

**Minutes of Meeting**  
**Elected Officials**  
**July 20, 2016**  
**9:00 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, Senior Staff Accountant Keith Taylor, Finance Director Dena Darrow, Accounting Technician Lori Shaw, Sheriff Ben Wolfinger, Undersheriff Dan Mattos, Treasurer Steve Matheson, Chief Deputy Treasurer Laurie Thomas, Assessor Mike McDowell, Coroner Warren Keene, Chief Deputy Prosecutor Barry Black, Administrative Supervisor Patti Surplus, Human Resources (HR) Director Skye Reynolds, HR Generalist-Benefits & Compensation Dorothy Cross, BOCC Administrative Supervisor Nancy Jones, and Deputy Clerk Randi Davis. Also present were Eide Bailly, LLC Senior Manager Mitch Rasmussen and citizen Bob Bingham.

- A. Call to Order:** Chairman Dan Green called the meeting to order at 9:00 a.m.
- B. Introductions:** There were no introductions.
- C. Changes to the Agenda:** There were no changes to the agenda.
- D. Old Business:** There was no old business discussed.
- E. New Business:**

**Revised Travel Procedures**

Clerk Jim Brannon presented revised travel policies that needed to be updated within the County's personnel manual. He stated in these revisions the Auditor staff was following the General Services Administration (GSA) guidelines for per diem. He said employees would receive 75% of the daily rate for the destination city for partial days of travel in each trip. Clerk Brannon said the County would be in compliance with Federal rates through adopting these policies.

Clerk Brannon stated revised travel procedures would require employees to complete an individual travel request form. He said the lowest per diem rates increased on January 1, 2016, from \$46 to \$51 per day, and there was a new per diem request form on the County's intranet under Auditor Forms. Clerk Brannon said travel claims need to be completed within 20 days of the end of a trip to close out travel costs.

Chairman Green asked whether an employee could opt not to accept per diem if meals were provided at their conference. Clerk Brannon replied the Auditor staff calculated provided meals from the conference agenda when they reviewed a travel request. He reminded the elected officials that P-Cards should not be used for food purchases, but were to be used for lodging, airfare, and rental cars.

Sheriff Ben Wolfinger disagreed and pointed out the P-Card policy did not say the cards could not be used for meals. He said use of per diem advances was not very convenient for his department due to their tight timelines for travel with prisoner transport, for instance. Undersheriff Dan Mattos agreed.

Chairman Green asked whether there had been instances when employees had used both per diem and P-Cards on one trip. Clerk Brannon replied there had not, but a 46% tip was given on a P-Card. He added the County's agreement with US Bank for rebates was based partially on the average charge amount, and meals tended to be among the least-costly charges.

Chairman Green asked the elected officials whether they thought P-Cards should be used for meals. Treasurer Steve Matheson, Coroner Warren Keene, Chairman Green, and Commissioner David Stewart responded that they did. Assessor Mike McDowell said it would be good to encourage the use of per diem as the first choice, but P-Cards should not be excluded. Commissioner Eberlein said he would only support the use of P-Cards for meals in the Sheriff's office. Clerk Brannon stated he would be supportive if the elected officials were satisfied that P-Cards were unregulated. Chief Deputy Prosecuting Attorney Barry Black said he supported the use of P-Cards for meals. He added that if P-Cards were to be excluded, there needed to be a caveat in the policy that allowed for unexpected circumstances. Commissioner Eberlein suggested there be a caveat included in the policy that limited the amount of tips that could be given at restaurants.

Citizen Tina Kunishige entered the meeting at 9:13 a.m.

Prosecutor Barry McHugh entered and Administrative Supervisor Patti Surplus exited the meeting at 9:15 a.m.

Chairman Green asked whether there were any other changes to be made to the policy. Accounting Technician Lori Shaw replied another change would be the guidelines for the GSA rates for travel. She said the rate would be 75% of the daily rate and the time of departure from the employee's home and arrival at the destination was no longer relevant.

HR Director Skye Reynolds stated the updated travel policy had already been included in the new personnel policy manual that would be released soon. She asked for Board direction concerning whether to include a statement limiting tips in the policy. Clerk Brannon suggested tips over 20% be discouraged and the Board agreed. Chairman Green asked Clerk Brannon to remove the statement that P-Cards could not be used for purchasing meals while traveling from the Travel Procedures.

Ms. Shaw exited the meeting at 9:28 a.m.

### **Health Insurance Cost Scenarios**

Finance Director Dena Darrow presented an analysis of health insurance cost scenarios for Fiscal Year (FY) 2017 that would involve plan design changes to offset the County's increased costs. She discussed options of increasing out of pocket maximum, the

medical deductible, and the prescription (RX) deductible. She said the County would gain the greatest savings by increasing each employee's monthly contribution by \$25 for the employee and covered spouse. Ms. Darrow stated that if the County chose the largest out of pocket maximum, deductible, and RX deductible, along with the increased employee contribution, the County would save \$847,423. She said if only the largest RX deductible and increased employee contribution options were chosen, the County would save \$636,336.

HR Generalist-Benefits & Compensation Dorothy Cross exited the meeting at 9:31 a.m.

Chairman Green stated that according to Mercer, 60% of County employees met their deductibles in 2015, and 41% had met their deductibles in 2016 so far. He said County employees were above the 25% national average in reaching their deductibles. Ms. Reynolds added that 17% of County employees met the \$2,500 out of pocket maximum in 2015, and currently 6.8% had year to date.

Ms. Cross re-entered the meeting at 9:39 a.m.

Undersheriff Mattos suggested removing the healthy measures requirement from the County's health insurance benefits policy. Ms. Reynolds stated the third requirement of healthy measures had already been eliminated and the tobacco attestation and biometric screening were still in place. Chairman Green said he would not support removing the requirement.

#### **Internal Audit Pending Projects**

Clerk Brannon presented the projects Internal Audit had completed between 2011 and 2016 and discussed future projects. He stated Internal Audit had helped several departments make improvements and minimize risk to the County. Clerk Brannon said there was a vacant position available within Internal Audit and suggested it be filled after an Audit Committee was formed.

BOCC Senior Secretary Alethea Carpenter entered the meeting at 9:55 a.m.

Prosecutor McHugh inquired whether the Auditor's office needed the vacancy or if it could be shifted over to the committee for hire. Clerk Brannon stated that the position's accounting responsibilities had been distributed to other Auditor employees. Chief Deputy Clerk Pat Raffee said Staff Accountant Nancy Curotto had contributed templates that Internal Audit currently used and eventually the team would need to fill the vacancy with a full time Certified Internal Auditor (CIA)/ Certified Fraud Examiner (CFE). Commissioner Marc Eberlein asked whether Internal Audit previously had two full time employees. Ms. Raffee confirmed that it did. Treasurer Matheson inquired whether the position was included in the FY 2017 budget and Clerk Brannon confirmed that it was.

BOCC Administrative Supervisor Nancy Jones exited the meeting at 10:03 a.m.

#### **Audit Committee Memorandum of Understanding (MOU)**

Treasurer Matheson presented the MOU he drafted for a new Audit Committee. Sheriff Wolfinger stated he didn't think a committee would be an efficient way to oversee Internal Audit. Commissioner Stewart said having a committee would be beneficial to relieve pressures on the Clerk. Clerk Brannon agreed that oversight by committee could potentially be problematic, but stated CliftonLarsonAllen suggested the internal audit function report to the highest level of governance. Clerk Brannon said the MOU would provide the Audit Committee as an alternative to the Commissioners representing the highest level of governance. Sheriff Wolfinger expressed concerns about the committee's level of expertise regarding responses to audit reports. Prosecutor McHugh said he thought internal audit function should be under the Board for supervision, with collective oversight of their activities provided by the Audit Committee.

Chairman Green stated that each elected official had the choice to participate on the Audit Committee. Clerk Brannon added that each elected official had unique skills to contribute to the committee. Assessor McDowell said he thought internal audit function was only necessary on an ad hoc basis and probably didn't need to be staffed at two full time equivalents (FTE). Ms. Darrow said a director and two FTEs were necessary. Commissioner Eberlein asked whether a dollar amount in savings had been calculated for the projects the internal audit team had completed in recent years. Clerk Brannon said it would be difficult to calculate. Ms. Raffee added that helping the County manage risk to prevent problems was not easily quantified.

Chairman Green asked which elected officials would support signing the MOU and suggested it be put to a vote. Commissioner Eberlein said he would support the MOU and that the option to add members of the public on the committee allowed for transparency. There being no further discussion, Chairman Green called for a vote. Treasurer Matheson, Clerk Brannon, Coroner Keene, Prosecutor McHugh, and Commissioners Green, Eberlein, and Stewart voted in support of signing the MOU. Sheriff Wolfinger and Assessor McDowell abstained.

Chairman Green directed Ms. Jones to schedule a future Audit Committee meeting.

Senior Staff Accountant Keith Taylor and Eide Bailly, LLC Senior Manager Mitch Rasmussen exited the meeting at 10:36 a.m.

#### **Idaho Association of Counties Board Position**

Ms. Jones discussed the open position on the Idaho Association of Counties (IAC) board that would be filled in the fall. She said IAC bylaws allow for a person to be added to the board in an odd numbered year once a county reached 150,000 in population. She stated that since Kootenai County reached the population requirement in an even numbered year, the initial board position would be for a one year term. Ms. Jones said the County needed to submit the name of the person interested in the position by September 2016. Prosecutor McHugh inquired what the responsibilities of the position were. Assessor McDowell said the person chosen for the position would represent the collective interests of Kootenai County at IAC meetings. Treasurer Matheson asked whether the IAC board consisted primarily of commissioners, and Assessor McDowell answered it was a mixture of representatives. Prosecutor McHugh requested the

decision be postponed to the August elected officials' meeting. Chairman Green directed Ms. Jones to put the item on the agenda for the next meeting.

**Information Desk Communication**

Ms. Jones reminded the attendees that the Commissioners' staff provided information services to citizens. She requested the elected officials to inform the BOCC's office when their offices would be unavailable or closed. Ms. Jones stated the BOCC was evaluating the County's phone tree, and asked the elected officials to contact her with suggestions.

Commissioner Stewart pointed out there was only one line for a Commissioner's signature on the MOU for the Audit Committee. He inquired whether the Board should make a motion to authorize a member of the Board to sign the MOU.

Commissioner David Stewart moved to authorize Chairman Green to sign the MOU for the Audit Committee on behalf of the Board of County Commissioners. Commissioner Marc Eberlein seconded the motion. There being no further discussion, Deputy Clerk Davis called the roll:

Commissioner Stewart:       Aye  
Commissioner Eberlein:       Aye  
Chairman Green:             Aye

The motion carried.

**F. 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 10:46 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

DANIEL H. GREEN, CHAIRMAN

BY: \_\_\_\_\_  
Randi Davis, Deputy Clerk

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