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12. REPORT ON THE CALAVERAS COUNTY MANAGEMENT REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2010

REASON FOR INVESTIGATION

Penal Code Section 925 states in part "...The Grand Jury shall investigate and report on the operations, accounts and records of the officers, departments or functions of the county...".

PROCEDURES

The Grand Jury reviewed the County of Calaveras Management Report for the Year Ended June 30, 2010, prepared by Gallina LLP Certified Public Accountants.

RESULTS OF INVESTIGATION

Gallina LLP conducted a review of the handling of receivables by the Calaveras County Probation Department. Receivable reports should indicate all amounts due including those delinquent (aged) in 30-day increments up to 180 days. This would enable management to identify delinquent accounts and make timely decisions about collection actions.

Gallina LLP recommended, "... the department investigate the ability to modify the software's receivable report to include the date of the original receivable and its aging or to filter the report so that accounts requiring attention are easily identified."

Following is a summary of the implementation status of Gallina LLP's comments and recommendations from prior year audits.

Recommendation

None

Response Requested

None

COUNTY OF CALAVERAS

Management Report – Current Year Comments and Recommendations For the Year June 30, 2010

PROBATION – Receivable Report

Criteria

Receivable reports should include aged listings of all amounts due. Reports should easily indicate accounts which are delinquent against agreed upon repayment terms and aged in 30 day increments up to 180 days. Such reports enable timely decisions by management about which collection actions should be pursued by department staff.

Condition

The Probation department uses specialized software to manage its caseload including its outstanding receivable balances. During our visit to the department we noted the receivable report printed on January 26, 2011 was 165 pages long and was limited to the following information:

- Case ID
- Name
- Original amount
- Balance left to pay
- Last payment amount
- Date of last payment

The department's receivable balance totaled \$3,977,078 and accounts shown on the report were not aged. The original date of the receivable was not indicated on the report. Nor did the report distinguish between accounts which are in good standing (i.e. current payments being made as agreed) or not in good standing (i.e. no payments made or late payments).

Cause

The report generated from the software does not include an aging feature. The report we examined did not filter accounts or group them based on the degree of compliance with payment terms.

Effect of Condition

Management cannot easily evaluate collectability of individual accounts or determine collection actions in response to delinquent accounts because the report is not aged or filtered to easily indicate those accounts which require attention.

COUNTY OF CALAVERAS

Management Report – Current Year Comments and Recommendations
For the Year June 30, 2010

PROBATION – Receivable Aging Report (continued)

Recommendation

We recommend the department investigate the ability to modify the software's receivable report to include the date of the original receivable and its aging or to filter the report so that accounts requiring attention are easily identified.

Management Response

Probation agrees with the finding and we are currently working with our vendor to correct the report and add the information recommended.

COUNTY OF CALAVERAS

Status of Prior Management Report Comments
As of June 30, 2010

Fiscal Year Ended June 30,	Recommendation	Status/Comment
ADMINISTRATION		
2005	<p><u>Construction-in-Process – Written Accounting Policies and Procedures</u></p> <p>We recommend that the County Administration along with the Auditor-Controller develop standard accounting policies and procedures for construction projects. Consideration should be given to making this an amendment to the County’s existing policy document concerning capital assets.</p>	Not Implemented
AUDITOR-CONTROLLER		
2006	<p><u>Financial Statement Preparation, Staffing and Turnover</u></p> <p>The County should examine and look for creative ways to recruit and retain qualified staff, including whether additional staffing is needed to manage the workload commensurate with increases in the volume of transactions managed by the department. We recommend that the County review its processes to determine whether others in the department can be cross trained to assist in the preparation of the financial report.</p>	Not Implemented. Budgetary constraints prohibit adding additional staffing resources
2008	<p><u>Timeliness of the Annual Financial Report</u></p> <p>We recommend hiring additional accounting staff so that those responsible for financial reporting will have more available time.</p>	Not implemented. Budgetary constraints prohibit adding additional staffing resources
PLANNING		
2003	<p><u>Trust Accounts</u></p> <p>We recommend that trust funds be reconciled at least monthly to the Auditor-Controller’s records.</p>	Ongoing efforts being made to resolve unidentified variances

**13. CALAVERAS COUNTY BEHAVIORAL HEALTH SERVICES
SUBSTANCE ABUSE PROGRAM (SAP)
CALAVERAS WORKS AND HUMAN SERVICES AGENCY
CHILD PROTECTIVE SERVICES PROGRAM (CPS)**

REASON FOR INVESTIGATION

The Grand Jury received a citizen complaint regarding the Calaveras County Substance Abuse Program (SAP) for allegedly: 1) releasing confidential information without consent, 2) changing or applying contradictory standards during treatment and 3) failure to comply with written policies and procedures. It was also alleged that staff failed to provide these documents to a participant when requested. Calaveras Works and Human Services Agency, Child Protective Services Program (CPS) staff was also cited in the complaint for the breach of confidentiality.

PROCEDURES

The Grand Jury interviewed the following:

- Director of Behavioral Health Services
- Director of CPS
- CPS Social Services Worker

The Grand Jury reviewed the following documents:

Substance Abuse Program

- Organizational Chart
- Mission Statement
- Statement of Philosophy and Purpose
- Program Description
 - Intensive Outpatient Program
 - Primary Intervention Program
 - Drug Court Program
- Statement of Program Objectives
- Program Participant Admission Agreement
- Dress Code
- What is Considered A Positive Test
- Individual and Group Sessions
- Table of Administrative Organization
- Policy and Procedure: Informing Clients of Their Rights
- Client Complaint Policy and Procedure
- Physician Permission to Coordinate Treatment
- Participant Permission to Coordinate Treatment
- Participant Use of Prescribed Medication
- Residential Treatment Placement
- Substance Abuse and DUI Intake Packets
- 42 CFR (Code of Federal Regulations) Part 2-Confidentiality of Alcohol and Drug Abuse Patient Records

Child Protective Services

- California-DSS-Manual-CWS, Manual Letter No. CWS-93-01, Issued 7/1/93, Child Welfare Services Program

- Your Rights Under California Welfare Programs
- A Parent's Guide, Orientation to CPS
- Calaveras Works and Human Services Agency, Children's Services, Policy and Procedures

BACKGROUND

SUBSTANCE ABUSE PROGRAM

The mission of this program is to address the comprehensive needs of chemically dependent individuals and their families with education, treatment, and support through group and individual counseling, educational seminars, life skills training, relapse prevention, drug testing, and aftercare planning. Treatment is offered through a variety of programs such as Intensive Outpatient, Driving Under the Influence, and Substance Abuse Education. The instruction is conducted and overseen by professional and paraprofessional staff trained in the human behavior fields. Participants enter the programs as self-referrals, court-mandated adults and youth, or dual-diagnosed clients.

All of the individuals entering the program begin with an orientation in which a technician sits down with the client to describe the program, to discuss their rights and responsibilities, and to complete an extensive intake packet that includes release of information forms, a complaint/grievance form, permission to photograph, tracking sheets, and a personal history regarding drug and alcohol usage, mental and physical health status, arrests or convictions, children, spouses, abuse, and other violence issues. Most of the forms include information on confidentiality that each applicant signs or initials but the release of all information is limited by the standards set forth in federal regulations (Part 2 of Title 42 CFR) and HIPAA (Health Insurance Portability and Accountability Act).

CHILD PROTECTIVE SERVICES PROGRAM

This agency is responsible for investigating confidential reports of suspected child abuse or neglect in the home to determine if a child's health or safety is at risk. Anyone from the public can contact CPS with a concern but some individuals such as day care custodians, health practitioners, photo processing workers, employees of child protection agencies and child visitation monitors are mandated to report suspected cases of abuse or neglect directly to CPS for investigation and intervention. Abuse or neglect occurring outside the home is generally handled by law enforcement as a criminal matter with CPS support in further investigation and placement. Children can be physically removed from the home for suspected abuse or neglect and placed in a foster home or with an approved caregiver such as a family member. Once the children have been removed from the home, parents can participate in a program for return of the children. CPS conducts an evaluation of the child's needs and makes referrals for social services, substance abuse treatment, parenting classes, transportation, bus passes, and domestic violence intervention.

Parents subject to CPS investigation are given a copy of a brochure called "Your Rights Under California Welfare Programs" and asked to sign a Universal Release of Information form. Because of the nature of their investigations, CPS does not fall under HIPAA regulations for release of medical information; however, they do protect medical information gathered in their cases. CPS workers must also report the results of the investigations to the mandated reporters of the abuse such as health practitioners.

RESULTS OF INVESTIGATION

Finding 1

The Grand Jury finds that Substance Abuse Program employees are governed by both the Code of Federal Regulations and HIPAA regarding the release of information and confidentiality. Both of these statutes impose stringent limitations on what types of information can be shared between agencies, with families, other professionals, or the public. Behavioral Health Services has an extensive application packet and protocols that are discussed and signed by each new participant. Orientation includes information on confidentiality, program rules, treatment expectations, release of information, and the process for filing a complaint. The policies and procedures utilized by this agency appear to be sufficient to protect client confidentiality.

The Grand Jury finds that Child Protective Services employees are required to investigate allegations of child abuse or neglect. As part of these investigations they may need to interview the children, neighbors, law enforcement personnel, health practitioners, teachers, and other interested parties. In their efforts to ascertain facts, ensure the safety and wellbeing of children, and to make effective referrals, they must deal with personal and delicate subjects on parenting, alcohol and drug use, as well as potential physical and mental abuse of the children involved. They also have an obligation to communicate investigation results to those alleging abuse as mandated reporters. Parents subject to investigation sign a Universal Release of Information form. The CPS staff interviewed appeared to be very professional and demonstrated a good understanding of confidentiality and the release of information during an investigation. CPS is developing a consumer brochure for the initial family visit to explain the process.

Recommendation

Both of these agencies deal with highly charged, emotional issues, fraught with difficult decisions and requiring an extraordinary effort by all parties involved. Confidentiality requirements, complaint or grievance procedures, and departmental policies should be included in all new employee orientation, reviewed annually, and staff should be monitored for compliance.

The new CPS consumer brochure, once developed, should also address the complaint procedure for parents concerned with privacy, discrimination, staff interaction, and other issues relevant to their case.

Response Requested

Director of Behavioral Health Services
Program Manager, Child Protective Services

Finding 2

The Grand Jury finds no evidence of partiality or inconsistency in either program and both agencies have specific prohibitions against discrimination of all types. The Substance Abuse Program has specific treatment protocol but admits that curriculum is designed to be flexible and can be tailored to meet individual needs. The written program rules and expectations include language to promote positive results, respect between staff and participants, and allow some flexibility for missed meetings, poor test outcomes, and other issues. Since CPS is generally an investigative body, there is no presumption of confidentiality.

Recommendation

None

Response Requested

None

Finding 3

The Grand Jury finds that SAP staff willingly and promptly provided copies of the program policies and procedures when requested. In addition, as part of the intake process and orientation, all program participants review and acknowledge with their signature an understanding of the Rules of the Program, the Complaint Policy and Procedure, and Client Rights.

Recommendation

Policies and procedures should continue to be provided to participants and the public in a timely manner.

Response Requested

Director of Behavioral Health Services

14. CALAVERAS WORKS AND HUMAN SERVICES AGENCY CALAVERAS COUNTY VETERANS SERVICES PROGRAM

REASON FOR INVESTIGATION

The Grand Jury received a citizen complaint regarding the Calaveras Works and Human Services Agency, Calaveras County Veterans Services Program (CCVSP) in response to the 2009-2010 Grand Jury report. The complaint alleges that while many veterans must regularly commute to Tuolumne County for health care, they do not hear about the services provided in Calaveras County. The trip to the adjacent county is burdensome or infeasible for some, and the location of the current CCVSP office in San Andreas at the Calaveras Works and Human Services Agency building discourages veteran access. The complainant is also concerned that the existing Veterans Services Officer (VSO) position is only funded as a part-time position.

PROCEDURES

The Grand Jury interviewed the following:

- Calaveras Works and Human Services Director
- Calaveras County Veterans Services Officer

The Grand Jury reviewed the following documents:

- State of California Department of Veterans Affairs Division of Veterans Services Semi-Annual Report 07/01/2009 to 12/31/2009
- Veterans Services Activity Reports for August, September and October 2010
- Calaveras County Veterans Services outreach poster and flyer
- Calaveras Works and Human Services Agency brochure, "Need Assistance? Don't Know where to Go? We Are Here to Assist You!"
- Copy of a Letter of Commendation, dated 2/24/2010, to Calaveras County Board of Supervisors from Roger Brautigan, Secretary, California Department of Veterans Affairs, regarding support and funding for local Veterans Services Office.

BACKGROUND

The CCVSP office was created to assist veterans, their dependents and the general public in obtaining federal, state and local benefits as well as advocacy in dealing with agencies and Veterans Affairs. The program is currently staffed with a half-time eligibility worker who offers benefit counseling, claim preparation, submission and follow-up, provides information, referrals and assists in the appeals process. Veteran benefits include compensation, survivors benefits, pensions, housebound/aid and attendance allowances, admission to the State Veterans Homes, requests for military records and decorations, benefit verification for other agencies, medical and dental benefits, vocational rehabilitation, home loan certification, educational benefits, life insurance and burial benefits.

RESULTS OF INVESTIGATION

The program gets referrals directly from veterans' organizations, social services agencies, and the individuals that contact the office. There are very few applicants who simply walk into the office. Benefit counseling is provided in one of the following methods: over the phone, by appointment during a one-on-one interview in the CCVSP office, at one of the outreach offices located throughout the county, in their homes, or in any community setting depending on client need and disability. The VSO has been given a flexible schedule to make appointments for the convenience of applicants; but community outreach has been

limited because evening meeting attendance requires overtime, day meetings take away from regularly scheduled duties, and weekend events impact personal obligations. A short explanation of the veterans program has been included in the Cal Works general information handout called "Need Assistance? Don't know where to go? We are here to assist you". The VSO has also developed a professional looking brochure and a flyer-sized placard that can be posted or used as a handout describing the program, benefits, and the office contact number.

Finding 1

During this investigation the VSO was very accessible by phone, returned calls in a timely manner, and appeared to be compassionately assisting and advocating for disadvantaged veterans needing benefits and services. Staff should also be commended for the attractive brochure and flyer developed to describe the program. While the program has proven beneficial to the individuals referred, it appears less visible to the veterans' community at large, as evidenced by the complaint. The VSO reports that the new flyers and brochures have been provided to the Veterans of Foreign Wars (VFW) posts and other veterans' organizations.

The VSO position is currently only funded as half time. The limited hours provide only enough time to answer phone calls and process benefit applications from veterans in the greatest need. Staff has begun to look for volunteers to hand out materials at public events.

Recommendation

The Grand Jury recommends staff routinely follow up with veterans' organizations on the posting and need for more materials. Flyers should be posted in other public locations frequented by potential applicants such as post offices, libraries, laundromats, churches, senior centers, in the entry windows of the government center, at the Veterans medical clinic in Sonoma and on community bulletin boards.

The VSO should work closely with veterans' organizations of the need for volunteers to hand out information and provide materials for use at parades, booths and other public events.

Response Requested

Director, Calaveras Works and Human Services Agency

Finding 2

A proposal was circulated to supply a van and driver that would transport veterans to the VA Clinic in Tuolumne County. A vanpool was scheduled to begin operation in the fall of 2010, but funding cuts have made the likelihood of a veterans' van uncertain.

Recommendation

The Grand Jury recommends the VSO continue to investigate volunteer transportation opportunities such as those provided by the Volunteer Center of Calaveras County, potential volunteers from the various veterans' posts, Calaveras Transit (discounted fare for seniors and the disabled program), and other agencies. The county should develop a list of potential volunteer resources and post the information on the Veterans' Services Website.

Response Requested

Director, Calaveras Works and Human Services Agency

Finding 3

In order to access the Veterans Services Office, applicants must enter through the lobby of the Calaveras Works and Human Services Agency. Immediately to the right of the entrance is a door leading to the reception area for Human Services. Because of the stigma of applying for social services rather than obtaining entitled benefits, many veterans are put off by approaching the Human Services counter. The VSO also reports that group meetings cannot be held in the building because of security and privacy concerns.

Recommendation

The Grand Jury recommends management install a sign inside the lobby directing veterans upstairs to the VSO's reception desk.

Response Requested

Director, Calaveras Works and Human Services Agency

Finding 4

Some counseling and support services are being extended to Calaveras County from the VA Clinic in Sonora. Clinic staff oversees a Post Traumatic Stress Disorder (PTSD) group three times per week in San Andreas, West Point, and Valley Springs.

Recommendation

The Grand Jury recommends management work with the Sonora VA Clinic to expand medical services within Calaveras County.

Response Requested

Director, Calaveras Works and Human Services Agency
County Administrative Officer
Board of Supervisors

Finding 5

Many of the issues associated with community outreach are hampered by the limited funding for this program. Cal Works has applied for a three-year grant to fund an additional full-time Veterans Services employee. At the time of the interview it was unclear what activities the new employee would undertake.

Recommendation

The Grand Jury recommends that a full-time employee be hired to not only process applications but also conduct a comprehensive outreach program.

Response Requested

Director, Calaveras Works and Human Services Agency

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15. CALAVERAS COUNTY IN-HOME SUPPORTIVE SERVICES PROGRAM

REASON FOR INVESTIGATION

A review was conducted pursuant to California Penal Code Section 925, which states in part "...investigations may be conducted on some selective basis each year ...". This year the Grand Jury selected the Calaveras County In-Home Supportive Services Program (IHSS) to determine the mission of this program, what type of services are being offered, who makes up the target population, and eligibility requirements.

PROCEDURES

The Grand Jury interviewed the following:

- Calaveras Works and Human Services Agency (CalWorks), Director
- CalWorks, Social Services Supervisor

The Grand Jury attended the following meetings:

- IHSS Advisory Committee monthly meeting

The Grand Jury reviewed the following documents and websites:

- In-Home Supportive Services Handbook, CalWorks
- Calaveras County In-Home Supportive Services webpage
- Sacramento County In-Home Supportive Services webpage

BACKGROUND

The IHSS program was transferred to the state and counties in 1974 after being part of a long- term care program through Social Security and the Federal government. California's IHSS program is now the largest in the United States. The program's mission is to provide long-term domestic and non-medical personal services in a cost-effective manner to aged, blind, or disabled persons in order to allow them to remain independent and at home.

In order to qualify for the program, a person must complete an application, provide identification, participate in a needs assessment, be receiving SSI/SSP benefits, have at least one personal care or paramedical service need, have a disability that is expected to last twelve months or longer, and be either 65 years old or older, blind, permanently disabled, or a disabled child. The Calaveras County IHSS is currently serving approximately 258 clients ranging from children to elderly adults. Most of the referrals are provided to the program by physicians, discharge planners from hospitals or skilled care facilities, as well as neighbors, social services, and financial institutions (help with check writing, bill paying, etc.). Staff provides outreach for the program by distributing brochures at local events, speaking for community organizations, and networking with other social services agencies.

The county has historically been staffed by five social workers who evaluate clients for IHSS, act as the public guardian, represent payees and act as SSI advocates. Currently, only four employees perform these tasks. The actual in-home services are conducted by 278 care providers paid by the State of California. Eighty to eighty-five percent of the providers are friends or family members but "independent providers" can also be hired by each "consumer" from an employee pool called the Public Authority. All providers including friends and family must attend an initial provider orientation training program and background screening. Providers are finger printed to ensure that they have not been convicted within the last 10 years of crimes involving elder abuse, child abuse, or medical

fraud. Approximately 125 cases are reviewed on paper each year as part of a quality assessment and 25 random home visits are conducted each year to ensure quality of care, need, and other issues.

Upon completion of the IHSS application each new applicant is assessed by a social worker to determine their need and eligibility for hours of service based on a functional index from one through five, with one requiring very little help and five requiring extensive assistance. Workers are allowed to provide domestic and some paramedical support services with IHSS approval. Domestic services include cooking, aid with dressing, transportation to medical appointments, shopping, errands, hair care, grooming, ambulation, laundry, assistance with medication, as well as occasional yard abatement and snow/ice removal. Examples of paramedical assistance include administration of insulin and wound care. Applicants ineligible due to financial status are referred to other agencies for assistance.

An IHSS Advisory Board was also established in 2003 to give voice to the needs and concerns of the participants and providers. The Board is made up of several consumers, a provider, a social worker, and community representatives.

RESULTS OF INVESTIGATION

The IHSS program provides a mechanism for blind, elderly, disabled, and disadvantaged participants who are unable to perform daily living activities or remain safely in their homes without assistance. This cost-effective program reduces out-of-home stays in hospitals, nursing homes, and other institutions as well as enhances the quality of life for participants. Need for the program in Calaveras County appears to be high; but in the past few years stricter eligibility requirements have forced some clients with modest incomes to be eliminated from the program. The reduction in staff from five to four social worker positions has resulted in the loss of a dedicated person to IHSS. It appears that current budget shortfalls may necessitate further reductions in service that could force some of these clients into the very situations that in-home care prevents.

Finding 1

IHSS accepts referrals from a number of agencies and is conducting outreach with social organizations.

Recommendation

Outreach should be extended to identify new sources of referral such as schools, church groups and law enforcement.

Response Requested

CalWorks, Social Services Supervisor

Finding 2

The IHSS Advisory Committee, designed to advocate for providers and consumers, meets monthly; but this organization appears to be so limited by participation and budget mandates that it does little to disseminate information or solicit need.

Recommendation

The IHSS Advisory Committee should investigate providing regular updates and information to consumers and providers. Training, newsletters and other announcements should be distributed to clients, providers, and families through an electronic database whenever possible to expedite release of information, reduce postage and handling, and save money.

Response Requested

Board of Supervisors
IHSS Advisory Board

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16. CALAVERAS COUNTY PUBLIC AUTHORITY

REASON FOR INVESTIGATION

The Grand Jury received a citizen's complaint regarding the Public Authority structure, quality of services and cost effectiveness of the present program.

PROCEDURES

The Grand Jury interviewed the Director of Public Authority.

The Grand Jury reviewed:

- Calaveras County Public Authority Budget 2010-2011
- Calaveras County Public Authority website
- Provider supplemental trainings 2008-2010

BACKGROUND

In 1999, Assembly Bill 1682 required that each county establish an "employer of record" for In-Home Supportive Services (IHSS) personnel. The Calaveras County IHSS Advisory Committee chose the option of establishing a Public Authority to operate as the "employer of record" and delivery method for In-Home Supportive Services.

Public Authority was established with the following goals:

- Provide consumer and provider voice in IHSS and Public Authority policy, program development and operations
- Advocate for IHSS improvements at the local, state and federal level
- Develop and manage IHSS provider registry
- Investigate qualifications and background of potential providers
- Establish a system for referral of providers to consumers
- Provide access to training and support for providers and consumers
- Create a mechanism for negotiating wages and benefits for providers by acting as an "employer of record" for Individual Provider mode workers
- Protect IHSS consumers' right to select, terminate, train and direct the work of any IHSS personnel providing services for them

RESULTS OF INVESTIGATION

Finding 1

The Grand Jury finds the Public Authority is accomplishing the basic goals.

Recommendation

None

Response Requested

None

Finding 2

The Public Authority final budget adopted for fiscal year 2010-2011 is \$395,927, which includes \$142,947 in salary and benefits to administer the program and \$25,718 for office rents and related expenses. The program office is located in the CalWorks building and staffed by a director and one clerical employee.

Recommendation

The Grand Jury recommends that the IHSS Advisory Committee explore whether the Public Authority continues to be an efficient and cost effective way to deliver services and training under the IHSS program.

Response Requested

IHSS Advisory Committee
Director, CalWorks
Board of Supervisors

Finding 3

Public Authority provides training to consumers and providers of In-Home Supportive Services. From 2008 to 2010, the Public Authority provided 21 classes in subjects such as First Aid/CPR, Stress Management, Nutrition and Cooking, Fall Prevention and Prescription Management, and Disaster Preparedness. The current budget provides approximately \$3,000 for both consumer and provider training.

Recommendation

The Grand Jury recommends that the Public Authority expand the number of classes offered, explore web-based training as a way to provide training to more consumers and providers in the county, and expand training topics to include current issues, public health and safety.

Response Requested

IHSS Advisory Committee
Public Authority Director

B. RESPONSES TO 2009-2010 GRAND JURY REPORT

The Grand Jury releases its final report at the end of its term. Most, if not all, of the responses are received after the new Grand Jury has been seated and these responses become its responsibility. Unlike many counties, the Calaveras County Grand Jury has five or six holdovers who return to assist the new Jury in the way the Grand Jury conducts business and aid in the analysis of the responses. To assure continuity, it is important to carefully track and evaluate responses.

Responses are tracked to inform the public, ensure follow up, promote solutions, and reduce the number of unresponsive answers. Public scrutiny of the responses can improve the impact of the Grand Jury's reports and recommendations as well as increase the credibility of the elected officials and department heads whose areas were investigated.

The new Grand Jury reviews the findings and recommendations of the prior year's Jury and the ensuing responses. When necessary, these responses are discussed with the appropriate standing committees for follow-up comments. If it is determined that more information is needed, Jury members may meet with the respondents to discuss specific responses.

The Grand Jury refers to the California Penal Code (CPC) for follow up, summarization, and analysis of the responses from the responding officials and departments. Pursuant to CPC §933 and §933.05 there are time limits for responses and each Finding and Recommendation may either require or request a response from the party addressed. Specifically worded responses are limited by the CPC. Responses may include additional information to clarify a specific response.

RESPONSE TIME LIMITS CPC §933 (c)

"...No later than 90 days after the Grand Jury submits a final report on the operations of any public agency subject to its reviewing authority, the governing body of the public agency shall comment to the presiding judge of the superior court on the findings and every elected county officer or agency head for which the grand jury has responsibility pursuant to §914.1 shall comment within 60 days to the presiding judge of the superior court, with an information copy sent to the board of supervisors, on the findings and recommendations pertaining to matters under the control of that county officer or agency head and any agency or agencies which that officer or agency head supervises or controls. In any city and county the mayor shall also comment on the findings and recommendations. All of these comments and reports shall forthwith be submitted to the presiding judge of the superior court who impaneled the grand jury. A copy of all responses to grand jury reports shall be placed on file with the clerk of the public agency and the office of the county clerk, or the mayor when applicable, and shall remain on file with the applicable grand jury final report by, and in the control of the currently impaneled grand jury, where it shall be maintained for a minimum of five years."

RESPONSE TO FINDINGS CPC §933.05 (a)

1. ***“The respondent agrees with the finding.”***
2. ***“The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reason therefore.”***

RESPONSE TO THE RECOMMENDATION CPC §933.05 (b)

1. ***“The recommendation has been implemented, with a summary regarding the implemented action.”***
2. ***“The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.”***
3. ***“The implementation requires further analysis, with an explanation and the scope and parameters of an analysis or study and a time frame for the matter to be prepared for discussion by the officer or head of the department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the grand jury report.”***
4. ***“The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation thereof.”***

R1. RESPONSES TO GRAND JURY REPORT 2009-2010 FROM THE BOARD OF SUPERVISORS (BOS), ASSESSMENT APPEALS BOARD (AAB), AND ACTING ASSESSOR REGARDING POLICY AND PROCEDURE FOR REASSESSING PROPERTY VALUES

REASON FOR INVESTIGATION

California Penal Code Section 925 states in part "...investigations may be conducted on some selective basis each year." This year the Grand Jury selected for review the Assessor's office policy and procedures for reassessing property values.

Finding 1

A property owner's reassessment request is due by November 30.

RESPONSE FROM CALAVERAS COUNTY ACTING ASSESSOR

The Acting Assessor responded: "I agree with the finding. However, I would like to clarify that the November 30 deadline refers to filing an assessment appeal (Application for Changed Assessment) which is different from a reassessment request."

Finding 2

The Grand Jury finds that if a property owner disagrees with the assessment decision, he has the right to an appeal hearing. The burden of proof is entirely on the property owner. In late 2009 the Board of Supervisors appointed an independent Assessment Appeals Board (AAB) to accelerate the review process. The AAB has, by law, up to two years to hear and decide an appeal. The Board of Supervisors was averaging 15 months for final resolutions; it is hoped the AAB will reduce the response time.

Recommendation

The AAB should make every effort to facilitate these appeal hearings in a timely manner.

RESPONSE FROM CALAVERAS COUNTY BOARD OF SUPERVISORS

The BOS responded: "The Board of Supervisors disagrees with the finding regarding the burden of proof, agrees with the balance of the Grand Jury's finding and the recommendation has been implemented. The Board Clerk is scheduling monthly Assessment Appeals Board hearings in coordination with the Assessors Office which has reduced the backlog and review response time."

RESPONSE FROM CALAVERAS COUNTY ASSESSMENT APPEALS BOARD

The AAB responded: "The Assessment Appeals Board partially disagrees with Finding 2. The burden of proof in the assessment hearing is not always on the property owner. The party having the burden of proof is dependent on various factors. ..."

RESPONSE FROM CALAVERAS COUNTY ACTING ASSESSOR

The Acting Assessor responded: "I disagree partially with the finding. The burden of proof is dependent on a number of factors including the reason for the appeal and the property type.

"The recommendation has been implemented. Following appointment of the Assessment Appeals Board (AAB), the Assessor's Office has been working with the Clerk of the Board to schedule hearings so that the backlog is reduced without impacting the Assessor's Office

staff. The AAB is now hearing applications that were filed eight months ago, an improvement over the 15 month delay that was previously experienced.”

Finding 3

The Assessor’s Office has 14 full-time employees and one part-time employee. The workload can be handled with existing staff until the housing market recovers. Staff is also charged with assessing all new construction and resale of county property in addition to Proposition 8 reassessments.

In 2009, the Assessor’s Office reviewed 15,906 parcels of which 9,986 were reduced. The Grand Jury finds that the financial impact to the County revenue for 2009 was a reduction to the assessed valuation of approximately \$75,000,000. This would result in a potential reduction to 2009 County revenue of approximately \$792,000.

RESPONSE FROM THE CALAVERAS COUNTY ACTING ASSESSOR

The Acting Assessor partially disagrees with the Finding 3 and responded: “I do not have a copy of the document where the Grand Jury shows a reduction of the \$75 million due to declines in value. I believe the figure is much higher than that. Also, the county’s share of the property tax dollar is roughly 17.5%. If the \$75 million figure is correct, the reduction to the **county** revenue is closer to \$131,250.”

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that all responses are adequate.

R2. RESPONSES TO GRAND JURY REPORT 2009-2010 FROM THE BOARD OF SUPERVISORS (BOS) AND SHERIFF REGARDING COUNTY ANIMAL SHELTER

REASON FOR INVESTIGATION

California Penal Code Section 925 states in part "...investigations may be conducted on some selective basis each year." The Grand Jury continues to assess the condition of the facility, animal health and welfare, safety, and overall operation of the animal shelter.

Finding 1

The Grand Jury noticed that all kennels and pens were clean and well organized. The building was maintained in good appearance. The additional kennels and new construction provide much-needed additional space until a new shelter is built.

Recommendation

The Grand Jury continues to recommend that the Board of Supervisors implement the previously approved plans for a new animal shelter with a specific time line. The Board of Supervisors should allocate the necessary funding to proceed with the project.

RESPONSE FROM THE CALAVERAS COUNTY BOARD OF SUPERVISORS

The BOS responded: "The Board of Supervisors agrees with the finding but disagrees with the recommendation as it is not economically feasible. The Board can not commit to financing a new animal shelter within a specific time line due to continued economic uncertainty and insufficient funds. ...The Board has committed to finding a suitable location for a future animal shelter and is working with the Calaveras County Humane Society and other interested parties in support of raising funds for a future building."

RESPONSE FROM THE SHERIFF

The Sheriff's Office agrees with the finding. They are, along with the County Administrative Office and other representatives, in the process of identifying a location to build a new shelter. Upon receipt of a commitment of funding, the Sheriff is prepared to assign all available resources to the project.

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that all responses are adequate.

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R3. RESPONSE TO GRAND JURY REPORT 2009-2010 FROM SHERIFF REGARDING CALAVERAS COUNTY JAIL

REASON FOR INVESTIGATION

In accordance with California Penal Code Section 919 (b), the Grand Jury shall visit and inspect the condition and management of public prisons within the County of Calaveras.

Finding 1, 2, 3

No recommendations/ No responses required.

Finding 4

The Grand Jury inquired about the process for handling inmates' money, both at the time of arrest and for money received by inmates while they are in custody. Currently, the Sheriff maintains a cash account for each inmate. During each shift, the on-duty Deputy counts the cash and balances each account so that the appropriate amount of money can be returned to each inmate upon release. The Grand Jury was informed by the Sheriff's Department that it had researched a program that provides inmate debit accounts through a commercial bank, a suggestion made by the 2008-2009 Grand Jury, but the idea had not been supported by the Auditor-Controller's office.

Comment

The Grand Jury met with the County Auditor-Controller who agreed that an inmate debit account program was possible but that there were questions as to the operation of such a program and the computer software that would be required.

The Grand Jury also met with the County Undersheriff who supports the inmate debit account program. The Grand Jury was given an overview of a company that specializes in such programs for jails throughout the nation and a presentation was arranged for representatives of the Sheriff's Department, the County Auditor-Controller's Office and the Grand Jury.

The activation of such a program is a no-cost item to the County, with operation and maintenance provided by the vendor. Both the Sheriff's Department and the Auditor-Controller appear to be in favor of the program. Increased efficiency of jail staff may also result.

Recommendation

The Grand Jury recommends that the Sheriff and County-Auditor initiate the inmate debit account program.

RESPONSE FROM SHERIFF

The Sheriff's Office agrees with the finding of the Grand Jury and has entered into an agreement with its current commissary vendor for an inmate banking program using a debit card system. The Board of Supervisors passed a Minute Order on July 13, 2010, authorizing a local bank to be used in conjunction with the inmate banking program. This will eliminate the need for Correctional staff to handle cash at the time of booking, release, filling commissary orders, and family/friend deposits into an inmate's commissary account. The contract took effect on July 01, 2010, for a three year period, expiring June 30, 2013. This banking and kiosk program will have no additional cost to the county; the Sheriff's

Office anticipates the two inmate commissary kiosks, which will be located in the front lobby and booking counter, will be delivered and become operational within the next six weeks.

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that all responses are adequate.

R4. RESPONSES TO GRAND JURY REPORT 2009-2010 FROM CALAVERAS UNIFIED SCHOOL DISTRICT (CUSD), CALAVERAS UNIFIED SCHOOL DISTRICT BOARD OF TRUSTEES, BRET HARTE UNION HIGH SCHOOL DISTRICT (BHUSD), MARK TWAIN UNION ELEMENTARY SCHOOL DISTRICT (MTSD), MARK TWAIN UNION ELEMENTARY SCHOOL DISTRICT BOARD OF TRUSTEES, THE BOARD OF SUPERVISORS (BOS), THE COUNTY ADMINISTRATIVE OFFICER (CAO) AND THE DIRECTOR OF HUMAN RESOURCES REGARDING THE BUDGET REDUCTION PROCESS OF COUNTY SCHOOL DISTRICTS AND COUNTY OPERATIONS

REASON FOR INVESTIGATION

Penal Code Section 925 states in part "...investigations may be conducted on some selective basis each year." The Grand Jury decided to address the effects of the current financial crisis on County government and school districts with regard to their abilities to provide services.

NOTE

The Grand Jury during this investigation was concerned that the State of California allows a disparity in per-student educational funding between school districts. It seems discriminatory that certain districts receive between \$8,000 and \$9,000 per student each year while others receive less than \$5,000 determined by a student's geographic location within the County. Previous court rulings have directed the State to close this funding gap; however, it is clear that this promise of parity has not materialized.

Finding

Budgetary woes continue to plague local agencies that depend on direct tax support for their operations. Next year the County government and all County school districts will be making program and/or service reductions in order to balance their budgets. These reductions will not only change levels of service to our citizens, they will also result in the loss of jobs through layoffs or not filling vacant positions. This will further exacerbate an already dismal unemployment picture in the County.

The reasons for these budget reductions and corresponding service cuts are many in number and include:

- reductions in State support as California wrestles with its budget shortfall
- lowered assessed values of local properties which has reduced property tax revenues from these properties
- inability of the County to implement the annual allowed 2% tax increase to properties as the CPI did not increase enough to permit this increase under Proposition 13 regulations. In fact, since the CPI was negative this past year, properties will be reassessed downward producing a 7% to 10% savings to property owners and a further gap in agencies' funding.
- Many agencies received federal Stimulus dollars that had allowed them to stave off immediate budget cuts and save programs and jobs. These funds were issued on a one-time basis and have essentially been exhausted as they were used to fund ongoing expenses.

The BOS and County management as well as the Boards of Trustees and administrators of the school districts must make difficult decisions as budgets for the 2010-2011 fiscal year are developed. Budget reductions must be made. County residents will not receive the

same service levels as in the past from County agencies, and children and parents of school districts will see educational and co-curricular program cuts as well as increased class sizes.

The Grand Jury commends agencies that have developed strategic plans, such as County government, or that have identified core values or budget priorities as many of the school districts have, to guide them in their budget development.

Recommendation 1

The Grand Jury recommends that the CUSD Board of Trustees continue to examine the viability of small schools where per-student costs exceed the per-student allocation of under \$5,200 per-student.

RESPONSE FROM CALAVERAS UNIFIED SCHOOL DISTRICT BOARD OF TRUSTEES

The CUSD Board of Trustees agrees with the recommendation and is moving toward closing one of its small schools.

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that the response is adequate.

Recommendation 2

The Grand Jury recommends that CUSD work to eliminate budget deficits in programs such as after-school childcare, food service, and preschool programs that create an encroachment on the general instructional budget.

RESPONSE FROM CALAVERAS UNIFIED SCHOOL DISTRICT BOARD OF TRUSTEES

The CUSD Board of Trustees agrees with the recommendation, and they will continue to analyze and make adjustments to contain costs in the programs cited.

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that the response is adequate.

Recommendation 3

The Grand Jury recommends that the CUSD Administration carefully consider the equity of implementing a home-to-school transportation fee in an environment where the district's transportation department operates within its state budget allocation.

RESPONSE FROM CALAVERAS UNIFIED SCHOOL DISTRICT

The CUSD agrees with the recommendation and is taking into consideration the equity element, as well as other potential areas of impact, should they move in that direction.

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that the response is adequate.

Recommendation 4

The Grand Jury recommends that the CUSD Board of Trustees and Administration carefully define in District policy and implement the legally-defined eligibility requirements for students to qualify for special education transportation.

RESPONSE FROM CALAVERAS UNIFIED SCHOOL DISTRICT AND BOARD OF TRUSTEES

The CUSD and the CUSD Board of Trustees agree with the recommendation, and are working on drafting and implementing revised eligibility criteria and processes.

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that the response is adequate.

Recommendation 5

The Grand Jury recommends that the (BHUHSD) Board of Trustees use its recently identified core values as a guide to budget cuts and personnel reductions.

RESPONSE FROM BRET HARTE UNION HIGH SCHOOL DISTRICT

The BHUHSD agrees with the recommendation, and will schedule a study session in the month of August to develop their Core Values.

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that the response is adequate.

Recommendation 6

The Grand Jury recommends that the MTSD Board of Trustees, staff and community refrain from using comparisons to other districts in budget development due to differences in funding types and levels.

RESPONSE FROM MARK TWAIN UNION ELEMENTARY SCHOOL DISTRICT

The MTSD partially disagrees with the recommendation. Although the District does not intentionally compare their funding levels with those of other districts, comparisons are necessary when asked by community and staff why other districts can afford what they cannot. The discrepancy in funding, along with a dire economy, has resulted in their having to explain the differences more so than in the past; and they feel they owe it to both the community and staff to respond as honestly as possible.

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that the response is adequate.

Recommendation 7

The Grand Jury recommends that the BOS use its new Strategic Plan to guide budgetary decisions as opposed to listening to the most vocal constituents during these difficult financial times.

Recommendation 8

The Grand Jury recommends that the BOS not rely on balancing the entire County budget through layoffs and concessions from bargaining units. Conversely, local bargaining units must be willing to make some concessions, such as paying an increased amount of the California Public Employees' Retirement System contributions. This shared sacrifice model will provide true public service to the residents of the County.

RESPONSE FROM THE BOARD OF SUPERVISORS

The BOS responded, "The Board of Supervisors agrees with the finding and partially disagrees with Recommendations 7 and 8. The Board disagrees with some of the recommendations because they seem to imply that the Board makes decisions to balance

the county budget based only on hearing from the most vocal of constituents and on layoffs and concessions from bargaining units. In fact, the Board has utilized a plethora of budget reduction strategies, inclusive of non-personnel reductions and personnel reductions, to balance the budget. The Board utilizes its stated vision, mission, values and budget principles to guide its budgetary decision-making as well as shape county policy. Given the depth and breadth of budget cuts over the past three years, the Board agrees that routine service delivery is seriously challenged and that routine ways of conducting business may change. Developing the County's capacity to use new technologies to deliver public services requires staffing, analysis and funding for program implementation. For the past several years, the shared governance model has been implemented. Local bargaining units and the Board have negotiated in good faith to reach agreements necessary to balance the budget and stabilize the county's financial foundation. The Board supports and acknowledges the importance of a shared governance model with its employees in an effort to prevent additional job loss, unemployment and disruption for county residents and their families."

RESPONSE FROM THE COUNTY ADMINISTRATIVE OFFICER

The CAO responded, "The County Administrative Officer agrees with Finding 1 yet partially disagrees with Recommendation 8 in that it implies that the Board of Supervisors has relied entirely upon layoffs and concessions to balance the county's budget deficit. As a point of clarification, the Board of Supervisors (BOS) made significant reductions in non-personnel costs in addition to personnel related cost reductions in an effort to balance the budget and save jobs. The magnitude and depth of the nation's economic decline and slow recovery impacts the amount of state and local revenue available for local public services. A shared sacrifice model has been in place for the past year as local bargaining units negotiated in good faith and agreed to concessions in an effort to reduce employee layoffs and expenditures as necessary to stabilize the county's finances. The County Administrator agrees that shared sacrifices between management and labor is not only a preferred model but financially necessary in order for the County to reduce fiscal uncertainties and continue to provide public services to its residents."

RESPONSE FROM THE DIRECTOR OF HUMAN RESOURCES

The Director of Human Resources responded in part ... "In response to the Grand Jury's recommendation, it is agreed that local bargaining units, while not the total solution, can assist during these difficult fiscal times by making concessions to aid resolving the budget deficit.

"The County has progressively been reducing expenses by streamlining operations, implementing technology improvements, delaying infrastructure projects, and reducing or eliminating services. Solutions utilized by the County to control costs have been Voluntary Time Off, Retirement Incentive, not refilling and/or deleting vacant positions, and layoffs.

"Changes to wages, health care and pension/retirement benefits are a mandatory subject of bargaining pursuant to collective bargaining laws. The County has made it a priority to reduce employee costs and will continue implementation efforts subject to applicable statutes governing collective bargaining.

"The County has been in the process over the last three years and will continue to negotiate, approve and implement considerable cost containment measures so that employee financial obligations are sustainable."

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that all responses are adequate; however, the County should recognize that the employee sacrifices being made to resolve the current budget shortfalls should be considered a temporary and not a permanent solution.

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R5. RESPONSE TO GRAND JURY REPORT 2009-2010 REGARDING COUNTY OF CALAVERAS SCHOOL DISTRICTS

REASON FOR INVESTIGATION

Penal Code Section 925 states in part "...investigations may be conducted on some selective basis each year." This year the Grand Jury selected the Calaveras County school districts' emergency policies and procedures.

Finding 1

All school districts have sufficient emergency policies and procedures in place that are supported by continuous updating and regular training. In addition, the County Office of Education, with the use of Readiness and Emergency Management for Schools (REMS) grant money, is coordinating with the County Office of Emergency Services, the Calaveras County Sheriff's Office and local fire officials to improve and standardize the emergency plans and procedures for all school districts throughout the County.

Finding 2

Safety equipment for all school districts in Calaveras County is inspected and repaired in a timely manner.

Response Requested

None

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**R6. RESPONSE TO GRAND JURY REPORT 2009-2010 REGARDING FOOTHILL
FIRE PROTECTION DISTRICT**

REASON FOR INVESTIGATION

The Grand Jury received a citizen complaint regarding the Foothill Fire Protection District Auxiliary operating as a political action group and not being registered with the State of California Fair Political Practices Commission. It also alleged that employee spouses were in charge of the Auxiliary.

RESULTS OF INVESTIGATION

Finding 1

The Grand Jury finds that the Auxiliary, as an organization, was not involved in the campaign process. There were members of the Auxiliary who were involved in the campaign process, but they did so as individuals and not as representatives of the Auxiliary.

Finding 2

The Grand Jury finds that the employees' spouses were not in charge of, or even members of, the Auxiliary.

Response Requested

None

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R7. RESPONSES TO GRAND JURY REPORT 2009-2010 FROM CALAVERAS COUNTY ADMINISTRATIVE OFFICER, LAFCO EXECUTIVE OFFICER, AND LAFCO COMMISSIONERS REGARDING CALAVERAS COUNTY LOCAL AREA FORMATION COMMISSION

REASON FOR INVESTIGATION

California Penal Code Section 925 states in part "...investigations may be conducted on some selective basis each year." This year the Grand Jury selected the Local Area Formation Commission (LAFCO) for review.

Finding 1

In conducting its State-mandated business involving annexation and boundary changes of various types, service area diagrams, and other maps prepared and maintained by the County are affected. For example, it was noted that delays from the time a boundary change involving an annexation is approved by the LAFCO to the time a revised map comes back from the State to the County Technology Services Department (IT), as much as a year might have passed. In the meantime, taxes and elections may have been affected by the changes. Other County offices use the County's IT maps in conducting their work. Taxes can be retroactively adjusted through extra work, but elections may have come and gone.

Recommendation

The Grand Jury recommends that the LAFCO, the County Administrative Officer, and the Director of IT meet to discuss the impacts to County residents of the timing problem and seek a solution.

RESPONSE OF CALAVERAS LOCAL AGENCY FORMATION COMMISSION

The California State Board of Equalization (BOE) assigns Tax Rate Areas (TRA) based on the changes made by each organization. The TRA changes should not create a problem for the Assessor because the LAFCO changes of organization become effective for property tax purposes on a specific lien date and are placed on the following year's assessment roll. Typically, the Assessor and Auditor work together to ensure that the BOE does not assign a new TRA when one already exists with the same district configuration. The LAFCO Executive Officer, the Assessor, Auditor, Clerk, Elections Clerk, and Technology Services meet at least one time annually to review and coordinate efforts.

LAFCO staff will meet with the County Administrative Officer and the Technology Services Director to ensure that everyone understands these issues so that discrepancies in the election process and other county/district matters are resolved in a timely manner.

RESPONSE OF CALAVERAS ADMINISTRATIVE OFFICER

The County Administrative Officer partially disagrees with the findings as stated. The LAFCO's actions affect service area diagrams and other maps but the State's delays in sending the County approved revised maps do not affect taxes or elections. The County Assessor's Office, not the Technology Services Department, is responsible for maintaining the TRA's which become effective on the following lien date for property tax purposes. Thus, there should not be a problem with TRA changes affecting taxes because they are completed before the Assessor completes the annual assessment roll each year.

The County Administrative Officer disagrees that elections are impacted by the State's delays in sending the county revised maps. The County's Registrar of Voters and Elections Department staff is notified when LAFCO has taken an action which changes boundaries

and IT staff is able to make changes to county maps from which voter precinct information is derived for election purposes.

LAFCO staff, the County Administrative Officer, and the Director of IT have agreed to meet within the next few months to discuss the impact of State's delays upon various parties. Since the Assessor, Auditor-Controller, Clerk-Recorder/Elections Official and LAFCO staff meet periodically to share information and improve coordination among the entities, the concerns raised by the Grand Jury will be added to the next meeting agenda to be discussed with all parties involved.

Finding 2

It is noted that Commissioners serving on the LAFCO find themselves making decisions and recommendations on issues – for example, a specific type of special district service – while having little knowledge of the regulatory and legal issues governing, and perhaps limiting, the operation and delivery of that service to the public. The Executive Officer's experience is therefore critical in educating the Commissioners to assure public policy issues are properly addressed.

Recommendation

The Grand Jury recommends that prior to taking an action on a given type of service, the Executive Officer provide Commissioners with some background on the governing regulations/codes affecting the operation and delivery of the specific service.

RESPONSE OF CALAVERAS LOCAL AGENCY FORMATION COMMISSION

There are about 40-50 distinct principal acts, which may be used to form and operate a specific special district. The Commissioners are not expected to memorize the content of the principal acts. After research on a particular subject, the Executive Officer explains the relevant information and background in an Executive Officer's report. The Commission is charged with reviewing the report and making an informed decision.

Finding 3

While attending the LAFCO meetings, it was observed that Commissioners questioned previous steps and procedures undertaken by the agencies before them. Municipal Services Reviews provide one opportunity for remarking on operational deficiencies of those agencies.

Recommendation

The Grand Jury recommends that the Commissioners formulate for the Executive Officer the level of background information and procedural validation they expect to see prior to their deliberations. Simultaneously, the Grand Jury recommends that the Executive Officer guide the Commissioners on their responsibilities relative to the agencies coming before them.

RESPONSE OF CALAVERAS LOCAL AGENCY FORMATION COMMISSION

The level of background information will vary depending upon the type of change requested and other factors brought before the Commission in the review of a specific proposal. The LAFCO staff report is formatted so there is a background discussion and an analysis of factors required in Government Code Section 56668 and relevant Calaveras LAFCO policies.

Finding 4

Related to Finding 3, it was noted that a number of scheduled LAFCO meetings over the 2008-2010 period were ultimately cancelled due to lack of applications or other formal items for the Commissioners to deliberate.

Recommendation

The Grand Jury recommends that rather than canceling meetings, they be used for informational and educational purposes.

RESPONSE OF CALAVERAS LOCAL AGENCY FORMATION COMMISSION

Workshops prior to scheduled public hearings on specific matters before the Commission normally occur. It is the role of staff to provide any relevant background information so the Commission can sit in its Legislative capacity. Training on LAFCO related matters is included in the LAFCO budget and is available to LAFCO staff. It is not uncommon meeting agendas will contain educational items such as new legislation or a given procedure change as a result of litigation.

Finding 5

The LAFCO has committed itself to completing certain studies. For example, in its last Municipal Services Review summary report on sewer services, the LAFCO specified studies relating to possible integration of certain services would be undertaken. In addition, in that same report the LAFCO required specific agencies to complete specified activities of their own.

Recommendation

The Grand Jury recommends that a table of study/report and other commitments be prepared and placed on the LAFCO website and available at its meetings. It is also recommended that the LAFCO prepare its own goals and objectives each year which could include responses to the Commission's study commitments. The Grand Jury further recommends that the LAFCO report to the public its accomplishments relative to the Commission's goals and objectives.

RESPONSE OF CALAVERAS LOCAL AGENCY FORMATION COMMISSION

LAFCO prepares an annual work plan for its March or April meeting. The work plan shows work to be completed as well as projects to be initiated, continued or completed. This work plan is posted on the LAFCO website along with all the completed reports and studies.

Finding 6

Many areas within the County are undergoing a lengthy planning process to update the County's General Plan. The LAFCO will have a significant say in whether a community's plans can move forward. The Grand Jury asks whether providing insight to these communities in advance of or concurrent with local residents making significant plans is not wiser than waiting for local planning to be rejected or significantly delayed during the LAFCO application stage. It is possible local planning recommendations cannot be implemented under current or projected service area capabilities and boundaries approved by the LAFCO.

Recommendation

The Grand Jury recommends that the greatest benefit to the County would result if the LAFCO were to become a partner in the local planning process at the very earliest stages.

RESPONSE OF CALAVERAS LOCAL AGENCY FORMATION COMMISSION

The LAFCO responded, "LAFCO agrees that it should become a partner in the local planning process during the early stages of a project or plan. Coordination between the County and LAFCO needs to occur. LAFCO has not yet been invited as a partner even though LAFCO has a significant role in the provision of services in unincorporated areas. The Commission determines how much to involve LAFCO staff with the City and County Land Use Planning Efforts. At a minimum, as required by state law, the County should forward LAFCO copies of draft General Plan Documents and Environmental Documents and LAFCO should comment."

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that all responses are adequate.

R8. RESPONSE TO GRAND JURY REPORT 2009-2010 FROM CALAVERAS WORKS AND HUMAN SERVICES AGENCY AND COUNTY ADMINISTRATIVE OFFICER (CAO) REGARDING CALAVERAS COUNTY VETERANS SERVICES

REASON FOR INVESTIGATION

The Grand Jury pursuant to California Penal Code Section 925 which states in part "... investigations may be conducted on some selective basis each year." This year the Grand Jury selected the Calaveras County Veterans Service Program (CCVSP). In light of the number of military service personnel, the committee has chosen to investigate CCVSP to determine the scope of its activity, identify the population served, and to evaluate whether or not the program is effectively serving the veterans of Calaveras County.

Finding 1

The veteran populations in the adjoining counties of Amador and Tuolumne are similar in number to those of Calaveras. With two full-time employees, Tuolumne County processed 679 applications for services in 2008-2009 for a population of 7,200, while Calaveras, with one part-time employee, processed 149 applications for a veteran population of almost 6,000. Far fewer applications are processed here compared to a neighboring county with a similar veteran population. While the State pays approximately 80% of the wage for the allocated County VSO position, it is not evident whether 80% of the employee's time is allocated to VSO duties. Improving visibility and outreach would utilize additional hours while serving more veterans, thus expanding services rather than reducing subsequent annual income from the State. The County is requesting only 60% of this year's allocation, presumably anticipating a reduction in claims, with an accompanying reduction rather than an increase in employee hours dedicated to veterans affairs.

Although the VSO for Calaveras County is housed in the Human Services Agency in San Andreas, this employee is scheduled by appointment at various community medical clinics to provide veterans eligibility services. Inquiries by phone are answered by a Human Services representative and forwarded directly to the VSO or to an answering machine in the VSO's program office. Conversations with some members of one VFW post revealed that while these members knew that the County employs a VSO, they did not know where or how to obtain veterans services in the County. Several of the reception workers in medical clinics, when contacted by phone, were unaware of the CCVSP and unable to provide referrals to the VSO. Management from Palo Alto Veterans Health Services reported that regular video conferences provide training and networking opportunities to veterans staff but they have never had contact with the Calaveras County VSO. An interview with the veterans services representative in Tuolumne County also revealed that many eligible veterans from Calaveras County report that they contact or present themselves to the Tuolumne County office because of its set hours, the accessibility to full-time staff, and its non-affiliation with the welfare system. The combined position can be seen to make good use of the State funds and encourages the employment of workers with a broader knowledge of the many services available from Federal, State, and local programs. However, the limited visibility of the veterans services program and its office location within the Human Services Department hamper referrals and discourage applicants, thus reducing State income to Calaveras County.

Recommendation

The Grand Jury recommends that the VSO implement a more visible presence in the community, regularly attend program-related meetings in Sonora, visit veterans posts, and

conduct outreach at public events where veterans or Human Services activities are spotlighted. The VSO should be equipped with a County-provided mobile communication device to pick up messages and answer questions while working at offsite locations. Human Services staff in San Andreas should be provided with the VSO's mobile number and daily work schedule so that the public can receive responses from the VSO in a timely manner. The message on the office answering machine should also be programmed daily to provide the VSO's mobile number and daily work schedule.

RESPONSE FROM DIRECTOR OF CALWORKS AND HUMAN SERVICES AGENCY

The Director agrees with the finding to increase services for veterans residing in Calaveras County but disagrees with the reimbursement and requested allocation percentages stated in the Grand Jury's Final Report.

The Director also disagrees with the Grand Jury's recommendation that the VSO maintain a more visible presence in the community. Veterans have the option of choosing any VSO office for their services. Although the Department has reduced its staff by 28% over the last three years, it has maintained and increased its overall service to veterans. Video conferences offered by Palo Alto Veterans Health Services are available but the notifications have not been timely and have thus far conflicted with the VSO's schedule. The Department has a phone system that allows employees to pick up messages from any location and provides mobile phones for staff use in the field. The Department is obtaining posters with the County VSO contact information to be placed in VFW's and other appropriate sites.

RESPONSE FROM THE COUNTY ADMINISTRATIVE OFFICER

The CAO partially disagrees with the finding and the recommendation because it appears to be based on an inaccurate understanding of the state's methodology for the allocation and reimbursement of funding. The Department is attempting to maximize its funding by seeking other federal and state funding resources. While the CAO is supportive of increasing services to veterans, state and local budget deficits prohibit expansion of services and staff visibility at this time.

The VSO has been given the capacity to check phone messages while in the field. The CAO and Department Director agree that it is reasonable to return phone calls within a day and have reviewed with staff the Department's policy regarding timeliness of response. The Department has begun to implement a review of the Veterans Services Program's outreach material. At the suggestion of the Grand Jury, the Department is increasing its dissemination of informational materials throughout the county.

Finding 2

County veterans have access to a new primary care clinic in Sonora, however many are not able to utilize the services because they have no transportation. The Sonora facility also provides a free shuttle to Palo Alto and Livermore Medical facilities for those who can leave from Sonora. Volunteer transportation to participate in Sonora's program is available in the County through the Volunteer Center in San Andreas.

Recommendation

In conjunction with Sonora administrators, the VSO needs to develop a plan to transport eligible veterans to Sonora for services and shuttle transport to other facilities within the VA regional system.

RESPONSE FROM DIRECTOR OF CALWORKS AND HUMAN SERVICES AGENCY

The Director partially agrees with Finding 2. Transportation for needy veterans would be ideal but the Department lost its agency transporters several years ago due to budget cuts. The County is presently pursuing discussions with Veterans groups to staff, fund, and insure a vehicle and volunteer driver pool.

Finding 3

The Grand Jury attempted to schedule meetings and request budget information, made multiple phone calls, and waited over two months for answers from the VSO, ultimately receiving confusing and inaccurate data. Phone inquiries were returned many days after the initial contact or not at all. The slow reply and necessity of rescheduling reflects on the responsiveness and accessibility of the VSO.

Recommendation

The Grand Jury recommends that a procedure should be developed to ensure that the VSO checks answering machines and e-mail messages frequently. Policy should mandate a verbal or written acknowledgement of messages within one work day of receipt to foster communication with community agencies and inquiring veterans.

RESPONSE FROM DIRECTOR OF CALWORKS AND HUMAN SERVICES AGENCY

The Director agrees with Finding 3. Telephone calls should be returned and budgetary information should be submitted in a timely manner.

RESPONSE FROM THE COUNTY ADMINISTRATIVE OFFICER

The CAO agrees with the finding and recommendation. The CAO and Department Director agree that departmental policy regarding timeliness of response is important and has been reviewed with staff.

GRAND JURY DETERMINATION 2010-2011

The Grand Jury accepts the responses but will follow up and refer these issues to the appropriate committee.

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R9. RESPONSES TO GRAND JURY REPORT 2009-2010 FROM CALAVERAS COUNTY ENVIRONMENTAL MANAGEMENT AGENCY (EMA), CALAVERAS COUNTY ADMINISTRATIVE OFFICER (CAO), AND CALAVERAS COUNTY BOARD OF SUPERVISORS (BOS) REGARDING COUNTY ENVIRONMENTAL MANAGEMENT AGENCY REPORT

REASON FOR INVESTIGATION

California Penal Code Section 925 states in part "...investigations may be conducted on some selective basis each year." The Grand Jury selected the County Department of Environmental Health, specifically the Environmental Management Agency (EMA), for review, in part to ascertain the effects of the current difficult economy.

Finding 1

The operation of the EMA is dependent on a limited number of staff knowledgeable in the specific areas they serve including an understanding of Federal, State, and public health regulations and mandates. To fully carry out the stated missions, especially the education and outreach components, additional staff would be needed. Some programs are on hold due to budget constraints, which, over time, could have negative impacts on these programs' benefits to County residents.

Recommendation

The Grand Jury recommends that, especially in carrying out its education and outreach components, the EMA explore a variety of options for program support. Some options include obtaining grant funds from private sources and seeking out college and university programs that provide students practical experience to supplement the EMA's limited staff.

RESPONSE FROM ENVIRONMENTAL MANAGEMENT AGENCY

The EMA disagrees in part with this recommendation. While the EMA would fully embrace additional staff, current staff is meeting program goals, meeting state mandates and attending outreach events. Regarding the use of College and University programs to supplement EMA's limited staffing, there has been some consideration of bringing in a Geographic Information (GIS) student. This can be problematic due to the steep learning curve and short period of time within a semester.

The Environmental Health Department has been very successful in obtaining public grant funding throughout the years and would be interested in obtaining grant funds from private sources if and when available.

RESPONSE FROM COUNTY BOARD OF SUPERVISORS

The BOS partially disagrees with Finding 1 and the recommendation as stated. The BOS acknowledges that additional staff may help increase education and outreach efforts to residents; however, the EMA staff has been very successful to date at obtaining grants (i.e. Farm and Ranch, Waste Tire Cleanup, West Nile Virus, EPA Groundwater Protection, among others) that provide outreach and educational opportunities for residents. The BOS encourages the EMA to continue to seek additional revenue and different avenues of grant support to supplement constrained program budgets.

Finding 2

Air pollution control is heavily controlled by Federal and State regulations. The EMA's work in this area is largely informational. The EMA also provides coordination between the

County and fire agencies. A permit to burn is required, and a significant task for this single-person division is to enforce the requirement for a permit. The chief difficulty in managing this area is that the conditions that are cited as good burn days – high humidity, low winds – are precisely those that can create maximum air pollution from burn particulate matter. There does not appear to be a solution to this conflict. With increasing emphasis on monitoring air quality being handed down from the State, this division looks to other agencies for staff support to perform its duties. This one-person work group cannot effectively monitor air pollution from burn days approved throughout the entire County. However, simply accepting air quality hazards as a fact of life is not acceptable.

Recommendation

The Grand Jury recognizes the inherent conflicts between burn days and air quality. The Grand Jury asks whether permanent “automatic” air quality monitoring devices – or resident volunteers trained to use such equipment - could be established in areas of the County where, due to geography, air quality issues frequently arise. If these devices or volunteers were able to send air quality information to the EMA, staff could more effectively coordinate with fire-control agencies about burning when air quality is or could become a health-related issue. The Grand Jury recommends that the EMA find ways to use technology and interested community members for monitoring.

RESPONSE FROM ENVIRONMENTAL MANAGEMENT AGENCY

The EMA disagrees with this recommendation. The District has the authority to shut down burning activity whether residential or large burns conducted under a conditioned Smoke Management Plan (SMP), even during permissive burn days. Permission to burn is given by the State Air Pollution Control Board (ARB) and is based on meteorological conditions. ARB designates burn, no-burn or marginal burn days. As the district is conservative, even marginal burn days are considered no burn days locally.

The District does not have the fiscal resources to purchase and maintain the proposed devices that can cost as much as \$20,000 per unit. Training and coordinating volunteer groups is not realistic and would not aid the District.

The recommendation will not be implemented, as it is not physically and fiscally reasonable.

RESPONSE FROM COUNTY BOARD OF SUPERVISORS

The BOS partially agrees with Finding 2 in that there is an increasing emphasis on air quality monitoring. However, the BOS disagrees with the recommendation as the County does not have the funding to purchase automatic air monitoring devices and there is not staff capacity to train and monitor volunteers.

RESPONSE FROM COUNTY ADMINISTRATIVE OFFICER

The CAO agrees with Finding 2 that air pollution is heavily controlled by federal and state regulations.

The CAO disagrees with the recommendation to use air monitoring devices and volunteers; this will not be implemented due to the lack of funding.

Finding 3

The Department of Agriculture of the EMA includes Weights and Measures and provides local implementation of a host of statewide regulatory programs. The activities are varied including registration of apiaries, checking weighing/measuring devices, and inspecting

gasoline stations for compliance with vapor recovery requirements (under contract to the EMA's Air Pollution Control division). A number of staff members in this division are seasonal, working specifically with agriculture and the associated pests and chemicals involved in food production and delivery. A number of this division's duties involve registering vendors, growers, and suppliers – e.g., certifying “organically grown” - and maintaining statistics. However, a number of the duties require site visits – a test purchase program at retail establishments where weights and measures are involved, the aforementioned vapor recovery program, the egg inspection program, nursery inspection, weighmaster certification, and the like. Recurring visits for all the activities under the authority of the EMA cannot be frequently performed based on EMA staffing.

Recommendation

As small-scale agriculture continues to develop within the County, the need for education and monitoring will increase. The Grand Jury recommends the EMA monitor business licenses obtained through the County Clerk's office that require the Department of Agriculture's attention. The Grand Jury recommends the EMA explore the use of trained volunteers for some of its work until such time as the County's budget would allow additional staff.

RESPONSE FROM ENVIRONMENTAL MANAGEMENT AGENCY

The EMA disagrees partially with this recommendation. The Department of Agriculture and Weights & Measures currently monitors new business licenses and has the authority to place additional restrictions on any applicant as necessary.

A volunteer, unless holding specific certifications, cannot perform the duties of an Agriculture Biologist. The EMA is considering volunteers where specific certifications are not required and County liability is limited.

It should be noted that the Grand Jury states that recurring visits cannot be accomplished when in fact the department is meeting its state mandated and statutory requirements.

Finding 4

Environmental Health undertakes a wide range of programs including health inspections of facilities used by large numbers of people such as the jail, public pools, organized camps, and any permanent cosmetic business (including tattooing and piercing). It also is responsible for monitoring hazardous materials housed and used within the County and those properties identified as “brownfields,” which are properties that need significant remediation before re-use is possible. The group regulates liquid waste haulers and the disposal of waste from septic systems. The group issues permits for wells and septic systems and the assessment of abandoned mines, including their locations and their effects on the County's groundwater. It is also responsible for vector control – organisms that carry disease such as fleas, mosquitoes, and ticks. According to the EMA's Department Head, County funding for this latter area is “dramatically underfunded.”

The overall operation of the EMA depends upon limited staff knowledgeable in their specific areas of assignment including Federal and State regulations, public health guidelines, and County policy. Health threats from such varied sources as illegal dumping to unhealthy well water to increases of disease-carrying insects brought about by poor drainage are not likely to decrease. Also unlikely to be reduced are the Federal and State regulations imposed on local jurisdictions along with local requirements to implement them. Such unfunded mandates increase County costs. In order to fully carry out its stated missions, especially

the education and outreach components, additional staff will be needed by the EMA. Some programs are on hold due to budget constraints which will have negative impacts on these programs intended to benefit the health and safety of County residents. With this year bringing more rain than the County has seen in several years, vector control is of particular concern.

Recommendation

The Grand Jury recommends that the issues of additional funding and staffing be addressed as the County experiences growing concerns such as:

- air quality and its effect on health
- groundwater supplies affected by septic systems
- insect and animal-borne diseases affecting both humans and crops
- foodstuffs contaminated by various means along the food chain.

RESPONSE FROM ENVIRONMENTAL MANAGEMENT AGENCY

The EMA disagrees with this recommendation. While staff agrees that additional funding and staffing will ultimately be required as the County experiences growing concerns, today's economy does not allow for additional staffing and general fund contributions.

RESPONSE FROM COUNTY BOARD OF SUPERVISORS

The BOS agrees partially with Finding 4 but disagrees with the recommendation for additional funding and staffing. The County must prioritize its use of limited funding, and does not have the resources to allocate County General Funds to pay for unfunded state mandates.

AGENCY CONCLUSION

While it is true that the Agency has a limited number of staff, state mandated obligations continue to be met through cross training and multi tasking within and across Agency departments. While volunteers may work in some circumstances, most activities within the Agency require registrations, certifications and licenses and therefore volunteer activity would be limited.

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that all responses are adequate.

R10. RESPONSE TO GRAND JURY REPORT 2009-2010 REGARDING CALAVERAS COUNTY MANAGEMENT REPORT

REASON FOR INVESTIGATION

Penal Code Section 925 states in part "...The Grand Jury shall investigate and report on the operations, accounts, and records of the officers, departments, or functions of the county..."

PROCEDURES

The Grand Jury reviewed the County of Calaveras Management Report for the Year Ended June 30, 2009, prepared by Gallina LLP Certified Public Accountants.

RESULTS OF INVESTIGATION

Gallina LLP reported, "We did not identify any deficiencies in internal control that we consider to be material weaknesses" "However, in prior year audits we became aware of opportunities to strengthen internal control and operating efficiency."

Response Requested

None

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R11. RESPONSES TO GRAND JURY REPORT 2009-2010 FROM THE BOARD OF SUPERVISORS (BOS), DIRECTOR OF THE BUILDING DEPARTMENT, THE PLANNING DIRECTOR AND THE AIRPORT MANAGER REGARDING CALAVERAS COUNTY AIRPORT/MAURY RASMUSSEN FIELD

REASON FOR REVIEW

The review was conducted pursuant to California Penal Code Section 925, which states in part: "...investigations may be conducted on some selective basis each year." Records of past Calaveras County Grand Juries show that the airport has not recently been subject to a review.

Finding 1

As of March 2010 a fire protection plan has been submitted to the County Planning Department to allow for future expansion. Plans for additional hangar space are being submitted to the Building Department.

Recommendation

The County Planning Department should adopt or modify the proposed fire protection plan to allow future expansion. The County Building Department should complete its review of the hangar plan so that bidding and construction can move forward.

RESPONSE FROM THE BOARD OF SUPERVISORS

The BOS responded, "The Board wants to clarify the county entity responsible for the receipt, review and approval of the fire protection and suppression plan for the airport. The Building Department, not the Planning Department, is responsible for review and approval of the fire protection plan and implementing the recommendation. The recommendation has been implemented. The Building Official collaborated with the Airport's engineer of record and the San Andreas Fire Protection District to review and approve a National Fire Protection Agency (NFPA 1142) Rural Water Supply Fire Protection system with on-site water storage for the intended Fire Suppression Plan. The engineered design for a proposed on-site water storage installation for fire suppression was approved April 15, 2010 which allows for the proposed expansion of hangars at the airport. The fire suppression water supply system was installed and became operational in June 2010. In August 2010, the Board approved a federal grant and loan to fund construction of additional hangars at the airport. The Board also awarded the bid to proceed with construction of the new hangars. Construction is expected to begin in fall 2010."

RESPONSE FROM THE DIRECTOR OF THE BUILDING DEPARTMENT

The Director of the Building Department responded that a National Fire Protection Agency (NFPA 1142) Rural Water Supply Fire Protection system with on-site water storage for the intended Fire Suppression Plan has been reviewed and approved. The Building Department is waiting for the final revised plans and construction documents for additional airport hangars. Upon final review of these documents, the building permit can be issued.

RESPONSE FROM THE PLANNING DIRECTOR

The Planning Director does not agree with the recommendation. It is not the responsibility of the Planning Department to adopt or modify the proposed fire protection plan.

RESPONSE FROM THE AIRPORT MANAGER

The Airport Manager agrees with the recommendation. The water supply fire protection system was put in place, the bid for the 22-unit hangar project was awarded, and completion is expected by year-end 2010, weather permitting. Per their bid agreement, the contractor has until mid February 2011 to complete the project.

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that all responses are adequate.

R12. RESPONSE TO GRAND JURY REPORT 2009-2010 FROM PUBLIC WORKS ROADS AND BRIDGES DEPARTMENT (RBD)

REASON FOR INVESTIGATION

Penal Code Section 925 states in part "...investigations may be conducted on some selective basis each year." This year the Grand Jury selected the Roads and Bridges Department (RBD) for a review.

Finding 1

The Grand Jury found that there is a laxity in supervising the work force hours. Workers report promptly at 7:00 AM and meet in the individual corporation yard offices until approximately 8:00 AM. They start checking the equipment, loading it on trailers if necessary, or loading the dump trucks. Between 8:00 AM and 8:15 AM they proceed to the work site, averaging one-half hour travel time. After unloading equipment and setting up traffic signs, they begin work. Employees take one-half hour for lunch. The workers start taking down the signs and reloading the equipment and at approximately 2:45 PM they drive back to the yard. The work day ends at 3:30 PM. This typically results in five-and one-half hours of work at the job site.

Recommendation 1

A diligent effort should be made by RBD supervision to maximize productive working hours.

RESPONSE FROM PUBLIC WORKS ROADS AND BRIDGES DEPARTMENT

The RBD responded, "There are three separate issues associated with this finding. The first is the time spent at the beginning of the shift in the office. While this time is used for safety meetings, project briefings, equipment assignments, and normal pre-job assignments, one hour may or may not be the appropriate time allotted for these activities. Management will work with the superintendents and supervisors to minimize the time spent at the yard and to be as efficient as possible in pre-job meetings. The Street Superintendent will also do spot checks at the various road yards to verify that pre-job activities are being performed as efficiently as possible, and make corrections as necessary to ensure that the time in the field is maximized.

"The second issue is that the road crews begin clearing the job site forty-five minutes before the end of their shift. The time allotted to clearing a job site and returning to the yard for equipment cleanup and maintenance varies depending on the distance from the construction site to the road yard. Management will make spot checks at the various road yards to verify that proper work hours are being observed and the time in the field is maximized. The Road Superintendent will make corrections to working procedures as needed to ensure that productive work time is maximized.

"Management will instruct the Road Supervisors to have their crews complete all preparation and equipment pre-operation inspections within half an hour of the starting time and not to return to the road yard until fifteen minutes before the end of the shift."

Finding 2

The Grand Jury looked at a sampling of equipment usage. This sample included six backhoes, five graders and an asphalt paving machine. The hour meter on heavy equipment is similar to an odometer on an automobile except that it measures actual hours of run time instead of miles driven. Engine hour readings on the machines showed the

usage to be about 11% of working hours. In looking at the past five years' usage, the percentages and hours remained the same. Equipment has been purchased within the past few years that appears to have received little use. The need for the current fleet of equipment seems excessive based on the actual usage.

Recommendation 2

The RBD has an existing database capable of accurately tracking equipment usage. It is recommended that the use of this database be implemented as soon as possible in order to determine the need for equipment and future replacements. It is recommended that the RBD explore alternatives to purchasing heavy equipment.

RESPONSE FROM PUBLIC WORKS ROADS AND BRIDGES DEPARTMENT

The RBD responded, "The County maintains roads over a large area with population centers and roads spread throughout. In order to serve the residents more efficiently, the County has four maintenance districts and maintenance yards at locations that serve the population centers and road maintenance needs. Due to the long distance between the respective yards and the seasonal nature of road maintenance work, the County must duplicate some pieces of equipment, having one at each yard in order to perform the specific maintenance task at the specific time of year. During the spring and fall, grading and graveling operations are performed. Each facility uses the same equipment during these operations, precluding sharing a single piece of equipment. Graders, backhoes, and dump trucks are used during the summer months for paving prep work and normal patching operations, again not allowing for sharing between facilities. The County has one grader and one backhoe assigned to each facility with an older extra backhoe and grader in reserve. During winter months the grader from San Andreas and Glencoe are utilized for snow removal operations.

"The County has been utilizing grant funds for paving operations during the summer maintenance season, which has diverted crews from their usual road maintenance activities thereby reducing the amount of time spent using the respective maintenance equipment. This trend is expected to continue as road maintenance funding continues to be reduced and project specific funding from grants continues to increase. Staff continues to actively seek additional grants for projects to ensure that existing failing roads are rehabilitated and new projects are constructed, but with the continued reduction in normal maintenance funds this trend of diverting maintenance assets to projects is expected to increase. One indication of this change is the County's purchase of a paving machine, which has seen additional use as funding for paving has increased. This is another trend that is expected to continue.

"The County has not explored the feasibility of using outside contractors for emergency call-outs such as trees falling down, rocks in the roadway, flooded roads, or similar emergency responses. Through normal contracting experience, management has determined that it is improbable that there are enough licensed contractors in each of the road districts that would be willing or able to respond to an emergency, such as a two hour call-out at 3:00 AM, and still be competitive with County work forces. A survey of local contractors will be done by staff to determine if additional assistance is available from the contracting community.

"The Road Department works with the Equipment Service Center (ESC) on the maintenance, purchase, and replacement of equipment. The ESC also provides information on equipment use and offers guidance on the needs of the various road yards. Additionally, the ESC has been utilizing the database for tracking equipment usage over the last three

years and has used this information in developing a fleet management plan. This plan tracks use, fuel, air quality replacement requirements, and has allowed the Department to reduce the size of the overall fleet by identifying equipment that can be shared between road yards. The Department has surplused thirty pieces of road equipment (trucks, trailers, and heavy equipment) over the last two years. Of these, seven were replaced with newer equipment, for an overall reduction of 23 pieces of equipment.

“The Department continues to use the latest available technology to gain additional efficiencies in fleet management and expects further reductions in the Road and Bridge Department Fleet to match the County’s needs.”

Finding 3

On February 10, 2010, the Grand Jury observed repair of a gravel road executed by staff from the Jenny Lind corporation yard. Two 5-ton dump trucks loaded gravel from the yard and hauled it to the road under repair. This involved a one-and-one half hour round trip. Employees dumped the load and returned another four times during the day. The grader on the site promptly graded the ten tons delivered in a few minutes then waited more than an hour for the trucks to return. The machine is capable of spreading hundreds of tons per hour. The road repair was made by simply spreading the rock. No water or compaction roller was used. It appeared that equipment and manpower were being used inefficiently. Questions arise as to whether this repair methodology could result in a road that would experience almost instant washboarding.

Recommendation 3

It is recommended that the Department compare its existing policies, procedures, and repair methods with current codes for repair/maintenance of gravel roads and implement necessary changes. It is also recommended that staff training and supervision policies and practice be reviewed for proper implementation to ensure high quality and efficient performance. Similarly, it is recommended that coordination for the most efficient use of equipment and personnel be evaluated and improved.

RESPONSE FROM PUBLIC WORKS ROADS AND BRIDGES DEPARTMENT

The RBD responded, “Public Works staff cannot confirm the specifics of this observation as a search of time cards cannot verify that any work was being done on any gravel roads during the month of February. However, in March some minor maintenance work was being performed on Hogan Dam Road in response to a complaint, specifically filling of pot holes.

“In response to the concerns on the methodology used by maintenance staff on the repair of gravel roads, a short brief on winter maintenance of gravel roads would be of benefit, using the Hogan Dam Road repair as an example. Gravel was hauled to the pot holed areas and distributed by spreading with a dump truck and back dragged with a backhoe, not a grader as stated in the Jury report. When grading or doing small spot patching with gravel, a dump truck is typically used as a compactor in lieu of a steel drum roller.”

The RBD response continued, “Use of a water truck in these instances is not warranted in staff’s professional opinion. According to the weather almanac, there was sufficient rain during the months of February and March to have eliminated the need for a water truck. This is consistent with other agencies that do similar work in other jurisdictions. Calaveras County road maintenance crews are consistent with maintenance crews in other jurisdictions in that only minimal repairs on unpaved roads are done in the winter months due to weather. Staff cannot predict with any accuracy when and how much rainfall will occur during winter

months. Too much moisture will cause a grader to break through the crust of a roadway creating a muddy mess, requiring more gravel to be hauled to cover the mud. This would be an inefficient use of both personnel and materials. Current grading practices are comparable to other local agencies, and Public Works recommends no changes to these practices.”

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that all responses are adequate.

R13. RESPONSE TO GRAND JURY REPORT 2009-2010 FROM WALLACE COMMUNITY SERVICES DISTRICT (WCSD) BOARD OF DIRECTORS REGARDING WALLACE COMMUNITY SERVICES DISTRICT

REASON FOR INVESTIGATION

California Penal Code Section 925 states in part "...investigations may be conducted on some selective basis each year." The Grand Jury has in the past studied one or more special districts. This year the Grand Jury selected the WCSD for review.

NOTE

"The current Board of Directors took office on December 5, 2009 with four new members and one incumbent resulting from the Election held in August 2009. Therefore, the responses are from the newly elected Board and are not responses from the Board members who held office prior to December 5, 2009."

Finding 1

The Grand Jury noted irregularities in Board activities. In violation of the Brown Act, items were initiated and voted upon which were not shown on the Board's agenda.

Recommendation 1 for Findings 1, 5, and 6

The Grand Jury recommends that the Board of the WCSD clarify its responsibilities and obligations under the state's Community Services District law, specifically Part 3, Chapter 1, Section 61100, and review/revise its Governance Guidelines in keeping with the law.

RESPONSE FROM WCSD BOARD OF DIRECTORS

The WCSD Board of Directors responded, "The Board is familiar with the requirements and intent of the Brown Act and has no intention of initiating or voting upon items that are not on the published meeting agenda. WCSD Legal Counsel provided the latest "A Public Official's Guide to The Brown Act" for each director in January 2010."

Finding 2

The WCSD Board appeared concerned about liability and insurance issues, yet the Grand Jury found the WCSD had no idea of the insurance consequences related to Board meetings being held on the property of and in a facility owned by a Board member. Several of the Directors-elect questioned the lack of due diligence by the sitting Board members in forming pre-determined opinions about will-serve cases rather than researching each individual circumstance and discussing the cases with the Board and the public in open session.

Recommendation 2 for Findings 2 and 4

The Grand Jury notes that issues involving an analysis of risk and the assignment liability appear to be of particular concern in operations of the WCSD. The Grand Jury recommends the Board receive training in – or obtain the assistance of someone trained in – risk management and risk transfer issues. General calls to the WCSD insurer do not take the place of specific review and analysis of each situation.

RESPONSE FROM WCSD BOARD OF DIRECTORS

The WCSD Board of Directors responded, "The monthly meeting place was relocated to the historical school house in Wallace, California providing easier public access and ending any potential conflict of insurance issues with past or current Board members. Each Board

member is encouraged to research agenda items and bring their independent thoughts and analysis to Public meetings.”

Finding 3

It appeared that WCSD Board members had little knowledge of California Department of Public Health or State Water Resources Control Board mandated certification requirements for persons working in water and wastewater treatment, distribution, and related services. Board members were known to have had access to, if not engaged in, the handling of facilities for which State certifications are required. In addition, WCSD’s General Manager did not have the certification necessary to operate WCSD’s wastewater plant. An arrangement was necessary for him to work under the license of an individual no longer on the WCSD payroll until the required on-the-job hours needed for certification could be documented. Though such an arrangement is allowed, on-site supervision requirements exist.

Recommendation 3 for Findings 3 and 6

Various requirements exist from federal and state regulations that require documentation to be prepared. The Grand Jury recommends WCSD ensure its regulatory-required documents are complete. It also recommends that WCSD Board receive additional training on the employee certifications required to perform the duties necessary to operate the treatment plants and oversee WCSD’s services, and the limitations placed on those who do not hold the proper certifications.

RESPONSE FROM WCSD BOARD OF DIRECTORS

The WCSD Board of Directors responded, “Upon learning of deficiencies with State mandated certification requirements the Board terminated all services with the General Manager as of December 24, 2009 and contracted with Calaveras County Water District to provide General Manager services and all water, waste water, and sewer plant operational services.”

Finding 4

During its meetings the Board presented a confusing arrangement for hiring its General Manager. The Board contracted with an engineering company to assign a specific individual as General Manager to WCSD. Questions arose relative to the status of liability and workers compensation under such an arrangement, and written clarification of these issues did not exist. Typically a contractor is held to strict liability coverage requirements. It is not known whether WCSD sought assurance that the engineering company was properly licensed to provide such services.

Recommendation 4 for Findings 4 and 7

The Grand Jury recommends that Board Members obtain training in – or the assistance of someone trained in – public contracting requirements to ensure transparency in the expenditure of public funds, including efforts to obtain the best value possible for the WCSD.

RESPONSE FROM WCSD BOARD OF DIRECTORS

The WCSD Board of Directors responded, “The insurance and worker’s compensation issues mentioned were essentially eliminated by the Calaveras County Water District contractual arrangement.”

Finding 5

While reviewing a water service connection issue involving one of the sitting Board members, a reference was made that the affected Board member had provided in-kind services to the District over many years. The Board cited these services as its reason for waiving the fee associated with the service connection in question. The public could have a negative perception of such decisions, perceiving favoritism and a lack of fiduciary responsibility by the Directors of WCSD in carrying out the duties charged to them by the voters.

RESPONSE FROM WCSD BOARD OF DIRECTORS

The WCSD Board of Directors responded, "Upon receipt of the Grand Jury Report the Board researched the activities associated with this Finding and at its July 15, 2010 meeting, requested the General Manager to document the facts and circumstances, and recommend to the Directors any future actions that may be necessary."

Finding 6

The WCSD has developed a number of guidance documents necessary to operate the District including Governance Guidelines for the Board of Directors, an Annual Service Plan, administrative and financial procedures, as well as written operating procedures for the plants; however, a number of the documents were found to be only partially developed or incomplete.

RESPONSE FROM WCSD BOARD OF DIRECTORS

The WCSD Board of Directors responded, "The Board will examine documents noted in the Finding and will complete those guidance and operational documents that are deficient."

Finding 7

Board members reported having obtained bids for services such as paving through a word-of-mouth method that included only select providers rather than through a broader, more formal process with public notices.

RESPONSE FROM WCSD BOARD OF DIRECTORS

The WCSD Board of Directors responded, "It is the intent of the current Board to utilize the services of the Calaveras County Water District to search for, and when required, produce request for bids or proposals. As part of this process the WCSD issued a RFP for Audit Services obtaining 5 responses to provide these services. After reviewing the responses the Board selected the audit firm that seemed the most appropriate in terms of District needs."

Finding 8

Recently an expansion of Wallace Lake Estates was proposed by a developer who had purchased property and plans from the entity responsible for the original development. The new owner had requested that the District honor the costs and rates agreed upon with the prior developer. Questions arose whether an apparently favorable response to the new developer's proposal was communicated by a Board member prior to the proposal being discussed in open session. A problem with actual approval of the prior expansion plan later surfaced.

Recommendation 5 for Finding 8 and 9

The Grand Jury recommends that the WCSD ensure that it has responded to all LAFCO recommendations. It is further recommended that the WCSD formulate a procedure for

listing and tracking its obligations, including regularly required events and reports, as well as obligations that are forthcoming from the District's involvement with other agencies, associations, and community-related commitments.

RESPONSE FROM WCSD BOARD OF DIRECTORS

The WCSD Board of Directors responded, "The current Board is under no obligation to honor the costs and requirements in a prior developer's Will Serve Agreement that were offered to the developer in question who was never publically vetted. This particular Will Serve Agreement may be terminated without cause at anytime by either party. (Will Serve Agreement 2005-1 Section T 1)

"Further the current board intends to require new applicant/builders to make an initial public presentation before the full board and deposit appropriate security deposits to cover WCSD legal and engineering expenses in order to initiate a Will Serve contract."

Finding 9

Related to Finding 8, it was discovered the previous expansion application process had not been completed through Local Area Formation Commission (LAFCO). In its 2004 services review, LAFCO had advised WCSD to prepare a capital improvement plan, to perform an analysis of its rate structure, and to consider exploring sources of surface water to provide a long-term reliable water supply to the area. WCSD has acted upon all of these recommendations. LAFCO also urged WCSD to consider outside management assistance.

RESPONSE FROM WCSD BOARD OF DIRECTORS

The WCSD Board of Directors responded, "The WCSD does not currently intend to seek expansion of the District's sphere of influence until such time as surface water or other proven additional water resources are available to the District. See response for Finding 3."

Finding 10

During the meetings, corrections to WCSD bookkeeping and balances were regularly pointed out by audience members. Inter-fund loans and transfer matters were presented for vote without clear or accurate information relative to terms or status of either fund. A confusing discussion was held regarding compensation for the General Manager and the individual under whose State certification the General Manager would be working. It is uncertain whether accurate documentation detailing the outcome was ever prepared for the record following Board discussion of the topic.

Recommendation 6 for Finding 10

The Grand Jury recommends that the WCSD thoroughly review its policies and procedures relative to financial matters. Procedures regarding inter-fund transfers specifically need to be addressed, including but not limited to authorized limitations to transfers, any interest paid on funds borrowed by one fund from another, timetables for paying back borrowed funds, and the tracking and reporting of all such activities.

RESPONSE FROM WCSD BOARD OF DIRECTORS

The WCSD Board of Directors responded, "The monthly financial report has been revised for easier understanding and will conform to the appropriate accounting standards set forth for Community Services Districts. Additionally, the Board through its Finance Chairperson intends to issue quarterly financial reports to all customers on a quarterly basis. The first report was issued for the period ending March 31, 2010.

“Essentially the WCSD Directors concur with all the Grand Jury recommendations and has already remedied, completed or will in the near future seek to resolve any outstanding issues.”

GRAND JURY DETERMINATION 2010-2011

The Grand Jury finds that the response is adequate.