

**Skamania County Public Utility District #1  
Special Meeting of the Board of Commissioners**

February 7, 2012

A special meeting of the Board of Commissioners was called to order by President Dennis Gale at 1:00 p.m.. at the PUD office in Carson, WA. The following persons were present: Commissioner Curt Esch; Commissioner Dennis Gale; Commissioner Clyde Leach; Interim Manager, Robert Gentry; Auditor, Jasen McEathron, WO Spec./HR Coordinator, Shonna Taylor; Special Project Coordinator; Scott Fielding; and Attorney, Ken Woodrich.

Washington State Auditor's Office representatives: Kelly Collins, Deputy Director of Audit; Angela Cady, Audit Manager; and Sarah Mahugh, Audit Lead.

The purpose of this Special Meeting was for the Exit Conference from the Washington State Auditor's Office for the recent audit conducted covering the period of January 1, 2009 through December 31, 2010. The State Auditor's Office presented to the Commissioners and Staff the Meeting Agenda, Financial Statements Audit Report, Accountability Audit Report and Exit Recommendations. The District is audited every two years. This audit marks the 16th consecutive audit with no reported findings for the District.

A Management Letter was written by Angela Cady, Audit Manager, regarding medical benefits provided to the District's Attorney, recommending the District cease providing medical benefits to its contracted Attorney, citing RCW 46.62.021. Commissioner Gale and Commissioner Esch wanted to know if a formal or informal opinion had been issued from the Attorney General's Office. A formal or informal opinion had not been issued. Commissioner Leach wanted to know if we could get one because he disagrees with their opinion. If the District disagrees, the State may get a formal opinion. Their recommendation stands as written in the Management Letter until they see something from the District.

Auditor, Jasen McEathron explained that criteria had been provided, but the State Auditor's Office chose not to accept the legal criteria provided. Manager Robert Gentry, restated that a Management Letter had been written without a formal opinion. The State responded that they did not have to have a formal opinion, but they had verbal guidance and the statute.

The State further reported that this was a good audit. Sarah Mahugh discussed the exit comments regarding personnel policies, cell phones, capital asset reconciliations, cash receipting, expense documentation, and utility adjustments.

Commissioner Leach further asked about the attorney health situation. The Auditor's Office will work with Auditor McEathron on this. Manager Gentry wanted to know what the State's timing expectations were. The State does not set timelines. Manager Gentry explained that the next audit would be in two years. The State Auditor's Office will look through this then.

Auditor McEathron complimented the field auditors Sarah and Kyle from the State Auditor's Office, on a nice job during the audit.

Meeting adjourned at 1:47 p.m.

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**Dennis Gale, President**

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**Curt Esch, Secretary**

The next regular scheduled Board of Commissioners' Meeting will be:  
**Tuesday, February 21st, 2012 at 9:00 a.m.**