



**FINANCE COMMITTEE MEETING
DECEMBER 20, 2007 - 12:00 PM
COMPASS CONFERENCE ROOM
MERIDIAN, IDAHO**

****MINUTES****

ATTENDEES: A.J. Balukoff, Trustee, Independent School District of Boise City,
Chair
Elaine Clegg, Councilwoman, City of Boise
David Ferdinand, Commissioner, Canyon County, **Vice-Chair**
Carol McKee, Commissioner, Ada County Highway District
Bryce Millar, Commissioner, Nampa Highway District

MEMBERS ABSENT: Dave Bieter, Mayor, City of Boise
Garret Nancolas, Mayor, City of Caldwell

OTHERS PRESENT: Nancy Brecks, Community Planning Association
Keith Holmes, Community Planning Association
Matt Stoll, Community Planning Association
Jeanne Urlezaga, Community Planning Association
George Wadsworth, Wadsworth & Smith

CALL TO ORDER:

Chair A.J. Balukoff called the meeting to order at 12:10 pm.

AGENDA CHANGES/ADDITIONS:

None.

OPEN DISCUSSION/ANNOUNCEMENTS:

None

INFORMATION/DISCUSSION ITEMS:

A. Review Draft 2007 Audit with George Wadsworth

George Wadsworth of Wadsworth & Smith reviewed the draft 2007 Audit. He said as stated in the Independent Auditor's Report it was Wadsworth & Smith's unqualified opinion the financial statements present fairly in all material respects. The respective financial portions of the governmental activities and each major fund, as of September 30, 2007, and the respective changes in financial position for the year ended in conformity with generally accepted accounting principles.

The Committee discussed the following modifications to be made to the Management's Discussion and Analysis:

Page 3 under Financial Highlights: add the wording to the end of the first bullet point, "Of this amount, \$743,854 has been designated for specific future uses."

Page 7, first paragraph, change \$313,471 to \$313,472

Page 7, fourth paragraph, change the wording "...due to an increase in annual membership dues." to "...due to a population increase."

Page 10, under Capital Assets, third bullet, change "Upgrade Software, \$31,923" to "Upgrade Software, \$31,922."

Page 10, under Economic factors and Next Year's Budget, rewrite the third bullet for clarity and change "...general planning" to "...general operations."

Page 12, under Current Assets, move the building fund cash out of Current Assets into Noncurrent Assets. And breakout the designated portion of the unrestricted assets.

Page 15, under Fund Balance – Total Governmental Funds, second paragraph, change "\$81,496" to "\$81,495."

Page 16, under Revenues, Operating Grants, change "\$2,788,092" to "\$2,788,093," and under Other Revenue, change "\$303,226" to "\$303,225."

Page 17, under Net Change in Fund Balance – Total Governmental Funds, second paragraph, end of sentence add the wording, "...of \$51,521 exceeded Depreciation Expense of \$36,854."

Page 26, correct title to read: "Supplementary Information."

Page 27, under Actual GAAP Basis, Operating Grants, change "\$2,788,092" to "\$2,788,093." Other Revenue change \$303,226 to \$303,225.

Page 27, under Variance with Final Budget Favorable (Unfavorable), Other Revenue, change (\$152,538) to (\$152,539).

Page 27, under Variance with Final Budget Favorable (Unfavorable), Indirect Expenditures, change "\$46,536" to \$46,537." Change Total Expenditures from "\$2,901,175" to "\$2,901,176."

Page 29, under Schedule of Expenditures of Federal Awards, Federal Transit Administration Consolidated Planning Grant, change "\$1,105,584" to "\$1,105,585," and change the total from "\$2,788,092" to "\$2,788,093."

Page 29, spell out the acronym "AMPO."

George stated he felt that COMPASS has good systems in place. He reviewed two instances that were noted as part of the internal controls audit:

- The fringe rates for interns were calculated the same as for regular fulltime employees. However, all the reports are adjusted to actual before they are billed so it is not a large issue, but it was recommended that fringe rates for interns be calculated to include only those fringe benefits available to them.

- It was recommended that a specific person be assigned the responsibility of identifying, evaluating and managing risks relevant to the financial statements thus enhancing the monitoring responsibilities of management and those charged with governance. George suggested that the Director of Operations fill the role.

George reviewed the findings of the Independent Accountant's Report on Applying Agreed upon Procedures for travel reimbursement claims and credit card purchases of the Board and staff. He stated he tested 183 transactions totaling \$57,538.84 of those there were four exceptions of note totaling \$685.52. One instance was lack of documentation; two instances were inadequate documentation; and one instance was a calculation error. George said all these exceptions were before the 2006 Independent Accountant's Report on Applying Agreed upon Procedures and there have not been any since and in his opinion that says a lot.

After discussion, ***Elaine Clegg moved and Carol McKee seconded acceptance of the 2007 Audit with the changes as noted. Motion passed unanimously.***

B. Review Policy Change: Merit Bonus Increase

Jeanne Urlezaga stated that in 2006 the Committee approved a change to the merit bonus dollar amount on an interim basis from up to \$200 per employee but not within two consecutive months in a year to \$500 per employee once a year. Staff was directed to come back to the Committee in a year with a recommendation for adoption. Jeanne stated after consideration staff recommends changing the bonus to up to \$500 twice a year.

After discussion, ***Elaine Clegg moved and Carol McKee seconded setting a cap of \$1,000 per employee, per fiscal year and to allow executive management to set the frequency within the budget amount allocated. Motion passed unanimously.***

C. Discuss 2008 Meeting Dates

After discussion, ***based on staff recommendations the 2008 meeting dates were unanimously approved as follows:***

Thursday, February 21, 2008 at COMPASS from 12:00-2:00 p.m.

Thursday, May 15, 2008 at COMPASS from 12:00-2:00 p.m.

Thursday, August 21, 2008 at COMPASS from 12:00-2:00 p.m.

Thursday, November 20, 2008 at COMPASS from 12:00-2:00 p.m.

Thursday, December 18, 2008 at COMPASS from 12:00-2:00 p.m.

D. Discuss 2008 Finance Committee Membership

Chair Balukoff stated the three members of the committee with expiring terms, himself, Carol McKee and Bryce Millar have all agreed to sit on the committee for another term, dependent upon confirmation of incoming COMPASS Board Chair John Franden. The new COMPASS Board secretary/treasurer to be appointed at the January 2008 Board meeting will be a Canyon County member per the COMPASS Bylaws and if an existing member of the Finance Committee is elected to that position, another Canyon County representative will be selected to fill the seat on the Finance Committee.

ADJOURNMENT:

Carol McKee moved and David Ferdinand seconded adjournment at 2:00 p.m. Motion passed unanimously.

Dated this 21st day of February 2008.

APPROVED:

BY: _____
A.J. Balukoff, Chair
Finance Committee

ATTEST:

BY: _____
David Ferdinand, Vice-Chair
Finance Committee

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