

BOARD OF COUNTY COMMISSIONERS

November 4, 2014

Chairman Danny Williams called the meeting of the Chautauqua County Board of Commissioners to order on Tuesday, November 4, 2014 at 8:30 a.m. in the commission room of the courthouse. Commissioner Jack Carpenter and Goff Searl were present as was County Counselor Larry King and County Clerk Janice A. Fine. Lisa Hudson, Treasurer joined the meeting as an observer. Chairman Danny Williams opened the meeting with prayer.

Minute's approval: Jack Carpenter made a motion to approve the minutes of October 31, 2014 as presented. Goff Searl seconded the motion. Motion carried 3-0.

Joel Haden, Road & Bridge Supervisor, provided his weekly road report. Crews have been hauling rock to the following: Gallop and Rd 15, Rd 2 around Trail, Saddle between Rd 23 and Rd 27 is complete, Heritage between Rd 11 and Rd 12, Rd 14 North of US 166, Rd 31 and Gallop while performing a culvert repair. A culvert was installed at Rd 29 and Dalton, ½ mile north of the corner and Rd 22 and Lariat, ½ mile north of corner. An entrance was created at Rd 17 and Bronco. Crossing work was performed at Frontier and Rd 25. Staff cleaned a crossing at Rd 29 and Cowboy. A bridge clean out was performed at Kansas and Rd 30 and a ditch cleanout on Indian Rd west of Rd 25. Haden informed commissioners that the City of Elgin has drainage issues downtown and Haden asked if the county could provide a culvert for that purpose. Commissioners agreed to furnish the culvert. John Mooney joined the meeting as observer.

KCAMP Grant was applied to be used for 911 signs last year and denied. Tarps on the trucks might be an option to use the grant this year. Haden will call and ask specific questions so they are able to use the grant monies. Signs on Rd 32 need to be looked at.

John Mooney talked about ditches in the area where the pipe was installed. Mooney is requesting that the ditches be cleaned so the water flows. The rock builds up and needs to be cleaned before anymore rock is put on the road. Haden will meet Mooney at the site and review possibilities. Amy Lampson joined the meeting as an observer. Mooney identified all ditches in his area that need to be cleaned.

Goff Searl stated from Sedan on the north side of the road on US 166 the grass has been mowed by the state and that highway looks great. Commissioners identified an area that they requested Haden review.

Renatta Kubit, Emergency Management Coordinator brought information regarding a fire grant that she wants to apply for. Future training could be part of the grant. Kubit has found paperwork for volunteer certification that needs to be submitted regarding Fire Fighter One certification. Matching grant is 5% but the grant will pay that if we can show we do not have the funding. Population of Chautauqua County was discussed. Commissioners made a donation to the Rural Fire fighters.

Linda Kline, Solid Waste Department Head asked commissioners if her office could manage the Angel Tree again this year. Commissioners gave their approval. Lisa Hudson, Treasurer left the meeting.

Virgil Shull joined the meeting for commissioners to sign a contract for the third floor office space remodel. Nick from Derailed Commodities in Independence brought carpet samples for commissioner's review. Jack Carpenter made a motion to approve the contract for remodel of their floor office space with Virgil Shull. Goff Searl seconded the motion. Motion carried 3-0. Commissioners reviewed the carpet samples to make a decision. Laura Beeson joined the meeting to provide an estimate for blinds for the remodel. There was discussion regarding the fire alarm system and current phone lines on the third floor.

Rodney Burns, County Auditor joined the meeting to provide his report on his research covering the financial procedures regarding the Treasurer's office. Amy Goode, Clerk's office staff joined as requested. Burn's researched credit card purchases, travel reimbursements, and office purchases. Burns then reviewed the Audit report with the Commission.

- Over reimbursement to the treasurer for travel is in excess of \$1100.00, the auditor described the treasurers practice as "borrowing of county resources." this is an issue.
- Gas was purchased on the county credit card and was never identified as a reimbursement for mileage due to travel for \$246.00.
- Charges to Staples for two identical purchases for an Xbox 360 and armbands (video game system) were shipped directly to the Treasurers home. One of the Xbox 360 was returned to Staples. The credit card statement showed the treasurer reflected that KCTA would reimburse for the Xbox. Burns contacted the KCTA and was told that there would be no reason for KCTA to reimburse Chautauqua County for an Xbox.
- The County credit card was used to secure a hotel room at the DoubleTree in Tulsa, OK on October 16, 2014. Reward points were used to purchase the room. Burns learned that hotel stays were paid for several times using rewards points, which were accrued by county purchases.
- Hotel room purchases on the County credit card where no official county business can be identified.
- August 2014 credit card charges for hotel stay for a retirement reception, rooms were booked and charged, though the treasurer was a no-show.
- National Treasurers Conference in New Orleans, LA; excess hotel rooms, rental car in Mary Jo Roberts's name, was paid using the County credit card. Meal overages in the amount of \$50.
- Suspicious purchases from Staples, Reliable etc.; including 6 jackets. In February USB purchases, Basket Market purchase in Oklahoma City. A plane ticket was purchased for the Treasurers son. The plane ticket was paid for using Chautauqua County tax dollars.

Amy Lampson asked the County Clerk during the meeting if Amy Goode was being paid to attend this portion of the Commission meeting. Fine stated yes, and she

would address Lampson regarding this issue after the meeting. Lampson stated the citizens need to know.

Burns identified two main areas of concern. Treasurer's checks should only be used for reimbursements to citizens. Meals that are taxable should be paid through payroll. Personal reimbursements must have invoices for every item. Impact on questionable expenses and possible fraudulent usage amounts to just over \$3,000.00. Goff Searl asked if there could have been a reimbursement to the county. Burns offered that he has not located a reimbursement to the Treasurer's funds. A receipt should have been visible and Burns has not found it. A concern is items purchased and not located in the office. Burns stated there are new policies in place to protect the county. Lisa Hudson, Treasurer returned to the meeting.

King asked Burns the dates of the report created and Burns stated January 1, 2013 through September 30, 2014. King stated that asking questions of Lisa Hudson might bring some clarity to the report Burns provided to commissioners. King, Burns and Hudson asked questions back and forth. Hudson identified that business travel is setup using the county credit card. The Xbox purchase was specifically asked and Hudson stated she thought she had reimbursed the County for that purchase. Burns stated the plane ticket to Oregon in 2010 was never reimbursed to the county. Penalty and fees for delinquent personal real estate taxes were discussed and were finally paid by Hudson in September 2014. King asked Hudson why in the past the delinquent taxes weren't paid. Hudson stated that this topic had been discussed in prior meetings, and that she was waiting for instruction from Burns and King for the amount owed. King then asked Amy Goode, former Deputy Treasurer, how delinquent tax amounts were calculated. Goode offered that the tax program figures the amount. Prior delinquent tax filings had been modified to remove Treasurer's name. Hudson states it was an oversight.

King advised the commissioners that they should determine by submission to the Attorney General's Office what next steps should be. Treasurer's bond was discussed. Searl stated that he feels he is responsible to make good decisions for the citizens and the usage of taxpayer money. King stated that Hudson has every right to review the document Schlatterbeck & Burns created. King offered that this information should be provided to the Attorney General for review.

King offered that there could be oversight on the Treasurers part but what he sees is a constant issue of irregularities.

King offered that KCAMP may not cover the cost of their personnel firm Foulston Seifkin and Chautauqua County may need to absorb those costs. Lampson and Hudson asked why Foulston Seifkin called Hudson's attorney months ago. Commissioners ask that KCAMP and their attorney review before sending to the Attorney General.

A copy of the Schlatterbeck & Burns document was provided to Lisa Hudson.

Goff Searl made a motion to send the document to KCAMP and Foulston Seifkin for review. Jack Carpenter seconded the motion. Motion carried 3-0. The Schlotterbeck & Burns document is available in the Clerk's Office for a fee.

Commissioners reviewed budget documents.

The tax sale was discussed briefly.

King offered that David Lee, attorney out of Eureka is the Elk County attorney. King offered that advertisement may be necessary for his replacement. Government experience will be paramount.

Jack Carpenter made a motion to adjourn at 10:35 a.m. Goff Searl seconded the motion. Motion carried 3-0.

Goff Searl, First District Commissioner

Danny D. Williams, Chairman, Second District Commissioner

Jack Carpenter, Third District Commissioner

ATTEST:

Janice A. Fine, County Clerk