



**Idaho Association of Counties
Board of Directors Meeting Minutes**

Local Government Center | 3100 S. Vista Ave., 2nd Floor
Wednesday, September 27, 2017

Members Present

Bill Thompson, President	Clayne Tyler, Prosecutors Representative
Donna Peterson, Vice President	Chris Goetz, Sheriffs Representative
Rose Bernal, Secretary/Treasurer	Barb Fry, Treasurers Representative
Lorin Nielsen, Past President	Glenda Poston, District 1 Representative
Len Humphries, Past President	Dave McGraw, District 2 Representative
Patty Weeks, Past President	Marc Shigeta, District 3 Representative
Abbie Mace, Past President	Larry Schoen, District 4 Representative
Tom Dale, Canyon County Representative	Mark Bair, District 5 Representative
Marc Eberlein, Kootenai County Representative	Kimber Ricks, District 6 Representative
Mike McDowell, Assessors Representative	Gordon Cruickshank, NACo Representative
Pam Garlock, Coroners Representative	Brenda Richards, WIR Representative

Members Absent

Robert McQuade, Immediate Past President	Kathy Ackerman, IACC/IACRC Representative
Lori Beck, Past President	Greg Shenton, IACC Representative
Roger Christensen, Past President	Dave Case, Ada County Representative

Others Present

Dan Chadwick, Executive Director	Terry Graves, Administrative Assistant
Kristin Cundiff, Director of Operations	Mike Kane, Michael Kane and Associates
Teresa Baker, Director of Government Affairs	Scott Brassey, Selway Asset Management
Amanda Pendleton, Chief Financial Officer	Jerry White, Shoshone County Assessor
Kelli Brassfield, Government Affairs Associate	Dan Dinning, Boundary County Commissioner
Kathryn Mooney, CAT Program Director	

I. Call to Order

President Bill Thompson called the meeting to order at 4:35 pm on Wednesday, September 27, 2017.

II. Roll Call

Bernal took the roll call and 6 members were absent.

III. Consent Agenda

Cruickshank moved to approve the minutes with a minor correction reflecting MST instead of NST, Shigeta seconded. Motion carried unanimously.

IV. Conflict of Interest

Written copies of the "Conflict of Interest" statement was passed around the table for signing by the membership.

V. IAC Investment Update

Scott Brassey, Selway Asset Management, presented his report on IAC's investments. Brassey included handouts that detailed each account. He stated that the Federal Government is projected to raise interest rates by December. However, he said that we should "take this with a grain of salt."

- **Yield Curve Account:** There is a high demand for high quality bonds with little inflation around the globe. Selway does not purchase Treasury bonds for IAC as they have little yield.
- **Unemployment Fund:** This account has seen a \$15,000 gain year-to-date. Most of the funds in this account have been invested in taxable municipal bonds. This account is trending up at 2.6% total.
- **Litigation Investment:** The overall yield is 3.6% with a 19% increase on the corporate side. The annual income from this account is \$45,601. This account is up 5% since Selway began managing.
- **Capital Crimes Defense Fund:** This account has gained \$32,000; year-to-date is \$108,000. The income from this account is \$209,159.78, up 2.4%. Since Selway's management of this account, it is up 57%.

Chadwick asked what IAC should do with the TracFone settlement of \$4,000,000 we should be receiving soon. Brassey replied that there isn't much investing that can happen in 30-60 days, so it would be fine to put it in a money market account.

Cruickshank moved that the report be accepted as presented, Richards seconded. Motion carried unanimously.

VI. Revised Mission Statement

Peterson reported that the revisions to IAC's mission statement have been made and were sent out to the board electronically. The revised mission statement is below with the additions of "encourages ethical behavior" and "supports best practices."

"IAC promotes county interests, encourages ethical behavior, advocates good public policy on behalf of Idaho's counties, supports best practices, and provides education and training to assist Idaho county officials in performance of public service."

VII. TracFone Update

Chadwick and Kane reported that an agreement has been reached with TracFone and a settlement offered and accepted. The Attorney General of Idaho has signed the agreement on behalf of the state.

Kane presented a report on the settlement, which has been five years in negotiation. On October 3, 2017, TracFone will receive the documents. He proposed the settlement be split as follows:

- \$2.66 million to Idaho counties
- \$636,824 to the state to be used for grants for counties for 911
- \$701,000 to five cities who were not part of the lawsuit: Nampa, Moscow, Lewiston, Idaho Falls and Post Falls

Chadwick made the decision to include the five cities based upon zip code. It was a "good faith" gesture. The Board should now decide how to divide the \$701,000. He proposed a letter to these five cities that states that a settlement has been received because of the negotiations made on behalf of IAC. The letter should describe how we arrived at the amount and how it will be divided. A discussion among the members ensued with Kane describing how they arrived at the distribution formula.

Bernal moved that the distribution formula presented by Kane be accepted, Richards seconded. Motion carried unanimously.

Kane informed the Board that the attorney fees for this action were approximately \$150,000. He suggested that IAC recover those fees in one of two ways:

- 4% of each counties' settlement could be used for payment

- Recoup the costs from the cities' settlement, approximately 17% of their \$701,000

The Board discussed the pros and cons of the two options.

Richards moved that the litigation fees should be recovered from the cities' settlement, Dale seconded. Motion carried unanimously.

VIII. Bonner County Amicus Brief Update

Before reporting on the Amicus Brief Update, Baker informed the Board that there is a hearing on Monday, October 2 to redefine that Administrative Procedure Process in the state of Idaho. An Administrative Hearing Officer Committee will meet on that date to discuss a proposal to "undertake and complete a study of potential approaches to mitigate the risk of bias in contested cases." The committee proposes that an attorney must review all changes to any board that issues licenses of any kind. However, this proposal will affect counties, as well as governing boards and could have a significant monetary impact.

Baker began her Bonner County Amicus Brief update with some history. Bonner County was assessed a \$250,000 damage award because of a promise made by a county commissioner regarding the airport. It was a promise improperly made. IAC filed an Amicus Brief to stop the award.

Tyler reported that he spoke with IPAA and the IPAA Board and they supported IAC's involvement.

Tyler moved that the Brief be ratified by an email vote, Schoen seconded. Motion carried unanimously.

Baker will resend the email for ratification.

IX. 2018 WIR Annual Conference Update

Schoen gave an update on the progress of the 2018 WIR Conference in Sun Valley. There are no sponsors yet, but Blaine County has been working on recruiting sponsors. One workshop has been planned and is in the process of being confirmed. The dates are May 23-25, 2018 and Schoen encouraged all the Board to participate if possible. It's a great opportunity to participate in a national conference in our own backyard. An MOU is in place between Blaine County and NACo. Blaine County, NACo staff, and Kristin have been participating in monthly conference calls. Blaine County has budgeted \$100,000 for costs of the conference, but is hoping to secure sponsorships from counties and companies to cover most of the costs.

X. Additional Discussion

Idaho Climate Summit: Richards and Schoen reminded the Board that we were invited to participate as a sponsor of the Idaho Climate Summit, but we didn't have much information at the last board meeting. The dates have been set and the summit will be held in the Jordan Ballroom at Boise State and will also be streamed live at ISU and UI.

Richards thinks it would be important for IAC to participate as a sponsor of the summit because it would get us a seat at the table of the advisory panel.

Schoen moved to authorize \$2500 for the expenditure of a silver sponsorship of the Idaho Climate Summit and that would include a seat on the advisory committee, Richards seconded.

Discussion followed that included the suggestion that IAC could sponsor for \$1000 and receive the same benefits.

Voting on motion occurred and the motion failed, 9 nays and 8 ayes.

Tyler moved to spend up to \$2500 for IAC members to attend the Climate Summit, Dale seconded. Motion carried unanimously.

Schoen moved to authorize \$1000 for the expenditure of a silver sponsorship of the Idaho Climate Summit and that would include a seat on the advisory committee, Richards seconded.

Discussion before voting included that the IAC Board did not want the IAC logo on anything that we aren't in favor of, such as a stance on climate change. Nielsen suggested that we specify how our logo can be used and ask them to send press releases to IAC before they are released so we can approve.

Voting occurred on motion and the motion carried with three nays.

Richards suggested that we email a letter to the board before we send in a letter of sponsorship. IAC will send out a letter to the members indicating that there is financial assistance available.

Cruickshank moved to go into Executive Session, Peterson seconded. Motion carried unanimously.

Meeting adjourned at 8:30 pm.