

**Minutes of Meeting
Commissioners' Status Update
October 21, 2019
11:00 a.m.**

The Kootenai County Board of Commissioners: Chairman Chris Fillios, Commissioner Leslie Duncan and Commissioner Bill Brooks met to discuss the following agenda items. Also present were Treasurer Steve Matheson, Finance Director Dena Darrow, Deputy Finance Director Keith Taylor, Parks & Waterways (P&W)/Noxious Weeds Director Nick Snyder, BOCC Senior Business Analyst Nanci Plouffe and Deputy Clerk Tina Ginorio. Also present were Contractor Shawn Riley and Kootenai County Resident Larry Spencer.

A. Call to Order: Chairman Chris Fillios called the meeting to order at 11:03 a.m.

B. Changes to the Agenda (Action):

Commissioner Bill Brooks asked to change the phrasing of item three on the agenda from "Clerk Office" to "another Elected Official." He specified that he would like to know if the Board of County Commissioners, by an affirmative vote, could get an audit of another Elected Official's department. He explained that the Clerk had previously requested a forensic audit of the Fair. Chairman Fillios agreed to the change in phrasing.

C. Business (Discussion Items):

Parks & Waterways/Fernan Park MOU renewal with CDA Rowing

Parks & Waterways (P&W)/Noxious Weeds Director Nick Snyder reminded the Board that there had been a long-standing agreement with CDA Rowing Association to allow them space to store boats and host events on Fernan Lake. He explained that there had never been an increase in the fee charged. Mr. Snyder said it had been \$100 per year for about the last twenty years and they would like to increase it to \$500 per year, plus add some additional language, such as requiring that P&W be notified in advance of events. He added that Civil Deputy Prosecuting Attorney Jamila Holmes had reviewed the agreement.

There was general agreement that he should proceed as outlined.

Mr. Snyder assured the Commissioners that, if CDA Rowing said they could not afford the increase, he would bring the topic back for further discussion.

Mr. Snyder exited the meeting at 11:09 a.m.

Compton Building Sewer Connection

Contractor Shawn Riley reminded the Commissioners that when the permit had been requested for the Marine Storage Pole Barn, the City of Coeur d'Alene discovered that the neighboring Compton Building was on a septic tank rather than connected to a public

sewer connection. He explained that Municipal Code 13.12.035 required, “the owner of a building abutting a public street, alley or easement...” to connect to the sewer. He reported that the City sent a formal letter outlining this and allowing one year from October 14, 2019 to get it done.

Mr. Riley said that he had forwarded the letter to the Commissioners. He suggested that they direct him to contact Welch Comer to arrange a contract and request an approximate price quote.

There was general agreement that Mr. Riley should proceed as described.

Possible Legal Opinion Regarding Clerk Office Audit of another Elected Official

Commissioner Brooks asked for clarification of the BOCC’s authority regarding questioning the financial behavior of departments under other Elected Officials. He reminded the other Commissioners that the Clerk had previously requested a forensic audit of the Fair. He noted that the Fair had undergone a normal audit after which a second had been requested by the Clerk’s office, but that nothing had been found.

Finance Director Dena Darrow remarked that Commissioner Brooks’ information was not fully complete. She explained that the County had possessed an internal audit function in 2016 when she was first hired. She said departments would request internal audits to look for ways to save money, improve operations and verify that they were correctly following policy. She noted that the County no longer has an internal audit function so those types of performance audits had not been done for a number of years.

Ms. Darrow said that when the external audit of the Fair Commissioner Brooks had referenced was done, some issues had been discovered and the Board had requested a forensic audit of specific areas. She noted that the forensic audit had turned up some material weaknesses that were then corrected by the Fair staff. She explained the differences between various kinds of audits and how the Board could request one.

Commissioner Brooks asked if he could get a copy of opinion letter from both the first audit of the external auditor and the one from the internal auditor regarding the Fair. Ms. Darrow said she would provide those to him.

- D. Public Comment (Discussion):** 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.

Kootenai County Resident Larry Spencer remarked that he had read a story in the Coeur d’Alene Press related to item three on the agenda. He expressed his concern that the information provided to the newspaper seemed to offer an incomplete set of facts. He noted that the article seemed to indicate that the Clerk’s Office’s bonuses had not been approved by the Commissioners in the October 10, 2019 Human Resources: Personnel Changes meeting. Mr. Spencer pointed out bonuses for all departments had been approved for a total of about \$87,000.

Mr. Spencer asked if the Commissioners were aware that the Clerk's Office had spent a smaller percentage of its allocated personnel funds than any department supervised by the BOCC.

Mr. Spencer speculated that the information given to the newspaper had possibly reflected personal differences between a Commissioner and an Elected Official. He suggested this could reflect on the Board and could be considered inappropriate.

Mr. Spencer suggested that the Clerk's Office could have been singled out for praise for returning about \$200,000 to the County from its A Budget instead of making it appear that it had awarded bonuses in an inappropriate fashion.

Commissioner Duncan confirmed that the Clerk's office had spent only about 13% of the total salary salvage it had accumulated on bonuses and had returned about \$207,000 in dollars from their A Budget. She said that there was an ongoing discussion about how the Board would handle the compensation policy in the future. She indicated that it seemed appropriate to her that employees who went beyond the requirements of their positions be recognized for their performances, but new guidelines would be developed to manage the process.

Commissioner Brooks stated he agreed with Commissioner Duncan.

Chairman Fillios noted that the BOCC departments had come to the Board for permission to issue bonuses. He suggested that the concern had been that the appearance of the distribution of bonuses by the Clerk's department might have been questionable.

Commissioner Duncan supported Mr. Spencer's point that the full picture had not been made clear in the newspaper article.

Mr. Spencer pointed out that departments that answer to other Elected Officials have a different level of reporting responsibility to the Board than those that reported to the Commissioners individually had.

E. Adjournment (Action): Chairman Fillios adjourned the meeting at 11:26 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

CHRIS FILLIOS, CHAIRMAN

BY: _____
Tina Ginorio, Deputy Clerk
