

**Minutes of Special Meeting
County Clerk
December 18, 2015
10:00 a.m.**

The Kootenai County Board of Commissioners: Chairman Dan Green, Commissioner Marc Eberlein, and Commissioner David Stewart met to discuss the following agenda items. Also present were Clerk Jim Brannon, Chief Deputy Clerk Pat Raffee, Sheriff Ben Wolfinger, Chief Deputy Treasurer Laurie Thomas, Finance Director Sondra Emerson, Senior Staff Accountants Keith Taylor and Kimberli Price, and Deputy Clerks Alicia Lynch and Cecilia Sweet. Also present were CliftonLarsonAllen representatives Brian Shull, Nicole Bailey, and Kristina Cram.

- A. Call to Order:** Chairman Dan Green called the meeting to order at 10:00 a.m.
- B. Introductions:** There were no introductions.
- C. Changes to the Agenda:** There were no changes to the agenda.
- D. New Business:**

Audit Exit Meeting with CliftonLarsonAllen representatives, Brian Shull and Nicole Bailey

CliftonLarsonAllen representative Brian Shull stated that the external audit team's field work was complete and that all remaining wrap up procedures and financial statement opinion letters would be completed by March 11, 2016. Mr. Shull said a clean opinion was expected, consistent with last year's results. He said that the County would see a re-statement of the prior year's results because of a new accounting standard called Governmental Accounting Standards Board (GASB) Pronouncement 68, which applies to the Public Retirement System of Idaho (PERSI) users. Mr. Shull explained that PERSI has a 10% unfunded liability and each organization that participates was required to show their portion of the liability on their financial statements.

Senior Staff Accountant Keith Taylor clarified that all required PERSI contributions had been made by the County, and that there was no further contributions owed by the County. He said that the re-statement CliftonLarsonAllen had mentioned would significantly affect the County's Statement of Net Position. He added that the dollars were not funds that the County owed.

Mr. Shull said the single audit portion had focused on the Airport Improvement Program (AIP) and the Federal Transit Administration (FTA) program. He said that the audit showed that no contract existed between the County and the Coeur d'Alene Tribe during Fiscal Year (FY) 2015, but that the County had signed a contract in October, FY2016, so this finding would not be an issue in next year's audit.

CliftonLarsonAllen representative Nicole Bailey said that two management comments were remaining on the list of improvements suggested to internal controls by CliftonLarsonAllen:

1. She said that the Sheriff's Writs and Garnishments account remained outside standard Auditor procedures, and she suggested reviewing the account at least twice a year. She said testing the procedures, particularly the payables process, that frequently would be sufficient County supervision.
2. Ms. Bailey stated that entering taxpayer overpayment checks by the Treasurer into the Logos system also remained outside of the normal Auditor process, and she expressed concern about the delay in accounting for these funds.

Commissioner Eberlein asked if the CliftonLarsonAllen audit team was checking to ensure that the County was reporting its financials in accordance with state statutes. Mr. Shull stated his team had found the County was in compliance with accounting statutes, but it was not in their scope of work to audit compliance with Idaho State Statutes.

- E. Public Comment:** This section is reserved for citizens wishing to address the Board regarding a County related issue. Idaho Law prohibits Board action on items brought under this section except in an emergency circumstance. Comments related to future public hearings should be held for that public hearing. There were no public comments.

Chairman Green adjourned the meeting at 10:30 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

DANIEL H. GREEN, CHAIRMAN

BY: _____
Alicia Lynch, Deputy Clerk
