

**WASCO COUNTY BOARD OF COMMISSIONERS
SPECIAL SESSION / AGENDA WEDNESDAY, APRIL 29, 2015
LOCATION: Wasco County Courthouse, Room #302
511 Washington Street, The Dalles, OR 97058**

Public Comment: Individuals wishing to address the Commission on items not already listed on the Agenda may do so throughout the meeting; please wait for the current speaker to conclude and raise your hand to be recognized by the Chair for direction. Speakers are required to give their name and address. Please limit comments to five minutes, unless extended by the Chair.

Departments: Are encouraged to have their issue added to the Agenda in advance.

NOTE: With the exception of Public Hearings, the Agenda is subject to last minute changes; times are approximate – please arrive early. **Meetings are ADA accessible.** For special accommodations please contact the Commission Office in advance, (541) 506-2520. TDD 1-800-735-2900.

4:30 p.m.

CALL TO ORDER

Items without a designated appointment may be rearranged to make the best use of time. Other matters may be discussed as deemed appropriate by the Board.

- Corrections or Additions to the Agenda
- Administrative Officer - Tyler Stone: Comments
- [Discussion Items](#) (Items of general Commission discussion, not otherwise listed on the Agenda)
- [Consent Agenda](#) (Items of a routine nature: minutes, documents, items previously discussed.)

4:30 p.m.

[Fee Waiver Request](#) – Kristen Campbell

4:40 p.m.

[Executive Session](#) - Pursuant to ORS 192.660(2)(h) To confer with Legal Counsel regarding litigation

5:00 p.m.

[Duties for Finance/Treasury](#)

**NEW / OLD BUSINESS
COMMISSION CALL / REPORTS
ADJOURN**

If necessary, an Executive Session may be held in accordance with: ORS 192.660(2)(a) – Employment of Public Officers, Employees & Agents, ORS 192.660(2)(b) – Discipline of Public Officers & Employees, ORS 192.660(2)(d) – Labor Negotiator Consultations, ORS 192.660(2)(e) – Real Property Transactions, ORS 192.660(2)(f) To consider information or records that are exempt by law from public inspection, ORS 192.660(2)(g) – Trade Negotiations, ORS 192.660(2)(h) - Conferring with Legal Counsel regarding litigation, ORS 192.660(2)(i) – Performance Evaluations of Public Officers & Employees, ORS 192.660(2)(j) – Public Investments, ORS 192.660(2)(m) – Security Programs, ORS 192.660(2)(n) – Labor Negotiations



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PRESENT: Scott Hege, Commission Chair
Rod Runyon, County Commissioner
Steve Kramer, County Commissioner

STAFF: Tyler Stone, Administrative Officer
Kathy White, Executive Assistant

Chair Hege opened the session at 4:30 p.m. with the Pledge of Allegiance.

Agenda Item – Fee Waiver Request

County Counsel Kristen Campbell reported that there has been a request for a fee waiver related to a public records request filed by John Wood. She stated that experience with prior records requests has made it possible to calculate a fair estimate of the costs that will be incurred to fulfill the request; that estimate has been supplied to Mr. Wood. Ms. Campbell explained that the standard for waiving the fee is that it be in the public's interest. She said that Mr. Wood is present and she would invite him to speak to that.

John Wood of The Dalles said he believes the estimates are overstated especially based on what happened with John McHenry. He said fulfilling the request will take less than two hours of IT time. He said that the cost estimate is exorbitant which is not in the public interest.

Chair Hege asked Ms. Campbell what the request is based upon. Ms. Campbell responded that this was made pursuant to discovery for litigation. She said that the

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County felt the discovery request was overbroad and filed a motion for a protective order. Following the filing of the motion, Mr. Wood submitted the records request which spans from 2013 to present for the entire County. The request was then revised to any and all correspondence, texts, phone records and emails – even deleted items – for specific County employees. She stated that it will take a significant amount of time to complete, particularly the phone records. She said they have worked with IT to get some indication of the volume; it appears it will be in the thousands. She went on to say that there are no subject parameters and all documents will need to be reviewed for confidentiality. She noted that there are approximately 100 exemptions that will apply. She stated that statutes pass that cost on to the requestor unless it is deemed to be in the public interest.

Chair Hege asked Ms. Campbell to confirm that initial request came in pursuant to a suit filed by Mr. Wood. Ms. Campbell replied that the initial request for the information was for discovery. The County filed a motion for a protective order in response to the request for discovery; following the filing the same request was made as a public records request.

Chair Hege asked how that is different than the first request – is this an attempt to get around that? Ms. Campbell replied that that is her assumption as it circumvents the process.

Mr. Wood stated that although he has requested records since 2013, the County can only go back one year on their server. Chair Hege replied that he is pretty sure that is not true. Commissioner Kramer asked if that is the information Mr. Wood received from the County IT department. Mr. Wood replied that it is.

Chair Hege noted that Mr. Wood is not just asking for one year of information. He asked Ms. Campbell if the decision to be made today is whether or not the request is in the public interest. Ms. Campbell replied that it is.

Chair Hege stated that it seems that this is part of the law suit. Ms. Campbell said that the caption of the public records request is identical to the lawsuit – the public request sites the lawsuit. That lends evidence to the conclusion that it is actually part of the lawsuit.

Chair Hege asked Ms. Campbell if there was something in the request that she believes

the Board should consider to support the requestor's conclusion that this is in the public interest. Ms. Campbell replied that she has not seen any evidence or information that supports the conclusion that this is in the public interest.

Chair Hege observed that the lion's share of the cost will be for legal review. He said that while he would be willing to donate his own time, he would not be willing to pass along attorney fees to the public. Ms. Campbell pointed out that some fees have already been waived during this ongoing process. Chair Hege stated that he is not inclined to grant a fee waiver except any of his own time that is required.

Mr. Wood asked how much it cost for Ms. Campbell to shadow him to Salem and back on Monday. He said that he had gone to testify on an ethics bill and Ms. Campbell was there to say that everything he said was false and misleading. Chair Hege replied that that doesn't have anything to do with this discussion.

Commissioner Kramer said he too refuses to use any more taxpayers dollars to proceed with a frivolous and irresponsible fishing trip.

Commissioner Kramer moved to deny Mr. Wood's request for a fee waiver for his public records request. Commissioner Runyon seconded the motion.

Discussion

Commissioner Runyon said that he too would waive his own time but that is not where the costs are and the actions are ludicrous.

The motion passed unanimously.}}

At 4:48 p.m. Chair Hege opened an Executive Session pursuant to ORS 192.660(2)(h) to confer with legal counsel regarding litigation.

The regular session reconvened at 5:01 p.m.

Agenda Item – Duties for Finance/Treasury

Mr. Stone reminded the Board that the County has had some significant audit findings regarding several issues, some surrounding the Treasurer's Office. He noted that in response to those findings, the County has brought in a consultant to help address the issues – specifically, to catch up the work and get in place some policies and procedures

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that will keep the County on track. He introduced Debbie Smith-Wagar, County Consultant, who has met with all departments to review processes and procedures.

Ms. Smith-Wagar said she has audited government entities and is a licensed municipal auditor. She said she has also implemented processes for government entities. She said she has seen a lot and Wasco County is unique.

Ms. Smith-Wagar stated that the Wasco County Finance Department is responsible for the annual financial report and for the budget which are public documents. She noted that the way things are set up now, the Finance Department does not have control of all of the information necessary to create those documents. She stated that the County is asking the Finance Department to attest to financial statements that they cannot verify. She said this has happened over the last year as communication has broken down, adding that the Treasurer is difficult to find during regular business hours.

Chair Hege noted that staff has faced that same issue.

Ms. Smith-Wagar said that to be fair to the Finance Department, they need to have control of the information so they can go forward with confidence when verifying documents. She said that she has been able to get the necessary information and reconciliations now appear to be up-to-date. However, the information is not being volunteered by the Treasurer – you have to ask for it. It does appear to be entered into the system.

Commissioner Runyon asked if there are duties beyond the statutory duties. Ms. Smith-Wagar replied that there are and it seems as though the elected officials' duties and the FTE duties have been combined and should be pulled apart.

Commissioner Kramer asked if everything is reconciled through 3.31.2015. Ms. Smith-Wagar replied that it appears so; she said that she has not looked at every line and there are some slight discrepancies that need to be cleaned up, but it is information that can be relied upon.

Mr. Stone stated that since the regular and secondary audits, things have been getting caught up – that does not change our ability to manage the finances and be able to understand what is happening. He said that he believes it is important to gather those Treasury tasks and move them into the finance office, getting processes in place so that this circumstance cannot happen again. He pointed out that there are some challenges

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as some of the duties are statutory but the work can be done in the Finance Department and the Treasurer in his/her statutory capacity can review that. Ms. Smith-Wagar noted that just having the information in Eden is not the entire picture. For instance, there are landfill fees – if there is an anomaly, the Finance Director needs to know if it is a one-time occurrence or an annual occurrence. Currently the Treasurer is keeping that in his office and she has no way of knowing if there is an error that needs to be reviewed.

Mr. Stone stated that it is his opinion that the County has to get control of this process. He pointed out that the Pauly Rogers report stated that “It appears the Treasurer does not have the accounting education or training to complete the accounting functions accurately. This prohibits timely financial reporting, reconciliation and documentation of internal controls working properly. Non-statutory work of the Treasurer should be reallocated to the Finance department to ensure timely and accurate completion.”

Chair Hege asked that if the Board does that will there be resources allocated to the Finance Department to do that work. Mr. Stone replied that there is an additional employee in Finance now who is working with Ms. Smith-Wagar.

Commissioner Runyon asked Mr. Stone that for the areas that Ms. Smith-Wagar has jump-started, what does he see going forward – is this temporary or long-term.

Mr. Stone replied that it is immediate – we need to get this done to be ready for the upcoming audit. However, in the long-term those avenues need to be in the department that prepares the budget with the necessary controls in place.

Commissioner Runyon stated that going forward, in addition to columns of numbers, he would like to see regular reports from Finance on how this is working. He said he does not want to be in the daily business of any County department, but would like some reporting on how the new arrangement is working.

Mr. Stone replied that they will have a report as part of Ms. Smith-Wagar’s work; going forward there will be policies and procedures – part of that will be regular reporting to the Board of Commissioners.

Commissioner Runyon said that he would think the Treasurer would welcome the help in getting caught up and opening avenues of communication.

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Chair Hege said that what he is hearing is that it is positive that things are caught up and are better. He said he feels positive about that but concerned about the upcoming audit. The County wants to have a good audit. Ms. Smith-Wagar said that the information is being caught up but is not being shared.

Mr. Stone said that he does not see that the situation will get better.

Chair Hege asked how the Finance Director will get that information. Ms. Smith-Wagar responded that if the duties are moved, the Finance Director will have that information.

Mr. Stone said that he asked legal counsel to draft a resolution that would move the duties. He provided it to the Board for review and consideration.

Chair Hege reiterated that he wants to make sure that if the duties are moved, there are resources to support that. Finance Director Monica Morris said that what she has now is a temporary employee; she will need to find a permanent full-time employee.

Commissioner Runyon asked Ms. Morris for her perspective – is this a good path? He noted that the County has an exemplary Finance Department. Ms. Morris replied that her department's stance is that it is their role to protect public funds, be transparent and help the departments. She said that under the current circumstances they have not been able to do that. She said that she sees this as an avenue for her department to be more informed and better prepared to serve the public.

Chair Hege asked for confirmation that policies and procedures will be developed and put into place for this new distribution of work. Ms. Smith-Wagar replied that they have already been talking about the internal controls that should be reviewed regularly to insure that duties are appropriately divided. She said that the auditor will also review those processes and procedures and weigh in.

County Counsel Bradley Timmons stated that the proposed resolution would implement policies and it has been reviewed by Counsel. He said if they see any changes they would like to make, they can refine it here and proceed with it.

Commissioner Runyon read the Resolution 15-002 (attached) into the record.

Chair Hege asked for any comments.

County Assessor/Tax Collector Jill Amery said that she sees this as a positive move forward.

Chair Hege asked for a definition of “Custodial Officer” under ORS 294.004. Ms. White read the definition from the ORS: “Custodial officer means the officer having custody of the funds of any county, municipality, political subdivision or school district.” Ms. Campbell characterized it as a catch-all position.

Chair Hege noted that the resolution states that it will stay in effect until another resolution is passed that changes it. Mr. Stone confirmed that the Board can review and change those duties at any time.

Chair Hege asked if it is Mr. Stone’s and legal counsel’s recommendation to adopt this resolution so the County can move forward. Mr. Stone replied that he believes the County had a fiduciary duty to do so.

{{{Commissioner Kramer moved to approve Resolution 15-002 establishing duties and responsibilities regarding revenue, accounting, investing and other financial and administrative matters. Commissioner Runyon seconded the motion.

Discussion:

Mr. Timmons pointed out that this is not an ordinance that needs to be codified – it is a policy under resolution. He stated that the Treasurer receives notices of these meetings and had an opportunity to attend. He reported that the Treasurer has put County administration on notice that he is not going to communicate with them or their attorneys. The communication from the Treasurer through this process has been none. He said that he thinks time is of the essence – the County’s legal obligation is to put this in place. He pointed out that the County has received recommendations and the Treasurer has had ample time to weigh in – this has been a lot of work and has not happened overnight. He stated that there have been two audits; this has been well-documented and the documents have been publicly available.

Commissioner Kramer said that he has attended 30 Board sessions and has seen the Treasurer there maybe twice.

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Chair Hege restated that he wants to make sure that if they move forward with this, resources are put in place to support that work in the Finance Department.

Chair Hege called for a vote; the motion passed unanimously.}}

News reporter Rodger Nichols said that looking at the noticed agenda it does not say anything about massive changes. Commissioner Kramer pointed out that this is not the first session at which this topic has been discussed at length. Mr. Nichols stated that he has not heard about this before. Commissioner Runyon replied that when Pauly Rogers presented their report they made the recommendation for this action.

Mr. Timmons said that this is a public meeting and the Board is acting on legal advice.

Chair Hege adjourned the session at 5:41 p.m.

Motions Passed

- **To deny Mr. Wood's request for a fee waiver for his public records request.**
- **To approve Resolution 15-002 establishing duties and responsibilities regarding revenue, accounting, investing and other financial and administrative matters.**

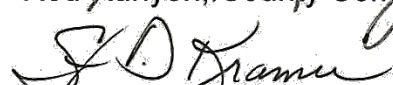
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