputy Treasurer Laurie Thomas, and Deputy Clerk Daniel Robertson. Citizen Frank Davis was also present.

A. Call to Order: Chairman Tondee called the meeting to order at 1:00 p.m.

B. Introductions: There were no introductions made.

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

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

E. New Business:

The attendees met to conduct the annual settlement of accounts between the Treasurer and the Auditor, pursuant to *Idaho Code §31-2112*. Treasurer Tom Malzahn provided the annual report to Clerk Jim Brannon.

Mr. Brannon read the following email into the record, which he informed the Board is the entirety of the legal opinion received from Civil Deputy Prosecuting Attorney R. David Ferguson, and had been forwarded to Chief Deputy Treasurer Laurie Thomas:

"Jim,

"I spoke with Laurie Thomas today regarding the Treasurer's ability to provide an annual settlement of accounts pursuant to *Idaho Code §31-2112*. As you and I discussed recently, *Idaho Code §31-2112* provides that the county Treasurer make 'full settlement of all accounts with the auditor **annually** on the first Tuesday after the first Monday of October....' (emphasis added by email author). As I understand it, an inquiry was made of your office as to why the Treasurer provides an annual settlement that runs from September 1 through August 31 of any given one year period, as opposed to a settlement that coincides with the County's fiscal year, which runs from October 1 through September 30.

"As I suspected, Laurie Thomas confirmed that the Treasurer's office simply does not have the raw data available (bank statements, records of account, etc.) to produce an 'annual settlement' and reconciliation that coincides with the fiscal year in time to meet the statutory deadline. As the statute merely requires an 'annual settlement,' as opposed to a stated requirement to produce a settlement that coincides with the fiscal, or the calendar year, the Treasurer's office appears to be compliant with the statutory requirement by producing a settlement for the twelve month period between September 1 and August 31.

“Also, Laurie requested that she be provided with a copy of this advice. I will therefore forward this email to her with your consent. Please feel free to contact me should you have any further questions or concerns.”

Commissioner Nelson inquired whether Mr. Brannon would find it beneficial for the Treasurer to provide a subsequent report which would line up with the Fiscal Year (FY), once the data becomes available. Mr. Brannon responded in the affirmative. Commissioner Nelson asked Mr. Malzahn whether this was a reasonable request. Mr. Malzahn responded that this could be done, as his office already provides monthly summaries.

The Board discussed whether this report should be provided in a public meeting in order to reconcile this report with the Comprehensive Annual Financial Report (CAFR). Mr. Malzahn stated that these reports are unlikely to match. Commissioner Nelson stated that the Board could decide whether a public meeting would be beneficial at a later date.

- 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.

Citizen Frank Davis stated that he did not believe the settlement had been conducted properly. He stated this was only the second year that the County conducted a settlement, and reasoned that the word “settlement” as found in *Idaho Code §31-2112* requires some exchange of information, whereas the Auditor did not bring any documentation to the meeting. He also stated that this code does not require reconciliation. He was also not satisfied with the legal opinion read into the record.

The meeting was adjourned at 1:13 p.m.

Respectfully submitted,

JIM BRANNON, CLERK

TODD TONDEE, CHAIRMAN

BY: _____

Daniel Robertson, Deputy Clerk
