

**COMMISSIONERS' MINUTES  
KITITAS COUNTY, WASHINGTON  
COMMISSIONERS AUDITORIUM  
SPECIAL MEETING**

**THURSDAY**

**8:00 A.M.**

**JANUARY 28, 2016**

Board members present: Chairman Obie O'Brien; Vice-Chairman Paul Jewell; and Commissioner Gary Berndt.

Others: Julie Kjorsvik, Clerk of the Board; Clay Myers, Undersheriff; Gene Dana, Sheriff; Judy Pless, Budget & Finance Manager; Nick Henderson, Coroner; Jerry Pettit, Auditor; Brett Wachsmith, Treasurer; Kathy Jurgens, Finance Systems Manager; Mark Cook, Public Works Director/Interim Engineer; Kaitlyn Reddick, Fiscal Analyst; Lisa Young, Human Resource Director; Val Barschaw, Clerk; Chris Horner, Deputy Prosecutor; Greg Zempel, Prosecutor; Cindy Adams, Administrative Assistant; Patti Johnson, Solid Waste/Facilities Maintenance Director; Mandy Wilson, Audit Lead; Sadie Armijo, (Representing Mark Rapozo, Deputy Director of Local Audit); Ann Strand, Audit Manager; and 3 members of the public.

**SPECIAL MEETING      EXIT CONFERENCE - STATE AUDITOR COMMISSIONERS**

At 8:00 a.m. Chairman O'Brien opened a Special Meeting for the Washington State Auditor's Office Exit Conference.

Mandy Wilson, Audit Lead reviewed the Kittitas County Accountability Audit report for the period January 1, 2014 through December 31, 2014, which included an Audit Summary; Schedule of Audit Findings and Response; and other related reports.

Ann Strand, Audit Manager reviewed Audit Findings and Responses No. 2014-001. She explained that they found the Kittitas County Treasurer's office does not have adequate internal controls over accounts receivable for personal property taxes and has not made collection of delinquent accounts a priority, resulting in potential lost revenue. She described the background and gave a description of the condition, cause of condition, effect of condition and their recommendations. She said after reviewing materials in 2014 and seeing weaknesses, it resulted in them going back to 2011. The State Auditors Staff explained they found that the former Treasurer did not pursue collection of a relative's delinquent personal property tax penalties and interest of \$7,716.00. Instead, it appears the former Treasurer

attempted to use her position to influence another department (Assessor's office) to waive the penalties and fees. The Treasurer's office did not submit accurate and complete information when filing a proof of claim for taxpayer bankruptcy and two accounts totaling \$151,522.00 were not included on a bankruptcy proof of claim, resulting in the County being unable to collect on the tax revenue. It was also noted the Treasurer's office did not perform adequate procedures to collect on 18 accounts with delinquent personal property tax totaling \$155,609.00, as required by State law. They did not take the steps to either sell the personal property or attach a lien on the property owner's real property, as required. The Board of County Commissioners approved to write-off delinquent mobile home and personal property taxes totaling \$27,910.00 that were never adjusted in the accounts receivable system and remain outstanding.

The State Auditor's office reviewed information relating to their findings in the Treasurer's office, and said the County has responded and taken steps to comply with the State Auditor's recommendations.

Ann Strand reviewed a Management Letter relating to the Sheriff's office. She reviewed their recommendations which included ensuring all contracts over \$5,000.00 are approved by the County Commissioners; perform a rate analysis to ensure the County is charging accurate costs for patrol services; provide an effective review over billings to ensure they are calculated correctly; and to follow State law and register property timely.

Sheriff Gene Dana and Undersheriff Clay Myers said they have been working on policies which address the State Auditor's recommendations.

Cheryl Chance asked for a timeline of if/when any criminal charges would be filed against the former Treasurer. Greg Zempel explained that since it's an issue relating to Kittitas County it has been referred to the Yakima County Prosecutors office for review and there is no timeline. Undersheriff Clay Myers explained how the Prosecutors office does not conduct investigations and how the City of Ellensburg would be in charge of that.

The actual cost of the audit was \$75,370.00 which was approved by the County through a Memorandum of Understanding, as the County requested additional work to be performed. It was noted

the State Auditor would be publishing the report early next week.

**LETTER**

**STATE AUDITOR**

**COMMISSIONERS**

Commissioner Jewell moved to approve and authorize the Chair to sign a letter to the Washington State Auditor's office, relating to the audit of Kittitas County from January 1, 2014 through December 31, 2014. Commissioner Berndt seconded. Motion carried 3-0.

**AGREEMENT**

**AMENDMENT 4 - GCBH**

**COMMISSIONERS**


Commissioner Jewell moved to approve the Fourth Amended Interlocal Agreement with the Greater Columbia Behavioral Health. Commissioner Berndt seconded. Motion carried 3-0.

The meeting was adjourned at 9:02 a.m.

**CLERK OF THE BOARD**

**KITTITAS COUNTY COMMISSIONERS  
KITTITAS COUNTY, WASHINGTON**

  
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Julie Kjorsvik

  
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Obie O'Brien, Chairman