



Office of the Auditor-Controller
COUNTY OF HUMBOLDT
825 5th Street, Room 126, Eureka, CA 95501-1153
Telephone (707) 476-2452 Fax (707) 445-7449
ctyauditor@co.humboldt.ca.us

Date: Friday, February 25, 2022

Press Release – Auditor-Controller to Report Status of Financial Reporting and Transaction Processing at 3/1/22 Board Meeting

Dear Taxpayers of Humboldt County,

The role of an elected official is easy to understand: to fulfill the duties they have been assigned in a manner which serves the best interests of the public. In the case of the Elected Auditor-Controller, the successful fulfillment of those duties is not up to the Auditor-Controller alone but relies on the good governance of the collective Board of Supervisors, the just administration of the County Administrative Office, the wise judgment of its County Counsel, and the responsible performance of County Department Heads. More importantly, it relies on all of these bodies working together toward a clear and shared goal of serving the best interests of the public it governs.

When a County does not have a clear and shared goal that is agreed upon by its Board of Supervisors and leadership body (and when the fear of responsibility and accountability is made legitimate by irresponsible reporting and sensationalism), confusion and dysfunction can quickly devolve into power struggles, political hits, and scapegoating of responsibility – all at the expense of taxpayers. When the conflict involves the management of public funds and the reporting of that management, the attacks can become personal, coordinated, and reckless – again, all at the expense of taxpayers.

The County of Humboldt, as an organization, has not completed timely or accurately, several of its various centralized and decentralized financial reports. The long-term decentralization of financial and accounting operations has resulted in decades-long patterns of misfilings, misinformation, and misreporting which have throughout the years resulted in penalties, returned funding, and have paved the way for confirmed cases of errors and fraud. The inter-personal relationships of County officials have yielded both great, innovative ideas that have benefited the County and they have also led to inhumane conditions for County employees and coverups under the guise of confidentiality.

Today, the buck stops here. The County of Humboldt, as a government organization, is not okay. The now decades-long power struggles, unethical exploitation of “friendships”, in-fighting, and scapegoating are coming to a head and action must be taken. It has become painfully clear to me that “working within the system” and shielded from the public’s view will not yield the desired results of transparency, accountability, or integrity. The County’s failure to take seriously the function and authority of its Elected Office of the Auditor-Controller is now raising the stakes for me to take direct action.

A letter from the State Attorney General has been delivered to the County addressed to me demanding that action be taken. It is no longer prudent for me to wait for the results of nonexistent investigations or publicly-announced audit reports that have yet to be issued to convince this County to respect the authority of the public that elected an independent Auditor-Controller or to inform the public of what is happening in its county government. And while this County has grown accustomed to being sued or threatened by State Agencies for the actions (or lack of action) by its County Departments, I will not be as complacent.

The only way out of this long-term dysfunction is to responsibly inform the public of the inadequate financial operations of the County and take ownership and responsibility for the active efforts toward resolution. In the absence of leadership, one must become the leader.

On Tuesday, March 1, 2022, at the regularly-scheduled 9am meeting of the Humboldt County Board of Supervisors, I will be presenting a report of my findings on the financial transactions, operations, and reporting practices of the County of Humboldt from my perspective as its Chief Accounting Officer and independently-elected Auditor-Controller. I will also be discussing with the Board the status of the County's audits. The meeting will be in person, live-streamed, and recorded. Please attend.

I write this to you today as a humbled public servant free from undue influence with no request of you other than to participate in Tuesday's board meeting. Should you believe that the dysfunction of which I speak is new and/or unheard of in this County's past, I invite you to read this 1997 North Coast Journal article titled "The New Majority" which can be found online at this link: <https://www.northcoastjournal.com/may97/5-97.cvrstry.html>

Sincerely and respectfully,

Your Auditor-Controller,

Karen Paz Domínguez
kpazdominguez@co.humboldt.ca.us

1st District Supervisor, Rex Bohn: rbohn@co.humboldt.ca.us
2nd District Supervisor, Michelle Bushnell: mbushnell@co.humboldt.ca.us
3rd District Supervisor, Mike Wilson: mike.wilson@co.humboldt.ca.us
4th District Supervisor, Virginia Bass: vbass@co.humboldt.ca.us
5th District Supervisor, Steve Madrone: smadrone@co.humboldt.ca.us