

Minutes of Meeting
FY19 Budget Deliberations-Clerk Departments
May 21, 2018
2:30 p.m.

The Kootenai County Board of Commissioners: Chairman Marc Eberlein, Commissioner Chris Fillios, and Commissioner Bob Bingham met to discuss the following agenda item. Also present were Clerk Jim Brannon, Chief Deputy Clerk Jennifer Locke, Finance Director Dena Darrow, Financial Performance & Compliance Senior Manager Kimberli Riley and Deputy Clerk Ronnie Davisson.

- A. Call to Order:** Chairman Marc Eberlein called the meeting to order at 2:33 p.m.
- B. Introductions:** There were no introductions.
- C. Changes to the Agenda:** There were no changes to the agenda.
- D. Action:**

Discussion with the County Clerk's Office Representatives and Auditor's Staff Regarding FY19 Clerk Department Budget Requests

Clerk Jim Brannon opened the meeting stating the Clerk's Office was a very efficient operation and overall was pleased with the Budget he would be presenting. He said there were two items within his Budget he would be asking for: one New Program Request and one new Capital Request.

Clerk Brannon said the Capital Request concerned the Elections Office, explaining the building was serving its purpose, but had maintenance concerns and briefly discussed the new credit card processing program request. There was discussion on the credit card processing request and it was explained that it did not have any annual fees, just the initial purchase of \$18,000.

Commissioner Bob Bingham inquired about the \$25,000 for the Elections Building and if it were for an expansion or redesign. Clerk Brannon clarified, stating the building needed to be more efficient—for example, the layout was not conducive for the working environment and the heating and cooling system did not properly work and suggested that the BOCC consider adding it to the five-year plan. The redesign could offer more office space, but the overall building was old and needed some necessary maintenance.

Clerk Brannon discussed the Internal Audit Committee and noted that the Chairman of the Internal Audit Committee had resigned, and with Clerk Brannon being the Vice-Chairman, that left him to oversee the Committee. He said the Committee had performed a heat map, which helped to identify the areas in which they saw the biggest risks, and they were recommending the hiring of an outside audit firm to provide internal audit services. Clerk Brannon clarified that there were several departments that handled large sums of money daily and the use of an external auditor would be prove beneficial. He said they estimated about 800 consulting hours for approximately \$100,000, suggesting an

external audit team different from Eide Bailly, the external auditor for the County. He continued, stating the benefits of the Internal Audit Committee were efficiency, effectiveness, making sure the County was in compliance and even so much as saving the taxpayers some money by monitoring the amount of travel and entertainment spent.

Clerk Brannon said they had budgeted the \$100,000 for the possible external audit within the Sheriff's Budget requests. Finance Director Dena Darrow said that an organization of this size should have an internal audit function of some kind.

Chairman Eberlein pointed out the Clerk's Budget showed a decrease of \$202,412 and Commissioner Chris Fillios inquired where the cuts had been made. Clerk Brannon said they had inspected the Budgets very carefully and if something was found that was out of trend, it had been cut, also stating he did not like to ask for more money.

Clerk Brannon revisited the topic of the Internal Audit Committee, stating the reason \$100,000 was put into the Sheriff's Budget was simply because it was the largest Budget and he also felt that a service fund should be created specifically for the Committee and its functions in which each Elected Official could contribute funds.

- 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 Eberlein adjourned the meeting at 3:05 p.m.

Respectfully submitted,

JIM BRANNON, CLERK

MARC EBERLEIN, CHAIRMAN

BY: _____
Ronnie Davisson, Deputy Clerk
