

**IN THE OFFICE OF THE VALLEY COUNTY BOARD OF COMMISSIONERS
CASCADE, IDAHO
August 15, 2011**

**PRESENT: GORDON L. CRUICKSHANK (CHAIRMAN)
GERALD “JERRY” WINKLE (COMMISSIONER)
RAY MOORE, (COMMISSIONER)
KATIE DURFEE, ACTING CLERK**

Meeting called to order by Chairman Cruickshank at 9:01 a.m. with Acting Clerk Durfee taking minutes.

Chairman Cruickshank needed to add an agenda item to the commissioner’s discussion for consideration of tax request by Bob Hunt; Commissioner Winkle would like to discuss the September 6th meeting during commissioner’s discussion and the setting of EMS Budget and Public Hearing under commissioner’s discussion.

Motion by Commissioner Moore to approve the agenda as amended, seconded by Commissioner Winkle and carried. Roll Call: Commissioner Moore “aye”, Commissioner Winkle “aye” and Chairman Cruickshank “aye”.

Chairman Cruickshank stated Mayor Carter was scheduled to appear at 11:00 am today, would not be in attendance.

Jim Rush from the audience was asked to lead the Pledge of Allegiance.

Ken Postma appeared on behalf of Stephanie Johnson to request extension of two project dates.

Commissioner Moore moved to extend the contract date with Kennedy Gold Dust Unit #1 with Hatfield Log Homes until September 15, 2011 and the Valley County Unit #1 with Barron Loper until August 22, 2011. Commissioner Winkle seconded and the motion carried.

Commissioner’s discussion commenced with review of the August 3rd and 8th minutes.

Commissioner Moore moved to approve the minutes of August 3rd and 8th as corrected, Commissioner Winkle seconded and the motion carried.

Commissioner Moore then moved to table the Jughandle L.I.D. discussion until 11 am today, to obtain additional information. Commissioner Winkle seconded and carried.

Commissioner Moore reported on his committee involvements in that RCD has a new part-time executive director. He has a meeting with Lindley Kirkpatrick and Jerry Somers from the City of McCall, to iron out 911 fees. He did not have a CDH meeting last month.

Commissioner Winkle stated he attended a Biomass meeting last Wednesday in Emmett, the next couple of meetings to be held at the Cascade Emergency Operations Center (EOC). He said Mc Paws will hold a meeting Tuesday evening, noting that Barbara Hutchins is leaving to open a new non-profit facility in Payette and would be missed.

Chairman Cruickshank would like to draft a letter thanking Barbara for her service. He then asked to come back to the Commissioner's discussion at a later time today in order to stay on time of the agenda.

Randy Heffner with the Squaw Creek Soil Conservation appeared and presented a letter of intent for funding in 2013. Randy provided a review of the projects accomplished by this district in Valley County from 2005-2010.

Chairman Cruickshank is reminded of their letter in March of 2010 and funding not budgeted for in 2011. One question is within the State's budget, as their fiscal year runs differently, does the county's funding provided in October of this year throw off kilter the district's budget, since last year's was not given.

Randy said this will affect the State's matching dollars, knocking it off by \$800. Commissioner Moore asked what the deadline would be, in order to not have an affect on the State's funding, if the county were able to get caught back up. Chairman Cruickshank thought this could come from the Contingency fund. Commissioner Moore felt it prudent.

Commissioner Moore moved to authorize the payment of \$695.25 from the General Fund Reserve fund to pay the Soil Conservation District, Commissioner Winkle seconded and carried. Roll Call: All three commissioners unanimously signified approval by saying "aye".

Commissioner Moore then moved to have the Chairman sign a letter demonstrating intent to fund for State FY2013, seconded by Commissioner Winkle and carried.

Chairman Cruickshank continued Commissioner's discussion with the Community Forest Concept, he has presented to Biomass and support was tendered, concept will help with natural resources and secure rural schools. This will also be presented to the land board tomorrow. There was an Economic Development meeting a week ago Friday, in order to determine feasibility again. Sage Resources is working to get their board redesigned, dropping programs to streamline. He has been attending NACO, with discussion of public lands.

Brief Break Taken

The Board convened back at 10 am to present the FY2012 budget, Acting Clerk Durfee presented the budget figures as advertised in the Star News.

Chairman Cruickshank's opening remarks included that the public wanted more fiscal responsibility and as well this budget provided a 2% wage increase to employees, no vacancies were to be filled, no public services impeded upon and the commissioner's salary increase is due to additional time demands and meeting frequency. The commissioners have been able to decrease the budget by 2.3 Million.

Commissioner Moore stated there has been a necessity to increase the number of meetings to be held, would like the public to understand there were 21 year to date Monday meetings in 2008 and 27 each in 2009 and 2010. There have been 41 in 2011. This is a 95% and 52% increase over those previous years. The number of agenda items have increased and the meetings are more productive.

Chairman Cruickshank felt the commitment level has increased. In no time in the history of Valley County, have the taxes gone down by 32%, reducing the budget by 2.3 Million dollars has provided this decrease. He has fought more intensely for rural school and road funding funding which does not come from local tax dollars.

Commissioner Moore explained that a considerable amount of time was put in towards examining budget requests, such as Lakeshore wanting a 15% rate increase. In his opinion a part-time commissioner might read through their one page financial summary but not look in to it further, however a full-time commissioner reviews the over 7,000 entries in their full financials to ensure increase requests are warranted.

Commissioner Winkle attends Woody Biomass and in 2010 this group garnered 9.7 M in grants for biomass. In 2011 he worked to secure \$200,000 for a Biochar unit in Valley County which took approximately 40-60 hours of direct commissioner/chairman time. For the last year they have been working with Potlatch to acquire Wellington Park to implement a park.

Chairman Cruickshank added they obtained a Parks grant and Valley County would only be out of pocket by \$10,000. With that he opened the meeting up to a Public Hearing.

Jim Rush, 176 Maki Lane, McCall stated he was an advocate for a separate Valley County Road Taxing District, roads need more money to make them better, residents should be ponying up and supporting. He then asked for clarification as to whether the Road and Bridge budget that shows a 1.6 M decrease next year is a part of the overall 2.3 Million in reductions. Looking at wages he does not doubt time spent by commissioners but the 31% in one year an incremental seemed high in contrast 2% given to employees.

Lee Heinrich, 941 West Mountain Rd., Cascade applauded commissioners for their efforts and time spent on the budget. He discussed his red flags: 911 Distribution Fees up by \$82,000 – a formula had been developed initially when presented historically to the voters and then explained the formula inception with it not to be increased more than 3%, the airport distribution formula involved the airports participation for development, explained \$50/employee award line items are inconsistent, vacation leave compensation GASB requirement are not being met in the budget to cover all employees - noting decrease as budgeted in comparison to increase in payroll, line items in Buildings & Grounds moved to General thus eliminating continuity for researching purposes, Idaho Code will not allow for the advertisement of an unbalanced budget expenses to revenues, fund balances 30-35% in fund balance but two funds reflect negative balances, commissioners are not authorized to approve the claims with a negative balance, bond redemption shows as negative and budgeting should be exact in the bond redemption fund, if the new budget is accepted then only 1.3 M will be left in remaining cash which he feels is train wreck, the commissioners have spent fund balances down so much they will have to cut the FY13 budget by 3 M or raise taxes to rectify, general fund reserve should have a balance of 1.1 M, and has been currently spent down to \$131,000. It is good the general fund was increased, fund balances are low in indigent and revaluation, solid waste built the capital buildings as planned this year thus will be short on fund balances, these fund balances are being spent down to a point where registration of warrants may have to administered, emphasis should be on assuring the county can run a cash basis. He then discussed payroll not sustainable with current matrix, could have used fund balances, all department heads budget salaries up from 07-10, at one time legislation set Commissioners salaries and IAC assured legislation they could police, issue remains the same as well with local option taxes. Why does the public not have trust in government? Counties are not managing as promised.

Cynthia Belec, 815 Pinedale Street, McCall, has several degrees and took a job at minimum wage. Looking at foreclosures in Star News, we are not in good economic times. She stated her sister in New Hampshire works for the State and has taken a 3% decrease to salary. She would like this move of increasing Commissioner's salaries to be reconsidered.

Karen Johnson, 2112 Pole Cat Road in Cascade, bothered by 31% increase of Commissioner's salaries, 43% foreclosure rate currently meaning families don't have a job and they can not survive in this community, lets work out budget so these people can stay. Explains the school and teachers have seen dramatic cutbacks and are trying to make things work without implications to remaining students. She proposes that this be put up to voters in the community, people are working so they can not attend this meeting

to be heard, tired of Valley County being spoken about in derogatorily around the state. Commissioner's need to be accountable and responsible by not taking this increase.

Becky Johnstone, PO Box 3254, McCall expressed understanding and support of commissioner's salary increase. Over the weekend she was at a meeting and she understands how much Chairman Cruickshank and Commissioner Moore are putting in to support the county and bringing in funding and that Gordon has brought in far more than his increase being requesting. She feels Gordon and Commissioner Moore work very hard for the community. She thanked them for what they are doing!

Bonnie Bertrum P.O. Box 1335, McCall – she understands how County commitments take away from outside jobs and life, however these additional responsibilities are a reality of the times and feels they need to listen to the public. The economy is such that they should do more with less, this is not the time, 2% to employees is far less than they are taking.

Todd Hatfield, 665 Woodlands Drive, McCall, thanked Commissioners for time and effort towards budget. IAC makes them work more and feels he can not see they are doing as much, checked a few counties but felt Commissioners are more highly paid in comparison to other counties and money towards salaries could be used for investments.

Chairman Cruickshank received several emails for and against the proposed budget, appreciated Lee's comments for things they should look at as well. Expressed the budget was not final until September, have some time to work on it.

After hearing no further comment from the public, the public hearing was closed. Chairman Cruickshank thanked the public for their time and input.

Cynda Herrick presented discussion of Economic Development; comp plans states goals for the area. She explained this selection process does not need to be complicated, at the Economic Development meeting last week, the next part of the process was to identify the right people, she was asked to be a staff person for the county and wanted to know who the commissioners would like to have represented from the business sector – proposes several options.

Chairman Cruickshank stated there are different areas needing to be represented, pick one or two members with a sub group on the side and these individuals act as spokesmen.

Cynda explained which areas where representatives are needed. Commissioner Moore wanted to see a more diverse representation and requested to avoid them hand selecting. Would like to defer to the chambers and have them pick representation. He felt there was a lot of homework left after this meeting and not enough direction.

Chairman Cruickshank does not want the BOCC to be overseers of the members.

Michael Wells had been in attendance at this meeting. He suggested the prior business representatives towards the end of the prior UPREDC Board. He encourages not picking people who are liked but the person in the middle of it, like the superintendent of the schools. Suggesting not to pick people who do not make decisions.

Cynda Herrick makes several recommendations and then says she will work on a list and come back to present at a later date.

Cynda then presented Resolution 11-14, asking for adoption.

Commissioner Moore moved to adopt Resolution 11-14 as presented to extend the Jughandle LID and authorized the Chairman to sign, Commissioner Winkle seconded and carried.

Assessor June Fullmer and Chief Deputy Assessor Sue Probst appeared and presented the Tom Meckel property discussion.

Tom Meckel, McCall explained the area he owned pertaining to the discussion in McCall by the Industrial Park. His bookkeeper had been paying the county for this parcel, unbeknownst to him for the last 7 years. He would like to either be reimbursed or would pay it if access were given back.

Sue Probst added that Tom was correct, piece in southwest corner of property which was overlooked. The estimate owed would be \$1280.

Chairman Cruickshank clarified the issue occurred because of the way the parcels were split initially and Sue confirmed.

June provided code and suggested an appropriate policy be adopted for the County to consider in the future.

Commissioner Moore asked of Treasurer Young, how the amount owed would be given back to Mr. Meckel. She commented it could be held in trust and amended the next tax period.

Chairman Cruickshank stated that if the taxes were cancelled, the Treasurer would prepare a cancellation notice, the issue being after the fact.

Commissioner Moore moved to cancel property taxes and reissue a reimbursement in the amount of \$1280.78 and authorize the Chairman to sign the appropriate paperwork, Commissioner Winkle seconded and carried. All Commissioners signified by "aye".

Commissioner correspondence was finished up. Discussion of purchasing updates of the State Code, how many copies of the yearly update are absolutely necessary for the County to purchase? Acting Clerk to obtain this answer and get back to the Commission.

Chairman Cruickshank then said Mr. Bob Hunt has concerns for his taxes and would like to speak to the Commissioners. There is concern for issue of precedence created. He will reply that we have considered his request but we have to take a look at what we do for one, must do for others, and if anything further is warranted then Mr. Hunt can ask for further discussion.

Chairman Cruickshank asked Commissioner Winkle if it were the September 6th meeting that he was looking to cancel; Cynda has already noticed items on that meeting date in the newspaper. This did not seem possible to comply.

Chairman Cruickshank added on the public hearing for EMS is separate entirely than the EMS Budget. Find out if EMS payments can be made quarterly. Hearing has to be set for the 29th, as per Idaho Code 31-4329.

Chairman Cruickshank not able to cancel September 6th meeting, as budget deadlines and prior P&Z notices prevail.

Adjourned at noon for lunch.

Reconvened at 1:25 pm

Ross Mason from the Department of Health & Welfare appeared to discuss updates to their services and county usage of food stamps, currently at 804 individuals. The child housing investigations for protection services are down and mental health instances up. The McCall office closure not ending up being as much of an impact as was thought initially. No services lost, a little more time necessary for application processing.

Ross does not see where the local office here will be reopened. Food stamps use to go up again by 10-15% in the fall, when seasonal employment ends. Increase Medicare apps, due to health care reform act there may be relief to the Indigent fund.

Captain Coombs presented 2011 EMPG Grant for approval and signature. He stated there were new requirements this year including more training involved for him.

Commissioner Moore moved to approve the 2011 EMPG Grant application as presented and authorize the Chairman to sign, Commissioner Winkle seconded and approved.

Lastly, John reported he did not feel comfortable signing off on the landscaping for the EOC, as a section of the grass is not coming in properly.

Chairman Cruickshank requested John put the company on notice and hold off for two more weeks to see if any additional results are yielded.

Treasurer Young explained to the Commissioners that her department is just beginning to prepare the warrants of distraint and upon doing so; Steve Lord contacted her with a tax payment request.

Steve Lord was in attendance and stated to the Board he was representing the Tamarack Municipal Association who is actually working to keep the resort open on behalf of Tamarack, LLC. He is requesting for some additional time until the bankruptcy is settled and the next person can come in to pay off balances owed. Personal property will be the first to be paid and as a good faith the resort is willing to pay \$2000 a month to the end of the year if an extension is allowed. The other reason being they wish to have an additional ski season this year. The Treasurer submitted an excel form breaking out the amount of personal property owed at \$149,186.09.

Chairman Cruickshank asked for clarification on personal property, the Treasurer commented that no action was taken before because it was tied up in bankruptcy.

Steve says this option is just to get the resort through the end of the year to determine who would be able to pay the final debt.

Prosecutor Williams has a concern that the personal property may already be gone and if we went forward the assets wouldn't be there to collect.

Steve explained this discrepancy and listed some of their assets. He is not asking for the taxes to go away.

Chairman Cruickshank asked the Prosecutor to clarify the priority of the lien.

Treasurer Young requested that the money received be applied to the assets which were already foreclosed on from employee housing.

Chairman Cruickshank asked if the \$2000 could be paid this month and would more be paid if revenue is increased.

Steve said it would be paid this month and not speculating on what to come after December.

Commissioner Moore questioned the benefit to seizing the property.

The Chairman asked what would happen by setting this precedent.

Prosecutor Williams felt this would have to be kept in mind if someone else comes in.

The Chairman thought it would be a detriment to close it down. However, it makes him apprehensive the closer it gets to December with such uncertainty.

Commissioner Moore moved to postpone the warrants of distraint for the Tamarack personal property for the owner until December 2011 and on condition to receiving payments as presented until that time. Commissioner Winkle seconded and the motion carried.

Commissioner Moore moved to go in to Executive Session as per Idaho Code 67-2345 (1)(b), Commissioner Winkle seconded. Roll call. Commissioner Moore “aye”, Commissioner Winkle “aye”, Chairman Cruickshank “aye”.

Commissioner Moore moved to go in to an additional Executive Session as per Idaho Code 67-2345 (1)(c), Commissioner Winkle seconded and carried. Commissioner Moore “aye”, Commissioner Winkle “aye”, Chairman Cruickshank “aye”.

Commissioner Moore moved to come out of Executive Session and authorize the reduction in force and reorganization as proposed. Commissioner Winkle seconded and the motion carried. Commissioner Moore “aye”, Chairman Cruickshank “aye”, Commissioner Winkle “aye”.

Commissioner Moore moved to approve the purchase of Wellington Snow Park, an agreement between Potlatch and Wellington Park and authorize the Commissioners and Clerk to sign accordingly. Commissioner Winkle seconded and carried.

Discussion then ensued for EMS Budget, with no formal action made upon completion of the meeting.

Adjourned at 4:20 p.m.

GORDON L. CRUICKSHANK, CHAIRMAN

Attest:

KATIE DURFEE, ACTING CLERK

KD/tme 8-25-11

