

Structural Review of the Warren County Finance / Audit Committee

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Section 1 – Purpose of Memorandum

This memorandum is submitted in advance of the Board of Supervisors' consideration of the future structure of the Warren County Finance/Audit Committee.

The purpose of this document is to provide a structured review of publicly available records, meeting observations, and documented procedural patterns since the committee's formation in 2022. The analysis focuses on governance design, operational alignment with adopted bylaws, transparency practices, and advisory output effectiveness. This memorandum is based solely on publicly available records and personal meeting attendance beginning May 2025.

This memorandum is not intended to assign fault to individual members or staff. Rather, it identifies recurring structural inconsistencies between the committee's written framework and its operational practice. The objective is to assist the Board in evaluating whether dissolution and reconstitution may better align the committee's purpose, structure, and performance with its intended oversight function.

Section 2 – Executive Summary of Structural Observations

A review of agendas, minutes, transcripts, bylaws, appointment records, draft policies, and posting practices indicates persistent structural misalignment in the following areas:

A. Bylaw Conformity

- Article 3-2 requires officer elections at the March meeting; publicly available records do not reflect documented annual elections.
- Article 9-3 mandates November audit review and prohibits other business; recurring audit delays have rendered this requirement operationally incompatible without bylaw amendment.
- The governing document assumes timely audit completion and does not provide contingency language for delays.

B. Supervisor Participation and Quorum Boundaries

- Minutes reflect instances of three supervisors participating in discussion.
- Participation boundaries have operated situationally rather than through a clearly defined structural rule separating advisory and Board-level deliberation.

C. Appointment Structure and Qualification Alignment

- Article 2-4 centralizes appointment authority in the Chair of the Board of Supervisors.
- Suggested areas of financial expertise are listed in the bylaws; however, current membership does not reflect CPA-level credentialing.
- The structure does not include a Board confirmation process or clearly defined independence safeguards.

D. Transparency and Posting Practices

- Agendas and minutes have historically been posted significantly after meeting dates.
- Some meetings were not posted in accordance with the five-day notice requirement.
- Agenda revisions were not consistently reposted when changes occurred.
- Version control inconsistencies were identified through FOIA review.
- Citizen appointees do not have publicly listed official County email addresses.
- Public comment during committee meetings is discretionary rather than structurally guaranteed.

E. Policy Progression and Advisory Output

- Multiple fiscal policy items have remained on agendas for extended periods (1–3 years).
- The Sanitary District Fiscal Policy remains in draft form after approximately 2.5 years.
- “Public Education” regarding audit delays has remained unresolved since September 2025.

- Transaction-level review occurs regularly; however, formal advisory recommendations or structured output mechanisms are limited.

Collectively, these patterns indicate that the committee's current framework has not consistently translated into a stable, predictable, and bylaw-conforming oversight structure.

The remainder of this memorandum provides supporting detail.

Section 3 – Supervisor Participation and Quorum Confusion

Minutes reflect instances where **three supervisors participated in substantive discussion**, constituting a quorum of the Board.

At my first meeting (May 14, 2025), a third supervisor arrived and was told he could not participate unless another supervisor left because a quorum was present. However, prior minutes reflect participation by three supervisors without similar procedural enforcement.

Additionally:

- October 9, 2024, minutes note that Supervisor Stanmeyer was invited to discuss the Sanitary District policy.
- November 13, 2024, minutes reflect that he was to be invited by Vicky Cook.
- December 11, 2024, minutes reflect his active participation in the discussion.

The boundary between the advisory committee and the Board quorum has been applied on a situational basis rather than as a structural rule.

Section 4 – Officer Elections Not Reflected in Public Record

Bylaws §3-2 require:

"Nomination of officers shall be made from the floor at the beginning of the March meeting... Election shall follow immediately."

Publicly available agendas and minutes do not reflect annual Chair or Vice-Chair elections in March.

In practice, supervisors have acted in chair/vice-chair roles, directing meetings and agendas. The Finance Director appears to prepare agendas. The operational structure does not align with the officer framework set forth in the bylaws.

Section 5 – November Audit Restriction and Structural Design Flaw

Bylaws §9-3 state:

"This shall occur at the November Finance Committee meeting, and no other items will be presented."

This creates a hard restriction.

However:

- Annual audit delays have occurred repeatedly.
- When the audit is not available, the bylaws provide no alternative workflow.
- November business proceeds as usual, even though bylaws prohibit other items.
- In 2025, the discussion focused on audit delays and attribution of responsibility, but not actual audit review.

The bylaws assume timely audits. In reality, recurring delays render November structurally undefined.

Section 6 – Transparency and Posting Delays

Based on documented tracking:

- Agendas are posted an average of **63 days publicly after the meeting**.
- Minutes are posted an average of **72 days after approval publicly**.
- 9 meetings in 2024 were not posted in accordance with the five-day notice requirement.
- 4 meetings in 2025 were not posted in compliance.
- Multiple cancellations (3 most years, 2 in 2024) were not formally noticed or rescheduled.
- Several agendas display incorrect dates.
- Agenda updates were not posted and were only discovered via FOIA audio review.
- Committee materials are not publicly available until included in the following Tuesday's BOS packet.
- No public email addresses are provided for citizen appointees.
- Public participation is discretionary.

When I asked before the May 2025 meeting why the prior-year minutes and agendas were not available, they were posted the following day. However, the May meeting itself was not posted on the online calendar or bulletin board.

Transparency has operated reactively rather than predictably.

Section 7 – Policy Stagnation

Several policy items have remained on agendas for extended periods:

- Sanitary District Fiscal Policy – 2.5 years (only draft via FOIA)
- Debt Policy – 3.0 years
- Delinquent Taxes Policy – 1.6 years
- Non-Profit Contribution Fiscal Policy – 1.4 years
- Reserve Fiscal Policy – 0.9 years

- Volunteer Fire & Rescue Policy – 2.2 years (completed recently)

The Fire & Rescue Policy advanced to the Board without incorporating the concerns I submitted. It was subsequently removed from the Board agenda and came back for approval.

Public Education regarding audit delays was added in September 2025 and remains unresolved five months later.

The attached spreadsheet shows recurring “unfinished business” cycles with no measurable advisory outputs.

Section 8 – Operational vs. Written Procedure

Bylaws require Robert's Rules of Order.

In practice:

- Meetings are conversational and informal.
- Members speak without recognition by the chair.
- Motions and seconds occur, but the structure is otherwise informal.
- BOS Counsel noted in January 2026 that strict Robert's Rules can conflict with Virginia's open meeting law.

The written framework and operational practice are materially different.

Section 9 – Membership Alignment and Appointment Structure

Bylaws §2-4 state that representatives are appointed by the Chair of the Board and should have expertise such as CPA, CIMA, CPFO, CRM, CFA, or CFP.

The June 7, 2022, agenda item confirms the appointment of Leslie Mathews, Kathleen Johnson, and James Bergida. Mr. Bergida's appointment letter reflects a two-year term beginning July 1, 2022. Mr. Dameron, a licensed CPA with accounting experience, was not selected. His application reflects CPA licensure and an auditing background.

The bylaws indicate that the initial appointment structure vested selection authority in a single supervisory Chair role rather than a Board vote. The bylaw language does not provide for broader Board appointment authority.

No current citizen appointee appears to hold a CPA credential, despite CPA-level expertise being listed among the suggested qualifications.

This is not an accusation of impropriety. It is an observation that the structural model and the expertise model may not have aligned as intended at formation.

Section 10 – Advisory Scope vs. Transaction Review

The committee routinely reviews individual fuel transactions and general ledger line items.

I have submitted discrepancy reports regarding Mansfield fuel reporting and account misclassifications in the general ledger. The Board is aware of those submissions.

However, the advisory function appears transaction-oriented rather than signal-oriented. There is limited evidence of formal advisory recommendations to the Board regarding:

- Unexpected high-value procurements
- Mid-year financial deviations
- Risk thresholds
- Forward-looking fiscal controls

Section 11 – Sanitary District Draft Observations

The only draft policy produced after 2.5 years remains narrow and reactive. It does not clearly establish:

- Trigger thresholds
- Reporting cadence
- Board notification requirements
- Audit integration
- Defined financial performance metrics

The committee has discussed the topic extensively, but has not produced a comprehensive fiscal framework.

Section 12 – Forensic Audit Narrative Context

The former supervisor (and former committee chair) has publicly called for a forensic audit several times.

A forensic audit is typically evidentiary and litigation-oriented.

Public calls for a forensic audit underscore the importance of clearly defined oversight structures capable of documenting and elevating material concerns, if present. The absence of documented findings underscores the structural limitations of the current framework rather than evidence of specific wrongdoing.

Conclusion

Each issue might be manageable individually.

Collectively, they demonstrate:

- Structural design flaws
- Procedural drift
- Transparency inconsistency
- Undefined supervisor participation boundaries
- Qualification misalignment
- Policy stagnation
- Audit timing incompatibility

Reforming within the current structure risks inheriting its ambiguities.

Dissolution prior to reconstitution allows the Board to:

- Separate audit oversight from fiscal policy advisory
- Define supervisor participation limits
- Modernize November audit workflow
- Require documented officer elections
- Establish measurable advisory outputs
- Standardize posting compliance
- Require official county communication channels
- Align qualifications with intended expertise
- Build a predictable reporting cadence

Dissolution is not punitive.

It is structural housekeeping.

Thank you for your leadership as this matter comes before the Board. I have attached:

- The tracking spreadsheet
- The Sanitary District draft policy
- Financial signal reports

I remain available to assist in developing a restructured advisory model in a work session.

Attachments

- Warren County Sanitary Fiscal Policy Draft.docx
- WCFAC Agenda Items.xlsx
- FY2026 October - Financial Health Report.pdf
- FY2026 October - Vendor Concentration Report.pdf
- FY2026 October - Department Function Summary Report.pdf