

GOVERNOR'S HOUSING COMMITTEE

Meeting Minutes
February 20, 2015
1:00 P.M.

This meeting of the Governor's Housing Committee was called to order in the LBJ Building, Conference Room 155, Boise, ID.

Committee Members Present: Senator Chuck Winder, Chairman
Senator Roy Lacey
Director Teresa Luna, Department of Administration
Representative Melissa Wintrow
Representative Reed DeMordaunt

Others Present: Department of Administration, Keith Reynolds, CFO, Tim Mason, DPW Administrator, Ric Johnston, Facility Services Manager, Jennifer Pike, Public Information Specialist, Margaret Odedo, Management Assistant, Julie Weaver, Attorney General's Office, Adam Warr, Attorney General's Office, Bob Brammer Idaho Department of Lands, Renee Bettis, Idaho Department of Lands, Robyn Lockett, LSO Senior Budget Analyst, Elly Davis, Idaho Community Foundation.

CALL TO ORDER by Representative DeMordaunt at 1:06 p.m.

Approval of Minutes – Chairman Winder

Motion: Director Luna moved to accept the minutes as written from the June 24, 2014 meeting. Seconded by Senator Lacey. Ayes: Chairman Winder, Senator Lacey, Director Luna, Representative DeMordaunt. Abstained: Representative Wintrow. With no further discussion the motion passed.

Fiscal Update: Keith Reynolds, Department of Administration CFO presented the following financial information.

Idaho House Financials July 1, 2014 – January 31, 2015	<u>Beginning Balance</u>	<u>Total YTD Revenues</u>	<u>Total YTD Expenditures</u>	<u>FY 2015 Balance</u>
Idaho House Cash Flow	\$646,738	\$7,261	\$38,242	\$615,758
FY2015 Budget: July 1, 2014 – January 31, 2015	\$66,700	\$0	\$38,242	\$28,458
Idaho House Fund	\$164,115	\$161	\$161	\$164,115

Chairman Winder asked for an explanation on the monthly stipend. Director Luna explained that the stipend has been used to provide housing expenses for the governor when no official residence was available. When we had a residence our current Governor did not receive a stipend. Now that we no longer have a residence, the stipend is provided to Governor Otter.

Mr. Reynolds provided information on the review of annual overhead expenditures. Annual overhead has historically been set at \$8,500. The Department of Administration recommends that the overhead charge be reduced to \$6,000, effective in the current fiscal year, to more accurately reflect the actual cost of services.

Fort Boise Property: Tim Mason explained that the State acquired the property in 1969 after the Bureau of Land Management (BLM) approved transfer of title from the City of Boise. About twenty years later the Permanent Building Fund Advisory Council considered development plans for a Governor's residence, but it appears no funding proposals were presented to the Legislature. Mr. Mason stated that the State is required to maintain the lot and keep it clear from weeds. Chairman Winder further explained that the property was given to the State for the purpose of a governor's residence or park.

Director Luna directed the committee to a memo that provides detailed information on the land. The BLM has indicated that they would like to know the State's intentions are by the end of 2015. Chairman Winder indicated that it seems that there is no interest in using the land for a governor's residence at this time. One option is to transfer title back to the City of Boise.

Director Luna stated in 1994 the City of Boise had indicated a desire to obtain the land and easement to expand its Military Reserve Park, which was initially approved by the Land Board. However, in 1995 the Land Board rescinded this decision and left an option that it could be reconsidered in the future. Adam Warr with the AG's Office noted that he has looked into the validity of the BLM's claim, the code land grant provisions and the patent that was given to the State of Idaho. The patent states that if the land is not used for a governor's residence or a park ownership of the land will revert back to BLM. The original 1956 patent to the City of Boise contained a 25 year revisionary provision. The 1981 patent to the State contains a revisionary provision without a specific timeframe.

Director Luna indicated that the State may want to consider transfer of title to the City of Boise. That would require seeking out the interest of the City of Boise; receive approval from the Land Board, and receive approval from the BLM/Department of Interior.

Bob Brammer, Chief Operation Officer with the Idaho Department of Lands, stated that they were contacted about the property. The BLM has noted issues due to encroachments. The State would likely need to correct these issues before the land could go back to BLM. Renee Bettis with Idaho Department of Lands confirmed that from an aerial view they could see a retaining

wall and landscaping. After further discussion, Chairman Winder directed Director Luna to work with the Attorney General's Office and the Land Board to resolve encroachment issues and to explore other title transfer options with the Idaho Department of Parks & Rec, the City of Boise, or Ada County, and bring back a report for the next meeting.

Idaho Community Foundation (ICF): Director Luna explained that funding at ICF was originally established in 2005 via public donations for acquiring or remodeling of a governor's residence. The fund has been stagnant since 2009, and ICF is looking to close out smaller accounts. The State has a few options including rolling the money into the Governor's Residence Fund. Director Luna further explained that funds can be used for acquisition, construction, remodel, furnishings, equipping or maintenance of a governor's residence. Chairman Winder asked Ms. Davis from ICF to provide additional information on the funding.

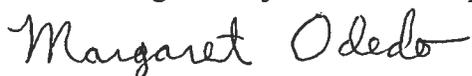
Ms. Davis explained that ICF is looking at unused accounts. One option would be for ICF to redirect the funds into a permanent endowment.

Additional options for the fund were explored, such as transferring to the Treasure Office, which would require legislative approval prior to creation of a dedicated fund. Mr. Reynolds suggested that there could be an easier solution where these funds could be accounted for separately in the Governor's Residence Fund. Mr. Reynolds asked the Attorney General's Office if payment of a stipend would be considered maintenance of a governor's residence. After further discussion, Chairman Winder directed the Attorney General's Office to look into what additional funds could be used as a stipend and report back to the Committee via the Department of Administration.

The next meeting will be scheduled mid-June, 2015.

ADJOURNMENT

The meeting was adjourned at 1:57 p.m.



Margaret Odedo, Management Assistant
Department of Administration