



News Release

Brewster County, Texas

To: Area Media

From: Brewster County Judge's Office

For Immediate Release:

In light of recent developments and publicized comments, I feel it necessary to share with you, our constituents, the following facts leading to the decision which we, as a Commissioners Court, took into account when drafting the order provided to our District Judge, Roy Ferguson. In the order, the Brewster County Commissioners Court unanimously voted to request the appointment of a County Auditor.

After careful review of the facts provided within the order, Judge Ferguson reached the decision to accept the Commissioners Court request and has proceeded to create the position of County Auditor. The position is currently being advertised, applications are being accepted and reviewed and interviews will be forthcoming.

The auditor will provide leadership, guidance and overall management within the Treasurer's Office, as well as serve in an internal control capacity. The following facts are intended to substantiate and establish the rationale of the order presented to Judge Ferguson by Commissioners Court that ultimately lead to the creation of the Auditor position.

County departmental bills are not being paid in a timely manner

Every elected official has brought financial concerns to the attention of the County Judge and / or the County Commissioners. An extraordinary amount of time and effort has been spent by the Judge to attempt to build a healthy working relationship between the Treasurer and other elected officials. Unfortunately, the foundation of the relationship between the elected officials and the Treasurer's Office is based on finances. Elected officials have informed the Judge's office that bills are not being paid, vendors are calling and service providers are threatening to cut off services due to non-payment. It has become painfully obvious that the Treasurer's Office is affecting the relationship between Brewster County elected officials and their community partners.

On May 26th, 2015, Brewster County Commissioners Court formalized the county- wide belief of "no confidence" in our Treasurer to arrive at a resolution to the issues facing Brewster County elected officials. As mentioned above, the County Commissioners Court unanimously voted to request the

appointment of a County Auditor to ensure that the Treasurer's office carry out its duties and thus salvage the relationship between the Treasurer's Office, elected officials and community service providers / vendors.

County departmental funds are not properly accounted for

It has come to the attention of the County Judge and / or members of the Commissioners Court that the Treasurer has been unable to locate numerous accounts and / or properly reconcile said accounts. Our County Attorney, Steve Houston, Sheriff, Ronny Dodson and County Clerk, Bertha Rios-Martinez, have provided verbal and written information to the Judge's Office of such discrepancies. These elected officials, and others, are prepared to testify and attest, in writing, to their specific issues related to this matter.

County financial responsibilities for grants are inefficiently managed.

Brewster County is the recipient of various federal and state grants. While most of these grants involve significant red tape, the fiscal impact of such grants is vital to the solvency and daily operation of the County. One would be hard pressed to find any elected officials' department that does not either directly or indirectly benefit from grant funding.

The Sheriff's office payroll is supplemented by federal and state dollars. The DA's office also receives state monies which funds personnel and travel expenses. The County Judge's office is currently in the process of gathering information to formulate the 2016 budget. It is projected that without grant funding, the County would be hard pressed to arrive at a balanced budget.

Various grant funding ancillary personnel have notified the Judge's office of issues related to gathering and obtaining reports, receipts and required documentation necessary for ensuring grant compliance. As mentioned above, documentation and appropriate record keeping is what is necessary for the County to be in compliance or the County will lose funding and / or no longer be eligible for grants in the future.

County 2015 budget with appropriate amendments due to tax rollback and other Commissioners Court actions cannot be provided.

In January, 2015, Brewster County voters went to the polls and approved a reduction in the county tax rate for 2015. During a Commissioners' Court meeting held on March 3rd, 2015, a summary of the recommended adjustments in the sum of \$176,000 which needed to be made resulting from the outcome of the Roll Back Election was distributed to the Commissioners Court and the Treasurer. Needless to say, the intent was for the Treasurer to make necessary adjustments in a timely manner to the budget. As of June 15, 2015, those adjustments have yet to be made.

Required documentation for the 2014 Brewster County audit has not been provided to our audit firm in a timely manner.

In February, the County Judge proceeded to arrange a meeting between the Treasurer and GRP (our external auditors). The Treasurer, along with two of her staff members, accompanied the Judge to El Paso to consult with GRP auditor Vanessa Alarcon, CPA. During this visit, the Treasurer and her two staff members attended the meeting while I proceeded to attend the COG meeting. As an aside, the two staff

members that accompanied the Treasurer are no longer employed by the Treasurer. One was terminated and the other chose to leave the Treasurer's office for another position within the county.

Subsequent to this meeting in February, the auditors followed up with numerous emails requesting information from the Treasurer's Office, eventually leading up to a conference call in mid-May. The Treasurer, her staff and myself were present for this call. It was at this meeting that it became clear that the Treasurer had not looked at, much less completed, the worksheets that had been emailed to her. The initial emails dated back to the latter part of February. Deadlines for the submission of items requested were clearly scheduled for dates in March, April and May. At the time of the conference call, none of the deadlines had been met. At this point, I felt it imperative that proceedings for requesting the appointment of a county auditor be initiated, as the financial well-being of the County appeared to be in jeopardy.

At this time, all of the individuals mentioned above, in addition to most other Brewster County Officials, are willing to testify and attest to the facts mentioned herein. As Brewster County Judge, I am committed to being a good steward of our resources and take responsibility for the fiscal health of our County. It is further my obligation to protect and be accountable for tax payer money and County assets. As such, I will do everything within my power to hold Treasurer Staton accountable for her lack of competency while remaining true to my commitment of transparency throughout Brewster County government.

Eleazar R. Cano,

Brewster County Judge