

2008-2009 Lake County Civil Grand Jury
Final Report Table of Contents

Introduction

Dedication to Judge Arthur H. Mann	ix
History of the Kelseyville Justice Court	xi
Letter from Arthur H. Mann, Presiding Judge	xiii
Letter from the Brondell Locke Jr., Foreperson	xv
Lake County Civil Grand Jury Mission Statement	xvi
Letter to the Citizen's of Lake County	xvii
Acknowledgments	xx
2008-2009 Lake County Grand Jury Roster	xxiii
List of Agencies/Departments Required to Respond	xxv

REPORTS

Budget and Finance Committee

Asset Forfeiture Complaint	5
City of Clearlake Fiscal Review	13
City of Lakeport Fiscal Review	17
Clearlake Oaks County Water District	23
Cobb Area County Water District	35
County Administrator's Office	43
County Assessor-Recorder	47
County Auditor-Controller	51
County Treasurer-Tax Collector	57
Nice Mutual Water Company Complaint	61

Government Services Committee

Board of Supervisors	67
Clearlake City Council	71
District Attorney Misconduct Complaint	81
District Attorney's Office Oversight	87
Konocti Unified School District Complaint	91
Lakeport City Council Oversight/Complaint	97
Marketing & Economic Development	103
Public Defender Complaint	105
Purchasing Division	107
Registrar of Voters	109

Health & Social Services Committee

Adult Protective Services	117
County Welfare Program	119
Environmental Health	123
Indian Child Welfare Act Complaint	125
In-Home Supportive Services	127
Mental Health Department Complaint	131
Mental Health Department Oversight/Complaint	135
Public Guardian	139
Redbud Health Care District	143

Planning and Public Works Committee

Clearlake Oaks County Water District Complaint	149
Community Development Department	155
Lake County Special Districts	159
Special Districts Staff Member Misconduct Complaint	163
Planning Commission Complaint	167
Public Works Department	169

Public Safety Committee

Clearlake Police Department Temporary Holding Facility	177
Hill Road Correctional Facility Oversight	179
Hill Road Correctional Facility Check-Cashing Complaint	183
Hill Road Correctional Facility Unannounced Inspection	189
Konocti Conservation Camp #27	193
Lake County Fire Protection District Complaint	195
Lake County Juvenile Hall	199
Lake County Sheriff-Coroner's Office	203
Lakeport Police Department & Lake County Sheriff's Office Complaint	207
Main Court Holding Facility	211
Northshore Fire Protection District Complaint	213
Office of Emergency Services	217
Sheriff's Office - ID Card Complaint	221
South Court Holding Facility	225

Public Services Committee

County Counsel's Office	231
Konocti Unified School District Section 504 Complaint	235
Lake County Office of Education Superintendent of Schools	239

Ad Hoc Committee

Buckingham Park Water District	257
Difficult Job, Great Attitude	261
District Supervisor "Says No" to Illegal Cash Crop	265
Not Lions & Tigers & Bears, but Domestic Animals & Rattlesnakes	267

Special Dedication:
Honorable Judge Arthur H. Mann



The members of the 2008-2009 Lake County Grand Jury dedicate this year's Final Report to the Honorable Judge Arthur H. Mann in honor of his thirtieth year of judicial service to the citizens of Lake County.

In 1979, Judge Mann began his judicial service to the citizens of Lake County. His first appointment was to the Kelseyville Justice Court, the present home of the Lake County Civil Grand Jury. Judge Mann has served as Presiding Judge from January 2007 through January 2009 and as the Presiding Judge to the Lake County Grand Jury from July 2007 through July 2009.

We, the members of the 2008-2009 Lake County Grand Jury thank Judge Mann for his guidance, leadership and commitment to excellence.

Joy Allred	Linda Alexander	Melissa Bentley
Ginny Cline	Harold Dietrich	Mike Daugherty
Richard Everts	Ken Fountain	Kathy Harrell
Pauline Hauser	Dave Johnson	Tom Marquette
Phil Myers	Ron Nagy	Larry Platz
Lonny Rittler	Steve Tellardin	Carol Vedder
	Bron Locke	

The Kelseyville Justice Court

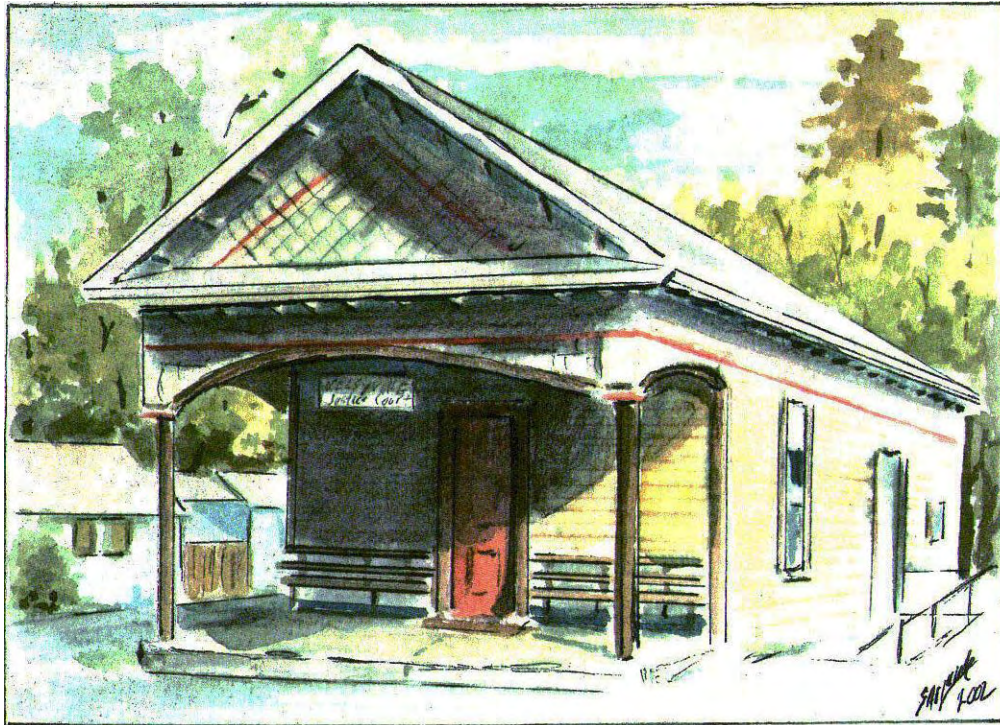


Photo of artwork done by local artist, J.P. Sarlande of Upper Lake.

This year's cover features a picture of the Grand Jury's Office in Kelseyville, formerly the home of the Kelseyville Justice Court. The building was originally constructed in the 1880's and served as a local courthouse until 1988. The last judge to preside in the courthouse was the Honorable Judge Arthur H. Mann.

The Grand Jury attempted to obtain history about the building and contacted several sources. The information obtained varied greatly. However, through research done by the local Historical Society, we learned that the courthouse was built to accommodate trials for the people held in the small two-cell wooden jail located behind the building. Information that hangings took place, at some point, from a large oak tree next to the building was unconfirmed. Judge Mann did confirm that no one was hung while he served here.

Surprisingly, the building has not been registered as a historical landmark. Perhaps at some point in the future both the courthouse and the jail will obtain historical landmark status. For now, the former courthouse still serves the County proudly as the home of the Lake County Civil Grand Jury.



2008/2009 Lake County
Civil Grand Jury
Foreperson's Letter

June 23, 2009

The Honorable Arthur H. Mann, Presiding Judge
Superior Court, County of Lake County
255 North Forbes St.
Lakeport, CA. 95453

Pursuant to California Penal Code 933(a) it is with great honor that I submit the 2008/2009 Lake County Civil Grand Jury Final Report.

This year's Grand Jury began with many new faces and an incredible amount of expectations. The members of the 2008/2009 Grand Jury worked incredibly hard and this year's report reflects their achievements.

Serving as Foreperson these past two years has been the greatest honor of my life. To have been given the opportunity by a man as honorable and respectable as you further enhanced the pride that I have felt every day for the past two years. You have shown me unwavering support and encouragement and I am eternally grateful. I can honestly say that I gave it my all and I can only hope that I served satisfactorily. On behalf of this year's Grand Jury, I thank you for the opportunity to serve our community.

Though some may not be pleased with what is contained in this report, the information accurately reflects the information obtained by this year's Grand Jury. In regards to any typos that may exist, I quote Mark Twain, "I don't give a damn for a man that can only spell a word one way."

To the members of the 2008/2009 Grand Jury I am humbled. Your efforts were tireless, your workload immense, and the obstacles were many, but you persevered and succeeded. It is truly an honor to be associated with such a remarkable group of people. This report is a testament to your efforts and I hope that you will always be proud of what you have accomplished. I thank you for your diligence and wish you nothing but the brightest of futures.

Sincerely,

Brondell "Bron" Locke Jr. - Foreperson
2008/2009 Lake County Civil Grand Jury

2008-2009 Lake County Civil Grand Jury Mission Statement

The Penal Code requires the Grand Jury to:

- Inquire into the conditions and management of jails within the County.
- Investigate and report on the operations, accounts, and records of county officers, departments and functions.
- Inquire into the willful or corrupt misconduct of public officers while in office.
- Submit a final report of its findings and recommendations, no later than the end of its term, to the Presiding Judge of the Superior Court. Agencies to which these recommendations are directed are required to respond to the County Board of Supervisors within 90 days after the final report has been released. Elected officials to which these recommendations are directed are required to respond within 60 days after the final report has been released.

In addition to the requirements defined by law, this year's Grand Jury strived to:

- Be Fair and impartial.
- Let no citizen's complaint go unheard.
- Seek out areas of concern and recommend improvement in the community.

2008/2009 Lake County Civil Grand Jury
Letter to Citizens

To: The Citizens of Lake County

From: The Members of the 2008/2009 Lake County Civil Grand Jury

Another year has ended for the Grand Jury and though this year was filled with numerous responsibilities, this year's Grand Jury worked tirelessly to ensure that the County's citizens were well represented. As an example of the commitment shown by this year's Grand Jury members, I present you with the following number, 75,285. That is the number of miles that this year's Grand Jury members traveled in service of the community. That comes to just under 6274 miles a month.

This year's Final Report contains 56 total reports conducted by seven committees, 16 of which are complaint investigations and two others were oversights prompted by concerns of County citizens. Regretfully, the Grand Jury was unable to act on all complaints that we received for a variety of reasons. However, it is you the citizens, which the Grand Jury depends on for information. Whenever you see inappropriate action taken by a County Agency or Department, we encourage you to submit a complaint to the Grand Jury.

Every year, the Grand Jury faces a variety of new challenges and this year was no exception. This year one of our investigations was well publicized. At one point, another complaint was publicized prior to the Grand Jury beginning an investigation. That complaint was subsequently not investigated. It is strongly recommended that all complaints to the Grand Jury be submitted in confidence and remain in confidence. Publicizing a complaint sends the wrong message and hinders the Grand Jury in conducting an investigation. When a complaint is publicized, it can also be construed as an individual attempting to use the Grand Jury as leverage.

Last year's Grand Jury conducted thorough reviews of cemetery districts and senior centers, this year's Grand Jury

conducted a thorough review of various water districts. From the well-publicized investigation into the Clearlake Oaks County Water District, the Grand Jury moved forward to conduct oversights and complaint investigations into other County water districts. The results of all of these can be found within the pages of this Final Report.

In addition, the Grand Jury continued its annual effort to ensure that the local inmate-holding facilities meet required standards in accordance with California Penal Code 919(b).

The Grand Jury met its requirements in reviewing County expenditures via oversights of various County financial agencies/departments.

This year's Final Report contains four reports from an Ad Hoc Committee. The members of this committee varied for each investigation. The committee was established, as needed, to conduct oversights while the other committees were busy.

Last year's Grand Jury began an investigation into the Lake County Office of Education with a guarantee of continued investigation. This year's Grand Jury concluded the investigation and the report lies within. Unfortunately, some information obtained by the Grand Jury could not be presented in this Final Report.

Some investigations are turned over to the District Attorney's Office for further review and potential investigation. This year, the Grand Jury submitted material from three investigations to the District Attorney's Office. In addition, information was submitted to the District Attorney regarding two other complaints that the Grand Jury did not investigate.

The Grand Jury is a highly effective investigative body when they act with integrity and report the facts regardless of whether they are popular. Contained in this report are some of the most thorough and informative reports that the Grand Jury has ever produced. We have served the citizens of the County to the best of our ability and we are confident that the impeccable reputation of the Lake County Grand Jury will continue in the years to come.

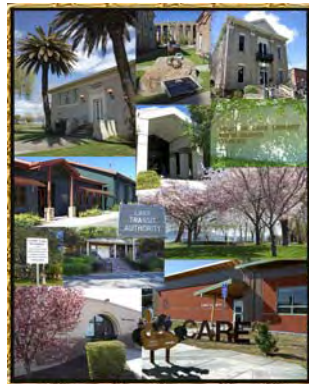
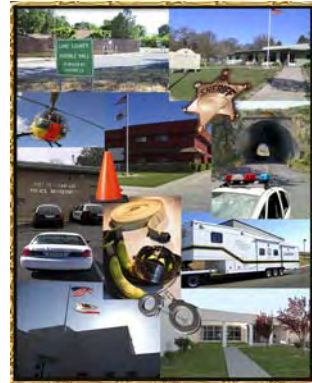
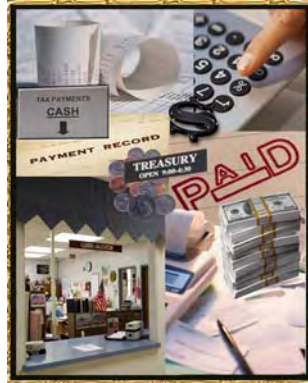
With Regards,

The Members of the 2008/2009 Lake County Civil Grand Jury

A message from the Foreperson,

Far too often, the Foreperson is credited with the success of the Grand Jury. As Foreperson, I say with certainty that a Grand Jury succeeds or fails based on the level of commitment of all jury members. I was blessed to have worked with incredible people. One of these individuals actually began her jury service two weeks prior to me in September 2006.

Pauline Hauser has been the Pro-Tempore for the Grand Jury the past two years and is concluding her third consecutive year of jury service. Pauline is a shining example of what it takes to be an exceptional Grand Juror. She is loyal, dedicated, committed, hard working, supportive, and intelligent and I could not have been successful these past two years without her. She is a true asset to the community and Lake County is fortunate to have her. Thank you Pauline, sincerely, you will never know how much it has meant to me to have you by my side these past two years and I wish you a lifetime of happiness.



For the second consecutive year, the Lake County Grand Jury was privileged to have the talented Mrs. Shawn Kealey involved in creating beautiful photo pages for our final Report. This year, Shawn was joined by Susan Haubner and Cindy Machado in the creation of the magnificent photo pages contained in this report. One of the photo pages represents the scenic beauty of Lake County and the other seven represent the various committees. We, the members of the 2008-2009 Lake County Grand Jury thank these talented individuals for providing us with these stunning photo pages.

2008/2009 Lake County Civil Grand Jury
Acknowledgments

In order to be successful and run efficiently, the Grand Jury relies on the assistance of various County employees throughout the year. We, the members of the 2008-2009 Lake County Grand Jury, take this opportunity to thank the following individuals for their assistance throughout this jury year.

Board of Supervisors:

Mireya Turner, Assistant Clerk of the Board

County Counsel's Office:

Ming-Chao Chang
Cathy O'Connell

Special thanks to Lore Schneider, County Administrative Assistant, for everything she has done for the Grand Jury. Lore's diligent efforts in ordering supplies, making copies and managing the Grand Jury's payroll have enabled us to run smoothly this year. The County and the Grand Jury are extremely fortunate to have such a dedicated individual.

No Grand Jury can be successful without the help of the County Counsel. Without Anita Grant's advice and support, the Foreperson and the Grand Jury would not succeed. Anita has one of the busiest positions in the County and yet she never hesitates in providing the Grand Jury with whatever it needs. Those of us who are completing our Grand Jury service this year will miss her delightful personality and her never-ending encouragement.

2008-2009 Lake County Grand Jury Roster

Joy Allred		Upper Lake
Linda Alexander	(Pro-Tempore)	Witter Springs
Melissa Bentley	(Secretary)	Cobb
Ginny Cline		Lakeport
Mike Daugherty		Lakeport
Harold Dietrich		Loch Lomond
Richard Everts		Upper Lake
Kenneth Fountain	(Sergeant-at-Arms)	Lower Lake
Kathy Harrell		Lakeport
Pauline Hauser	(Pro-Tempore)	Kelseyville
Dave Johnson		Clearlake
Brondell Locke Jr.	(Foreperson)	Clearlake Oaks
Thomas A. Marquette	(Computer Tech.)	Lower Lake
Phillip Myers		Lakeport
Ronald Nagy		Kelseyville
Lawrence Platz		Lakeport
Lonny Rittler		Kelseyville
Stephen Tellardin		Kelseyville
Carol Vedder		Lakeport

Agency/Departments Required to Respond

<u>Agency/Department</u>	<u>Page #'s</u>
Animal Control Director	257
Assessor-Recorder	47
Auditor-Controller	47,51,57
Buckingham Park Water District Board	247
Chief of Probation	197
Clearlake Chief of Police	177
Clearlake City Council	13,177
Clearlake Oaks Water District Board	23,149
Cobb Area County Water District Board	35
Community Development Director	155,165
County Administrator	35,43,51
District Attorney	5,81,87
Juvenile Hall Administrator	197
Konocti Conservation Camp Commander	191
Konocti Conservation Camp Div. Chief	191
Konocti School District Board	91
Konocti School District Superintendent	231
Lake County Fire Protection District	193
Lake County Office of Education Board	235
Lake County Office of Education Superintendent	231,235
Lake County Sheriff	179,183,197,201, 205,209,215,219,221
Lakeport City Council	17,97
Mental Health Director	131,135,197,231
Northshore Fire Protection District	211
Planning Commission	165
Public Works Director	169
Registrar of Voters	109
Special Districts Administrator	159
Social Services Director	127,139,197,231
Treasurer-Tax Collector	57

Asset Forfeiture Complaint

Subject/Summary:

In December 2008, the Budget and Finance Committee received a complaint that the District Attorney was not pursuing or seeking to acquire funding available through asset forfeiture procedures.

The committee determined that the District Attorney had not executed the forfeiture/disbursement side of the process properly in the past, but has since assigned a person specifically to asset forfeiture and the process has improved. Removal of State funding of the Lake County Narcotics Task Force in early 2009 requires action to ensure continued pressure on the illegal drug elements operating in the County.

Procedure/Methodology:

The committee met with the Clearlake and Lakeport Police Chiefs, the Sheriff of Lake County, the former Commander of the Lake County Narcotics Task Force (LCNTF), and the District Attorney. In addition, the committee obtained records posted on the State Attorney General's website and analyzed financial documents and reports from the District Attorney's office, seizing agencies (including the LCNTF), and the County Auditor-Controller.

The committee concentrated on calendar year 2008 due to the availability of data; however, review of prior years' data indicated similar problems.

Background and Discussion:

The State Legislature passed the California Health and Safety Code, which contains specific guidelines and procedures for administering the asset forfeiture process. The principal objective of the asset forfeiture program is law enforcement. Although civil forfeiture is intended to be remedial by removing the tools and profits from those engaged in the illicit drug trade, it could have harsh effects on property owners in certain circumstances. Therefore, seized property must be protected and the value preserved pending final resolution¹. Asset forfeiture is intended to take personal assets obtained through illegal activities, dispose of those assets, and use the proceeds to provide additional

¹ See Attachment 1 California Health and Safety Code Section 11469 (a), (i), and (j)

funding to law enforcement agencies. There are two separate and distinct processes: Seizure of the property, accomplished by law enforcement, and forfeiture of the property, accomplished by the courts. Prior to its disbandment in early 2009, most asset seizures in Lake County were accomplished by the LCNTF. The District Attorney is responsible for initiating and coordinating forfeiture actions for assets seized by County law enforcement agencies, including LCNTF. If forfeiture actions are not initiated within the statute of limitations, the seized assets are returned.

While the seizing agencies, “shall have a manual” and training for all officers², the District Attorney shall be responsible for forfeiture proceedings.³ According to State Law, the funds seized by law enforcement agencies “shall be maintained in a separate fund or account”⁴ maintained by the County Auditor⁵. During 2008, the LCNTF was managed by a Task Force Commander assigned by the California Department of Justice Bureau of Narcotic Enforcement and operated with a Memorandum of Understanding (MOU) with the various agencies. Personnel were assigned full-time to the LCNTF from the:

- California Highway Patrol
- Clearlake Police Department
- Lakeport Police Department
- Lake County Sheriff’s Office

An Executive Board oversaw the operation of the LCNTF and consisted of the:

- Lake County Sheriff (Chairman)
- Lakeport Chief of Police
- Clearlake Chief of Police
- Clearlake Area Commander of the California Highway Patrol
- Senior Special Agent in Charge from the San Francisco Office of the California Department of Justice Bureau of Narcotic Enforcement

The District Attorney and Chief Probation Officer of the County were the advisors to the Executive Board.

² See Attachment 2 - California Health and Safety Code Section 11469 (d) and (e)

³ See Attachment 3 - California Health and Safety Code Section 11488.1

⁴ See Attachment 4 - California Health and Safety Code Section 11469 (h)

⁵ See attachment 5 - California Health and Safety Code Section 11495 (a)

Findings:

1. In 2008, the LCNTF reported seizing drugs with a street value of \$25,430,587, 16 weapons and \$1,991,157 in currency.
2. For several months in 2008, the District Attorney's Office did not have a person working the asset forfeiture and disbursement process. As a result, assets seized were not forfeited and were returned to the alleged violators. According to testimony received, if forfeiture processing is not started within 12 months of seizure, property is returned by default. The County Auditor logged \$85,259 of returned assets for 2008. Toward the end of 2008, an Assistant District Attorney was assigned and trained. The Assistant District Attorney began executing the process in 2009.
3. The reports received by the committee showed dramatically different values. The committee was not able to determine what the accurate value was. The reports for 2008 listed the money seized as:

<u>Agency</u>	<u>2008 Seized assets</u>	<u>Comment</u>
LCNTF	\$1,991,156.57	All currency or bank accounts
District Attorney	\$494,290.08	All currency plus some property
County Auditor	\$16,733.00	All currency
Sheriff's Office via DEA	\$37,059.00	All currency

4. During all of 2008, the District Attorney reported only \$2,016 of seized assets actually forfeited and disbursed to the agencies, whereas the County Auditor-Controller reported \$14,454 of seized assets forfeited and disbursed for the same period.

5. The records provided to the committee by the District Attorney for 2008 do not reconcile. The following table shows the discrepancy:

<u>Item</u>	<u>2008</u>
Opening Balance	\$233,110.74
Plus Assets Seized	\$494,290.08
Less Assets Forfeited	\$2,015.66
Ending Balance	\$637,660.83

Note that these numbers do not add properly. If the opening balance, seized amount and forfeited amount are correct, then the ending balance should be \$725,385.16⁶

6. Due to the lack of personnel assigned to asset forfeiture in the District Attorney's office and the resultant lack of action on seized assets, communication between seizing organizations and the District Attorney's office was minimal at best and antagonistic at worst. According to testimony, morale of the officers on the street deteriorated when seized assets were returned because of inaction by the District Attorney's Office.
7. Seized assets are held as evidence and, depending on the agency doing the prosecution, are held in different funds/accounts. For example, if the Lake County Sheriff's Office utilizes the Federal Drug Enforcement Administration (DEA) to seize a large asset, then the DEA holds the assets in Federal accounts until the Federal courts declare the assets forfeited and then the Sheriff's Office receives a percentage-based disbursement. If the Lakeport PD seizes an asset, then the District Attorney's Office places the asset in a separate County Treasury account, with the County Auditor-Controller, until the local courts declare the assets forfeited. Once the assets are forfeited, the results are disbursed amongst the participating agencies accordingly.
8. Most of the seizures in Lake County were done by the LCNTF and seized cash was deposited and maintained in the separate fund in the County's treasury. However, in 2008, inaction by the District Attorney's Office caused the LCNTF to set up a separate bank account to hold seizures. As of the end of 2008, the LCNTF account totaled \$474,157 that should have been held in the County's treasury.

⁶ Even considering the \$85,259 logged as returned by the Auditor, the total is still off by \$2,465.

9. The District Attorney did not accept responsibility for seized assets being returned to alleged violators because the forfeiture proceedings had not begun within 12 months.
10. The District Attorney was unable to provide evidence of a set of policies and procedures except for two cash handling procedures that appeared to have been generated subsequent to the committee's request for information on asset forfeiture.
11. The City Police Chiefs, the Sheriff⁷, and the District Attorney did not have a manual or set of policies and procedures readily available as required by law. This is likely because virtually all of the seizures were done by the LCNTF. Personnel, asked about the manual, said that the LCNTF was using the Los Angeles District Attorney's Manual or referred to the State Code. The committee could not locate a Lake County Manual, although the Sheriff had some forms for officers to use and a list of items subject to forfeiture. If a manual exists with the contents required by law, it is not readily available for use.
12. The minutes of the August 15, 2008, LCNTF Executive Board Meeting revealed that even though asset forfeiture and the opening of a separate bank account were listed on the agenda under "old business", the District Attorney was not in attendance. All other LCNTF Executive Board members and advisors were present.

Recommendations:

1. The District Attorney ensure that appropriate staff, including trained back up personnel, are assigned to maintain the efficient flow of asset forfeitures through the court systems so that no assets are returned due to inaction.
2. The District Attorney must take responsibility as directed in the CA Health and Safety code⁸ and establish a set of policies and procedures, a manual, for handling, processing, and disbursing seized assets. The set of policies and procedures must provide the process to assemble the data for all seizures, forfeitures and disbursements that occur in Lake County regardless of the seizing agency and account or location of the seized assets.

⁷ The Sheriff did have forms available for officers to use and a list of items subject to forfeiture; however, the documents fall short of the State requirement.

⁸ See Attachment 3 - California Health and Safety Code Section 11488.1

3. City Police Chiefs and the County Sheriff establish asset seizure manuals that comply with the California Health and Safety Code.⁹
4. The Executive Board of the LCNTF should renegotiate the current MOU to ensure that the LCNTF is reconstituted and operate efficiently regardless of the State funding level.
5. Modify the MOU establishing the LCNTF to include the requirement for all County law enforcement agencies, including the District Attorney, to provide copies of all asset forfeiture reports to the LCNTF for review, reconciliation, and coordination.
6. The District Attorney must become an active member of the LCNTF Executive Board, rather than an advisory member, and attend all meetings and better coordinate with all agencies.
7. Modify the procedures of the LCNTF or any subsequent organization so that all monies are held in the County Treasury not a separate bank account.
8. Move the balance of the \$474,157 held in the LCNTF checking account to the Lake County Treasury.

Agency/Department(s) Required to Respond

Lake County District Attorney (60 Days)

Lake County Sheriff (60 Days)

Lakeport Chief of Police (60 Days)

Clearlake Chief of Police (60 Days)

⁹ See Attachment 2 - California Health and Safety code 11469(d)

Attachment 1

California Health & Safety code 11469. In order to ensure the proper utilization of the laws permitting the seizure and forfeiture of property under this chapter, the Legislature hereby establishes the following guidelines:

(a) Law enforcement is the principal objective of forfeiture.

Potential revenue must not be allowed to jeopardize the effective investigation and prosecution of criminal offenses, officer safety, the integrity of ongoing investigations, or the due process rights of citizens.

(i) Seizing agencies shall ensure that seized property is protected and its value preserved.

(j) Although civil forfeiture is intended to be remedial by removing the tools and profits from those engaged in the illicit drug trade, it can have harsh effects on property owners in some circumstances. Therefore, law enforcement shall seek to protect the interests of innocent property owners, guarantee adequate notice and due process to property owners, and ensure that forfeiture serves the remedial purpose of the law.

Attachment 2

California Health & Safety code 11469(d): Seizing agencies shall have a manual detailing the statutory grounds for forfeiture and all applicable policies and procedures. The manual shall include procedures for prompt notice to interestholders, the expeditious release of seized property, where appropriate, and the prompt resolution of claims of innocent ownership.

(e) Seizing agencies shall implement training for officers assigned to forfeiture programs, which training should be ongoing.

Attachment 3

California Health & Safety Code 11488.1. Property seized pursuant to Section 11488 may, where appropriate, be held for evidence. The Attorney General or the district attorney for the jurisdiction involved shall institute and maintain the proceedings.

Attachment 4

California Health & Safety Code 11469(h) Unless otherwise provided by law, forfeiture proceeds shall be maintained in a separate fund or account subject to appropriate accounting controls and annual financial audits of all deposits and expenditures.

Attachment 5

California Health & Safety Code 11495. (a) The funds received by the law enforcement agencies under Section 11489 shall be deposited into an account maintained by the Controller, county auditor, or city treasurer. These funds shall be distributed to the law enforcement agencies at their request. The Controller, auditor, or treasurer shall maintain a record of these disbursements which records shall be open to public inspection, subject to the privileges contained in Sections 1040, 1041, and 1042 of the Evidence Code.

City of Clearlake Fiscal Review

Subject/Summary:

The Lake County Civil Grand Jury conducts inquiries into the operations of all incorporated cities within the County annually. The inquiries are fiscal and operational. This report encompasses the fiscal review of the City of Clearlake.

Procedure/Methodology:

The Budget and Finance Committee:

- Met with the Clearlake City Manager and Finance Director
- Analyzed financial documents including detailed financial records for fiscal years 2003/2004 through mid year 2008/2009
- Evaluated audit reports for fiscal years 2005/2006 and 2006/2007
- Examined budget documents for fiscal years 2007/2008 and 2008/2009
- Reviewed results of the Pavement Management Program
- Examined petty cash logs, receipts, credit card bills, and supporting documents
- Observed cash counts of petty cash and one of the two existing change funds

Background and Discussion:

The City of Clearlake was incorporated in 1980. Five elected council members govern the city. The city encompasses 10.18 square miles. The city provides no utility services. The population of Clearlake is 14,890¹, of which approximately 30 percent are below the poverty line.² The median household income of city residents is \$19,863, compared to the county median of \$29,627, and the state median of \$47,493.² The city is responsible for maintaining 115 miles of roads; 52 miles are unpaved. Of the 63 miles of paved road, 67 percent, or 42 miles, are rated poor to very poor.³ The city has approximately 55 employees, more than half of which are employees of the police department.

¹ Source: U.S. Census Bureau, 2007 Estimate

² Source: U.S. Census Bureau, 2000 Census

³ Source: City of Clearlake City Manager

Findings:

1. The biggest challenge facing the City was executing the approved budget.
2. The City anticipated a 20 percent reduction in development fees, a 15 percent reduction in transient taxes, and a 10-15 percent reduction in sales tax revenue.
3. The 2008/2009 budget narrative indicated a \$277,000 shortfall in general fund reserves.
4. Staff size was reduced by approximately 10 percent. The reduction included four police officer positions.
5. Employee salary increases were frozen or negotiated to a smaller amount.
6. According to the City's financial statements, elected officials received medical, dental, and vision insurance benefits in fiscal year 2007/2008 with a value of \$111,000.
7. Petty Cash on hand was over the authorized amount, and petty cash was only reconciled when replenished.
8. The Change Fund maintained by the Police Department was being used as a petty cash fund and was under the authorized amount.
9. The Petty Cash account, 100.000000.105.20, was overstated by \$100.
10. Not all credit-card purchases were supported with an itemized receipt.
11. Account 100.500100.500.19 (Medicare) for 2006/2007 was overstated by \$39,799.
12. The City was developing a manual of administrative policies and procedures.

Recommendations:

1. Reduce or eliminate the City's contribution to health, dental, and vision insurance for elected officials.
2. Require the Petty Cash custodian to perform a daily, documented reconciliation of the Petty Cash fund.
3. Conduct at least one unannounced petty cash and change fund reconciliation per month. Document the results of the reconciliation for future reference.
4. Eliminate the Police Department change fund.
5. Adjust the Petty Cash account (100.000000.105.20) to reflect the actual balance.
6. Require an itemized receipt to support all credit card charges.
7. Correct the \$39,799 Medicare (100.500100.500.19) accounting error identified in fiscal year 2006/2007.
8. Complete the preparation and compilation of City policies and procedures.

Agency/Department(s) Required to Respond

Clearlake City Council (60 Days)

City of Lakeport Fiscal Review

Subject/Summary:

The Lake County Civil Grand Jury conducts annual inquiries into the operations of all incorporated cities within the County. The inquiries are fiscal and operational. This report encompasses the fiscal review of the City of Lakeport.

The Budget and Finance Committee concludes that the City Council was fiscally irresponsible, improvements were needed in the financial reporting system, and that internal controls were lacking or circumvented.

Procedure/Methodology:

In conducting this oversight, the committee:

- Observed the February 24, 2009 City Council meeting
- Met with the City Manager and Finance Director
- Reviewed and analyzed budgeted and actual expenditures for fiscal years 2003/2004 through mid-year 2008/2009
- Evaluated audit reports for fiscal years 2005/2006 and 2006/2007
- Examined results of the Pavement Management Program
- Reviewed other pertinent reports, documents, and statistics
- Examined petty cash logs, credit card bills, receipts, and supporting documents
- In addition, observed a cash count of petty cash

Background and Discussion:

The City of Lakeport was incorporated in the year 1888. The city is governed by five elected council members. The city encompasses 2.68 square miles. The estimated population in 2007 was 5,135¹, of which approximately 12 percent are below the poverty line.²

The city has a median household income of \$32,226, compared to the County median of \$29,627, and the State median of \$47,493.²

¹ Source: U.S. Census Bureau, 2007 Estimate

² Source: U.S. Census Bureau, 2000 Census

There are approximately 55 individuals employed by the City, including council members, less than 30 percent of which are employed by the police department. The City provides water and sewer services to approximately 2,500 customers and is responsible for maintaining 29 miles of roads. In 2004, Lakeport voters approved Measure "I" by a 3-2 margin. This measure directed the City to, "enact a one-half cent sales tax for City facilities, services and programs." The election of 2004 also provided a mandate to the Lakeport City Council. With nearly 82 percent approval, voters passed Measure "J", which asked, "If Measure 'I' is approved, should the proceeds fund repair and maintenance of City streets, park and community service facilities, and expand public services and programs?"

Findings:

1. City Council members are paid \$300 per month and receive full health, dental, vision, and counseling insurance. In 2008/2009, the City budgeted nearly \$60,000 for Council members' insurance.
2. The City Council adopted the 2008/2009 budget by a vote of 3-2. The budget contains at least two questionable revenue sources. The committee believes the sources were included simply to give the impression of a balanced budget. The two questionable sources were a \$400,000 bank line-of-credit and \$157,000 in rental income.
3. One Council member stated, "I voted for a balanced budget. The \$400,000 line of credit ...was a way to balance the budget."³ However, the \$400,000 line of credit did not exist. As stated by the City's Finance Director at the City Council meeting on February 17, 2009, "We don't have a line of credit at any bank."⁴
4. The 2008/2009 adopted budget included rental income totaling \$157,000. Review of budget and accounting documents for the prior three fiscal years found no previous mention of rental income in the General Fund.
 - o Review of the 2008/2009 adopted budget found that only the Water and Sewer funds were budgeted to pay rent to the City's General Fund. The annual rent charged to each fund was \$53,500 (\$107,000 total).
 - o Review of 2008/2009 accounting records found that the Lakeport Redevelopment Agency and the RDA Low/Moderate Housing Funds were being charged rent by the City's General Fund at a rate of \$40,000

³ Source: Lakeport Record Bee, February 23, 2009

⁴ Source: Lake County News, February 19, 2009

per year and \$10,000 per year, respectively. Neither of these funds were budgeted to pay rent.

- The committee noted that each of the funds (Water, Sewer, Lakeport Redevelopment Agency, and RDA Low/Moderate Housing) paying rent to the General Fund were budgeted to lose money in 2008/2009.
5. City Council accepted an audit report with a significant and obvious error. Specifically, the independent audit report for the fiscal year ended June 30, 2007 stated that the audit was conducted on the financial statements for the fiscal year ended June 30, 2008. The auditor was unaware of this error until it was brought to the auditor's attention by the Grand Jury. The auditor immediately issued a revised report.
 6. Of the 29 miles of roads maintained by Lakeport, 85.9 percent (24.9 miles) are rated poor to very poor.⁵
 7. Although voters clearly intended that Measure "I" be used to maintain and repair City streets, parks, and facilities, the sales tax revenue generated by the measure was co-mingled with other General Fund revenues.
 8. The 2008/2009 adopted City budget earmarked Measure "I" monies to fund several street maintenance and improvement projects; however, to reduce general fund expenditures, the projects were scaled back, delayed, or cancelled, and the savings were used to pay the day-to-day expenses incurred by the City.
 9. As a cost-cutting measure, City employees reluctantly agreed to a six-day furlough in December 2008. During the Council meeting of February 24, 2009, at least one Council member was quick to consider a second furlough as a way to reduce City costs. There was no discussion of reducing Council members' pay and/or benefits as a means of cutting City expenditures.
 10. A survey of four northern California cities similar in size to Lakeport revealed that Lakeport ranked number one (the highest) in salary and benefits paid to Council members.
 11. The committee asked the Finance Director how much the City was over or under budget in fiscal years 2006/2007 and 2007/2008. The Finance Director stated that the information was not readily available, and time constraints prevented obtaining the information.
 12. The committee asked the Finance Director how many hours of overtime was worked during 2007/2008. The Finance Director stated that the timekeeping system did not report hours. As a result, answering the question would

⁵ Source: City Engineer, City of Lakeport

- require review of every timecard and manual extraction/compilation of the information. The committee withdrew the question.
13. The City requires that every check be signed by two authorized individuals as a control over misappropriation of funds. The two signatures required are the City Clerk (or the clerk's deputy) and the Mayor. The Mayor's signature was on a rubber stamp that was maintained and used by the City Clerk. As a result, the two-signature control was circumvented. Bypassing/ignoring established internal controls is a very serious matter.
 14. The Finance Director stated that approximately 20 of the 55 City employees, including Council members, had City credit cards. The Finance Director explained that monthly bills are provided to the cardholder, who reviews the bill, signs the bill, attaches support documentation, and returns the bill to Finance for payment. However, a cursory review by the committee found credit card bills that were not signed by the user and not supported by itemized receipts. For example, the committee found unsupported charges for airfare, lodging, gasoline, and a \$191 charge for pizza.
 15. The City maintains one petty cash fund and two change funds.
 16. Even though approximately 20 employees had City credit cards, the City still maintained a \$300 petty cash fund to reimburse employees for out-of-pocket expenditures.
 17. The committee observed a cash count of the petty cash fund. Although petty cash was found to be in balance, the committee was told that management does not conduct unannounced cash counts of the fund.
 18. The City lacked written policies and procedures. For example, some employees were allowed to take City vehicles home if they lived in Lake County, not just the City of Lakeport. The committee found no document that addressed this policy. The committee was advised that there were no written policies or procedures regarding credit cards, petty cash, change funds, time and attendance, overtime, billing, and customer payments.

Recommendations:

1. Develop realistic balanced budgets and cash-flow plans with conservative⁶ projections.
2. Do not use a line of credit as a means of balancing future budgets.

⁶ Conservative is defined as being moderate or cautious

3. Determine the appropriateness of the General Fund charging rent to other City funds.
4. Set specific annual goals to decrease the percentage of roads that are rated poor to very poor. Budget and manage finances to meet the goals over the next five years.
5. Establish a separate fund for Measure "I" revenue and expenditures to ensure visibility of fund usage.
6. Appoint an independent organization or committee to review and evaluate salaries and benefits paid to Council members.
7. Initiate improvements in the financial reporting system and/or the finance staff.
8. Discontinue using a rubber stamp to sign checks or require that the stamp be maintained and used only by the signatory.
9. Determine the person responsible for circumventing the control on check signing, and take appropriate corrective action.
10. Review the City's policy regarding issuance and use of credit cards, with a goal of reducing the number of cards in use.
11. Revise the process used to review and approve credit card bills. Itemized receipts should be attached to the bill, and bills reviewed and approved by an independent third party (the City Manager for example) at a minimum.
12. Evaluate the need for a \$300 petty cash fund.
13. Accomplish at least one unannounced review and reconciliation per month of all petty cash and change funds. Develop written policies and procedures and establish a centralized repository for these funds.

Agency/Department(s) Required to Respond

Lakeport City Council (60 Days)

Clearlake Oaks County Water District Complaint

Subject/Summary:

In May 2008, the 2007/2008 Grand Jury received a complaint regarding the financial status and operations of the Clearlake Oaks County Water District (CLOCWD). The complaint was carried over for the 2008/2009 Grand Jury to review and investigate. The complaint contained allegations of both financial and administrative misconduct.

The Budget and Finance Committee conducted an investigation and concluded that the CLOCWD Board of Directors did not provide financial oversight, did not adequately set policy, did not ensure compliance with existing policy, and did not sufficiently supervise or monitor the performance of the General Manager. As a result, the water district was not being operated in a responsible fiscal manner, policy and procedures were non-existent or not enforced, and the General Manager abused and misused the position.

Evidence gathered during this investigation included 12 specific acts committed by the former General Manager that were submitted to the Lake County District Attorney on December 10, 2008, for review and possible legal action.

Procedure/Methodology:

The Budget and Finance Committee only reviewed issues related to CLOCWD finances. The Planning and Public Works Committee investigated the administrative and operational aspects of the complaint.¹

Members of the committees attended two board meetings. In addition, the committee interviewed numerous witnesses including ratepayers and current/former board members and current/former employees. Documentation reviewed and analyzed included:

- Cancelled checks
- Payroll records (including timesheets)
- Bank statements
- Credit card bills and receipts

¹ See Planning and Public Works Committee Final Report entitled Clearlake Oaks County Water District Complaint.

- Petty cash records
- Board of Directors' resolutions
- Personnel policies
- Grant documents
- Payment and deposit histories
- Independent audit reports
- Other CLOCWD financial documents
- Minutes of Lower Lake County Water Works Board of Directors meetings

Most documents reviewed and analyzed covered several years; however, cancelled checks, customer payments, and bank deposits were only examined for the four-month period covering November 2007 through February 2008, which is within the timeframe of the former General Manager's demotion and subsequent release from employment.

Background and Discussion:

The Clearlake Oaks County Water District was formed in 1960 and is organized under the rules and guidelines of the California State Water Code as a County Water District. The CLOCWD provides water (1700+ customers) and sewer (1,600+ customers) services to the Clearlake Oaks community.

The district is governed by a five-member Board of Directors elected by the voting members of the CLOCWD. The primary responsibility of any governing board is to ensure the financial integrity of an entity. A secondary board responsibility is to establish policy and objectives, which are implemented by the General Manager. The board is also responsible for selecting, appointing, supporting, and reviewing the performance of the General Manager, who serves at the pleasure of the board.

The CLOCWD office staff includes an Auditor/Bookkeeper and two customer service representatives. The operations staff consists of approximately ten employees.

In 2008, facing the possibility of bankruptcy, the district's current General Manager proposed a 39 percent increase in water rates; however, the financial records were in such disarray that the magnitude of the needed rate increase could not be determined or supported. Subsequently the newly elected Board of Directors reduced the increase to 17.7 percent.

Findings:

1. The Board of Directors of the Clearlake Oaks County Water District (CLOCWD) ignored fiduciary responsibilities and did not adequately monitor the performance of the former General Manager. Testimonial evidence indicated that the board provided the former General Manager

- absolute authority in running the district. In addition, the board placed excessive reliance on the former General Manager's judgment and guidance. Additionally, the board did not ensure that internal controls or checks and balances were established and working as intended. As a result, an environment existed that was ripe for fraud, abuse, and financial mismanagement.
2. In July 2006, the CLOCWD Personnel Manual was revised to state, "An employee classified as exempt will in no way whatsoever accrue overtime. Currently, the only employee in this classification is the General Manager". Article 4.3 of the district's Personnel Manual defined overtime as "...more than 8 hours of work in a day, or more than 40 hours of work in a week." Subsequent to this ban on overtime, until a demotion from General Manager to Bookkeeper in January 2008, the former General Manager, who was clearly not eligible for overtime, was paid more than \$57,000 for overtime. This averaged out to more than 23-hours of overtime per week. The former General Manager claimed to have worked many of these hours from home.
 3. During the period the former General Manager was employed, the CLOCWD Board of Directors neither reviewed nor questioned overtime expenditures. As a result, the former General Manager was paid overtime that was not worked. During the same timeframe, the former General Manager served as a director of the Lower Lake County Water Works (LLCWW) Board of Directors, the former General Manager attended several LLCWW meetings while at the same time claiming overtime for CLOCWD work. For example, on August 14, 2007, the former General Manager attended a LLCWW board meeting. According to the meeting minutes, the former General Manager attended the meeting from 7:03 p.m. until 10:04 p.m. Review of the CLOCWD timesheet and payroll records for that date showed that the former General Manager claimed (and was paid) for work from home between 8:00 p.m. and 12:00 a.m. In another example, the former General Manager attended a LLCWW board meeting on October 9, 2007 from 7:04 p.m. until 8:21 p.m., while claiming to be working at the CLOCWD office from 9:45 a.m. until 8:30 p.m.
 4. In 2006, the former General Manager and a former Auditor/Bookkeeper used district credit cards to purchase personal items totaling more than \$16,000. Examples of personal purchases included lodging in Las Vegas, veterinary bills, cosmetics, Barbie dolls, video rentals, and gasoline. This was later repaid; however, the former General Manager averaged an unpaid balance of over \$1,100 per month for more than eight months and the former Auditor/Bookkeeper averaged an unpaid balance of over \$1,200 per month for more than a year. As a result, the Auditor/Bookkeeper and the former General Manager used ratepayer funds for interest-free loans.

5. According to CLOCWD records, 160 checks were returned in 2007 due to insufficient funds. The total value of the returned checks was \$480,120. It is unclear if the former General Manager advised the Board of Directors of this problem. Under oath, the former General Manager testified that, "There may have been one returned check". The returned checks cost the District in excess of \$4,000 in fees and penalties. CLOCWD paid more than \$140,000 in cash to purchase three new trucks in the same year. ²
6. Daily receipts were not promptly deposited in the bank. The committee found the following examples:
 - The deposit on January 7, 2008 was short \$1,727.02 in cash. The \$1,700 cash shortfall was not corrected for 21 days.
 - On December 3, 2007, there was \$5,828.38 in receipts that were not deposited until January 14, 2008 (42-day delay).
 - On December 7, 2007, daily receipts totaling \$3,751.41 were not deposited until January 14, 2008 (38-day delay).
 - The committee found no record of \$525.00 in payments processed on December 30, 2007 ever being deposited.
7. During the course of testimony, it was stated that CLOCWD policy was to deposit customer receipts at least weekly, but preferably daily.
8. The district was not audited in fiscal years 2005/2006, 2006/2007, and 2007/2008. Lack of timely audits and lack of visibility of the district's financial situation is a violation of law.³ As stated in testimony, on two separate occasions the independent auditor came to do the audits only to find that the financial records were not ready for review. As a result, the independent auditor quit.⁴
9. Monies within the district were routinely co-mingled. For example, federal grant money was not separated from the general fund, the petty cash fund

² The checks for the trucks were also returned due to insufficient funds.

³ State Water Code section 30540 requires an annual audit by an independent contractor and section 30582 requires that the auditor (employee) of a County Water District shall maintain a system that will at all times show the financial condition of the District.

⁴ Subsequent to the Grand Jury investigation, a new independent auditor was hired and the three delinquent audits were performed. The auditor provided a negative opinion for all three years, and identified 36 deficiencies (with corresponding recommendations) deemed either material or significant.

- routinely borrowed from the change fund, and non-routine payments were incorporated into the change fund without explanation or documentation.
10. As a result of co-mingling grant monies with the general fund, the committee was unable to determine how much of the grant funds were spent and how much were remaining. During the course of testimony, the former General Manager stated that at the time employment was terminated the grant money was “in the bank”.
 11. The former General Manager hired a grandchild’s mother to fill a support-staff position. In 2007, this individual was allowed to work an average of 13 hours of overtime per week, and 68 hours of holiday work (paid at double regular salary) for the year. Some of this overtime was claimed to have been worked from home. During the course of testimony, it was stated that the holiday pay was needed to get the billings out (the deadline being the 25th of the month). No explanation was provided as to why the billings could not have been done prior to the Holidays.
 12. Current and former office staff testified that non-emergent overtime and holiday work was routinely authorized and approved after the fact. Staff was simply allowed to determine if and/or when any extra work was needed. Committee review of payroll documents and timesheets found no evidence of the former General Manager or Board of Directors authorization or pre-approval of any overtime.
 13. Although timesheets contained a space for an approval signature, none of the timesheets reviewed contained evidence that the timesheets were reviewed or approved by management.
 14. A former employee testified that clerical staff conducted the employment interview and the employee did not meet anyone in management until after being hired. The former employee further testified that no job description was ever provided.
 15. In 2007, during the time the district did not have enough funds in the bank to cover its checks, the former General Manager requested and the Board of Directors approved, significant pay raises for two support staff members.
 - A 75% increase for a newly-hired employee who was eventually terminated prior to completing a probationary period
 - A 55% pay increase for the mother of the former General Manager’s grandchild
 16. Review of payroll documents found evidence that the former General Manager approved the sell back of 45 hours of vacation time for the grandchild’s mother. Upon the demotion to Bookkeeper, the former General Manager was responsible for processing the sale of vacation time and issuing

17. The committee viewed a signed blank check confirming that on at least one occasion, while the former General Manager was still employed, a director signed a blank check.
18. One check was found with two different amounts. The written amount was \$4,543.18, whereas the numeric amount was \$5,500.00. The check was signed by the former Bookkeeper, the former General Manager, and the former President of the Board of Directors.⁵
19. With the exception of payroll, CLOCWD paid no bills during the entire month of November 2007.
20. Following the former General Manager's demotion to Bookkeeper, CLOCWD issued a check to the deferred-compensation holding company for considerably more than was contributed by participating employees. In fact, during the period January 2006 through March 2008, it appeared that payments made to the holding company exceeded employee contributions by more than 11 percent. Not only was the committee unable to match employee deductions to transfers, but also unable to determine which employee accounts may have benefited from the overpayments.
21. Employee contributions to the deferred compensation program were sometimes not deposited for several pay periods after the money was withheld from the employees' paychecks. This deprived the employees of a potential gain on investments.
22. The former General Manager sold back sick leave contrary to CLOCWD published policy. Specifically, CLOCWD allowed compensation for sick leave hours only when an employee exceeded the established maximum sick leave balance of 200 hours. At the time the former General Manager sold sick leave, there was a balance of eight hours. The committee also learned that on at least three occasions the former General Manager sold vacation leave contrary to district policy.
23. There were no documented procedures for the petty cash and change funds and management never performed a "spot audit" of the funds, which is a recommended control procedure.

⁵ CLOCWD management was unable to locate documentation to identify which amount was correct. The check was cashed for \$5,500.

24. The petty cash and change funds were not routinely reconciled. Evidence indicated the amount in the change fund sometimes grew to several times its established amount while at other times the total fell considerably below the established amount.
25. Five individuals, who had official knowledge of the petty cash fund and should have known the value of the fund, gave four different amounts in the fund ranging from "I don't know" to \$350. In limited review, the committee found instances where Petty Cash was reimbursed for significantly more than the highest estimated value of \$350. For example, on December 7, 2007, Petty Cash was reimbursed for \$548. No one employee was actually responsible for the fund. The committee heard testimony that every member of the office staff had access to petty cash, and whoever was available when monies were needed accessed the fund and prepared the paperwork.
26. Purchases made with petty cash were not always appropriately or adequately documented. For example, petty cash was used to pay recurring bills, make payroll adjustments, and provide travel advances.
27. The committee heard testimony that petty cash was used to make personal loans and to cash checks. In one case, petty cash was used to reimburse a customer for work accomplished. The resulting \$125 cash reimbursement (in lieu of a check) was sent to the customer through the U.S. mail system. In addition, amounts paid out were not always supported by an itemized receipt or differed from the amount reflected on the receipt.
28. In February 2008, the Internal Revenue Service (IRS) placed a \$48,891 levy on CLOCWD for delinquent taxes and penalties for the tax period ending December 31, 2006. Board members testified that neither the delinquent taxes nor the levy, were brought to the Board's attention until March 2008, subsequent to the former General Manager's termination of employment.
29. In November 2007, the IRS assessed penalties and interest totaling more than \$1,850 for CLOCWD filing a late return and for 10 delinquent tax deposits made during the tax period ended June 30, 2007. The delinquent tax payments were late from between 3 to 20 days. There was no evidence the Board of Directors was made aware of this problem.
30. The former General Manager and a former Auditor/Bookkeeper revised payroll accounts resulting in no federal or state income taxes being withheld from either.
31. Between 2001 and 2006, CLOCWD received at least four letters from the Franchise Tax Board identifying delinquent taxes owed by the former General Manager and directing the district to garnish the former General Manager's

- wages.⁶ Although the directed garnishments totaled more than \$15,000, the committee found evidence of only \$614 being withheld from the individual's wages. The committee was unable to determine if district funds were used to pay the remaining indebtedness or if the garnishments were ever satisfied.
32. When reviewing and approving monthly payments, the Board of Directors did not verify the proper account classification of expenditures. As a result, the former General Manager caused capital assets to be recorded as construction in progress, thereby causing significant misstatement of depreciation expense and resultant profitability.
 33. The Auditor/Bookkeeper reported to the former General Manager for an extended period thereby eliminating significant checks and balances.
 34. A rate increase was implemented in the fall of 2008 causing CLOCWD customers to bear the cost of the district's financial mismanagement.
 35. In comparing documentary evidence to sworn testimony by the former General Manager, the committee found the following discrepancies:
 - According to LLCWW Board Minutes from August 2007, the former General Manager was in attendance from 7:03 p.m. until 10:04 p.m. In reviewing the former General Manager's timesheets from CLOCWD, the General Manager claimed to be conducting CLOCWD business from 8:00 p.m. through 12:00 a.m. that same night.
 - The former General Manager testified, under oath, that CLOCWD did not authorize payment for attending LLCWW meetings and that all submitted CLOCWD timesheets accurately reflected time worked for CLOCWD.
 - According to CLOCWD records, 160 checks with a total value of over \$480,000 were returned due to insufficient funds in 2007.
 - The former General Manager testified, under oath, that there was one instance where a check was returned.
 - According to card statements, the former General Manager and the auditor/bookkeeper charged personal expenses to the District's credit cards in excess of \$16,000. The General Manager's average unpaid monthly balance over a twelve-month period was \$1,200.
 - The former General Manager testified, under oath, that the balance was paid in full every month prior to the bill being due.

⁶ A fifth garnishment letter for more than \$14,000 was received after the former General Manager was terminated.

- According to records, the General Manager's paycheck was garnished on four different occasions.
- The former General Manager testified, under oath, that there was one garnishment occasion that was never instituted before she left the employment of CLOCWD.
- The committee discovered evidence proving that on at least one occasion, a former director signed a blank check.
- The former General Manager testified, under oath, that there was no occasion when anyone signed a blank check.
- CLOCWD received FEMA grants for work that was not completed. Review of these grants revealed that at least two bids were submitted to perform the work outlined in the grants.
- The former General Manager testified, under oath, that there was no time to receive bids for the work.

Recommendations:

1. Seek repayment of all overtime paid to the former General Manager from July 2006 through December 2007. Repayment should be obtained not only from the former General Manager but also from any/all Directors who authorized the payments.
2. Regularly review all overtime worked including compensatory time, and verify that the overtime/compensatory time was appropriate and properly authorized.
3. Ensure that credit card bills are supported with itemized receipts, and that transactions are for official business only, before authorizing payment.
4. Routinely review and reconcile bank statements.
5. Establish a policy wherein customer payments are deposited in the bank daily.
6. Ensure that required independent audits are accomplished within 12-months of fiscal year end and that corrective actions are implemented within timeframes established by the auditor.
7. Upon receipt of future grant monies, direct the Auditor/Bookkeeper to establish a separate fund to track revenue and expenditures associated with the grant.
8. Require future job applicants to declare any direct or indirect relationship with current employees or Board members. Any relationship that could

- result in compromising the financial integrity of the CLOCWD must not be allowed.
9. Develop a policy sufficient to ensure that only emergent, pre-approved overtime is worked.
 10. Direct the Auditor/Bookkeeper to only process timesheets for payment when timesheets are properly reviewed and approved (as evidenced by an authorized signature).
 11. Develop a policy wherein all job applicants are interviewed by a member of management.
 12. Ensure that all employees have a current and accurate job description.
 13. Develop a policy that ensures that no employee or director signs, or is permitted to sign, a blank CLOCWD check.
 14. Direct the Auditor/Bookkeeper to submit to the Board, at least monthly, all unpaid bills with an explanation as to why the bills were not paid.
 15. Direct the Auditor/Bookkeeper to coordinate with the deferred-compensation holding company to reconcile the deferred-compensation account.
 16. Direct the Auditor/Bookkeeper to contact the District Attorney's office immediately if improper or illegal actions are identified or suspected when the accounts are reconciled.
 17. Direct the Auditor/Bookkeeper to remit employee deductions for deferred compensation within two business days following payday.
 18. Do not approve nor process any "leave sell backs" that are out of compliance with applicable district policy.
 19. Develop a policy sufficient to ensure the integrity of the petty cash and change funds. Said policy should
 - o Establish the fund amount
 - o Appoint a single person and an alternate to manage the fund
 - o Define what the funds can and cannot be used for
 - o Identify specific techniques to account for funds and justify expenditures
 - o Require CLOCWD management, including directors, to accomplish at least one unannounced review and reconciliation of the fund monthly
 20. Direct the General Manager to present to the Board of Directors all correspondence received from the Internal Revenue Service, the Franchise Tax Board, and any other taxing authority.

21. Direct the General Manager to establish controls sufficient to ensure the integrity of the payroll system including proper tax withholding, garnishments, and deferred compensation.
22. Require that all letters of garnishment be presented to the Board of Directors, and direct the Auditor/Bookkeeper to advise the Board when a garnishment is satisfied.
23. Require the Auditor/Bookkeeper to identify the appropriate account number and account title when presenting bills for payment.
24. Direct the Auditor/Bookkeeper to report monthly all electronic fund transfers and the appropriate account number and account title for those transactions.
25. Ensure that the Auditor/Bookkeeper reports directly to the Board of Directors.⁷
26. Direct the General Manager to establish and maintain a policy and procedures manual for all significant financial processes.
27. Establish a standard disciplinary policy for non-compliance with financial policies and procedures.
28. Develop a realistic balanced budget and cash flow plan with conservative projections.

Agency/Department(s) Required to Respond

Clearlake Oaks County Water District (60 days)

⁷ State Water Code section 30542 states that the General Manager, secretary, treasurer, and auditor shall each receive the compensation determined by the Board and shall serve at its pleasure.

Cobb Area County Water District

Subject/Summary:

The Budget and Finance Committee conducted an elective oversight of the Cobb Area County Water District (CACWD).

The oversight revealed opportunities for improvement in financial reporting, internal controls, and physical security. The committee was also concerned with two potentially significant issues.

Specifically that CACWD:

- Allowed another government entity to use its federal identification number
- May have misrepresented costs associated with a County grant

Procedure/Methodology:

The committee met with the General Manager, bookkeeper, internal auditor, and accountant. In addition, the committee reviewed, evaluated, and analyzed various district documents including financial reports, policies and procedures, paid invoices, credit card bills, timecards, grant documents, and minutes of Board of Directors' meetings. A reconciliation of the petty cash fund was also observed. During the oversight, the committee conferred with the County Administrative Officer and the Deputy Auditor-Controller as needed.

Background and Discussion:

CACWD was originally formed in 1991. The company has approximately 700 customers and is governed by a five-member Board of Directors. Directors are elected to four-year terms.

The General Manager has served as general manager since CACWD was formed in 1991. In addition to managing CACWD operations, the General Manager oversees the water companies of Loch Lomond (a mutual company with 210 customers), Pine Grove (a private company with 92 customers), and Adams Springs (a state water district with 71 customers). CACWD receives revenue for work done on behalf of Loch Lomond and Adam Springs. At the time of review, Pine Grove was in receivership.

The CACWD office staff consists of one full-time receptionist/bookkeeper, and one part-time internal auditor. Two full-time employees make up the operations team. Accounting is done by a local certified public accountant on an as-needed basis.

CACWD financial statements for 2008 reported revenues of \$554,225 and expenses of \$476,862 resulting in a profit of \$77,363; however, cash on hand and in the bank were reported to be -\$11,276. The 2009 budget reflected a revenue deficit of more than \$60,000.

In July of 2008, CACWD received a grant from the County of Lake to install water lines prior to an extensive County road restoration project. The estimated cost of the project was \$189,300. More than half the estimated cost, \$95,000, was for contract work to install a water main, saddles, and fire hydrants. According to the grant agreement, the District was to provide funding of \$109,300 and the County would fund the balance up to a maximum of \$80,000. The agreement also stated, "District shall make every reasonable effort to minimize costs incurred for this project, thereby reducing the amount of funding needed from County..."

Federal tax identification number, also known as an Employer Identification Number, is a unique number assigned by the Internal Revenue Service to identify a business entity. It is the business equivalent of a social security number. Every entity that has employees or files taxes is required to have a federal tax identification number.

Findings:

1. CACWD is a special district. Special districts are required to submit audited financial reports to the State Controller annually. In addition, California Government Code 26909 requires that all special districts file audited financial statements in compliance with generally accepted auditing standards with the County Auditor-Controller within 12 months of the end of the fiscal year. Since its inception in 1991, CACWD has never obtained an independent financial audit.
2. The 2006 Statement of Net Assets contained a material error. The numbers recorded for Current Liabilities \$35,277 and Long-Term Liabilities \$493,872, did not add to the number recorded for Total Liabilities \$564,426. As a result, Total Liabilities was overstated by \$35,277, resulting in a seven percent understatement of Net Assets. This error went undetected until identified by the committee.
3. The 2007 Statement of Net Assets contained a material error. The numbers recorded for Current Liabilities \$35,322 and Long-Term Liabilities \$460,256, did not add to the number recorded for Total Liabilities \$530,900. As a result, Total Liabilities was overstated by \$35,322, resulting in a seven percent understatement of Net Assets. This error went undetected until identified by the committee.
4. The 2008 Statement of Cash Flow contained a significant error. The report

- indicated it was for the year ended June 30, 2008, when in fact, it was for the year ended December 31, 2008.
5. Although the committee does not have expertise in financial reporting, the 2008 financial statements appear to be significantly misstated. Most notably, Cobb Geothermal Mitigation Fund is reported in CACWD's 2008 Statement of Activities as both Income \$30,186 and Expense \$11,396 resulting in more than \$19,000 being added to CACWD's bottom line. However, a footnote to the financial statements indicates that Cobb Geothermal Mitigation Fund monies are maintained in a separate bank account, managed by a separate board of directors, but use the federal identification number assigned to CACWD. The General Manager confirmed that the funds do not belong to CACWD. As a result, the committee believes the financial statements are at worst misstated, and at best misleading.
 6. When Cobb Geothermal Mitigation Fund was established, it was required to obtain a federal tax identification number. According to the Internal Revenue Service, this process normally takes a few weeks. The mitigation fund was using CACWD's tax identification number instead of using a separate tax number assigned to the fund. In doing so, the fund was able to take advantage of CACWD's tax-exempt status.
 7. CACWD received a County grant to replace piping in conjunction with County road construction in Cobb Estates. At the time the grant was requested, the estimated cost of the contract portion of the project was \$95,000; however, by the time the grant was approved, the District was able to negotiate a far better price. According to minutes of Board of Directors' meetings, a contract to accomplish the work was for \$49,000, with anticipated overruns of \$10,000. Since the District was required to fund the first \$109,300 of the estimated \$189,300 final cost, the potential savings of approximately \$36,000 resulting from the lower contract cost would be realized by the County. This concerned the CACWD Board of Directors. As stated in the May 14, 2008 minutes (copy attached), a Director "...took issue with the agreement and asked that it not be signed....until a different negotiation could be made." The grant agreement was not renegotiated; however, CACWD found a way to use all the grant funds. As stated by the General Manager in a letter to the County Administrative Officer, "After reviewing the costs it is evident that we will require the entire \$80,000.00 grant."
 8. Committee review of District documents submitted to the County to support project costs and justify use of the \$80,000 grant found several discrepancies. Specifically, the District provided transaction registers, one for labor and one for non-labor, reflecting the total project cost was slightly under \$207,000. However, the supporting receipts submitted by the District did not always match the non-labor register. For example, the transaction register reflected

- five payments made to Pace Supply Company totaling \$57,865. Although the committee found five packages of Pace receipts, the individual receipts only added to \$21,458. In addition, the Pace receipts included approximately \$3,000 in charges that identified Pine Grove as the customer. In another example of differences, receipts totaling approximately \$100 from Creekside Deli were included in the reimbursement package, but could not be found on the transaction register.
9. The Policy and Procedure manual was last updated in 1996.
 - The Policy and Procedure manual did not include sections on requesting and approving overtime, credit card usage and controls, and petty cash accounting and handling requirements.
 - The bylaws were last revised in 2003.
 - Employees did not have written job descriptions.
 10. The committee was told that warrants were approved by the Directors as a resolution at every monthly Board meeting. Following each Board meeting, two of the Directors signed the actual checks, which had purchase orders and invoices attached. Examination of filed invoices found no initials or signatures to indicate review or approval of the bills by either the General Manager or a Director.
 11. Three months of credit card statements and related receipts were reviewed. None of the receipts or statements were initialed or signed to indicate review/authorization by the cardholder or approval by the General Manager or a Director.
 12. One credit card charge for \$15.95 at Trader Joes was for personal items charged by the General Manager. This charge was paid to avoid late fees and later reimbursed by the General Manager.
 13. The petty cash fund with an established amount of \$200.00 was counted in the committee's presence and was over by \$2.83.
 14. The petty cash fund was reconciled monthly. At the time of review, April 29, there was only one transaction for the month. Review of the transaction found that it could have been paid by credit card or check.
 15. The March replenishment check, dated March 31, was not cashed and was stored in the petty cash envelope.
 16. Petty cash, along with daily receipts, were kept in a desk drawer that could not be locked.
 17. According to the petty cash cashier, all District employees have access to the petty cash fund.
 18. The committee was told that timecards were signed by employees and

initialed by the General Manager to indicate review and approval. A cursory review of timecards revealed that some timecards were not signed and none of the timecards were initialed by the General Manager.

19. Some of the minutes reviewed by the committee were not dated.

Recommendations:

1. Ensure that required independent audits are accomplished and filed with both the State Controller and the County Auditor-Controller within 12 months of fiscal year end. The first such audit should be accomplished for the fiscal year ending December 31, 2008.
2. Correct the errors identified in the 2006 Statement of Assets, the 2007 Statement of Assets, and the 2008 Statement of Cash Flow (see Findings 2, 3, and 4).
3. Determine the appropriateness of accounting for Cobb Geothermal Mitigation Fund monies in the District's financial statements.
4. Determine the legality of Cobb Geothermal Mitigation Fund using the District's federal identification number and take any necessary corrective action.
5. The County Administrative Officer determine if CACWD met the requirement and intent of the \$80,000 grant provided for the Cobb Estate piping project. Contact the District Attorney's office if improper or illegal actions are identified or suspected.
6. Update the Policies and Procedures Manual.
7. Create policies related to overtime, credit cards, and petty cash sufficient to ensure that District funds are adequately safeguarded and not used for personal business.
8. Review the bylaws and update as needed.
9. Establish job descriptions for all District employees. The job descriptions should be signed by both the employee and a member of management.
10. Require that all invoices include some indication, an initial for example, that the General Manager has reviewed and recommends payment.
11. Require that all credit card statements include some indication, an initial for example, that both the cardholder and the General Manager have reviewed the bill and that the transactions are appropriate and authorized.
12. Eliminate the petty cash fund or, if the petty cash fund is retained:
 - o Develop a policy (see Recommendation 7) to include processes for

dealing with over and under variances, weekly reconciliations, and management oversights including random reconciliations by the General Manager and Directors. The fund should never be over or under the established amount.

- Improve physical security to ensure that petty cash is locked and access to the funds restricted.
13. Ensure that daily receipts are adequately safeguarded and not left in an unlocked drawer.
 14. Comply with established payroll controls to include employee signatures and General Manager's initials on all timecards.
 15. Ensure that all Board meeting minutes reflect the date of the meeting.

Agency/Department(s) Required to Respond

Cobb Area County Water District Board of Directors (60 Days)

County Administrative Officer via the Board of Supervisors (90 Days)

COBB AREA COUNTY WATER DISTRICT

PHONE (707) 928-5262

FAX (707) 928-5263

E-mail cacwd@telis.org

POST OFFICE BOX 284

16595 HWY. 175, SUIT 102
COBB, CALIFORNIA 95426

Minutes of Regular Directors Meeting

May 14, 2008

- I. A. Meeting called to order by: President Winkelman @ 7:00 PM
B. Roll Call:
Board Present: Directors Winkelman, Trautwein, Gibson, Breeden, Gerner
Staff Present: GM Stark
Public/Others: Mr Tom Slaight, Mr Don McConlogue
- II. A. Adoption of the current agenda: Motion to adopt as presented with transfer of Business Item 1. to next item to be discussed (Will appear as agenda item in Minutes), by Director Trautwein, 2nd by Director Gibson, Unanimous.
B. Approval of Minutes: Motion to approve Minutes of 4/9/08 as presented by Director Trautwein, 2nd by Director Gerner, Unanimous.
- III. Reports:
A. Financial: Report reviewed and discussed. Motion to accept Financial Report by Director Trautwein, 2nd by Director Gibson, Unanimous.
B. General Manager/Secretary: Report reviewed and discussed. Motion to accept Manager Report by director Gibson, 2nd by Director Breeden, Unanimous.
C. Committee: None
- IV. Approval of CAWD Warrant Register: 5 - 08 Motion to approve warrant by Director Gerner, 2nd by Director Breeden, Unanimous.
Approval of PGWS Warrant Register: 5 - 08 Motion to approve warrant by Director Gibson, 2nd by Director Gerner, Unanimous
- V. Business:
1. DISCUSS/ ACT, on Annexation of the Pine Grove Water System, which includes Subdivisions #1 and #2 as well as the Pine Grove Resort. President Winkelman asked Mr Stark to proceed. Mr Stark advised the Board that the plan to expand and rebuild the Pine Grove Resort were on hold as further requirements by the County of Lake and the State of California had not been met. In relation to the CAWD the issue was whether the Resort alone or the combined Resort and Subdivisions would be annexed. Mr Stark provided a thorough explanation of all the details relating to the project, and its effect on both the residents of Pine Grove and of the CAWD. It was decided that there was no need to take any action at this time, as much more information would be required before any action could be taken. Mr Don McConlogue spoke and agreed with the Board decision that in fact it was too early to make any discussions at this time, and asked if the Pine Grove residents

could be informed of any changes. President Winkelman assured Mr McConlogue that in fact the public would be kept in the loop. **No Action.**

2. DISCUSS/ ACT, on Cobb Estates pipeline project, contract still requires signature. Update on cost of meter change out to auto read. President Winkelman advised the members that the contract for the loan was ready for signature, after being misfiled at County Counsel office. Also there was an agreement with the County of Lake for the matching funds to be allocated from the Geothermal Mitigation Fund (AB1905) Mr Stark passed the County agreement out for review pointing out that the District had to expend all its monies both borrowed and in reserve before AB1905 money would be spent, thereby giving all the savings to the County of Lake for the project costs. Director Trautwein took issue with the agreement and asked that it not be signed, nor the loan agreement be signed until a different negotiation could be made. Mr Stark advised that he could get a copy of the Supervisors meeting when the proposal was made. **President Winkelman formed a temporary committee consisting of himself, Director Trautwein, and Mr Stark, to investigate the matter. No action taken**

Mr Stark provided the members with additional information about the radio monitoring meters, and suggested it be determined if the cost can be plugged into the project cost, when the agreement with the County has been approved.

VI. Public Comments:

VII. A. Convene to Closed Session:

B. Adjourn from Closed Session

VIII. Suggested topics for future meetings:

IX. Meeting adjourned at: 8:45

County Administrator's Office

Subject/Summary:

The Budget and Finance Committee conducted an oversight of the County Administrator's Office.

The Administrator has been successfully accomplishing the duties for several years. The committee does however, have a few recommendations.

Procedure/Methodology:

The committee:

- Interviewed the County Administrator,
- Participated in review and discussion of the County's fiscal year 2007-2008 independent audit,
- Evaluated and analyzed various financial reports, including the County's fiscal year 2008-2009 adopted budget and internal audits of change and petty cash funds.

Background and Discussion:

The County Administrator is an appointed position and serves as an at-will employee directly under the Board of Supervisors. The current Administrator has held the position for approximately 28 years.

As the County's Chief Operating Officer, the Administrator is responsible for the day-to-day affairs of County government, including:

- Overseeing 24 departments
- Supervising in excess of 900 County employees
- Advising and assisting the Board of Supervisors
- Implementing Board of Supervisors' policies and decisions

The most important function of the Administrator is ensuring the financial integrity of the County. The Administrator is responsible for preparing and managing the County's annual operating budget. The adopted County budget was in excess of \$200 million for the first time for the 2008-2009 fiscal year. At the time of review, the proposed 2009-2010 budget was structurally balanced without need of layoffs, furloughs, or major cutbacks in programs and services funded by the general fund. This is a significant accomplishment during these difficult economic times.

Other issues being worked on by the County Administrator at the time of the oversight included:

- Promoting local economy, including encouraging County departments to buy local
- Acquiring Mt. Konocti land
- Obtaining federal funding for County projects
- Progressing toward a new Middletown library and senior center
- Overseeing completion of the Clearlake Oaks Plaza

The overall County budget is made up of several Departmental budgets. There are various categories within a departmental budget including, salaries and benefits and services and supplies. Within each cost category are several individual line items, which comprise the smallest element of the budget. Salaries and benefits consist of full-time permanent salaries, extra help salaries, health insurance, and retirement contributions. The overall County budget is comprised of thousands of individual line items.

Due to budgetary constraints, not all capital projects are funded in the year proposed. Some projects are not funded for several years, while others may never receive funding. Unfunded capital projects should be prioritized for at least two important reasons. 1) To aid in the development of future budgets, and 2) To expedite procurement in the event that monies become available.

In 2009, construction was completed on a new Animal Control facility. Approximately \$50,000 of the construction cost was paid by private donations. At the time of the Ad-Hoc Committee's oversight¹, Animal Control was soliciting donations for a spay and neuter clinic.

Findings:

1. Lake County is one of the few counties in the state without general fund debt.
2. The County's budget has always been balanced, under the current Administrator, and annual costs have never exceeded available revenues.
3. Department Heads are required to monitor budgets at the line-item level. In other words, individual line items within the budget cannot be exceeded without a request by the Department Head, an approval by the County Administrator, and a budget transfer/adjustment by the Auditor-Controller.

¹ See Ad-Hoc Committee Report entitled, Not Lions and Tigers and Bears, but Domestic Animals and Rattlesnakes.

4. The County did not maintain a prioritized list of unfunded capital projects.
5. A 2008 internal audit² identified missing County money and misuse of donations at the Animal Control facility.
6. The committee was advised that the 2009 internal audit of Animal Control found significant cash management improprieties including undeposited receipts totaling more than \$45,000, several months of unpaid invoices, and veterinary costs in excess of \$10,000 to treat a single animal.

Recommendations:

1. Revise County policy to require budget monitoring at the category level.
2. Develop a list of unfunded capital projects for review, prioritization and approval by the Board of Supervisors.
3. Suspend receipt of donations by county agencies until controls are established and sufficiently implemented to ensure that monies donated by the public are properly safeguarded and used solely for the purpose intended.
4. Direct the Auditor-Controller to accomplish frequent, monthly or quarterly instead of annually, internal audits of County agencies when significant cash control issues are identified.

Agency/Department(s) Required to Respond

Board of Supervisors (90 Days)

County Administrator via the Board of Supervisors (90 Days)

² The Auditor-Controller conducts annual audits of all County change and petty-cash funds.

County Assessor-Recorder

Subject/Summary:

The Budget and Finance Committee conducted an elective oversight of the Assessor-Recorder's Office.

The committee found that Recorder workload had decreased significantly since 2005 without a corresponding adjustment in staff size. In addition, the Geographical Information System needed upgrading, and cash control/safeguarding needed improvement.

Procedure/Methodology:

The committee interviewed the Assessor-Recorder and evaluated financial reports and statistical data associated with the office. The committee also observed a cash count of the Assessor change fund and examined physical security of Assessor-Recorder funds on hand.

Background and Discussion:

The Assessor-Recorder is an elected position. The current Assessor-Recorder has been in office for eight years. The Assessor-Recorder is two positions in one, responsible for determining property values and recording public documents.

The Assessor is responsible for discovering, inventorying, valuing, enrolling, and assessing all taxable property in the County. At the time of this oversight, 15 people were employed in the Assessor's Office.

The Recorder is responsible for recording, safeguarding, and maintaining public records such as real estate transactions, and birth, death, and marriage certificates. The recording function is accomplished with a staff of five.

In 1978, California voters passed Proposition 8, a constitutional amendment that allows a temporary reduction in assessed value when real property suffers a decline in value. As a result of falling housing values, in 2007/2008 the Assessor-Recorder initiated more than 4,800 Proposition 8 reviews.

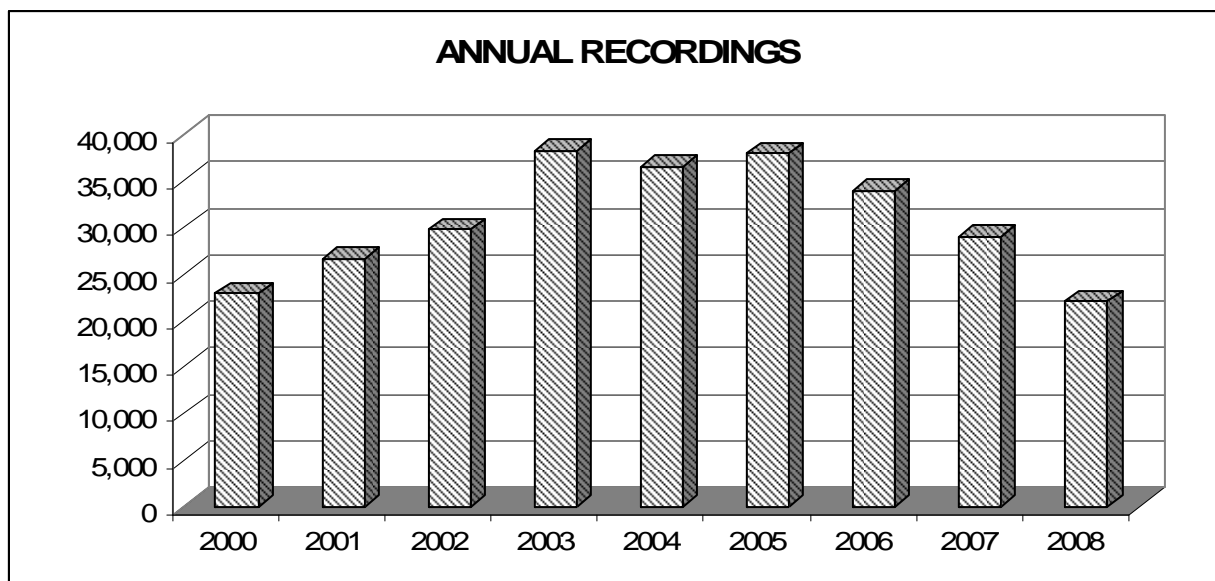
The tax roll consists of both secured and unsecured property. Secured taxes are secured by real property (buildings and land, for example). Unsecured taxes are a lien against the individual and not the property. Secured property makes up approximately 97 percent of the total tax roll.

Lake County's Geographical Information System, (GIS), was completed in approximately 2001. A GIS captures, stores, analyzes, manages, and presents data linked to a specific location. GIS applications are tools that allow a user to create interactive queries, analyze special information, edit data, maps, and

present the results in report format. Funding to obtain the required maintenance software and to complete the parcel map was obtained through a State grant. The GIS aerial photos, with the parcel map, benefit not only the Assessor's Office but also the Planning and Public Works Departments, and the Redevelopment Agency.

Findings:

1. The total recordings between the calendar years 2005 and 2008 decreased more than 40 percent. Staffing in the Recorder's Office remained constant during the same period.



2. The County GIS contained aerial photos that were more than five-years old. There was no procedure or policy to keep the photos current.
3. Assessor-Recorder staff work staggered shifts. However, there is no time clock to record employees' time. Start/stop times are documented by emails sent to the supervisor by the employees. The supervisor compares the email start/stop times with the manual timecard submitted by the employee, at the end of the pay period, for submission to the Controller for payment.
4. The Assessor's Office maintains a change fund of \$20. The Assessor change fund is maintained in an envelope in an unlocked cabinet remote from the cash drawer used for customer payments. The committee questions the need for a change fund.
5. Keys were observed in unattended cash drawers creating a security risk and potentially providing members of the public with unauthorized access to County funds.

Recommendations:

1. Adjust Recorder staff size to correspond with reduced workload.
2. Ascertain the cost versus benefit of obtaining updated aerial photos for the County's GIS. Establish a policy regarding the frequency of updating the aerial photos. The policy must consider the benefit to all the departments that utilize the GIS.
3. Determine the need for the Assessor change fund. If the change fund is required, maintain the funds where cash transactions occur. If the fund is not needed, return the money to the Controller.
4. Review physical security (to include proper safeguarding and handling of money) within the Assessor-Recorder's Office.

Agency/Department(s) Required to Respond

Assessor-Recorder (60 Days)

Auditor-Controller (60 Days)

County Auditor-Controller

Subject/Summary:

The Budget and Finance Committee conducted an elective oversight of the County Auditor-Controller's Office.

The Auditor-Controller was successfully accomplishing the duties of the position; however, the committee felt that improvements could be made in the following areas:

- Time and attendance
- Petty cash and change funds
- Internal audits
- Physical security and cash control
- Donations
- Special District audits

Procedure/Methodology:

During this oversight, the committee:

- Interviewed the Auditor-Controller and the Deputy Auditor-Controller
- Participated in review and discussion of the County's fiscal year 2007-2008 independent audit
- Evaluated and analyzed various County and special district financial reports
- Reviewed credit card statements, petty cash reimbursement documents, and 2008 internal audit reports relating to change and petty cash funds

Background and Discussion:

The Auditor-Controller is an elected position. The current Auditor-Controller was first elected in 1996, and has 30 years of experience in the Auditor-Controller's Office. The Auditor-Controller's Office has 11 full-time employees.

As the County's Chief Financial Officer, the Auditor-Controller is responsible for accounting, auditing, and financial services that include:

- Financial reporting
- Budget compilation
- Internal auditing
- Bill paying
- Payroll operations
- Property tax administration

The Controller also serves as the County Clerk and collects fees for fictitious business names, marriage licenses, and notary public services. The County Clerk also performs marriage ceremonies.

The Auditor-Controller received the "Award for Excellence in Finance Reporting" by the State Controller in eight of the last nine years. In addition, the Auditor-Controller was awarded the "Certificate of Achievement for Excellence in Finance Reporting" by the Government Finance Officer Association in each of the last six years.

The basic timekeeping procedure for County employees is to manually prepare a timecard at the end of the pay period and submit the card to a supervisor for review and to the department head for approval. The timecard is then forwarded to the Auditor-Controller for payment. Although not specifically required, most of the County management officials, interviewed during the committee's oversights, maintained additional documentation to ensure the accuracy of the time and attendance system. For example, one supervisor maintained a timekeeping log to record employees' time, and another manager required employees to submit an e-mail to document start and stop times.

The 2006-2007 Lake County Grand Jury recommended implementation of an automated timekeeping system. The Auditor-Controller researched available systems, and recommended procurement and implementation of an automated timekeeping system with an interface to the County's payroll system; however, funding constraints have prevented procurement of the system.

There are 9 petty cash funds within the County and 27 change funds. The total value of these funds is \$5,015 (\$1,450 in petty cash and \$3,565 in change). By far the largest fund is a \$1,500 change fund maintained by the Sheriff at the jail facility.

The Auditor-Controller accomplishes annual audits of all county change and petty cash funds. Government Code 26883¹ requires the Auditor-Controller to file all audit reports with the Board of Supervisors with a copy to the District Attorney if the report discloses fraud or gross negligence.

¹ California Government Code 26883: In addition to the power now possessed by the board of supervisors to enter into contracts for audits the board shall have the power to require that the county auditor-controller shall audit the accounts and records of any department, office, board or institution under its control and of any district whose funds are kept in the county treasury. The county auditor-controller's report on any such audit shall be filed with the board of supervisors and, if the report discloses fraud or gross negligence a copy thereof shall be filed with the district attorney. The governing body of any district may agree with the board of supervisors to reimburse the county for its actual cost of any audit of its accounts and records had under this section.

California Government Code 26909² requires that all special districts file audited financial statements with the County Auditor-Controller within 12 months of the end of the fiscal year. If audited statements are not submitted, the government code requires the Auditor-Controller to either conduct the required audit or contract with a certified public accountant to accomplish the audit. The Code further states, audits are to be accomplished in compliance with the generally accepted auditing standards.

Findings:

1. Committee members observed seven of the County's 27 change funds and found the following:
 - Several of the observed funds were maintained at locations remote from the respective cash drawer
 - A \$20 change fund consisted of a \$20 bill
 - In addition, a \$5 change fund consisted of a \$5 bill
2. The response received when the committee questioned the need for some change funds was that once the Board of Supervisors approves establishment of a fund, it is easier to keep the money than to return it.
3. Review of four 2008 internal audit reports found no indication that any of the reports were filed with the Board of Supervisors.
4. The Auditor-Controller's 2008 internal audit of Animal Control found the entire \$30 change fund missing and approximately \$15 of the \$50 petty-cash fund was unaccounted for. The report also noted that public donations were co-mingled with other monies. Although the report implied gross negligence, resulting in possible theft, there was no indication that the report was provided to the District Attorney's Office.
5. The Auditor-Controller stated, "...there is no formal policy to provide copies or reports to the Board of Supervisors..."
6. The committee identified two physical security concerns:
 - A cash drawer that could not be opened
 - Cash drawers were left unattended with the keys in place
7. The Auditor-Controller's 2008 internal audit of Animal Control indicated that the cash drawer was left unlocked when unattended. The committee was advised that the 2009 internal audit of Animal Control found more than \$45,000 in un-deposited cash and checks at the facility. During oversights

² See Attached California Government Code 26909

conducted by the committee, committee members identified two special districts that did not have audited financial statements on file with the Auditor-Controller:

- Clearlake Oaks County Water District (CLOCWD): At the time of review, the last audit of CLOCWD was accomplished for the fiscal year ended June 30, 2005. On February 20, 2008, the Auditor-Controller notified CLOCWD of the delinquency in filing audited financial statements for 2006 and 2007. In part, the Auditor-Controller's letter stated, "Upon review of our records, an annual audit for your District for the fiscal years ending 06/30/06 and 06/30/07 has not been received." The letter required no response, identified no due date, and provided no penalty or consequence for not filing. As of May 2009, audited statements still had not been filed by CLOCWD for the fiscal years ended June 30, 2006 and 2007 and, according to CLOCWD personnel, a follow-up to the Auditor-Controller's February 2008 letter had not been received. The committee feels very strongly that many of the issues and concerns related to CLOCWD (see Budget and Finance, Clearlake Oaks County Water District Complaint) would have been eliminated or mitigated if an independent audit had been accomplished as required by law.
- Cobb Area County Water District (CACWD): At the time of review, CACWD provided the committee "Compilation Reports" in lieu of audited financial statements for the fiscal years ended December 31, 2007 and 2008. Even though the compilation reports stated specifically, "We have not audited or reviewed the accompanying financial statements..." the statements were accepted by the Auditor-Controller as meeting the requirement of audited financial statements. In responding to the committee, the CACWD General Manager stated that compilation reports had been prepared every year since 1991 and that, "Copies of said report have been submitted to the County of Lake annually without exception, comment, critique or criticism."

Recommendations:

1. Conduct a review of all county change and petty cash funds to determine the continued need for these funds.
2. Return all unneeded change and petty cash funds to the General Fund.
3. File all audit reports, including internal audit reports, with the Board of Supervisors in compliance with Government Code 26883. In addition, provide a copy to the District Attorney if the report discloses fraud or gross negligence.
4. Conduct a review of County departments and offices who handle cash to ensure that all funds are adequately controlled and safeguarded.

5. Conduct frequent audits of departments/agencies' change and petty cash funds when significant cash control issues are identified.
6. Suspend receipt of donations by county departments/agencies until controls are established and implemented sufficient to ensure that monies donated by the public are properly safeguarded and used solely for the purpose intended.
7. Ensure compliance with Government Code 26909.
 - o If Special District audited statements are not submitted within 12 months of fiscal year end, the Auditor-Controller must conduct either the required audit or contract with a certified public accountant to accomplish the audit.
 - o Reject any financial statements that have not been audited in compliance with generally accepted auditing standards.
8. Send Special District audit notification letters six months after a fiscal-year ends to advise districts of the due date and the consequences of non-compliance.

Agency/Department(s) Required to Respond

Board of Supervisors (90 Days)

County Administrator via the Board of Supervisors (90 Days)

Auditor-Controller (60 Days)

California Government Code 26909 (a)

(1) The county auditor shall either make or contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of every special district within the county for which an audit by a certified public accountant or public accountant is not otherwise provided. In each case, the minimum requirements of the audit shall be prescribed by the Controller and shall conform to generally accepted auditing standards.

(2) Where an audit of a special district's accounts and records is made by a certified public accountant or public accountant, the minimum requirements of the audit shall be prescribed by the Controller and shall conform to generally accepted auditing standards, and a report thereof shall be filed with the Controller and with the county auditor of the county in which the special district is located. The report shall be filed within 12 months of the end of the fiscal year or years under examination.

(3) Any costs incurred by the county auditor, including contracts with, or employment of, certified public accountants or public accountants, in making an audit of every special district pursuant to this section shall be borne by the special district and shall be a charge against any unencumbered funds of the district available for the purpose.

County Treasurer-Tax Collector

Subject/Summary:

The Budget and Finance Committee conducted an elective oversight of the Treasurer-Tax Collector's Office.

The committee concluded that the Treasurer-Tax Collector has made significant accomplishments during the first two years of the elected term, but that several challenges remain.

Procedure/Methodology:

The committee met with the Treasurer-Tax Collector and reviewed, evaluated, and analyzed documents associated with secured and unsecured taxes, fines and fees, transient occupancy tax, and the County's investment portfolio. The committee also observed cash counts of several change funds maintained by the Treasurer-Tax Collector.

Background and Discussion:

The Treasurer-Tax Collector is an elected position. The current Treasurer-Tax Collector was initially elected in 2006 and took office in 2007. The Treasurer-Tax Collector is responsible for collecting, safeguarding, and investing County funds. The Tax Collector ensures that taxes, fines, fees and other monies owed are duly paid.

The Treasurer is responsible for safeguarding and investing funds and for making sure that monies are available when needed.

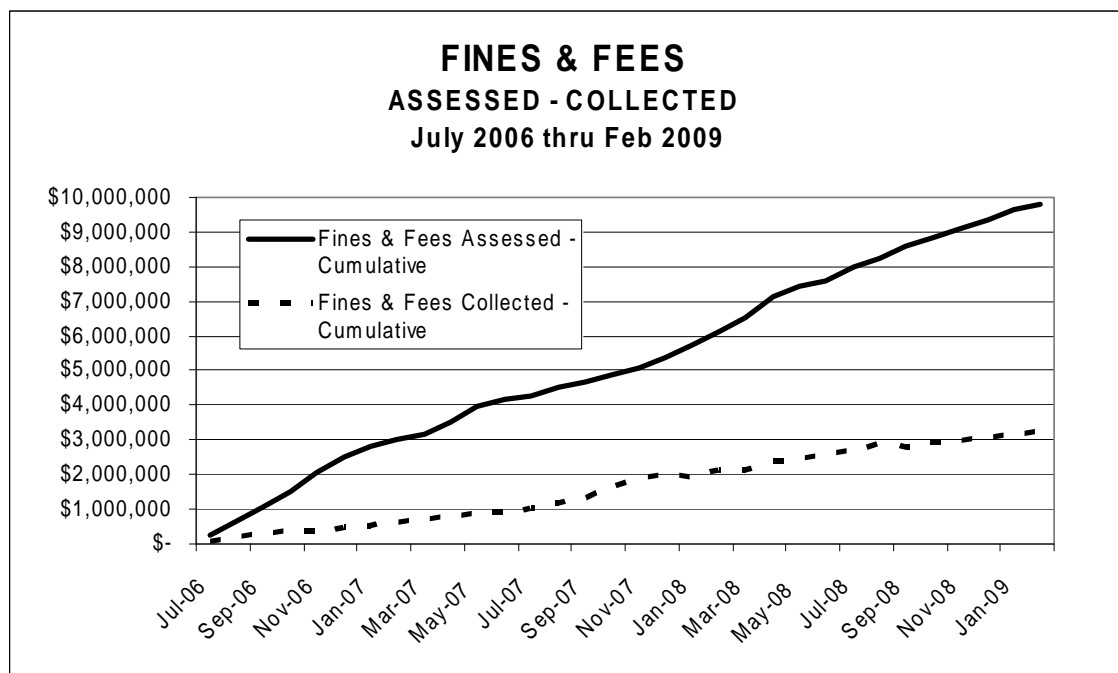
The Treasurer-Tax Collector's Office staff consists of approximately 10 individuals. During the 2007/2008 fiscal year, the Treasurer-Tax Collector's office:

- Counted nearly \$1,000,000 in currency
- Handled more than 70,000 bills and resultant checks
- Increased collection of fines and fees by 10 percent
- Processed nearly 5,000 deposit permits
- Managed an investment portfolio approaching \$150 Million

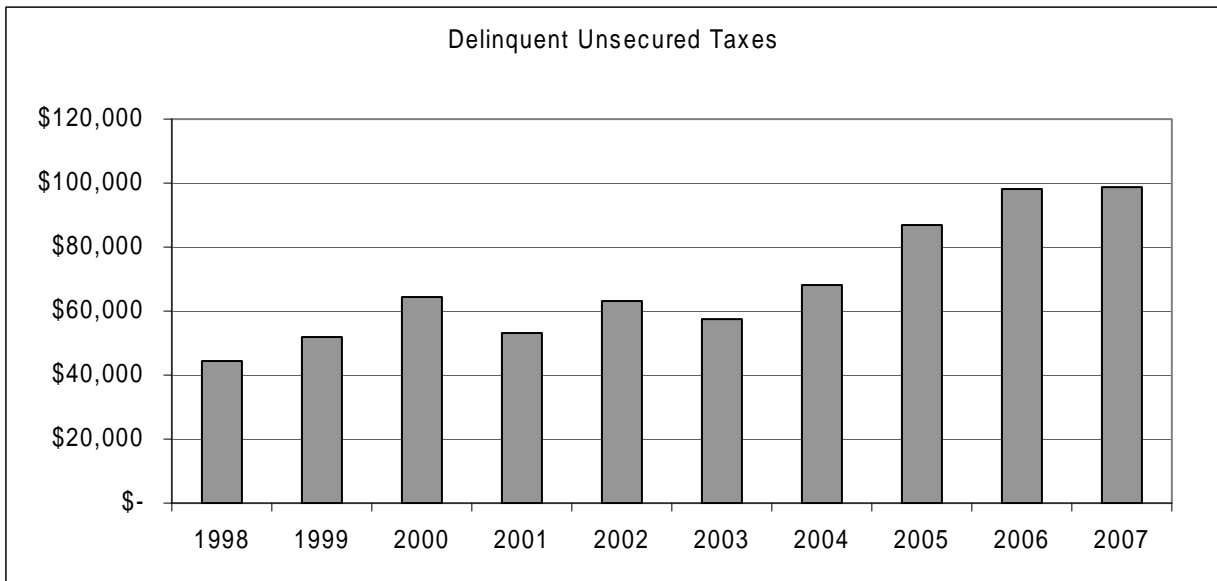
Findings:

1. The Treasurer-Tax Collector has accomplished the following during the first two years in office:
 - Recruited and developed staff

- Developed and standardized desk and office procedures
 - Obtained a \$60,000 grant
 - Introduced state legislation regarding duplicate tax payments and adverse possession
 - Proposed a standard fee schedule
 - Initiated a Public Defender eligibility screening program
 - Began a Code Compliance pay plan for abated property
 - Established online tax payments
 - Implemented an online e-mail reminder subscription service
2. The committee identified six change funds maintained by the Treasurer/Tax Collector totaling \$250. Some of the change funds appeared to be unused, and one change fund could not be verified because the primary cashier was unavailable and secondary personnel were unable to open the cash drawer. The Tax Collector subsequently reported that the cash drawer in question was stuck, a fact that was unknown to the secondary cashiers.
2. Objectives that still need to be accomplished include:
- Implementing an improved fines and fees system: At the time of the oversight, unpaid fines and fees assessed by the court system totaled more than \$25 Million. More than \$24 Million was delinquent in excess of 120 days. Fines and fees are being assessed faster than they are being collected. For example, from July 2006 to February 2009, nearly \$10 Million in fines and fees were assessed, but less than \$3.5 Million was collected.



- Improved Transient Occupancy Tax collection procedures: At the time of review, the Transient Occupancy Tax (TOT) collected by lodging establishments was 9%. In the 2007-2008 fiscal year, the County received nearly \$1 Million in TOT revenue. In 2008, the County engaged an independent auditor to ascertain if establishments were collecting and remitting TOT as required. The results of that audit were not completed prior to the conclusion of the oversight; however, the Committee learned of at least one establishment that collected TOT but failed to remit the proceeds to the County. Additional inquiry by the committee found that the last independent TOT audit was accomplished in 2001.
- Improved collection of unsecured taxes: At the time of this oversight, unsecured taxes owed to the County exceeded \$750 Thousand. Committee review of aging reports found little change between delinquencies outstanding from 1998 through 2004, which could be an indication that little had been done to collect these delinquencies. The Tax Collector stated that, "Unsecured liens are valid for ten years, beyond that the Tax Collector is prohibited from enforcing collection unless the lien is renewed. Historically, liens have not been renewed by the Tax Collector."



3. There were no time clocks. As a result, time and attendance was maintained by both employees and supervisors. At the end of the pay period, employees submitted manually prepared timesheets to supervisors for review and approval, prior to submission to the Controller for payment.

Recommendations:

1. Conduct a study of the Treasurer/Tax Collector office to determine the appropriateness of staff size and adequacy of office equipment. As a minimum, the study should ascertain the cost/benefit of:
 - Adding a Senior Accounting Technician to focus on delinquent account collections
 - Obtaining a remittance processor to expedite payment processing
 - Providing online tax-roll information and improving electronic payment opportunities to include credit-card options
 - Purchasing check imaging and electronic deposit transmittal equipment to reduce manual processes and improve accuracy
 - Contracting with a third-party collection agency to assist with hard-to-collect accounts
 - Procuring additional storage units, such as file cabinets, mail racks, and work benches
 - Acquiring additional printers to improve office efficiency
2. Establish a standard fee schedule.
3. Develop a policy or regulation related to the frequency of Transient Occupancy Tax audits.
4. Establish a policy regarding renewing unsecured liens.
5. Either combine the six change funds maintained by the Treasurer-Tax Collector, or return unneeded funds to the Controller.
6. Ensure that all locks, drawers, boxes, and safes used to store funds are in good working order and can be accessed by authorized personnel only.

Agency/Department(s) Required to Respond

Treasurer-Tax Collector (60 Days)

Auditor-Controller (60 Days)

Nice Mutual Water Company Complaint

(NFA-No Further Action)

Subject/Summary:

The 2008/2009, Lake County Grand Jury accepted a complaint alleging that Nice Mutual Water Company was operating contrary to State laws and Articles of Incorporation.

After the Budget and Finance Committee had initiated an investigation, the complainant requested that the investigation be discontinued. Shortly after, the Grand Jury received a second complaint alleging illegal voting practices. The committee findings and concerns were submitted to the District Attorney.

Procedure/Methodology:

The committee spoke with the initial complainant and met with the Nice Mutual Water Company office manager, the President of the Board of Directors, and a member of the Board of Directors' Finance Committee. The committee also reviewed, evaluated, and analyzed financial statements, audit reports, articles of incorporation, bylaws, the shareholder handbook, a copy of the Board Election Ballot for June 2009, and Board of Directors meeting agendas and minutes.

Background and Discussion:

The Nice Mutual Water Company is a private corporation run by and for shareholders. As a result, the Company is subject to California Law; specifically, California Corporation Code, Part 3 (Nonprofit Mutual Benefit Corporations), Sections 7110 through 8910, and is bound by its articles of incorporation.

Because the agency involved in the complaint is a private corporation, the committee cannot publicize any information obtained during this investigation. Instead, all information gathered in this investigation has been submitted to the District Attorney's Office for review.

Because this investigation was suspended and submitted to the District Attorney, there are neither findings nor recommendations provided in this report.

Board of Supervisors

Subject/Summary:

In January 2009, the Government Services Committee conducted an annual oversight of the Lake County Board of Supervisors. The purpose of the oversight was to gain insight into County Government operations, gather information into the Board's concerns and areas the Grand Jury may need to address, and to ensure that the current Board is adequately serving the needs of the citizens of the County.

Procedure/Methodology:

In January 2009, the committee and other Grand Jury members attended a closed-session meeting with the Board of Supervisors at the Board's Chambers. All Board members, County Counsel, and the County Administrator were present at the meeting. Subsequently, between February and May of 2009, each District Supervisor appeared before the full panel of the Grand Jury individually, with the exception of the District 5 Supervisor. The District 5 Supervisor did not appear before the full panel of the Grand Jury after being scheduled and the Supervisor did not reschedule.

Background and Discussion:

The Lake County Board of Supervisors consists of five board members that are elected by the citizens of Lake County. Each Supervisor resides within the represented District. The goal of the Board is to act in the best interest of the citizens of Lake County in making decisions today that will have a positive impact on the County's future. Each of the Supervisors presents concerns and complaints from the citizens of the respective districts to the Board. In addition to agenda meetings, each Supervisor serves on various committees within the County.

During the closed session meeting with the Grand Jury members, the following topics were discussed:

- The duties, goals and responsibilities of each board member
- Information regarding the purchase Mt. Konocti
- The County's insurance
- The current LacoSan Water Supply Agreement with the Yolo County Flood Control and Water Conservation District

- The planning commissioner selection process
- How the budget affects the infrastructure
- The plans for capital improvements
- The type of training a new board member receives
- How the current financial crisis is affecting recruitment and retention of County personnel
- Specific areas of concern that the Grand Jury should address

An Ad Hoc Committee was formed by the Board of Supervisors to investigate and report on making county offices/buildings more energy efficient. This proved to be very successful as the county now has the third largest solar powered system in the western states and the largest in California. The system will provide a savings of approximately five million dollars over the next twenty years. The installation of this system has opened the door for more federal money for solar projects.

All Supervisors agree there is a need to create jobs to keep people in the County and spend locally. The State allows the counties to form special districts for redevelopment. Money received from the special districts has to be kept in the County and can be used to:

- Enhance beauty
- Restore blighted areas, thus improving property values and tax revenues
- Create employment
- Create a better economy

The redevelopment money comes from tax revenues.

Findings:

1. Water originating from Clear Lake goes to Yolo County and continues to the Sacramento River Delta and on to the aqueduct.
2. An MOU has been created between the Lake County Watershed Protection District and Yolo County.
3. Lake County was the first county in the State to adopt ordinances to restrict the purchase of pharmaceuticals to make illicit drugs.
4. Lake County has a structurally balanced budget.

5. Supervisors select a District Planning Commissioner to represent the district. All Planning Commissioners, after being selected, must be approved by a majority of the Board.
6. The Mental Health Department is a major concern. The Department's in financial crisis and the County has transferred funds to repay a debt to the State and to enable the Department to pay vendors.
7. Supervisors are continually meeting with the IHSS Program Authority to improve the In Home Support Services (IHSS) program.
8. Efforts are being made to purchase and preserve Mt. Konocti, see website.¹
9. County Counsel provides training to the Board of Supervisors in the Brown Act and ethics.
10. New members of the Board receive the majority of training on the job.
11. The County is currently well positioned financially, although the local tax base is down. The County is relying on stimulus funds for Special Districts for water and sewer upgrades and bridges and road repairs through the Department of Public Works.
12. Lake County budget is in the black because of sound fiscal management.
13. Over 50% of tax revenues goes toward larger departments including, The District Attorney's Office, The Department of Probation, the Sheriff's Office and the Department of Social Services.
14. The pay scale for the Board of Supervisors is one of the lowest in the State.
15. There is currently no litigation against any individual member of the Board of Supervisors.
16. School districts and Yuba College receive a majority of property tax revenues.
17. Money from the General Fund is used to pay the County's portion of IHSS services. This money is subsequently reimbursed by the State.
18. The County received the "Green Leadership Award", from the State, in Sacramento for the solar power system. The award was in recognition of the County's solar power installation.
19. At least one Board Member is trying to procure funds for the "Montana Meth Project".²

¹ <http://www.preservekonocti.org/>

20. Redevelopment funds were used to:
 - o Purchase an island in Clearlake Oaks to remove blighted housing
 - o Cleanup and beautification of the Plaza and Nylander Park
 - o Purchase a red-tagged building in Lucerne that was removed for redevelopment purposes
21. Citizens are encouraged to “buy local” to enhance the tax revenues and bolster the local economy.
22. The unemployment rate, at the time of this oversight, in Lake County was 10%.
23. When District Supervisors visit the Grand Jury individually, jury members obtain more information regarding the issues of each individual District.
24. Lake County is self-insured with a \$10,000 deductible. Risk Management, a division of the County Counsel’s Office, manages both the public liability and workers compensation program. The workers compensation program is administered by third parties through the California State Association of Counties, (CSAC).
25. The County does not use time clocks to record employees’ time. Three of four department heads interviewed during oversights conducted by the committee, indicated a desire for an automated timekeeping system.

Recommendations:

1. Continue exploring alternative energy projects.
2. Form an Ad-Hoc Committee to determine the best method of proceeding in eliminating the financial problems at the Mental Health Department.
3. Continue to arrange for each Supervisor to appear before the full panel of the Grand Jury annually.
4. Develop or procure an integrated electronic time and attendance system for use by County departments and offices.

Agency/Department(s) Required to Respond

Board of Supervisors (90 days)

² <http://www.montanameth.org/>

Clearlake City Council

Subject/Summary:

The Government Services Committee conducted an elective oversight of the Clearlake City Council. The meeting between the committee and the City Council was agendized as a closed session meeting in compliance with the Brown Act (54950 California Government Code).

Procedure/Methodology:

In January of 2009, the committee met with the Clearlake City Council. During introductions, each council member along with the City Administrator gave a summary of qualifications, experience, and goals for the coming year.

Background and Discussion:

The committee met with the Clearlake City Council during the first week of the year. The Clearlake City Council is the Board of Directors for the Clearlake Redevelopment Agency.

The City of Clearlake is a general law city.¹ The budget is the greatest concern of the City Council. Public Safety accounts for approximately sixty percent of the city's budget.

Abatement is a continuing struggle for the City. When private property owners refuse or are unable to bring property up to health and building code standards, the City must step in and abate the property to prevent blight and encourage better property values.

Findings:

1. All members of the City Council are elected and the City Council appoints the Mayor.
2. The mayoral position is in name only, the appointed Mayor acts more as a facilitator and organizer than as a supervisor.
3. The mayor is compensated at the same rate as the other council members.

¹ See Attachment General Law Cities v Charter Law Cities

4. City Council members receive three hundred dollars a month from the city, plus thirty dollars per meeting from the City of Clearlake Redevelopment Agency.
5. The City has 115 miles of developed roadways. Forty-nine miles are unpaved.
6. The city has a maintenance crew of four. This is supplemented by between four and eight inmate workers. The city pays \$600 to \$800 per year for inmate services per inmate and \$57 per day, per inmate for health insurance.
7. Recruitment is currently underway to fill the vacant City Engineer position.
8. Basic city services are currently strained to provide a minimum of service.
9. Water is provided to city residents by three different entities.
10. The Mayor specified that the City Council complied with the Brown Act.

Recommendations:

None

Agency/Department Required to Respond

None

General Law City v. Charter City

Characteristic	General Law City	Charter City
Form of Government	State law describes the city's form of government. For example, Government Code section 36501 authorizes general law cities be governed by a city council of five members, a city clerk, a city treasurer, a police chief, a fire chief and any subordinate officers or employees as required by law. City electors may adopt ordinance which provides for a different number of council members. Cal. Gov't section 34871. The Government Code also authorizes the "city manager" form of government. Cal. Gov't Code § 34851.	Charter can provide for any form of government including the "strong mayor," and "city manager" forms. See Cal. Const. art. XI, § 5(b); Cal. Gov't Code § 34450 <i>et seq.</i>
Elections Generally	Municipal elections conducted in accordance with the California Elections Code. Cal. Elec. Code §§ 10101 <i>et seq.</i>	Not bound by the California Elections Code. May establish own election dates, rules, and procedures. See Cal. Const. art. XI, § 5(b); Cal. Elec. Code §§ 10101 <i>et seq.</i>
Methods of Elections	Generally holds at-large elections whereby voters vote for any candidate on the ballot. Cities may also choose to elect the city council "by" or "from" districts, so long as the election system has been established by ordinance and approved by the voters. Cal. Gov't Code § 34871. Mayor may be elected by the city council or by vote of the people. Cal. Gov't Code §§ 34902.	May establish procedures for selecting officers. May hold at-large or district elections. See Cal. Const. art. XI, § 5(b).
City Council Member Qualifications	<p>Minimum qualifications are:</p> <ol style="list-style-type: none"> 1. United States citizen 2. At least 18 years old 3. Registered voter 4. Resident of the city at least 15 days prior to the election and throughout his or her term 5. If elected by or from a district, be a resident of the geographical area comprising the district from which he or she is elected. <p>Cal. Elec. Code § 321; Cal. Gov't Code §§ 34882, 36502; 87 Cal. Op. Att'y Gen. 30 (2004).</p>	Can establish own criteria for city office provided it does not violate the U.S. Constitution. Cal. Const. art. XI, § 5(b), 82 Cal. Op. Att'y Gen. 6, 8 (1999).

Public Funds for Candidate in Municipal Elections	No public officer shall expend and no candidate shall accept public money for the purpose of seeking elected office. Cal. Gov't Code § 85300.	Public financing of election campaigns is lawful. <i>Johnson v. Bradley</i> , 4 Cal. 4th 389 (1992).
Term Limits	May provide for term limits. Cal. Gov't Code § 36502(b).	May provide for term limits. Cal. Const. art. XI, § 5(b); Cal Gov't Code Section 36502 (b).
Vacancies and Termination of Office	An office becomes vacant in several instances including death, resignation, removal for failure to perform official duties, electorate irregularities, absence from meetings without permission, and upon non-residency. Cal. Gov't Code §§ 1770, 36502, 36513.	May establish criteria for vacating and terminating city offices so long as it does not violate the state and federal constitutions. Cal. Const. art. XI, § 5(b).
Council Member Compensation and Expense Reimbursement	Salary-celling is set by city population and salary increases set by state law except for compensation established by city electors. See Cal. Gov't Code § 36516. If a city provides any type of compensation or payment of expenses to council members, then all council members are required to have two hours of ethics training. See Cal. Gov't Code §§ 53234 - 53235.	May establish council members' salaries. See Cal. Const. art. XI, § 5(b). If a city provides any type of compensation or payment of expenses to council members, then all council members are required to have two hours of ethics training. See Cal. Gov't Code §§ 53234 - 53235.
Legislative Authority	Ordinances may not be passed within five days of introduction unless they are urgency ordinances. Cal. Gov't Code § 36934. Ordinances may only be passed at a regular meeting, and must be read in full at time of introduction and passage except when, after reading the title, further reading is waived. Cal. Gov't Code § 36934.	May establish procedures for enacting local ordinances. <i>Brougher v. Bd. of Public Works</i> , 205 Cal. 426 (1928).
Resolutions	May establish rules regarding the procedures for adopting, amending or repealing resolutions.	May establish procedures for adopting, amending or repealing resolutions. <i>Brougher v. Bd. of Public Works</i> , 205 Cal. 426 (1928).
Quorum and Voting Requirements	A majority of the city council constitutes a quorum for transaction of business. Cal. Gov't Code § 36810. All ordinances, resolutions, and orders for the payment of money require a recorded majority vote of the total membership of the city council. Cal. Gov't Code § 36936. Specific legislation requires supermajority votes for certain actions.	May establish own procedures and quorum requirements. However, certain legislation requiring supermajority votes is applicable to charter cities. For example, see California Code of Civil Procedure section 1245.240 requiring a vote of two-thirds of all the members of the governing body unless a greater vote is required by charter.

General Law City v. Charter City

Characteristic	General Law City	Charter City
Form of Government	State law describes the city's form of government. For example, Government Code section 36501 authorizes general law cities be governed by a city council of five members, a city clerk, a city treasurer, a police chief, a fire chief and any subordinate officers or employees as required by law. City electors may adopt ordinance which provides for a different number of council members. Cal. Gov't section 34871. The Government Code also authorizes the "city manager" form of government. Cal. Gov't Code § 34851.	Charter can provide for any form of government including the "strong mayor," and "city manager" forms. See Cal. Const. art. XI, § 5(b); Cal. Gov't Code § 34450 <i>et seq.</i>
Elections Generally	Municipal elections conducted in accordance with the California Elections Code. Cal. Elec. Code §§ 10101 <i>et seq.</i>	Not bound by the California Elections Code. May establish own election dates, rules, and procedures. See Cal. Const. art. XI, § 5(b); Cal. Elec. Code §§ 10101 <i>et seq.</i>
Methods of Elections	Generally holds at-large elections whereby voters vote for any candidate on the ballot. Cities may also choose to elect the city council "by" or "from" districts, so long as the election system has been established by ordinance and approved by the voters. Cal. Gov't Code § 34871. Mayor may be elected by the city council or by vote of the people. Cal. Gov't Code §§ 34902.	May establish procedures for selecting officers. May hold at-large or district elections. See Cal. Const. art. XI, § 5(b).
City Council Member Qualifications	<p>Minimum qualifications are:</p> <ol style="list-style-type: none"> 1. United States citizen 2. At least 18 years old 3. Registered voter 4. Resident of the city at least 15 days prior to the election and throughout his or her term 5. If elected by or from a district, be a resident of the geographical area comprising the district from which he or she is elected. <p>Cal. Elec. Code § 321; Cal. Gov't Code §§ 34882, 36502; 87 Cal. Op. Att'y Gen. 30 (2004).</p>	Can establish own criteria for city office provided it does not violate the U.S. Constitution. Cal. Const. art. XI, § 5(b), 82 Cal. Op. Att'y Gen. 6, 8 (1999).

<p>Rules Governing Procedure and Decorum</p>	<p>Ralph Brown Act is applicable. Cal. Gov't Code §§ 54951, 54953(a).</p> <p>Conflict of interest laws are applicable. See Cal. Gov't Code § 87300 <i>et seq.</i></p>	<p>Ralph Brown Act is applicable. Cal. Gov't Code §§ 54951, 54953(a).</p> <p>Conflict of interest laws are applicable. See Cal. Gov't Code § 87300 <i>et seq.</i></p> <p>May provide provisions related to ethics, conflicts, campaign financing and incompatibility of office.</p>
<p>Personnel Matters</p>	<p>May establish standards, requirements and procedures for hiring personnel consistent with Government Code requirements.</p> <p>May have "civil service" system, which includes comprehensive procedures for recruitment, hiring, testing and promotion. See Cal. Gov't Code § 45000 <i>et seq.</i></p> <p>Meyers-Milias-Brown Act applies. Cal. Gov't Code § 3500.</p> <p>Cannot require employees be residents of the city, but can require them to reside within a reasonable and specific distance of their place of employment. Cal. Const. art. XI, § 10(b).</p>	<p>May establish standards, requirements, and procedures, including compensation, terms and conditions of employment for personnel. See Cal. Const. art. XI, § 5(b).</p> <p>Meyers-Milias-Brown Act applies. Cal. Gov't Code § 3500.</p> <p>Cannot require employees be residents of the city, but can require them to reside within a reasonable and specific distance of their place of employment. Cal. Const. art. XI, section 10(b).</p>
<p>Contracting Services</p>	<p>Authority to enter into contracts to carry out necessary functions, including those expressly granted and those implied by necessity. See Cal. Gov't Code § 37103; <i>Carruth v. City of Madera</i>, 233 Cal. App. 2d 688 (1965).</p>	<p>Full authority to contract consistent with charter.</p> <p>May transfer some of its functions to the county including tax collection, assessment collection and sale of property for non-payment of taxes and assessments. Cal. Gov't Code §§ 51330, 51334, 51335.</p>

<p>Public Contracts</p>	<p>Competitive bidding required for public works contracts over \$5,000. Cal. Pub. Cont. Code § 20162. Such contracts must be awarded to the lowest responsible bidder. Pub. Cont. Code § 20162. If city elects subject itself to uniform construction accounting procedures, less formal procedures may be available for contracts less than \$100,000. See Cal. Pub. Cont. Code §§ 22000, 22032.</p> <p>Contracts for professional services such as private architectural, landscape architectural, engineering, environmental, land surveying, or construction management firms need not be competitively bid, but must be awarded on basis of demonstrated competence and professional qualifications necessary for the satisfactory performance of services. Cal. Gov't Code § 4526.</p>	<p>Not required to comply with bidding statutes provided the city charter or a city ordinance exempts the city from such statutes, and the subject matter of the bid constitutes a municipal affair. Pub. Cont. Code § 1100.7; see <i>R & A Vending Services, Inc. v. City of Los Angeles</i>, 172 Cal. App. 3d 1188 (1985); <i>Howard Contracting, Inc. v. G.A. MacDonald Constr. Co.</i>, 71 Cal. App. 4th 38 (1998).</p>
<p>Payment of Prevailing Wages</p>	<p>In general, prevailing wages must be paid on public works projects over \$1,000. Cal. Lab. Code § 1771. Higher thresholds apply (\$15,000 or \$25,000) if the public entity has adopted a special labor compliance program. See Cal. Labor Code § 1771.5(a)-(c).</p>	<p>Historically, charter cities have not been bound by state law prevailing-wage requirements so long as the project is a municipal affair, and not one funded by state or federal grants. <i>Vial v. City of San Diego</i>, 122 Cal. App. 3d 346, 348 (1981). However, there is a growing trend on the part of the courts and the Legislature to expand the applicability of prevailing wages to charter cities under an analysis that argues that the payment of prevailing wages is a matter of statewide concern. The California Supreme Court declined an opportunity to resolve the issue. See <i>City of Long Beach v. Dept. of Indus. Relations</i>, 34 Cal. 4th 942 (2004).</p>

<p>Finance and Taxing Power</p>	<p>May impose the same kinds of taxes and assessment as charter cities. See Cal. Gov't Code § 37100.5.</p> <p>Imposition of taxes and assessments subject to Proposition 218. Cal. Const. art.XIIIC.</p> <p>Examples of common forms used in assessment district financing include:</p> <ul style="list-style-type: none"> • Improvement Act of 1911. Cal. Sts. & High. Code § 22500 <i>et seq.</i> • Municipal Improvement Act of 1913. See Cal. Sts. & High. Code §§ 10000 <i>et seq.</i> • Improvement Bond Act of 1915. Cal. Sts. & High. Code §§ 8500 <i>et seq.</i> • Landscaping and Lighting Act of 1972. Cal. Sts. & High. Code §§ 22500 <i>et seq.</i> • Benefit Assessment Act of 1982. Cal. Gov't Code §§ 54703 <i>et seq.</i> <p>May impose business license taxes for regulatory purposes, revenue purposes, or both. See Cal. Gov't Code § 37101.</p> <p>May not impose real property transfer tax. See Cal. Const. art. XIII A, § 4; Cal. Gov't Code § 53725; <i>but see</i> authority to impose documentary transfer taxes under certain circumstances. Cal. Rev. & Tax. Code § 11911(a), (c).</p>	<p>Have the power to tax.</p> <p>Have broader assessment powers than a general law city, as well as taxation power as determined on a case-by case basis.</p> <p>Imposition of taxes and assessments subject to Proposition 218, Cal. Const. art. XIIIC, § 2, and own charter limitations</p> <p>May proceed under a general assessment law, or enact local assessment laws and then elect to proceed under the local law. See <i>J.W. Jones Companies v. City of San Diego</i>, 157 Cal. App. 3d 745 (1984).</p> <p>May impose business license taxes for any purpose unless limited by state or federal constitutions, or city charter. See Cal. Const. art. XI, § 5.</p> <p>May impose real property transfer tax; does not violate either Cal. Const art. XIII A or California Government Code section 53725. See <i>Cohn v. City of Oakland</i>, 223 Cal. App. 3d 261 (1990); <i>Fielder v. City of Los Angeles</i>, 14 Cal. App. 4th 137 (1993).</p>
<p>Streets & Sidewalks</p>	<p>State has preempted entire field of traffic control. Cal. Veh. Code § 21.</p>	<p>State has preempted entire field of traffic control. Cal. Veh. Code § 21.</p>
<p>Penalties & Cost Recovery</p>	<p>May impose fines, penalties and forfeitures, with a fine not exceeding \$1,000. Cal. Gov't Code § 36901.</p>	<p>May enact ordinances providing for various penalties so long as such penalties do not exceed any maximum limits set by the charter. <i>County of Los Angeles v. City of Los Angeles</i>, 219 Cal. App. 2d 838, 844 (1963).</p>

<p>Public Utilities/Franchises</p>	<p>May establish, purchase, and operate public works to furnish its inhabitants with electric power. See Cal. Const. art. XI, § 9(a); Cal. Gov't Code § 39732; Cal. Pub. Util. Code § 10002.</p> <p>May grant franchises to persons or corporations seeking to furnish light, water, power, heat, transportation or communication services in the city to allow use of city streets for such purposes. The grant of franchises can be done through a bidding process, under the Broughton Act, Cal. Pub. Util. Code §§ 6001-6092, or without a bidding process under the Franchise Act of 1937, Cal. Pub. Util. Code §§ 6201-6302.</p>	<p>May establish, purchase, and operate public works to furnish its inhabitants with electric power. See Cal. Const. art. XI, § 9(a); <i>Cal. Apartment Ass'n v. City of Stockton</i>, 80 Cal. App. 4th 699 (2000).</p> <p>May establish conditions and regulations on the granting of franchises to use city streets to persons or corporations seeking to furnish light, water, power, heat, transportation or communication services in the city.</p> <p>Franchise Act of 1937 is not applicable if charter provides. Cal. Pub. Util. Code § 6205.</p>
<p>Zoning</p>	<p>Zoning ordinances must be consistent with general plan. Cal. Gov't Code § 65860.</p>	<p>Zoning ordinances are not required to be consistent with general plan unless the city has adopted a consistency requirement by charter or ordinance. Cal. Gov't. Code § 65803.</p>

District Attorney Misconduct Complaint

Subject/Summary:

A complaint was filed with the Grand Jury during the 2007/2008 jury year that alleged “an obvious abuse of prosecutorial discretion.”

This investigation was complex, in that the District Attorney acts as a State Representative in prosecutorial matters. The District Attorney is also an elected official within the county and, as such, is subject to Grand Jury oversight. Penal Code 919(c) states that, “The grand jury shall inquire into the willful or corrupt misconduct in office of public officers of every description within the county.” The complaint does not allege that the District Attorney has committed misconduct in the capacity of an elected official, but rather as a prosecutor. Because the District Attorney, in this case, acted as a State Representative, the Grand Jury cannot investigate or make a determination as to whether the District Attorney committed abuse of prosecutorial discretion. Therefore, this report will be an oversight report rather than an investigative one.

Procedure/ Methodology:

The committee received and read copies of court transcripts and various documents relating to evidence produced by both the District Attorney and the defense attorneys. The committee interviewed the complainants, the lead investigators in this case from the District Attorney’s Office, and the District Attorney.

Background and Discussion:

The District Attorney has an obligation to write a letter when a determination has been made that a peace officer’s history and past conduct may create a situation where the peace officer’s credibility as a future witness has been compromised. Peace officers refer to this letter as a “Brady Letter” because the letter is pursuant to Brady v Maryland 373 U.S. 83(1963).

In this case, the District Attorney exercised his obligation and issued a “Brady Letter” to the complainant’s commander.¹ When a “Brady Letter” is issued it seriously damages a law enforcement officer’s career and

¹ See attached “Brady Letter”

impedes advancement opportunities. The complainant, in this case, was reassigned to work in another County.

In this case, the complainant provided information on the two "incidents" that were referred to in the "Brady Letter". One was an incident of perjury that was never prosecuted by the District Attorney and the other was charges of Elder Abuse and Grand Theft. Both charges were dismissed after preliminary examination.

The Grand Jury does not have the authority to review a State Employee's personnel file, so no determination could be made on whether the complainant's employment history was also included as cause for the "Brady Letter".

Findings:

1. In the "Brady Letter" sent by the District Attorney to the complainant's employer, the District Attorney, in referencing the charge of perjury, stated that although the complainant's employer recommended charges be filed there was insufficient evidence to convict beyond a reasonable doubt.
2. Perjury is a very difficult charge to prosecute and prove beyond a reasonable doubt. Because of this, charges are seldom filed.
3. In the "Brady Letter" sent by the District Attorney to the complainant's employer, the District Attorney, in referencing the Elder Abuse Case, stated that; "The charges were dismissed at the conclusion of the Preliminary Examination."
4. After the court dismissed the elder abuse case at the conclusion of the preliminary hearing, the District Attorney generated a "Brady Letter" to the defendant's employer. The letter stated that, "Based upon our determination that these incidents must be disclosed and our understanding of the facts involved, the Lake County District Attorney will not vouch for the credibility "of this officer" by filing or prosecuting charges against any person where the conviction of that person would depend upon the testimony "of this officer".
5. Further, the District Attorney's letter stated that; "We would advise not utilizing "this officer" in any capacity which makes it likely that he would be the only witness to a crime, arrest or statement or evidence used in charging a crime. It would also be advisable to avoid having "this officer" in a situation where he would be the only witness who could support the credibility of your other officers or non-officer witnesses."

Recommendations:

1. Define the criteria utilized in issuing a “Brady Letter”.

Agency/Department Required to Respond

Lake County District Attorney (60 Days)



OFFICE OF THE
DISTRICT ATTORNEY
Lake County

Jon E. Hopkins
District Attorney

The Lake County District Attorneys Office has determined that two incidents involving [REDACTED] meet the criteria for disclosure to the defense pursuant to *Brady v. Maryland* in any case in which [REDACTED] is a material witness.

During the trial of [REDACTED], [REDACTED] charged with a DUI with injury on [REDACTED] testified that he prepared a report the day of the arrest of the defendant. California Highway Patrol computer records show that in fact his report was prepared [REDACTED]. During his testimony on [REDACTED] [REDACTED] was confronted with the fact that his report was dated [REDACTED], but he maintained that he had responded to the scene at [REDACTED] and had written the report later that day.

The California Highway Patrol conducted an investigation, and referred the case to the Lake County District Attorney recommending a charge of Perjury. The case was not filed by the Lake County District Attorney, based on insufficient evidence to convict [REDACTED] beyond a reasonable doubt.

The Lake County District Attorney filed felony charges in case number [REDACTED] against [REDACTED] alleging Elder Abuse in violation of Penal Code section 368(d) and Grand Theft in violation of Penal Code section 487(a). These charges were filed [REDACTED] alleging the crimes occurred on [REDACTED]. The charges were dismissed at the conclusion of the Preliminary Examination [REDACTED].

The allegations in that case involved a real estate contract for the purchase of land in which personal property was claimed to have been part of the purchase price [REDACTED]. The seller, [REDACTED], claimed that he [REDACTED] had not signed a contract for the personal property to be included. [REDACTED] also had not seen or initialed an addition to the contract claiming that personal property was included which was initialed by [REDACTED]. The seller claimed to have offered the personal property for an additional \$25,000 and [REDACTED] was not interested. The seller claimed that [REDACTED] agreed to let him store the personal property in a building after the sale of the real property was complete, but then denied the seller access to his personal property, ultimately claiming that it belonged to him.

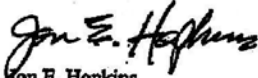
These two incidents must be reported to the defense in any case in which [REDACTED] is a material witness because they involve conduct which is claimed to be dishonest. The defense is entitled to impeach him with evidence of dishonest conduct.

Based upon our determination that these incidents must be disclosed and our understanding of the facts involved, the Lake County District Attorney will not vouch for the credibility of [REDACTED] by filing or prosecuting charges against any person where the conviction of that person would depend upon the testimony of [REDACTED].

We would advise not utilizing [REDACTED] in any capacity which makes it likely that he would be the only witness to a crime, arrest or statement or evidence used in charging a crime. It would also be advisable to avoid having [REDACTED] in a situation where he would be the only witness who could support the credibility of your other officers or non-officer witnesses.

Thank you for your attention to this matter.

Sincerely,



Jon E. Hopkins
District Attorney

District Attorney's Office Oversight

Subject/Summary:

The Government Services Committee conducted an elective oversight of the District Attorney's Office.

The committee found that the District Attorney's Office was operating efficiently overall, but the Office was lacking updated policies and procedures and an effective statistical analysis software.

Procedure/Methodology:

In July and August 2008, the committee made numerous visits to the District Attorney's Office. Multiple visits were necessary because of court appearances of attorneys and other out of office duties.

The committee interviewed the Chief Deputy District Attorney, four District Attorney's Investigators, the Victim/Witness Division Administrator, and office staff. In late August 2008, the District Attorney appeared before the committee at the Grand Jury Office in Kelseyville.

In addition to the visits, the committee faxed a list of questions and a request for documentation. The documents requested included:

- Management's written goals for the office
- Policy and Procedures
- Position descriptions for all classifications
- Budget for current year
- Statistics - cases received, cases charged, disposition of cases
- Organizational Charts

The requested documentation was not immediately supplied and the committee made an additional request when the District Attorney visited. In September 2008, the committee received and reviewed the provided documents. Within the documentation, the statistics provided did not include cases charged or dispositions.

Background and Discussion:

There were no vacant attorney positions at the time of this oversight although one attorney was on active military duty. Recruiting was underway to fill a vacant office staff position.

The Chief of Investigators was out a leave of absence and an acting chief was performing the chief's duties.

The investigators' office relocated to the former Sheriff's Department Dispatch area. The move provided more room for the attorneys.

The 2001 version of guidelines for "Officer Involved Fatal Incident Protocol" was being updated. The "Officer Involved Fatal Incident Protocol" is a written directive intended to guide District Attorney Investigators in examining and reviewing the facts surrounding the involvement of law enforcement officers in shooting incidents.

The Victim/Witness Division has just opened a multi-disciplinary interview office. Potential clients are screened prior to entering the Victim/Witness facility. The screening is necessary to ensure the safety of the staff, and helps to ensure that no suspects are admitted to a facility that is mandated to assist only victims and witnesses. The Records Information Management System (RIMS), a vital component to the screening process, can only be accessed by an authorized District Attorney's Investigator. No Policy and Procedures exist for this unit.

The following statistics were reported by the Victim/Witness Division for the 2007/2008 fiscal year:

- Domestic Violence: 221 cases logged, 106 filed
- Child Abuse/Molest cases: 79 logged, 53 filed
- Elder Abuse cases: 29 logged, 28 filed

The Victim/Witness Division also reported that 1288 persons received services.

Findings:

1. At the time of this oversight, one budgeted position was vacant.
2. Attorney retention is a major issue facing the District Attorney's Office. Higher wages and better benefits lure both new attorneys and experienced attorneys to other counties.
3. The District Attorney Investigators, who are Peace Officers, are compensated comparably to sergeants in the Lake County Sheriff's Department. To help mitigate the substantial cost of training, tenured police personnel are sought to fill investigator vacancies. A trained officer with experience will possess a Police Officers Standards and Training (POST) Certificate. An officer must complete a probationary period and attend a certified POST academy in order to receive certification. A recruit without a POST certificate must attend a POST academy at great expense to the District Attorney's Office.
4. The Victim/Witness Division receives funding from nine grants.

5. The Victim/Witness Division does not have direct access to RIMS. Staff must call an authorized District Attorney Investigator to access the system to complete the client screening process.
6. The Victim/Witness Division does not have written Policies and Procedures.
7. The District Attorney's current software does not measure cases charged or disposition of cases.¹
8. At the time of this oversight, the Chief Deputy District Attorney had a caseload that included four homicides.
9. At the time of the committee's interview, the District Attorney indicated a personal caseload that included two homicides and one sexual predator case.
10. One senior Deputy District Attorney, trained in asset seizure law, is currently on active military duty and a replacement is in training.
11. Because half of the attorneys are qualified but inexperienced, some major cases require the attention of the District Attorney or the Chief Deputy District Attorney.

Recommendations:

1. Acquire software that will allow accurate statistical reporting including cases charged and disposition of cases. Until new software is obtained, have office personnel manually track cases received, cases charged, and case disposition.
2. Grant RIMS access to selected staff within the District Attorney's Office and the Victim/Witness Division.
3. Update written policies and procedures for the investigatory staff.
4. Develop written policies and procedures for the Victim/Witness Division.

Agency/Department(s) Required to Respond

Lake County District Attorney (60 Days)

¹ Crimes – Lake County, Intake Statistics (Attachment is lacking sufficient information for statistical analysis.)

CRIMES - Lake County
Intake Statistics

01/01/2007 - 12/31/2007

Cases

Felony

Team	Total
	661
<i>Felony Total</i>	661

Misdemeanor

Team	Total
	2057
<i>Misdemeanor Total</i>	2718

Infraction

Team	Total
	288
<i>Infraction Total</i>	3006

Total Cases 3006

Defendants

Felony

Team	Total
	758
<i>Felony Total</i>	758

Misdemeanor

Team	Total
	2166
<i>Misdemeanor Total</i>	2924

Infraction

Team	Total
	299
<i>Infraction Total</i>	3223

Total Cases 3223

Konocti Unified School District Complaint

Subject/Summary:

In March 2008, the previous Lake County Grand Jury received a complaint alleging misappropriation of Konocti Unified School District resources by the principal. Because of time constraints, the complaint was continued to this year's Grand Jury. The Government Services Committee conducted the investigation.

The committee has determined that the actions of the principal were fiscally irresponsible. The principal utilized district resources for transportation and care of the principal's child.

Procedure/Methodology:

Between November 2008 and January 2009, the committee conducted interviews of various individuals. The interviewees included the complainant and staff members and Superintendent of Konocti Unified School District. The committee also requested and reviewed documentation pertinent to the investigation.

Background and Discussion:

The complaint alleged that a principal in the district was using school resources to transport the principal's special needs child during school hours. The child was being transported from the Kelseyville Unified School District to the Konocti Unified School District. At the time this complaint was received, the child had been receiving benefits from kindergarten through eighth grade. The intra-district transfer must be approved by the school districts annually. The principal's child had a paraprofessional aide and received services through the school districts until the child entered high school. The committee received copies of "Volunteer/Parent Sign-In" logs that noted names of adults/guardians, but the logs did not indicate the names of the children that were leaving the campus.

When the principal or the adult sister of the child were unavailable to pickup the child, school personnel were asked to transport the student using personal vehicles. This is a direct violation of the attached California School Employees Association (CSEA) Contract section 2.2.2.1.¹

¹ California School Employees Association Contract for Classified Employees

During the school's hours of operation, the child was transported from Oak Hill Middle School to Pomo Elementary School. If the child in question were to have been injured or caused injury to another child at the parent's workplace, the insurance claim/potential lawsuit could have caused significant financial distress to the district.

Findings:

1. School personnel were asked to pick-up the principal's child during business hours, this is in direct violation to CSEA section 2.2.2.1.
2. The round trip drive time between the two schools is approximately thirty minutes.
3. On occasion, office staff personnel supervised the principal's child in the office area.
4. The child was on a "half-day" school schedule during the 2007/2008 school year.
5. The child was at the office of the parent for up to three hours every day of the week.
6. When the parent was off-campus, assistants in the office were charged with supervising the child.
7. A line by line review of the current Children in the Workplace Policy, in regards to this case, reveals the following:
 - A. "It is a regular contract day."
 - o The principal was not in violation.
 - B. "The employee is providing regular home-to-school transportation for a child either attending the employee's school work site or an adjacent school campus."
 - o The principal utilized school resources on occasion, to provide transportation, by leaving to pick up the child or by sending a subordinate to pick-up and bring the child to the principal's office. The principal was in violation of this policy.
 - C. "The child must be school age, five years or older."
 - o The principal was not in violation.
 - D. "Children under the age of 12 years must be under direct supervision of the parent employee in an approved area."
 - o The principal, on occasion, utilized school resources by allowing a subordinate to provide supervision for the child. The principal was in direct violation of this policy.

- E. "Children are not allowed in the faculty lounge, the janitorial supply area, or any other area deemed inappropriate by the administration."
 - o There was no evidence to confirm or deny whether the principal violated this policy.
 - F. "The child may not have a contagious illness."
 - o There was no evidence to confirm or deny whether the principal violated this policy.
 - G. "The child must not be disruptive."
 - o Based on testimony provided, under oath, the principal was in violation of this policy on at least one occasion.
 - H. "The employee must be able to complete his/her work assignment during the period of time that the child is at the work site"
 - o There was no evidence to confirm or deny whether the principal violated this policy.
 - I. "There must not be hazards at an employee's work site that would endanger the child. In this respect, no child is allowed at the transportation yard, maintenance building or yard, or in equipment used for maintenance or grounds."
 - o This policy is vague as written. A hazard for a child can include an electrical outlet, a sharp corner on a desk, a movable desk chair, a stapler, a letter opener etc. Given the language of the policy, the principal was in violation of this policy.
8. The principal was found to be in violation of four of the nine policies listed under the "Children At Work" policies.
9. In addition to policy #9, other aspects of the policy are vague and open to interpretation.
- o In policy #2 what defines "providing regular transportation"? Does this include sending an assistant to transport the child?
 - o In policy #5, does an "area deemed inappropriate by the administration" include a busy office area visible to the public?
10. The policy needs to be amended to provide clearer language.

Recommendations:

1. Revise the “Volunteer/Parent Sign-In” forms to indicate the child’s name and the authorized adult that removes or returns the child to the campus.
2. Update the policy regarding bringing children to work to reflect a more professional and responsible course of action.
3. Hold the principal fiscally responsible for costs incurred by the school district for time spent transporting the child and for time spent by office personnel providing daycare for the child while at work.

Agency/Department(s) Required to Respond

Konocti Unified School District (60 Days)

All Personnel

BP 4021

CHILDREN AT WORK

An employee may bring his/her children to his/her work site only under the following conditions:

1. It is a regular contract day
2. The employee is providing regular home-to-school transportation for a child either attending the employee's school work site or an adjacent school campus
3. The child must be school age (five years old or older)
4. Children under the age of 12 years must be under the direct supervision of the parent employee in an approved area
5. Children are not allowed in the faculty lounge, in the janitorial supply rooms, or any other area deemed to be inappropriate by the administration
6. The child may not have a contagious illness
7. The child must not be disruptive
8. The employee must be able to complete his/her work assignment during the period of time that the child is at the work site
9. There must not be hazards at the employee's work site that would endanger the child. In this respect, no child is allowed at the transportation yard, maintenance building and yard, or in equipment used for maintenance or grounds

This policy only applies during regular contracted work hours. Excluded from this policy are extra curricular activities, school-sponsored activities/events, and non-contract vacation time.

Policy
adopted: November 16, 2005

KONOCTI UNIFIED SCHOOL DISTRICT
Lower Lake, California

California School Employees Association
Classified Employees Contract

2.1.12 A bargaining unit member substituting for a classified director position shall receive at least seven and one-half percent (7.5%) above their current salary or the first step on the director salary schedule, whichever is higher.

2.2 Hours

2.2.1 The workweek of a classified employee, as defined in Section 45103 and Section 45127 of the Education Code, shall be forty (40) hours.

2.2.2 The workday shall be eight (8) hours, including one-half (½) hour paid lunch. Each bargaining unit employee shall be assigned a fixed regular and ascertainable minimum number of hours. Any employee hired after January 1, 1997 must be regularly employed for eight (8) hours in order to receive a paid lunch.

2.2.2.1 Any employee who qualifies for a paid lunch may leave his/her work space but may not leave his/her work site (i.e. campus, site, etc.) without prior arrangement with his/her site supervisor for a specific day only. The employee will not be assigned to any regularly assigned duty during his/her paid lunch period, but will be on-call for assistance to his/her supervisor and/or designee for any job-related task that may arise during the employee's lunch period.

Office Staff >>>>>>>>>>>>

2.2.3 Overtime is that amount of time of employment beyond eight (8) hours in any one workday or more than forty (40) hours in any one work week. Two and one-half (2 ½) times the hourly rate of pay shall be paid for work assigned on legal and local holidays as determined by the Konocit Unified School District's Classified Employees Calendar.

2.2.4 Any employee in the bargaining unit who works an average of a minimum of thirty (30) minutes or more per day in excess of his or her regular part-time assignment for a period of twenty (20) consecutive scheduled work days shall have the job either terminated or advertised at contracted time. Standard advertising procedures will take place and the position will be filled as soon as possible. Standard hiring procedures will take place according to Article 4 "Procedures for Filling Vacancies".

2.2.5 All employees covered by this Agreement shall be entitled to a lunch period after the employee has been on duty for four (4) hours. The length of time for such lunch period shall be for a period of no longer than one-half (½) hour and shall be scheduled for full-time employees or about the midpoint of each work shift.

Lakeport City Council Oversight/Complaint

Subject/Summary:

The 2008 /2009, Grand Jury conducted an annual oversight of the Lakeport City Council. At the onset of the oversight, the committee received a complaint alleging a proposed inappropriate sale of City property including the City's sewer treatment plant, illegal first right of refusal on the City property, lack of transparency on the part of the City Council, and violations of the Brown Act.

The committee has concluded that further examination must be conducted. The committee members observed unprofessional conduct toward a citizen at a council meeting. When the Community Development Director denied the existence of a Development Planning and Option Agreement between the City of Lakeport and a local development company at a council meeting, none of the City Council members interjected. The agreement exists and, according to testimony from the City Attorney, the agreement is still in effect.

Procedure/Methodology:

The Government Services Committee interviewed; the complainant, all current City Council Members including the Mayor, a former City Mayor, the City Attorney, the Acting City Manager, the Redevelopment Housing and Economic Agency Development Director, the Community Development Director, a former County Supervisor, and a concerned citizen. All interviews were conducted at the Grand Jury's Office.

The committee also attended a Lakeport City Council Meeting in March. The agenda included an open forum during the Public Hearing, which gave citizens an opportunity to ask questions and discuss issues concerning the proposed plan.

Background and Discussion:

In the 1970's, the City of Lakeport purchased approximately 780 acres for future expansion by issuing bonds to be paid by the taxpayers. A secondary sewage treatment plant was constructed on the 780 acres around 1990.

The City entered into a “Development Planning and Option Agreement” for the sale of public lands to a developer at a cost to the taxpayers of the City.

The terms of the agreement were designed and supported by an appointed committee consisting of former and sitting council members and the City Attorney. The committee hired a private consultant to negotiate the terms of the agreement requiring modification of the existing City General Plan to include expansion of its Sphere of Influence (SOI). This agreement prepares the necessary provisions for future annexation and the sale of lands for the purchase of property needed to expand the City’s wastewater treatment plant. The proposed expansion of the City’s SOI includes a large area to the southwest where the city sewage treatment plant is now located and where a golf course has been proposed by the developer.

The General Plan is a guide for future development addressing issues involving the development of neighborhoods and the downtown business district.

Under the California Environmental Quality Act or CEQA, the Lakeport City Council will act as lead agency with authority to certify the Environmental Impact Report (EIR). The lead agency has discretionary authority to amend land use policies and regulations within City limits.

CEQA provides for a public process requiring full disclosure on expected environmental consequences of the proposed action. The public must be given the opportunity to comment. CEQA also requires monitoring to ensure that mitigation measures are carried out. CEQA requires a 45-day public review period for commentary on a Draft EIR. During the review period any agency, group or individual may comment in writing on the Draft EIR and the lead agency must respond in writing to each comment on environmental issues in the Final EIR.

The EIR was prepared to provide information associated with the project and is a requirement of CEQA for all projects that might result in a significant environmental effect.

The objective of the General Plan is to expand the City’s SOI and land use designation for areas outside of the City limits to include residential and commercial development, and open space.

To expand the SOI/Potential Growth Area, the City has to apply to the Local Agency Formation Commission (LAFCO), to ensure that all entities can provide services. If the City wants to extend boundaries from the City to the County to develop in an unincorporated area, the following requirements must be met:

- Apply to LAFCO to extend boundaries

- Prepare a City Plan
- Prepare a fiscal analysis
- Prepare a tax agreement between the City and the County
- LAFCO hires an independent contractor to do the City Plan and charges the City

A specific area plan will identify the location of utilities and circulation systems in accordance with the Lakeport General Plan.

Issues concerning the project include:

- Increase for law and fire protection
- Impact on schools
- Impact on parks and recreation facilities
- Increase of traffic on CA 29
- Increase and demand for wastewater treatment, and storm drainage facilities
- Increase and demand for solid waste disposal and water supplies,
- Impact on environmental issues

Two of the current council members have served for more than three terms. One of the two current long-standing council members admittedly has a personal relationship with a paid consultant of the developer that holds the first right of refusal on City land.

The same two council members acted unprofessionally and disrespectfully toward a member of the public when the citizen was speaking at a council meeting.

Findings:

1. Lakeport is a General Law City.
2. There is no Policy and Procedures manual for council members.
3. The Mayor appoints council members to chair committees.
4. The City Council has the final decision regarding employee and management terminations.
5. The proposed expansion of the City's SOI includes a large area to the southwest where the city's sewage treatment plant is located. The area is currently under the authority of the County, and is located under the Lampson Field Airport flight plan.
6. The City does not currently have the ability or capacity for additional sewer and water hook-ups.

7. At a March Lakeport City Council meeting, a concerned citizen asked if there was a Developer's Agreement. The Community Development Director said, "There is no Developer's Agreement".
8. A Development Planning and Option Agreement was entered into on November 7, 2006 by and between:
 - o The City of Lakeport
 - o Lakeport Municipal Sewer District #1
 - o City of Lakeport Municipal Sanitation District
 - o Boeger Land Development, LLC
9. The Development Planning and Option Agreement governs site, land use, density, design, improvements and construction, expected time of construction, guarantees of infrastructure, and the timing and construction for sewage treatment plant upgrades.
10. The Development Planning and Option Agreement is still in affect and the Developer's Right of First Refusal will remain in effect until the termination of the Development Agreement.
11. As of May 2009, Boeger Development had not performed or completed any requirements as set forth in the Development Planning and Option Agreement.
12. A second agreement entitled Purchase and Sales Agreement, defines price and describes the development site.
13. The McDonough, Holland & Allen Law Firm is Special Counsel for the City of Lakeport and Boeger Development, LLC. Boeger Development retains a friend of a council member to represent the Developer's Agreement.
14. The existing property is the location of the secondary sewage treatment plant.
15. The plant was constructed from grant proceeds from the Environmental Protection Agency (EPA), the State Water Resources Control Board, loans from the Federal Housing Authority (FHA), and an FHA grant.
16. To finance repayment to FHA, Lakeport issued 1978 Series A-Revenue Bonds, formed an Assessment District and sold Lakeport Municipal Sewer District #1 Bonds.
17. The Water Treatment Plant will need expansion for new development.
18. City of Lakeport's Agreement is contingent upon land use approvals.

19. The developer offered to purchase a property in Lakeport known as Dutch Harbor, which is owned by the City, at a cost of \$1,600,000, although the property's appraised value was \$3,000,000.
20. The developer wants to build a golf course, but wants the City to own and maintain the property.
21. The proposed residential development may cost more than the City will receive from tax revenues.
22. At great expense, the existing sewage water treatment facility can be upgraded to tertiary, and the water can be used to irrigate the golf course and recreational areas.
23. Current General Plan Maps are being amended to include the annexed property.
24. The Housing Plan is required to be updated every five years as a component of the General Plan.
25. LAFCO is the authorizing agent for the SOI. LAFCO is concerned about agricultural land and traffic.
26. A Golf Course Committee was established in regards to the proposed development that included a Boeger Development representative, two council members, the City Attorney and a consultant. Another city council member was an alternate.
27. At one council meeting a member of the public asked who was on the Golf Course Committee. At that time, no answer was given and no one acknowledged being on the committee. The member of the public was simply told that the committee no longer existed.
28. At the next council meeting, two members of the council and the City Attorney publicly acknowledged being on the Golf Course Committee.
29. No minutes were kept for meetings of the Golf Course Committee. The Grand Jury received accusations that three council members actually served on the Golf Course Committee and because there were no minutes, these accusations could not be validated or invalidated.
30. One council member is currently serving a fourth consecutive term and another is serving a sixth.
31. At a council meeting attended by committee members, the two longest serving council members sat back in their chairs and looked away when an Upper Lake citizen was addressing the City Council.
32. When the Upper Lake citizen asked the City Council members "Who will pay for the district land not owned by the City", one of the longest

serving council members inappropriately responded, “The people of Upper Lake.”

33. The citizens of Lakeport can adopt an amendment to implement term limits.
34. Some of the council members take computer ethics courses.
35. An offer was made to record/broadcast video of the City Council Meetings. Streaming video broadcasts on the City’s website can be done at minimal cost.
36. The citizens of Lakeport deserve the opportunity to watch broadcasts of the City Council meetings from home.

Recommendations:

1. Develop a Policy and Procedures manual for City Council members.
2. Conduct, non-computer, ethics training courses for City Council members.
3. Ensure that minutes are recorded, and publicly available, for all committee meetings that involve members of the City Council.
4. Implement term limits so that City Council members can serve no more than two terms.
5. Conduct a cost analysis to determine if tax revenues from the proposed development will be in excess of the cost.
6. Record and broadcast the City Council meetings live either from the City’s website or on local television.

Agency/Department(s) Required to Respond

Lakeport City Council (60 Days)

Marketing and Economic Development

Subject/Summary:

The Deputy Administrative Officer gave a presentation to the full panel of the Grand Jury in December of 2008.

Procedure/Methodology:

The Deputy Administrative Officer provided the members of the Grand Jury with a Power Point presentation and new marketing brochures. Questions asked by members of the jury were answered during and subsequent to, the presentation.

Background and Discussion:

The Power Point presentation was titled "Lake County Marketing & Economic Development Program". Three strategic goals were identified in the presentation:

- Increase awareness of Lake County as a tourist destination
- Integrate and expand marketing efforts
- Improve and enhance tourism assets

Lake County's Marketing Department pays for advertisements and attends various travel industry shows to promote the County on a State and National level.

A new website is being designed to facilitate the increase in Internet-booked vacations.

Findings:

1. A visitor's center located in Lucerne, is open seven days a week excluding Holidays, is operated by the Marketing Department. During 2008, the visitor's center received:
 - Nearly 9,000 walk-ins
 - Received over 8,000 e-mails
 - Sent out 10,000 Visitor Information Packets
2. The 2009/2010 budget for Lake County Marketing and Economic Development is approximately 2.6 million dollars. The budget includes allocations for two full-time positions. This amount does not include the budget for the Visitor's Center.

3. The number of travelers that use the internet for travel planning increases annually.
4. Lake County has been featured in Sunset Magazine¹ and, on August 10, 2007, was featured in an article on CNN.com entitled, "California's Lake County Looks Better Than Ever."
5. Agritourism² is a growing style of vacation in Lake County.
6. While a new website is currently being designed, a wealth of information is available for tourists at the County's website.³

Recommendations:

None

Agency/Department(s) Required to Respond

None

¹ A **monthly travel and lifestyle magazine focused on living in the West.**

² **Agritourism** is a style of vacation that normally takes place on a farm or ranch that is considered a niche or uniquely adapted form of tourism that is often practiced in wine growing regions.

³ <http://www.lakecounty.com/>

Public Defender Complaint (NFA-No Further Action)

Subject/ Summary:

In November of 2008, the Government Services Committee accepted and reviewed a complaint alleging misconduct on the part of the Public Defender's Office. The complainant is an inmate in the Hill Road Correctional Facility, operated by the Sheriff's Department.

Procedure/ Methodology:

The committee reviewed the initial complaint and additional letters received regarding this complaint. After reviewing the information provided, the committee consulted with the Lake County Superior Court Administration.

Background and Discussion:

The complainant stated that a succession of attorneys was provided. The complainant alleged that this procession of attorneys extended the length of incarceration and impeded efforts for an adequate defense. Upon review of the complaint and information provided, the committee determined that the complainant dismissed several attorneys for various reasons and other attorneys claimed a conflict of interest, thus being released as attorneys of record.

The committee sought counsel from the Lake County Superior Court Administration. The Administration informed the committee that discussing this matter with the Presiding Judge could be interpreted as an ex parte contact.¹

Because this was an open case within the court system, the committee discontinued the investigation. The committee sent a letter to inform the complainant that the Grand Jury ceased involvement in this matter. There are neither findings nor recommendations because this investigation was discontinued.

¹ An ex parte judicial proceeding is conducted for the benefit of only one party. Ex parte may also describe contact with a person represented by an attorney, outside the presence of the attorney.

Purchasing Division

Subject/Summary:

In March 2009, the Government Services Committee conducted an oversight of the Purchasing Division of the County Administrative Office.

The Purchasing Division is a decentralized department. The division will have money budgeted for less than one full-time position for the fiscal year 2009/2010. The division is efficiently managed and the County receives bulk discounts, where available. The committee has no concerns about the operation of this division.

Procedure/Methodology:

The committee interviewed the Deputy Administrative Officer in charge of county purchasing.

Background and Discussion:

This is a small county division that is overseen by a Deputy Administrative Officer and includes one 3/4 time employee. The Deputy Administrative Officer educates the department heads regarding purchasing guidelines and enforcement under the direction of the County Administrator. The Deputy Administrative Officer acts as the official oversight agent for the decentralized purchasing process.

Department heads planning for capital acquisitions must include the specific items requested in the annual budget. The Board of Supervisors and County Administrative Officer make the final decision on the budget.

The Purchasing Division is under the direction of the County Administrative Officer and the Board of Supervisors and has a policy to buy local within the established guidelines.

Findings:

1. Purchasing is a decentralized county function.
2. The County has reviewed the feasibility of re-centralization and found that the savings associated with bulk purchases would not be substantial enough to justify the increase in payroll for the necessary three full-time positions.
3. The County currently saves money on bulk purchases through contracts with large suppliers.
4. The purchasing budget for 2008/2009 was \$170,000. The budget for 2009/2010 is approximately \$100,000.

5. The budget for 2008/2009 fiscal year included 2.75 full-time positions, one of which remained vacant. The division is budgeted funding for a 3/4 full-time position in the 2009/2010 budget. The previously vacant position was removed and one full-time employee was reassigned as an accountant.
6. The budgeted amount for 2008/2009 employees' salaries and benefits was approximately \$92,000. The budgeted amount for 2009/2010 is approximately \$34,000.
7. Preference is given to local vendors within established monetary guidelines. The law once prohibited higher than 5% local preference purchasing. The County can now give 10% local preference on supplies, materials, equipment, and non-professional services. Local contractors are provided a 10% local preference rate through the Public Works Department.
8. Department heads plan for large purchases through the budget process. The department heads have up to \$25,000 discretion. Amounts above \$25,000 require resubmission to the Board of Supervisors and Board approval.
9. Purchases not approved in the initial budget or items necessitated through emergency circumstances must be presented to the Board of Supervisors for approval.
10. Any item over \$5,000 is a fixed asset and board approval is needed if not approved during the budget process.
11. Postage costs run about \$30,000, 95%, of which, is for the courts. Postage costs spent by the courts are subsequently reimbursed by the State.

Recommendations:

None

Agency/Department(s) Required to Respond

None

Registrar of Voters

Subject/Summary:

The Government Services Committee performed an elective oversight of the Registrar of Voters Office.

Overall, the precincts performed satisfactorily, with a few needing improvement. Members of the Grand Jury were well received at most of the precincts as observers and the jury members enjoyed participating in the election process.

Procedure/Methodology:

The committee participated in the November 2008 Presidential Election as observers. Members of the committee visited the Registrar of Voters office and witnessed the ballot counting equipment, observed the manual count of votes, and visited polling locations.

Background and Discussion:

This is the third consecutive year that the Lake County Civil Grand Jury has conducted an oversight of the Registrar of Voters Office, the second as Election Day observers. Prior concerns of the Grand Jury included the cost of the Hart eSlate electronic voting system, the minimal use of the Hart eSlate system, lack of staff and lack of office space. Helping Americans to Vote Act (HAVA) was signed into law in 2002, which enabled citizens to vote provisional. To determine if a precinct meets HAVA criteria the following must be true:

- The precinct must be already established
- The precinct must participate in required re-districting
- Every ten years supervisorial districts have to be redrawn due to population
- Precincts must be ADA (American Disabilities Act) compliant

Findings:

1. There are four poll workers at each precinct. The poll worker checks to:
 - Verify voter registry and line out voter's name.
 - Highlight voter's name and address on roster and have voter write in address and sign registry.
 - Voter is given ballot to vote.
 - The Precinct Inspector receives completed ballots, tears off ballot receipts, gives it to voters, and places ballots in ballot box.

2. There are two permanent full-time employees and two part-time permanent employees who are involved in the manual count of votes and assist in the manual e-Slate count of votes.
3. Because of electronic equipment, a manual tally of 1% of each race is required by the state.
4. All precincts are equipped with an eSlate system. There were thirteen provisional ballots done on eSlate systems at eight different locations, however, the site technician at some precincts incorrectly entered five provisional ballots as a regular voter therefore, statistically speaking, the County had eight provisional ballots done on e-slate by provisional voters. All votes were counted.
5. All precincts were HAVA compliant.
6. Each polling place is inspected by a trained staff member for disability access. A 56 page "Accessibility Checklist for Potential and Existing Polling Places" is completed for each polling place site.
7. The Registrar of Voters and another staff member were required to attend a training seminar in Redding and to purchase an ADA tool kit that contains a "Smart Tool" to measure slopes, pitches and angles by degrees and percentages; ADA Code measuring tape; a door pressure gauge; and a "door hardware evaluation sheet".
8. A polling place must meet all of the ADA requirements in order to be used on Election Day. In order to meet the ADA requirements the County is allowed to retrofit a polling place using threshold ramps, portable ramps, doorstops, door grip retrofits, heavy duty rubber mats for a parking lot that is not paved, temporary ADA signs, and orange cones to create a handicapped parking place.
9. There were 649 provisional ballots countywide.
10. Unused ballots must be kept for twenty-two months.
11. If there are marks on a ballot the Registrar of Voters will do a manual ballot so the vote will count.
12. An application must be completed and approved by the Registrar of Voter's Office before the voters names can be given out to:
 - o The Jury Commissioner
 - o Political organizations
 - o Scholarly organizations
13. A Motor Voter is a location to pick up registration forms. Example locations include the Department of Motor Vehicles and the Department of Social Services.
14. The Department Head at Registrar of Voters appoints an inspector who then selects the volunteers.

15. The Registrar of Voters only received reimbursement from the State Legislature for the February 2008 election. The State reimbursed California counties for the February 2008 Presidential Election because the election date was changed from a previously established election date. If a State election is held on one of the established election dates, the State is under no obligation to reimburse the counties. The State has never reimbursed the counties, at least since 1977. The State is not under any obligation to reimburse the counties for election costs for any election. If an election is called by the Governor, the counties are obligated to conduct the election with or without reimbursement.
16. The budget for November election 2008-2009 is \$487,175.
17. There were twelve ballot styles in the November election. Local races determine the ballot style as several precincts had school and/or fire district elections.
18. Registrar of Voters uses public storage for election supplies including e-slate machines, voting booths, and training units.
19. There are forty-five precincts in the County.
20. The precinct inspector takes care of all issues and problems.
21. Turnout of voters was greater than expected for the November 2008 election.
22. The Vote by Mail (VBM), formerly Absentee ballot, was approximately 47% to 54% of all votes cast in the November 2008 election.
23. Precincts 211, 212 and 215 (Clearlake City Hall) were unorganized, chaotic and noisy. In precinct 211, one worker had a very hard time finding and reading voters names on the registry. Precinct 212 ran low of sample ballots and registration slips. The Precinct 215 Inspector called the Registrar of Voters several times to locate precincts where registered voters were to go.
24. Precinct 581, Whispering Pines, which is held at the Rob Roy Golf Course, has very poor lighting. The restaurant owners donate a large dining room adjacent to the pro-shop at no cost to the County. The precinct workers had a problem identifying voters with the same name and a suffix of Sr. or Jr. if one voted by mail and was not present. The poll worker used the lowest registered voter's number to determine the senior, which allowed the junior to vote. This was determined because the junior would have had a shorter amount of time as a registered voter.
25. A poll worker in precinct 451 at the Clearlake Grange forgot to have some provisional voters sign the register.

26. A poll worker at precinct 414 at the Lakeport Senior Center suggested that the name tags for both volunteers and election observers have the county seal or state seal on them to make them look more official.
27. A volunteer in precinct 341/342 at the Nice Community Baptist Church questioned why two rosters needed to be posted outside the voting room. The volunteer stated it takes more work to keep two up-to-date rosters, and the other precinct only had one roster posted.
28. A provisional voter in precinct 217 at the Highlands Senior Center was waiting for permission to vote and was following the election worker who was helping another voter. At one time, the voter was behind the registration table.
29. The Grand Jury found all of the election workers to be very friendly and helpful. The workers were all pleased at the large turnout and each voting place indicated the turnout was double or triple the turnout of the last election.
30. When asking for information, most of the workers knew exactly where to find the information that was requested. The volunteers who were responsible for the electronic machine were knowledgeable in the equipment's operation.
31. All precincts properly had signs posted that stated "No Electioneering Beyond This Point".

Recommendations:

1. Provide a larger area to include office space and storage for the Registrar of Voters.
2. Ensure that training for volunteers and poll workers is understood by all and include safety and security training.
3. Provide the county seal on all names tags for all volunteers.
4. Review and revise operations for precinct 211, 212 and 215 located at Clearlake City Hall.
5. Explore improving the lighting in precinct 581.

Agency/Department(s) Required to Respond

Registrar of Voters (60 days)

Adult Protective Services

Subject/Summary:

The Health and Social Services Committee conducted an interview with the Director of Social Services and obtained information regarding Adult Protective Services (APS).

Procedure/Methodology:

In January of 2009, the committee conducted an interview with the Director of Social Services at the Grand Jury room to discuss the various programs/divisions in the Department of Social Services.

Background and Discussion:

The Administration of the Adult Protective Services Division consists of a Deputy Director of Social Services and a manager. APS was, at one time, a “daytime only” program. Now, services are available 24 hours a day, 7 days a week.

APS is designed to protect and support the elderly and disabled adults by providing in-home care for individuals. The services provided to clients in the program vary based on the clients’ needs.

Findings:

1. Referrals for APS are generally victims of neglect, particularly self-neglect or the inability to care for one’s self. Numerous referrals are made annually that do not include a “dependent adult”.
2. Seniors and all Social Security recipients who are victims of abuse or neglect are eligible for APS Services.
3. APS Clients have the option to reject services. APS workers cannot force an individual to accept services. On occasions when an APS worker determines that services are needed, all attempts are made to build a relationship of trust and encourage individuals to accept services.
4. Meals On Wheels workers often provide an “extra set of eyes” in determining an elderly or disabled individual’s needs.
5. Under the most critical circumstances, individuals can be forced into institutions. When an individual is force-institutionalized, APS must petition the courts for conservatorship.
6. In the month of December 2008, there were 35 referrals.

7. APS Workers have ten days to respond to referrals unless the situation is acute. During the ten-day period, APS workers make contact and check the prior history of the referred individual. Under acute circumstances, law enforcement officials accompany APS workers to the home.
8. In Home Support Services (IHSS) ¹, workers are utilized if a client accepts assistance.
9. The APS Management System was recently converted to an automated system.

Recommendations:

None

Agency/Department(s) Required to Respond

None

¹ See Health and Social Services Report entitled In-Home Supportive Services Oversight for more information on IHSS.

County Welfare Program

Subject/Summary:

The Health and Social Services Committee conducted an interview with the Director of Social Services and gathered information regarding the County Welfare Program.

Procedure/Methodology:

In January 2009, the committee interviewed the Director of the Department of Social Services at the Grand Jury's Office. The Director provided information on the number of staff members employed and an overall presentation of the County Welfare Program that included information on how the program operates, types of services provided, and statistics on the number of families being served in the County. The Director also discussed the effects of the current economy on the program.

Background and Discussion:

There are five programs in the County Welfare Program: CalWORKs, Supplemental Nutritional Assistance Program (Food Stamps), Medi-Cal, County Medical Services Program (CMSP), and General Relief.

The CalWORKs program provides temporary financial assistance and employment-focused services to families with minor children that have income and property below State maximum limits based on family size. Individuals are now limited to a lifetime maximum of 60 months of benefits through the CalWORKS Program. Individuals enrolled in the CalWORKS Program must either be employed or enrolled in a job-related educational program. Some individuals are exempt from the requirements as long as exemption criteria are met.

The Food Stamp Program provides food purchasing assistance for low-income families and individuals.

The Medi-Cal Program is a State funded program that offers payments for medical care and prescriptions. However, the local Social Services Office processes applications and determines eligibility based on State criteria. CMSP provides financial support for medical services to low-income individuals who do not qualify for Medi-Cal.

The General Relief Program is 100% County funded and State required. The program provides temporary "loans" to indigent adults.

Findings:

1. The County Welfare Department consists of a Deputy Director, two managers, and eighty staff members.

2. Four units are dedicated to intake calculations determining eligibility and making periodic determinations on those already enrolled.
3. Individuals enrolled in the CalWORKS Program are required to participate in the CalWORKS Welfare to Work (WtW) employment services program unless exempt under the following criteria:
 - Under 16 years of age or 60 years or older
 - 16, 17, or 18 years old and go to high school
 - Pregnant and a doctor states they cannot work or participate in WtW
 - Have a disability that is expected to last at least 30 days that would keep them from participating in WtW and they are getting or trying to get medical help
 - A non-parent relative caring for a child who is a dependent of the court or a child at risk of placement in foster care
 - Must stay home to take care of another member of the household who is ill or incapacitated
 - Are a parent or caretaker relative of a child 6 months or younger and are providing care for that child. A parent, who has previously used the 6-month exemption, will only qualify for a 3-month exemption for a subsequent child up to the child turning 3 months of age.

Exempt participants may volunteer to participate in WtW. Once a volunteer enters the program, he/she must adhere to the same program rules and regulations as a mandatory participant.

Exemptions require documentation, verification, and approval of a Department of Social Services caseworker.

4. The WtW program provides employment-related services to CalWORKS participants to help find employment, stay employed, and move on to higher paying jobs that will ultimately lead to self-sufficiency and independence. CalWORKS participants receive WtW services through the Arbor Education & Training (ARBOR).
5. Before welfare reform, there were 2600 recipients in Lake County enrolled in the CalWORKS Program. As of December 2008, there were 1200 families on the CalWORKS program. Clients may receive benefits for up to five years or until the last child turns 18. A new baby does not guarantee more benefits.

6. Out of the 1200 families enrolled in CalWORKS, 560 are overseen by ARBOR. As of December 2008, of the 560 participants overseen by ARBOR, 133 were employed, 90 were receiving education and 47 were enrolled in a behavioral health program.
7. CalWorks Program clients must be enrolled in an education or job-training program or be employed at least 32 hours per week.
8. A qualified CalWorks participant can own a home and one car with a value of less than \$4,650. Low income is a qualifier with a "ceiling" on the amount of money permitted in the bank.
9. CalWORKS On-The-Job (OTJ) Training Program was established several years ago and is assigned a special budget unit in the County's overall annual budget.
10. The OTJ program has funding for 21 temporary full-time positions. The program is designed to train qualified individuals in an effort to obtain a permanent full-time position with the County. Applicants are pre-screened and only qualified applicants are assigned to available positions. Of the individuals that have participated in this program since its inception, approximately 70% have gone on to full-time permanent positions in the County.
11. The Food Stamp Program enables eligible recipients to purchase nutritional food. Allotments are determined quarterly, based on individual or family income.
12. As of December 2008, there were 4000 local recipients in the Food Stamp Program, including the 1200 CalWORKS participants.
13. The Food Stamp Program infuses approximately \$900,000 in revenue to the local economy monthly.
14. An Electronic Benefits Transfer (EBT) card is used to purchase food items and ensures that only permissible items are purchased. The EBT card can also be used by CALWorks participants for other products. The card electronically tracks the amounts available in each account.
15. Store participation in Food Stamp Program is optional and stores can choose whether to accept or reject the program. However, a majority of the stores in the County participate in the program.
16. Individuals enrolled in the CalWORKS Program are automatically eligible for the Food Stamp Program.
17. As of December 2008, 6700 local residents were enrolled in the Medi-Cal Program, an increase of 10% from December 2007, 1200 of which are CalWORKS participants.

18. Medi-Cal is California's version of the Federal Program, Medicaid.
19. Medi-Cal provides bill payments for medical services and prescriptions to eligible participants. Medi-Cal payments are paid by the State.
20. Two large clinics in the county accept Medi-Cal.
21. The County Medical Services Program (CMSP) provides healthcare services for people who do not qualify for Medi-Cal. Indigent males comprise most of the clients. Last year, there were 656 cases. As of December 2008, the number of cases has increased to 824. The number of cases continues to rise annually.
22. The General Relief Program is 100% funded by the County of Lake. Only indigent adults are eligible for this program. The program provides housing payments that are issued directly to the property owner, vouchers for food, and an allowance for personal and household products.
23. No cash is paid to recipients of General Relief and all "loans", no money is actually given directly to the recipient, made to recipients must be paid back. The General Relief Program "loan" is paid back first when a participant has applied for, and eventually receives, Social Security Benefits.
24. The General Relief Program is small with fourteen people enrolled as of December 2008.

Recommendations:

None

Agency/Department(s) Required to Respond

None

Environmental Health

Subject/Summary:

The Health and Social Services Committee conducted an informative oversight of the Environmental Health Visions of Public Health.

Procedure/Methodology:

In January 2009, the committee met with the Director of the Environmental Health Division at the Grand Jury's Office to discuss the Division's functions and responsibilities.

Background and Discussion:

The Environmental Health Division is located on Bevins Court in Lakeport. The Director has been with the Division since 1985 including over eight years as Director. The Environmental Health Division has 14.5 staff positions.

The division provides numerous services including:

- Food sanitation inspection
- Recreational swimming safety
- Land development inspection
- Septic tank inspection
- Hazardous materials management
- Solid waste management
- Public water system inspection
- Vector control
- Tattoo parlors inspections and licensing
- Controls and inspection
- Emergency and complaint response

Findings:

1. Permits are required for all food operations. Restaurants, markets, non-profit groups, and organizations are inspected for sanitation wherever food is stored, handled, prepared, and cooked.
2. Restaurants are inspected three times annually or as needed.
3. Markets are inspected twice annually or as needed.
4. Non-profits and organizations open to the public are inspected annually.
5. Permit costs are discounted for non-profit organizations and temporary events.
6. Employees that conduct inspections for weekend events receive compensatory time instead of overtime.

7. Safety and water chemistry permits are required for swimming pools and spas.
8. During summer months, the Division analyzes water quality samples from public beach areas.
9. Permits are required for septic systems including site evaluation, tank size, and construction.
10. Size of septic tank and leach lines are determined by the soil composition and the number of bedrooms allowed for residential construction.
11. Permits are required for garbage companies' solid waste storage and disposal.
12. Permits are required for water wells, and are inspected and monitored.
13. The Lake County Division of Environmental Health includes the Certified Unified Program Agency (CUPA) that deals with hazardous waste and responds and assists with other entities.
14. The Division permits and inspects hazardous waste generators and on-site treatment, on-site handlers, and above ground and underground storage tanks in accordance with the California Health and Safety Code.
15. Companies causing hazardous material spills are required to pay the cost of clean-ups.
16. When Environmental Health performs a "private property clean-up" and the hazard was not caused by the property owner, the cost for the clean-up is paid through a special account.
17. Grant money for hazardous material clean-up comes from the State.
18. A permit and registration fee is required for body piercing and tattoo parlors.
19. No permit is required for a residential water system connection.
20. The Division handles public health risk situations, nuisance and code compliance complaints.

Recommendations:

None

Agency Department(s) Required to Respond

None

Indian Child Welfare Act Complaint

Subject/Summary:

In March 2009, the Health and Social Services Committee received a complaint regarding Child Protective Services (CPS) placement of the complainant's granddaughter with a Pomo Indian family. The complainant felt the placement was not in the best interest of the child. Of particular concern was that a social worker involved in the case was related to the child's maternal family.

The Grand Jury cannot "second guess" or make a determination as to whether or not a child has been properly placed by CPS. Instead, the Grand Jury's sole discretion is whether CPS acted lawfully in the placement of the child. In this case, the committee did not find any evidence to support that CPS acted unlawfully.

Procedure/Methodology:

The Committee interviewed the Emergency Response employee of CPS, a CPS employee involved in ICWA cases, and the representative from the Robinson Rancheria Pomo Tribe.

Background and Discussion:

The committee did not find any evidence to suggest that the social worker involved in this case acted inappropriately.

Findings:

1. There are currently no written policies prohibiting social workers' from being involved in cases that include family members.
2. CPS acted lawfully in the placement of the child.

Recommendations:

None

Agency/Department(s) Required to Respond

None

In-Home Supportive Services

Subject/Summary:

The Health and Social Services Committee conducted an elective oversight of In-Home Supportive Services (IHSS).

Procedure/Methodology:

In January 2009, the committee conducted an interview with the Director of Social Services at the Grand Jury Office to discuss the IHSS program.

Background and Discussion:

IHSS is a Federal program that was established in 1973 to assist the aged and disabled in enabling these individuals to remain at home. The Federal, State and County Governments provide funding for the program, although none of these entities has the legal responsibility of being the employer of record. The IHSS Public Authority is the employer of record. The program components include the IHSS Administration, recipients and providers, IHSS Advisory Committee, and the IHSS Public Authority.

The IHSS program assists low-income, aged, blind and disabled persons that are eligible for Medi-Cal benefits in obtaining in home care by providing domestic and personal care services.

If a client is approved, a social worker meets with the applicant to assess physical and mental limitations and determines what services are required and the number of hours required. IHSS coordinates care and support for individuals' needs due to age, disability, illness or other hardships. In home caregivers perform a variety of tasks including personal hygiene, housekeeping, laundry, cooking, shopping, and transportation. IHSS clients can also receive required inoculations from qualified providers. Medical home visits prescribed by doctors for nurses, therapists and social workers are paid through medical insurance.

IHSS has an Advisory Committee that provides the Board of Supervisors or other Lake County entities with advice and recommendations. The IHSS Advisory Committee consists of eleven members, appointed by the Board of Supervisors. The committee's membership includes four senior citizens, two disabled representatives, two senior community representatives, one disabled community representative and two IHSS provider representatives. All committee members are appointed for a one-year term; however, members may be re-appointed for additional terms at the desire of the committee member and the approval of the

Board of Supervisors. The Director indicated that the current board is well represented.

The IHSS Public Authority (PA) was designed to enhance services to IHSS providers and recipients. The PA serves as the employer of record, for the purposes of wages and benefits, for IHSS providers, maintains a registry of screened providers, and offers training to providers and recipients. With the establishment of the PA as the “employer of record”, IHSS providers are able to negotiate for wage increases and benefits.

The PA staff maintains an IHSS provider registry and referral system to match screened IHSS providers with recipients that need assistance. To be placed on the registry, prospective providers must:

- Complete an application
- Provide references
- Provide a picture identification
- Provide a social security card
- Pass a criminal background check
- Be fingerprinted
- Attend a mandatory orientation, if the provider is assigned by the State

If a provider is chosen by a client that is not part of the registry, a background check is not required. Usually, providers not on the registry are friends or family members of recipients.

PA staff members provide support to IHSS recipients and providers in an effort to maintain a successful working relationship. PA staff continue to provide assistance until services are no longer required.

Grand Jury reports and news articles in counties such as Los Angeles, Fresno and Santa Barbara and others have reported substantial IHSS fraud in the millions of dollars. Recent estimates from the Governor’s Office indicate an estimated 25% fraud rate amongst IHSS providers. The Department of Health Case Services (DHSC) investigates IHSS fraud claims.

Findings:

1. The IHSS Program Authority locates, hires, trains and supervises in-home care providers.
2. Recipients are given a list of six screened providers from the registry to choose from for assistance. Recipients can also choose a familiar individual, a friend or family member, to provide care.
3. Social workers determine how many hours are required to assist each individual client.

4. The provider maintains a State-generated timesheet that is signed by the client to validate hours worked.
5. The current wage for providers in Lake County is \$8.33 per hour.
6. The County of Lake shares the cost of IHSS with the State of California. The County's share of the total cost is 17.5%.
7. A social worker meets with clients at least once a year or as needed to assess clients' needs.
8. There are currently over 1,600 clients enrolled in the Lake County IHSS program.
9. The IHSS program saves the State money when clients remain at home.
10. Types of fraud committed through IHSS in the State include,
 - o Duplicate claims by providers for services
 - o False mental illness claims by recipients or providers
 - o Unsubstantiated/inflated claims and collusion between recipients and providers
 - o Continual claims by providers after recipients' deaths
 - o False fiscal needs claims by recipients with hidden assets or income
 - o Medi-Cal conditions claimed that are unverified by Medi-Cal professionals
 - o False identification from providers and recipients
 - o Forgery of client's signature on timesheets
11. Because of substantial delays and the number of cases investigated by the DHSC, a number of fraud cases are not pursued because the statute of limitations expires.
12. Currently, IHSS providers, that are not part of the registry, have no meaningful oversight, no assessment of skills to meet clients' needs, no monitoring of service hours, and no background checks. There are no required criminal background checks for felonies, even though the State does not prohibit criminal background checks.
13. Without accountability, oversight, and background checks, the program's quality of service can be substandard.
14. There is currently no record of the number of local reported IHSS fraud cases.

Recommendations:

1. Complete background check and fingerprinting for all providers chosen by recipients.
2. Provide adequate training for social workers in properly identifying fraud.
3. Create and maintain a record of fraud cases within the County committed by providers and recipients.
4. Social Workers make at least bi-annual visits with clients.

Agency/Department(s) Required to Respond

Social Services Director via the Board of Supervisors (90 Days)

Mental Health Department Complaint

Subject/Summary:

The Grand Jury received a complaint alleging inappropriate conduct by a Mental Health Department employee and a lack of action taken by supervisors to correct the behavior. The complaint alleged that a counselor had access to a client's files while the counselor was living with the client's ex-husband.

Procedure/Methodology:

In September 2008, the Health and Social Services Committee interviewed a number of the Mental Health Department's employees including the Mental Health Director, a supervisor, office staff, the employee accused of improper conduct, and counselors of the complainant. The committee asked all witnesses a standardized set of questions. The questions were to confirm the information provided by the complainant. Through questioning, the committee was able to verify points of contention.

Background and Discussion:

The current Director of the Mental Health Department began the duties of office in late 2005. This is the second consecutive year that the Grand Jury has received allegations of inappropriate conduct within the Mental Health Department.

Findings:

1. The Mental Health Department has an outdated policies and procedures document, the last known update is dated July 2005, that all employees must sign.
2. There is no written policy stating employees' children are not permitted in the workplace; however, it is understood that it is unacceptable for employees to bring children to the workplace because of the nature and confidentiality of the work that takes place at the Mental Health Department facility.
3. Some employees have brought children to work. Each incident was handled based on the circumstances.
4. A personal relationship between a staff member and a client or a client's spouse can undermine the client's mental health treatment.
5. A counselor was living with a former client's husband and children during the client and husband's separation.

6. A counselor, who was not pregnant, received a baby shower during a lunch period to help in providing items for an 18-month old stepchild. The child in question was the child of a client. One counselor complained that the shower was inappropriate to a supervisor and fellow counselors. The counselor reported the complaint to a supervisor but not to the Mental Health Director.
7. Aside from the one counselor who complained, none of the staff interviewed seemed to consider the action of being involved with a former client's spouse to be unprofessional.
8. Measures were taken to ensure that, the client and the counselor living with the client's husband, never saw one another when the client was scheduled for services. These measures included moving the counselor's office to another part of the building.
9. The client received services by the Mental Health Department twice, once in 2003/2004 and then again in 2006/2007. When the client came in the second time, the counselor informed a supervisor that the client's file needed to be sequestered. Though the action by the counselor was appropriate, the counselor had access to the client's file prior to the client coming in a second time.
10. The counselor claimed to have no knowledge that the client received treatment between 2003/2004.
11. A mental health employee does not have to provide a signature when taking or returning a client's file.

Recommendations:

1. Update the Mental Health Department's Policies and Procedures. The last known update was July 1, 2005.
2. Give an updated policies and procedures manual to all employees and have an acknowledgement signed.
3. Inculcate the updated policies and procedures so that employees are responsible for knowing and upholding the policies and procedures.
4. Establish clear penalties for policy violations and enforce all violations accordingly.
5. Responsibly enforce the policies and procedures.
6. Conduct a review the department's operations including the policies and procedures.
7. Develop and enforce a written policy regarding employee's children in the workplace.
8. Handle all inappropriate behavior and unethical conduct immediately.

9. Clearly establish a policy that forbids personal relationships between counselors and clients or clients' spouses until the client's case has been closed for two years. (Mental Health Counselors are taught in required classes that two years is the minimum period.)
10. All employees must sign a form when accessing client files.
11. Once a supervisor receives a complaint, immediately submit a written copy of the complaint to the Mental Health Director.
12. Initiate action on all complaints within two working days.
13. Place all reprimands and disciplinary reports in an employee's personnel file when a violation has occurred.

Agency/Department(s) Required to Respond

Mental Health Director via the Board of Supervisors (90 days)

Mental Health Department Oversight/Complaint

Subject/Summary:

The Health and Social Services Committee conducted an interview with the Mental Health Director to discuss last year's Grand Jury Final Report findings and recommendations, the Department's current financial problems, and a complaint alleging inappropriate actions on the part of the Mental Health Director in attempting to resolve the Department's current financial problems.

The committee found that the Mental Health Director, in conjunction with the County Administrative Office, are taking necessary steps to improve the financial status of the Department. The Director should make every effort to communicate with staff members the measures being taken and expected results.

Procedure/Methodology:

In May 2009, the committee interviewed the Mental Health Director at the Grand Jury's Office.

Background and Discussion:

During the interview, the committee discussed the following items with the Mental Health Director:

- Last year's Alcohol and Other Drug Services (AODS) Report addressing allegations of unethical and unprofessional conduct on the part of the AODS Director
- Morale of employees at the Department
- The current financial status of the Department

Last year's Grand Jury Final Report entitled, "Alcohol and Other Drug Services, Ethics Violation Complaint" made the following recommendations:

- "Hire a properly certified and human relationship skilled person to replace the current Administrator."
- "Make every effort to cultivate employee trust and smooth over the damage that has occurred."

In a response dated August 20, 2008, the Mental Health Director stated the following:

- "State certification for Substance Abuse Counselors is a fairly new process (April 1, 2005) and was not in effect at the time the

AODS Administrator was promoted to her current position. According to the state Department of AODS, their regulations do not require AODS Administrators to be certified in order to perform administrative duties. Anyone doing direct treatment must be certified. This regulation does not apply to the current AODS Administrator as she does not deliver direct treatment. She is a very capable administrator of this complex program, and would certainly qualify to become certified if this requirement changed. She currently holds all academic requirements to do so.”

- “Staff did not express loss of trust and morale subsequent to the reports of unethical behavior on the part of the individual who eventually resigned from the agency. They also expressed frustration and confusion regarding the pace of resolution. The Department understood these feelings, and hired an outside professional facilitator to support staff in addressing these issues. At the request of participants, the Mental Health Director met with this group to hear their concerns and to share any information not protected by laws of confidentiality.”
- “The allegation of the AODS Administrator’s routine lack of professional demeanor was not supported by most AODS staff when investigated by the Mental Health Director. The AODS Administrator herself was concerned with this allegation, and has taken additional care to not inadvertently cause offense.”

In reviewing testimony, the Grand Jury was surprised at the response provided by the Mental Health Director. Under oath, the AODS Administrator stated that direct treatment was provided on occasion if needed but the time were not billed.

Concerning the lack of trust and subsequent poor morale at AODS following the incident of unethical conduct, several AODS counselors testified to the morale being “very poor.” Statements that were made to the Grand Jury last year, such as, “Walking on eggshells”, are indicators that, although some counselors felt the morale was substandard, there was an intimidation factor involved in coming forward.

Finally, “...lack of professional demeanor was not supported by most AODS staff.” While it is important that most of the staff did not support an allegation that the AODS Administrator lacked professional demeanor, this opinion should be shared by all AODS staff. Professional demeanor is an important component for an administrator. The inclusion of the word “most” in the response indicates that at least some staff members felt the administrator lacked professional demeanor.

This year's Grand Jury received no further complaints about the morale or working conditions at AODS and accepts the Mental Health Director's testimony that, "there has been no observable unethical or unprofessional conduct reported since the issue was resolved."

When asked about the current morale of the Mental Health Department due to the proposed reduction of staff, the Director stated that staff was understandably concerned.

In discussing the current financial dilemma of the Mental Health Department, the Director stated that the amount of debt owed to the State Mental Health Agency was \$1.2 million. In addition, the Department had paid back \$167,000 of a nearly \$2 million loan from the County's General Fund. The Director also stated that the Department was \$2 million in arrears to vendors.

A Financial Crisis Workers Group has been developed to discuss ways to regain financial stability and increase revenues. Other measures currently being reviewed to improve the Department's financial status are:

- Narrowing or reducing services
- Having in-home placements rather than contracting with a licensed facility
- Ensuring correct billings to the State Mental Health Agency,
- Improving the collection of fees from clients, even if it means sending overdue bills to collection agencies
- Doing Cost Analysis Reports

The above, as well as the new Anasazi Information System, are among the plans to regain control of the financial operations of the Mental Health Department.

A complaint alleged that staff members were not informed of the measures being taken to improve the financial status by the Department's Administration.

Findings:

1. According to the Mental Health Director, AODS has stabilized since last year's Grand Jury Final Report and measures were taken to improve morale.
2. Weekly Friday meetings are held with managers, including the AODS Administrator. There are no regularly scheduled meetings held with staff members.
3. The State Mental Health Department approved the way the AODS Administrator handled the complaint received last year.

4. At the time the County's Budget was adopted for 2009/2010, the Mental Health Department had 79.25 permanent positions. The number of positions was subsequently reduced to 61 permanent positions. This number does not reflect the additional 22.5 permanent positions in the AODS Division. Out of the staff positions that were cut, 12 were vacant. These cuts are expected to result in an estimated annual savings of \$505,000.
5. The Mental Health Department owes the County General Fund in excess of \$1.5 million.
6. The Department is over \$2 million in arrears to vendors, at the time of this report.
7. At the time of this report, the Department owes the State just under \$1 million. An appeal was made to the State Mental Health Department to reduce a large portion of the debt and the results of the appeal are still pending.
8. In a further effort to cut expenses, the Department is terminating the lease of a building in Clearlake. The Department estimates an annual savings of \$91,404 by terminating the lease.
9. Contract realignment will save an estimated \$46,800 a year.
10. A plan is being developed to reduce and pay off the incurred debts.
11. Realignment funds that were once transferred from the Mental Health Department to the Department of Social Services will be transferred back to the Mental Health Department.
12. The Director stated that cutting the Lake County Office of Education contract in half will save additional money.

Recommendations:

1. Hold monthly or bi-monthly meetings with staff members to provide Department information and changes that may affect the staff members either positively or negatively. Encourage feedback from staff.
2. Make every effort to correct the current financial crisis.
3. Make sure fees are correctly billed, and bills are paid on time.
4. Give monthly financial reports to the Board of Supervisors.

Agency/Department(s) Required to Respond

Mental Health Director via the Board of Supervisors (90 Days)

Public Guardian

Subject/Summary:

The Health and Social Services Committee conducted an oversight of the Public Guardian's Office. The Public Guardian provides mandated conservatorship and estate administration services as specified by the Probate Code and The Welfare and Institution's Code.

Procedure/Methodology:

From October 2008 to December 2008, the committee conducted a series of interviews to gather information regarding the responsibilities and functions of the Public Guardian's Office.

The committee initially interviewed the Social Services Director, the Deputy Public Administrator, and the Deputy Director of Adult Services. The goal of the interviews was to gain an understanding into the responsibilities, policies and procedures, and actions of the Public Guardian's Office.

Subsequent to the interview with the office representatives, the committee interviewed a member of the public familiar with one specific case handled by the Public Guardian's Office. This individual provided details of a case that involved the estate of a deceased neighbor.

The committee recalled the Deputy Public Administrator to ask specific questions about the operations of the office.

Background and Discussion:

The Lake County Civil Grand Jury has not previously conducted an oversight of the Public Guardian's Office.

Findings:

1. The Social Services Director is the Public Guardian in Lake County. The Public Guardian functions are carried out by Adult Services, a division of The Department of Social Services (DSS).
2. The Public Guardian serves as the court appointed conservator for adults that are disabled and no longer able to care for personal basic needs.
3. An individual can be placed on a conservatorship if the court believes the person is "gravely disabled" and a doctor's statement supports such designation. "Gravely disabled" is defined as having a mental disorder that prevents someone from being able to provide or obtain

food, clothing, or shelter.

4. There are two types of conservatorships, the Lanterman Petris Short Conservatorship (LPS) and the Probate Conservatorship. The LPS Conservatorship is a process in which the court appoints a person to make certain legal decisions for an individual who is gravely disabled due to a mental illness and unable to provide for food, clothing, and shelter. LPS conservators can make certain decisions including, whether a person can start or stop taking psychiatric medications, whether to accept medical treatment, manage finances, and decide where the disabled individual will reside. Individuals assigned a conservator under LPS may have limited rights in voting, entering into contracts, operating a motor vehicle, or possessing a firearm.
5. LPS Conservatorships can last for a maximum of one-year at a time. The conservatorship may be renewed annually by the court, if needed.
6. The Public Guardian's Office contracts with the Lake County Mental Health Department for all LPS conservatorships.
7. Probate Conservatorships are the second type of conservatorship. A Probate Conservator is a person appointed by a judge for an individual that is unable to provide for his or her own personal needs including: physical well-being, food, clothing, and shelter or if an individual is unable to manage financial resources. A conservator with legal authority to decide where a disabled individual will live is called a "conservator of the person". A conservator with legal authority to decide what to do with a disabled individual's property is called a "conservator of the estate".
8. The court can appoint a conservator of the person only, the estate only, or both person and estate. It is the policy of the Public Guardian to serve as conservator of both the person and estate.
9. A "conservator of the estate" may be appointed for an adult who is unable to manage individual financial responsibilities or resist fraud or undue influence.
10. Conservatorships are typically established while an individual is in a hospital receiving psychiatric treatment and the physician believes that individual is severely mentally incapacitated. Conservatorships are also established if the individual is home, severely incapacitated, and unable to care for himself or herself. Ultimately, the Public Guardian's Office will decide whether to request the court to begin a conservatorship.
11. The Public Guardian is usually appointed as a conservator when there are no family members who are willing or able to be appointed.
12. A citizen voiced concerns to the committee regarding a neighbor who

passed away in May 2008. The estate of the neighbor was assigned to the Public Guardian's Office.

13. The neighbor was concerned that the property of the deceased was not properly secured against theft. The individual stated that, although the front door was locked, the windows were left open and a storage shed was unsecured. The neighbor advised the DSS that tools and other personal items of the deceased were disappearing. The neighbor removed a suitcase full of old photos and comic books from the premises for safekeeping and gave the items to an employee of the Public Guardians Office.
14. Neighbors of the deceased additionally alleged that there was a black address book, belonging to the deceased, which is lost.
15. The neighbor found maiden names of sisters in the house, but was unable to find either current names or addresses for family members.
16. The neighbor also located information in the house stating that the deceased had been a veteran and gave that information to DSS so that the deceased received a military funeral.

Recommendations:

1. All property and personal items of deceased individuals assigned to the Public Guardian should be inventoried and secured immediately.
2. Develop guidelines to define the responsibility of providing security for property and personal items.
3. An extensive search must be done for birth certificates, phone records, and post office box numbers. Use all search engines to explore and locate any information regarding all relatives of the deceased.
4. Adopt a procedure to coordinate any comparable functions of the Coroner with those of the Public Guardian to avoid duplication of efforts and to ensure all necessary actions are completed.

Agency/Department(s) Required to Respond

Social Services Director via the Board of Supervisors (60 Days)

Redbud Healthcare District

Subject/Summary:

The Health and Social Services Committee conducted an elective oversight of the Redbud Health Care District Office located in Clearlake.

Procedure/Methodology:

In January 2009, the committee members met with the Administrative Manager and gathered information regarding funding history for the awarding of grant funds to non-profit charitable organizations in Lake County. In April 2009, the committee attended a board meeting to observe the board's operation. There were four Board Members and the District Secretary in attendance at the board meeting.

Background and Discussion:

In 1964, a Hospital District was established by the voters of Lake County under California State Law to provide health care services for specific areas of Lake County including the areas of Clearlake Oaks, Clearlake Park, Clearlake, Lower Lake, Hidden Valley, Middletown, and parts of Cobb. The Redbud Hospital, in Clearlake, was constructed in 1968 to improve health care service in the community. The hospital was publicly owned and funded by the sale of bonds and was operated by the District until it was sold to Adventist Medical Group in 1997. The Redbud Health Care District continues to support the community through grants for health care related programs.

The Redbud Health Care District has one full-time salaried Administrative Assistant who oversees the operation. A CPA firm performs an annual fiscal audit.

The Board of Director's is comprised of five elected members that serve four-year terms. Each member represents a particular area within the District. All Board of Director candidates must complete a Declaration of Candidacy and a Campaign Statement in the Registrar of Voters office. If only one candidate applies for an area, that person is appointed by the Board of Supervisors on the date of election. If more than one candidate applies for an area, the applicants' names are placed on the ballot for the public's vote.

The District receives property tax allocations for the areas served from Clearlake Oaks to Cobb as a source of funding. In 1997, when the hospital was sold, profits from the sale were invested in the Local Agency

Investment Fund (LAIF) in Sacramento. Investment income from the LAIF is allocated for healthcare programs throughout Lake County.

Organizations must complete a Request for Assistance (RFA) when applying for funding that includes; background information, the amount required, and the intended usage of funds.

Three Lake County agencies, requested funds, gave presentations and answered questions from the District Board. The District Board requested that one agency return with a more detailed explanation and breakdown of expenses for presentation at the next board meeting.

Findings:

1. Board members receive \$100 per meeting up to \$500 annually.
2. The Health Care District's annual operating budget is \$65,000. Mandated funds are allocated to healthcare programs.
3. The District receives property tax allocations.
4. Grant money is allocated in accordance with reported funding required and reported expenses.
5. The amount of grant funding issued varies annually.
6. Requested money is allocated for five years and is disbursed in quarterly increments.
7. Board members vote on application requests.
8. Organizations receiving District funds are required to assist in fundraising for the group.
9. The District can only be dissolved by a vote of the people.

Recommendations:

1. 2009-2010 Grand Jury conduct a follow-up oversight of the District.

Agency/Department(s) Required to Respond

None

Clearlake Oaks County Water District Complaint

Subject/Summary:

In May 2008, the 2007/2008 Grand Jury received a complaint regarding the financial status and operations of the Clear Lake Oaks County Water District (CLOCWD). The complaint was carried over for the 2008/2009 Grand Jury to review and investigate. The complaint contained allegations of both financial and administrative misconduct. An additional allegation was made that monies spent were being allocated to incorrect accounts (Expense into Assets accounts) to make the profitability look better.

The Planning and Public Works Committee concluded that the CLOCWD Board was not operating the district in an acceptable fiscal or management manner.

Procedure/Methodology:

The Planning and Public Works Committee investigated only the administrative and operational aspects of the CLOCWD. The Budget and Finance Committee reviewed the district's finances.¹

Members of the committee attended two board meetings and an August 2008 public hearing regarding a proposed substantial rate increase. The committee interviewed numerous witnesses including ratepayers and current/former board members and former employees. Documentation reviewed included past board resolutions, personnel manuals and grant documents.

Background and Discussion:

The district's board meetings that the committee attended were unorganized. The board relied heavily on the General Manager for guidance and gave the General Manager excessive judgment authority. There was a lack of discipline in the meetings and the board did not follow Robert's Rules of Order².

In August, the district's current General Manager suggested a 39% increase in water rates. There was no documentation provided to support an increase of this amount and the General Manager stated that the financial records were in such disarray that it was impossible to determine what the new water rates should be. The board held a public hearing

¹ See Budget and Finance Committee Final Report entitled Clearlake Oaks County Water District Complaint

² Information on Roberts Rules of Order can be found at: <http://www.robertsrules.com>

regarding the proposed 39% increase. At the hearing, the public was unruly and irate causing one member of the board to walk out and later resign. One of the most vocal members of the public at this hearing began circulating petitions to recall two of the board members and in September 2008, this individual was appointed to the board and selected as the board's president. At a second public hearing in October 2008, a 17.7% increase was proposed and approved.

Findings:

1. At board meetings held on July 16 and August 20 and a public hearing held on August 16, 2008 members of the committee observed the following:
 - Public comment, at board meetings, was often unlimited and out of control.
 - Unruly audience members influenced meetings and resulted in a board member leaving the meeting in disgust.
 - The board member that walked out of the public hearing on rate increases in August, attended and voted at the next meeting. Although this is a lawful act, the unexcused exiting of a board meeting is irresponsible and disrespectful to the citizens that voted this person to the board.
 - At a public hearing, the board initially required that the public write any questions or comments on a piece of paper and place the paper into a bowl. When the board was informed that this was a Brown Act violation, the public was permitted to speak.
2. The CLOCWD Board was not diligent in oversight and review at meetings. Examples of the board's improper review of documentation include:
 - When reviewing the prior month's payroll, the board did not review overtime expenditures.
 - The General Manager was paid overtime. This was a direct violation of the CLOCWD Personnel Manual Article 2.0, adopted July 19, 2006, which specifies that overtime be not permitted for the General Manager.
 - When reviewing accounts payable, the board did not verify the proper account classifications for expenses.
 - The board often did not review employee complaints.
3. In a handout for the July 16, 2008 board meeting, agenda item #7 was to approve a list of minutes dating back to October 17, 2007. The oldest minutes were brought to the board for approval at the July 16,

2008 board meeting, even though some members of the board were not on the board in October 2007. The minutes were not approved.

4. The district was not audited in 2005/2006, 2006/2007, and 2007/2008. The handout for the July 16, 2008 meeting included agenda item 8.4 to approve a proposal to hire an auditor. Lack of timely audits and lack of visibility of the district's financial situation is a violation of law.³ A single recommended proposal for doing the audits for \$28,500 with an option for one year of \$9,000 was presented to the board. The District policy is that any expense over \$25,000 requires competitive bids and no other bids were obtained. The proposal should not have been presented to the board without competitive bids.
5. Without audits to verify the current financial status, the board seems to have minimized rate increases even though costs have continued to increase.
6. A former General Manager was terminated, "without cause", and received a large severance. The investigation uncovered a four-month delay in notifying the board of an Internal Revenue Service (IRS) lien.
7. The former General Manager was notified in November 2007, that the IRS had attached a lien on unpaid withholding. The former board claimed not to have become aware of the lien until March 2008.
8. In September 2008, following the resignation of three board members, the district chose a replacement board member. Immediately upon joining the board, the new member became the Board President. The committee is concerned that the new Board President may assume control over the board rather than provide leadership.
9. In 2006, the current General Manager, who served as water manager at the time, quit and walked off the job. At the July 16, 2008, board meeting the same General Manager threatened to quit once again. The "threats" to quit by an administrator of the district is cause for concern.

Recommendations:

1. Require that each director, officer and General Manager attend a training session on the Brown Act within 60 days of being appointed or elected. Require board members to attend all seminars/classes offered on Brown Act Amendments.
2. Review a payroll listing showing current month and year-to-date (YTD) labor hours by employee, current month and YTD Overtime (OT) hours by employee and current month and YTD gross pay by

³ State Water Code section 30540 requires an annual audit by an independent contractor and section 30582 requires that the auditor (employee) of a County Water District shall maintain a system that will at all times show the financial condition of the District.

employee every month. The payroll report will include the justification for each OT hour and explanations for deductions.

3. Require that the minutes of the prior meeting be prepared and distributed at least three days before the next meeting. Review the minutes and approve, with changes, as appropriate before proceeding with the meeting.
4. At the board's monthly meeting, review the expenditure report that includes not only the vendor and dollar value, but also service or item purchased and what account items are being entered into. The report will include items charged to any bank or credit card.
5. Change the reporting of the auditor/bookkeeper and secretary to the General Manager back to reporting directly to the board thus ensuring proper crosschecking. This will allow the auditor/bookkeeper to approve the General Manager's time card and expenses.
6. Ensure that minimum and maximum requirements for all job positions exist, with special attention paid to the positions of General Manager, auditor/bookkeeper, and secretary. Review all job offers specifically against these requirements. The board must review all offers before signed if there is a conflict of interest.
7. Require a review by the board of any arrangements with new customers that are different from the standard structure such as special deals.
8. Ensure that a policy exists to provide an easy way for employees to file complaints with the entire board and then follow-up to ensure appropriate action.
9. Establish and/or enforce the proper recording of time on time sheets for all employees. Take appropriate disciplinary action for non-compliance.
10. Institute a method where all unpaid bills such as IRS withholding and legal fees, are detailed and reviewed by the board on a monthly basis.
11. Adjust the level of where competitive bidding is required from \$25,000 to \$10,000.
12. Perform actions to reduce costs including wage and hiring freezes, reducing health benefits, and reducing overtime to ensure competitive rates while minimizing costs.
13. Require a monthly report on grant status, expenditures, and accomplishments.
14. Conduct comparison studies on rate structures of other water companies of comparable size in the area.

15. Ensure that at least one board member (rotating) is designated to be available for CLOCWD emergencies.
16. Prepare and maintain a job description and a responsibility checklist for board member positions. Ensure that board members understand these items.
17. Consider implementing Roberts Rules of Order as a model for conducting Board Meetings.

Agency/Department(s) Required to Respond

Clearlake Oaks County Water District (60 days)

Community Development Department

Subject/Summary:

In March and April 2009, The Planning and Public Works Committee conducted an elective oversight of the Lake County Community Development Department 2009.

The department is operating efficiently with adequate staff. There are minimal issues within this department that need to be addressed.

Procedure/Methodology:

The committee met with the Community Development Director (also the Manager of the Planning and Zoning Division), the Manager of the Building and Safety Division at the Grand Jury's Office and the Manager of the Code Enforcement Division at the new Code Enforcement Office in Lucerne. The committee received presentations and supplemented the information received from the presentations by asking questions on specific related topics.

Background and Discussion:

The Lake County Community Development Department is divided into three divisions:

- The Planning and Zoning Division: Plans the physical growth and development of the county. Reviews development projects and instructs the clients on how to proceed.
- The Building and Safety Division: Approves projects and issues permits based on the current building codes.
- The Code Enforcement Division: Enforce the codes and correct improper construction activities.

Findings:

1. The Planning Division is involved in land use zoning and permits for covered activities. This division is primarily involved in the future of a particular project, i.e. "what needs to be done". The number of permits issued in the County in 2008 have decreased by 53% based on the average for the five preceding years.
2. The current zoning codes are 22 years-old. During "slow times", personnel are responsible for updating the zoning codes.
3. All three divisions work to assist customers to accomplish projects within the laws, regulations and codes. In the case of extreme

hardship, e.g. foreclosure, the Code Enforcement Division coordinates with other agencies as needed.

4. The Building and Safety Division issues building permits and is involved in “how a project is to be done”. This division conducts progressive inspections and issues approvals at each step of the process.
5. No training is provided for employees of the Planning and Building Safety Division for interacting with the public.
6. The Code Enforcement Division has found an effective module of training to improve communication with the public. All current Code Enforcement Officers have attended the course that contains this module.
7. Last year’s County objective of a General Plan update has been completed and adopted.
8. Storm Water Management responsibilities have been moved to Building Safety.
9. The process of scanning and entering old permits into a database is continual. The process is time consuming because of outdated scanning equipment.
10. There are no staff members available to make the necessary updates to airport land use.
11. The Code Enforcement Division has prepared a draft Recovery Fee schedule for non-compliant offenders as recommended by last year’s Grand Jury. This draft will be presented to the Board of Supervisors for approval.
12. The website and procedures have been updated per last year’s Departmental objectives.
13. The actions of revising Chapter 13 of the Code Manual and enforcing the Dumpster Ordinance are in progress.
14. Ninety percent of the complaints received result in a case being opened. Complaints are prioritized with high priority given to the health and safety of the public, followed by degree of visibility.
15. Officer safety has been adequately addressed with two officers normally going out together as a team. Cell phone contact is made prior to entering and immediately after exiting dead cell phone signal areas.
16. The Code Enforcement Division has tracking tools that provide statistical data on officer activities, case disposition, and results.
17. The number of staff members has been reduced from eight to four covering the county from Lake Pillsbury to Middletown.

18. There are four levels that a complaint goes through in trying to obtain resolution:
 - o Level I - the property owner is given 15 - 30 days to rectify the situation.
 - o Level II - Notice of Nuisance - the address is publicized and the owner has 30 days to rectify the situation.
 - o Level III - Notice to Abate Nuisance - the case is placed on the Board of Supervisors agenda.
 - o Level IV - Order to Abate Nuisance - the county obtains bids and contracts for the abatement.
19. Contractors, illegally using property to store equipment in non-commercially zoned areas, have created unsightly situations. The number of vehicles that can be stored on R1-zoned property is unclear.
20. Illegal dumping is a continuing problem.
21. The Code Enforcement Division has no authority over code violations on tribal lands.

Recommendations:

1. The Planning, and Building and Safety Divisions implement a training program similar to that done by the Code Enforcement Division regarding interaction with the public.
2. Approve the Code Enforcement's Recovery Fee schedule for non-compliant offenders in order to provide additional incentives for compliance.
3. The 22 year-old zoning code needs to be updated in many areas to reflect a definition of the number of vehicles that can be on R1 zoned property. Update the zoning code utilizing existing staff.
4. The existing Planning Division and Building and Safety Division staff be used to implement a process in Code Enforcement regarding tracking and monitoring of foreclosed and bank owned properties. The staff can also be used for Airport Land Use and a noise study.

Agency/Department(s) Required to Respond

Board of Supervisors (90 days)

Community Development Director via the Board of Supervisors (90 days)

Lake County Special Districts

Subject/Summary:

The Planning and Public Works Committee conducted an oversight of the Lake County Special Districts.

This department appears to be efficient with no significant operational problems.

Procedure/Methodology:

In August 2008, the committee conducted a site visit to the Special Districts Office. The visit was essentially a meeting with the Special Districts Administrator (SDA) to discuss the district's activities. The SDA has held the position for six years. A subsequent meeting on the subject of the moratoriums currently in effect around the county was held at the Grand Jury Room in November 2008.

Background and Discussion:

Special Districts are a form of local government created by a community to meet a specific need.¹

The SDA provided the Grand Jury with information about the ten County Service Areas (CSAs).

An item of significance came to the committee's attention during discussions with the SDA. Special Districts has contracted with a consulting firm (Foresight Consulting) to do a Water and Sewer Rate Study including full analysis of costs, recommended action plans for future projects and rates, and an approach to fund the projects. This includes a recommended five-year rate increase plan with dramatic increases for the costs of new connections that developers will have to pay. Special District's cost for this study was \$100,000.

Findings:

1. Special Districts has 40 employees with 10 in the administrative office. The SDA believes that the department is understaffed. An example of a delay caused by understaffing is that when an individual or business requests a new connection, the requesting party is informed that it may be six to ten weeks before completion.

¹ Attached "The Facts about Independent Special Districts"

2. The Consumer Price Index (CPI) rate increases are sufficient for normal maintenance, but most of the CSAs have a deteriorating infrastructure and have a Capital Improvement Plan (CIP) that is not covered by the CPI increase.
3. Minimal grant money is available and always has “strings attached” causing complications in decisions regarding grant fund usage.
4. Bonds have normally been used at the CSA level, but the consultant is recommending a set of bonds at the Special Districts level to fund all of the combined CSA capital improvements.
5. Individual budgets are managed at the CSA level.
6. Due to the evolution of the law and regulatory requirements of the CSAs, each CSA has a separate rate structure. In addition, there are separate debt service agreements for each. State agencies would like to see consolidation, but legal and regulatory issues complicate consolidation.
7. The installation of meters in Soda Bay and North Lakeport are now complete.
8. According to the SDA, the CSAs under regulatory directives are North Lakeport, Spring Valley, and Paradise Valley. These areas account for the majority of management problems.
9. All CSAs need rate increases and have financial concerns. Spring Valley, for example, needs roads and bridge repairs, dam maintenance, plus system upgrades.
10. The Finley/Lands End area, CSA #06, is being dramatically affected by varying cost escalations caused by Lakeport wastewater changes.
11. The recommended actions regarding Alterra Drive from the last Grand Jury report are in progress.
12. The Water and Sewer Rate Study is an excellent tool for Special Districts to use to explain the need for the rate increases and to cover the investments over the next few years. The following bullets are quotes from the study:
 - “Foresight recommends one large-scale revenue bond for the water CIP’s and one for sewer CIP’s; individual districts will then access these funds for their capital projects...”
 - “All water and sewer systems will need to increase rates to fund operating, repair and replacement, and new capital improvement costs, some increases are quite significant.”
 - “...this is the most complicated administrative structure that Foresight has encountered in our 24 years of consulting.”

- "...there are promising opportunities that should be pursued...including consolidating: 1) Kelseyville and Corinthian Bay sewer systems, and; 2) Finley and Kelseyville water systems."

Recommendations:

1. Special Districts implement as much of the recommendations from the Water and Sewer Rate Study as possible and communicate the philosophy to the other water and sewer providers in the County as a model for future planning.

Agency/Department(s) Required to Respond

Special Districts Administrator via the Board of Supervisors (90 days)

The Facts About Independent Special Districts



WHAT ARE INDEPENDENT SPECIAL DISTRICTS?

Special districts are a form of local government created by a local community to meet a specific need. Inadequate tax bases and competing demands for existing taxes make it hard for cities and counties to provide all the services their citizens desire. When residents or landowners want new services or higher levels of existing services, they can form a district to pay for and administer them.



WHAT DO THEY DO?

Nearly 85% of California's special districts perform a single function such as sewage, water, fire protection, pest abatement or cemetery management. Multi-function districts, like community services districts, provide two or more services. Other types of services provided by independent special districts include police protection, parks and recreation, libraries, irrigation, reclamation, harbor, transit, and healthcare, among others.



HOW DO THEY OPERATE?

There are approximately 2,300 independent special districts in California, meaning they are governed by an independent board of directors elected by the districts' voters or appointed to a fixed term of office by either the city council or board of supervisors. Dependent districts are governed by other existing legislative bodies like a city council or board of supervisors.

Larger independent districts have a professional manager, similar to a city manager or county administrator, to assist the governing officials. The governing boards adopt policies that the general managers carry out.



HOW ARE THEY FUNDED?

Just over a quarter of California's independent special districts are enterprise districts. Enterprise districts operate more like a business enterprise, charging customers for their services. For example, a hospital district charges room fees just to their patients, not the district's other residents. Water districts charge water rates to their customers. Virtually all water, waste and hospital districts are enterprise districts.

Non-enterprise districts provide services that don't lend themselves to fees because they benefit the entire community, not just certain residents. These districts provide services like parks, police and fire protection, pest abatement, libraries, and cemeteries and rely overwhelmingly on property taxes to fund their operating budgets. Although some non-enterprise districts like parks and libraries may charge fees for some services, these fees generate very little revenue. Additionally, both enterprise and non-enterprise districts can issue either general obligation or revenue bonds to help pay for capital improvements.



ACCOUNTABILITY

Special districts are primarily accountable to the voters who elect their boards of directors and the customers who use their services. However, although they are not functions of the state, the state also provides critical oversight to special district operations. Special districts must submit annual financial reports to the State Controller and must also follow state laws pertaining to public meetings, bonded debt, record keeping and elections.

ABOUT CSDA

The California Special District Association (CSDA) was formed in 1969 to ensure continued success of local, independent special districts. It provides advocacy, training, information and financial services that help strengthen and increase the efficiency of special district operations. Only by working together can special districts fight additional property tax grabs and help shape policies that protect local control.

Special Districts Staff Member Misconduct Complaint

Subject/Summary:

In May 2009, the Grand Jury received a complaint alleging misconduct on the part of a staff member at Special Districts and allegations of unnecessary fees charged during a construction project.

After reviewing the testimony and all documentation, the Planning and Public Works Committee has determined that, the complainant provided invalid information and testimony. This investigation was terminated when the complainant's information was invalidated.

Procedure/Methodology:

In conducting this investigation, the committee:

- Reviewed all documentation provided by the complainant,
- Interviewed the complainant,
- Interviewed the Special District's Administrator,
- Interviewed the staff member involved in the complaint,
- Reviewed minutes of Design Review Meetings,
- Spoke with the Community Development Director.

Background and Discussion:

The complaint alleged that a staff member at Special Districts acted improperly and unprofessionally and caused the complainant undue delays and added expense.

The complainant alleged that a Special Districts staff member "walked out" of a Design Review meeting on July 17, 2006, after claiming to have not been prepared for the meeting. There were no Design Review Meetings held in July.

The complainant further alleged that because the Special Districts staff member left early, a request for a "formal vote" was denied.

The complainant repeated this allegation in sworn testimony at the Grand Jury's Office.

The complainant further indicated that subsequent meetings were held in August and in October. Minutes from the August meeting were supplied

as part of the complaint. The committee received faxed copies of the October meeting from the Community Development Director.

In reviewing the August meeting minutes and speaking to the Community Development Director, the committee learned that the August meeting was the first Design Review meeting held regarding this project. The Community Development Director said that there were no Design Review Meetings held in July 2006.

The August meeting began with the Community Development Director explaining the hearing process and giving an overview of the project, as well as, instructions. This is only done at an initial Design Review meeting. The October meeting minutes reflect that the meeting was a follow-up meeting.

Therefore, the complainant's allegation and testimony regarding a meeting that took place on July 17, 2006 was invalid.

In further reviewing the August meeting minutes, the meeting ended with the complainant reviewing staff requests for definition prior to the next meeting. In what the complainant claimed was a second meeting, it was obvious that significant modifications needed to be made, and therefore, the project was nowhere close to a "formal vote".

No one present at the Design Review Committee Meetings recalled the Special Districts staff member ever "walking out" abruptly prior to the end of a meeting.

Because of the invalidated information provided by the complainant, the committee has discontinued this investigation.

Planning Commission Complaint

Subject/Summary:

In August 2008, the Grand Jury received a complaint regarding the operations of the Lake County Planning Commission. The complaint contained allegations of inappropriate and rude conduct by the members of the Commission and lack of consideration of various components of California Environmental Quality Act (CEQA) rules.

The Planning and Public Works Committee concluded that CEQA rules were not violated and that the behavior of the Commissioners can be improved upon.

Procedure/Methodology:

The committee interviewed members of the Planning Commission, the complainant, the Clerk of the Commission, and the Community Development Director who is responsible for the Lake County Planning Department. The committee also reviewed the agendas and minutes of related Planning Commission meetings as well as listened to selected audio recordings of Commission meetings.

Background and Discussion:

The Lake County Planning Commission is the general advisory body to the Board of Supervisors that oversees and reviews the planning process and addresses planning issues with regard to land use decisions and acts on those matters delegated to it by the Board of Supervisors and state law. The Commission consists of five members appointed for a two-year term by each of the Supervisors, one for each district.

Findings:

1. With regard to the CEQA requirement to include the Initial Study in the planning package, the committee determined that the Community Development Department process of putting the key issues from the Initial Study checklist into its staff report makes the planning package more readable while meeting the CEQA guidelines. The initial studies are kept on file and available for review by the public as needed.
2. Members of the Planning Commission have treated members of the public in a rude manner. This is primarily a problem when the public's input differs from the personal view of a Commissioner. Commissioners interviewed, under oath, stated that the following

incidents have occurred during Commission meetings: Commissioners “scolding the public”, telling members of the public to “Get on with it”, Commissioners speaking with elevated voices, and speaking to the public in a condescending manner.

3. In January 2008, one Commissioner pointed angrily at a woman who was providing the Commission with information on the dangers of cell tower emissions and said, “You people”. When a statement of this type is made, the connotation can be easily misinterpreted.
4. Unpleasant actions occur particularly in emotionally charged situations where a Commissioner determines that the public either does not understand the rules or simply ignores instruction given by the Commission.
5. The committee is concerned that perhaps at least one of the current Commissioners, have predispositions on particular decisions and that public input is not being considered, as it should be. The committee listened to an audio recording of a Planning Commission meeting where a member of the public tried to make a suggestion regarding a “Precautionary Principle”. One Commissioner spoke simultaneously, overshadowing the member of the public, and the other Commissioners did not clearly hear the input.
6. The District 5 Commissioner testified, under oath, that several years ago a group of citizens was formed to accomplish a “development growth objective” for Lake County. Part of this citizens group’s objective was to campaign for Supervisors that shared the same objectives for Lake County’s future. The Commissioner was a part of this group.
7. In reviewing the minutes of the Planning Commission meetings from June 2007 to the time this report was written in February 2009, the committee found 15 occasions when the Planning Commission voted three in favor and two opposed. The same two Commissioners were opposed in every occurrence. Since June 2007, the committee found that no proposal was voted down.
8. The job of the Planning Commissioner requires considerable detailed knowledge of various Federal, State and local laws and regulations before the person can be effective as a Commissioner. This can take several months of concentrated study and continuous research. The current term of a Commissioner is 2 years while the Supervisors are elected for a 4-year term.
9. The official record of the Commission meetings is an audio tape kept of each meeting, however, printed minutes are provided to communicate and summarize the various positions and the decisions.

10. The process for complaining about a specific Commissioner or the entire Planning Commission is not clearly defined to the public.
11. During testimony, one Commissioner indicated that members of the Commission seldom visit sites under consideration.
12. The District 5 Commissioner testified to having already made the decision to vote in favor of a proposed large development that will have to come before the Commission, regardless of public input.

Recommendations:

1. The Board of Supervisors develop and implement a training course on how to interact with the public with emphasis on patience, controlled responses, avoiding rude/inappropriate behavior, how to appropriately respond to rude members of the public, ignoring direction from the Commissioners and other inappropriate actions. This course must be completed by all members of the Planning Commission and would be beneficial to all persons whose primary job is to interact with the public.
2. Modify the terms of Planning Commissioners to a four-year term with a maximum of two terms.
3. For every significant action, particularly proposed major subdivisions, at least one of the Commissioners visit the site before a decision is made.
4. The Board of Supervisors should review the audio recordings of Planning Commission meetings since January 2008.
5. District 2 and District 5 Supervisors review the behavior of the Commissioners of those districts and act accordingly.
6. In order to make appropriate decisions regarding land use, the Commission's makeup should reflect the diversity of the community with regard to age, sex, race and other demographics. Likewise, fresh ideas need to be infused into the decisions. With no term limits, this is difficult to maintain.

Agency/Department(s) Required to Respond

Board of Supervisors (90 days)

Community Development Director via the Board of Supervisors (90 days)

Planning Commissioners via Board of Supervisors (90 days)

Public Works Department

Subject/Summary:

In April 2009, the Planning and Public Works Committee conducted an elective oversight of the Lake County Public Works Department. The department has a myriad of responsibilities and appears to be performing efficiently and effectively.

Procedure/Methodology:

The committee met with the Public Works Director at the Grand Jury Office. The director gave the committee a presentation, which included a general overview of the operations of the Public Works Department, and answered committee members' questions on specific topics.

Background and Discussion:

The Lake County Public Works Department is divided into six divisions. The department's divisions are Engineering and Inspection, Water Resources, Roads, Heavy Equipment/Fleet Maintenance, Surveyor, and Airport.

A significant threat to Clear Lake exists in the form of Quagga and Zebra Mussels. The County has instituted measures to prevent the spread of these mussels in Clear Lake.

Findings:

1. The Public Works Department employs 66 people. The Roads Division, with a staff of 34, has the most employees.
2. Even though a drought condition exists, there were no mandatory restrictions at the time of this oversight. The Water Resources Division is preparing a strategy to deal with the drought should the current conditions continue.
3. The Sulfur Bank Mine is a continuing concern because of mercury seepage into the lake.
4. The Federal Government's Stimulus Plan is providing 2.5 million dollars for roads. The money is to be divided among the County, City of Lakeport and City of Clearlake. The County will get 1.1 million dollars and intends to resurface 2.4 miles of Soda Bay Road.
5. There are 41 other county road projects planned for the 2009 summer and fall seasons ranging in value from under \$2,000 to \$1,600,000. Roadwork is prioritized based on capacity (usage).

6. The Director is working on a five-year plan for roads.
7. All of the county's diesel equipment has to be retrofitted, due to recent air quality rulings, at a cost of \$360,000 per year for 17 years or a total dollar amount of \$6,100,000. Some of the money for the retrofit is currently in the budget; however, the budget is short \$70,000 per year or a total of \$1,200,000. The air quality rules require the retrofit to be completed by 2024. The county is trying to get the air quality standards relaxed since the County has the cleanest air in the state and third cleanest in the country².
8. The current airport, Lampson Field, is large enough to handle charter aircraft but not commercial traffic.
9. The FAA recently approved an Airport Infrastructure Development Project on, recently added, 14.5 acres of land. The project's next step will be an environmental review.
10. To date, the efforts to keep the quagga and zebra mussels out of the lake have been successful. There are not enough measures in place to continue to remain effective. There are still issues with the mussels invading from the rest of the state. Wisconsin has implemented a successful statewide plan to control the spread of mussels in the state's lakes.
11. Due to a vacant Civil Engineer position, the County is spending \$250,000 per year for independent consultants. The Civil Engineer position will be difficult to fill because Lake County's salary classification is not competitive.
12. Middle Creek, at the north end of the lake, provides 50% of the water that flows into Clear Lake through Rodman Slough. In December 2008, Senator Wes Chesbro introduced a bill that would authorize the Middle Creek Flood Damage Reduction and Ecosystem Restoration Project on Clear Lake. The Bill has now passed. The "Middle Creek Project" will restore 1400 acres of wetland to the lake that was previously exposed due to a series of levees built between 1900 and 1940. The Middle Creek Project involves rerouting the creek into a more natural path and eliminating the levees. This is a long-term project scheduled over a period of 10 - 20 years at a projected cost of between 40 and 60 million dollars.

² American Lung Association 2009 State of the Air report as quoted in the Lake County News on May 2, 2009

Recommendations:

1. Take appropriate steps to increase awareness of the need to conserve water.
2. Increase the level of effort in controlling the quagga and zebra mussels. Implement ordinances, if necessary.
3. Complete the five-year plan for roads.
4. The County Reclassification Committee review the need for and the level of a Civil Engineer position. If a determination is made that the position is necessary, reclassify the position with a fair, market-based salary.

Agency/Department(s) Required to Respond

Board of Supervisors (90 days)

Director of Public Works via the Board of Supervisors (90 days)

Clearlake Police Department Temporary Holding Facility

Subject/Summary:

The Lake County Civil Grand Jury conducted an annual oversight of the Clearlake Police Department. In accordance with Penal Code 919(b), the Grand Jury conducts oversights of all inmate-holding facilities in the County.

Procedure/Methodology:

In November 2008, the Public Safety Committee conducted an oversight of the temporary holding facility at the Clearlake Police Department. Committee members met with a patrol sergeant, toured the holding facility, made inquiries into operations, and reviewed inspection reports from: Lake County Fire Protection District, Lake County Environmental Health, and the California Standards Authority (CSA).

Background and Discussion:

The Clearlake Police Department is located on Olympic Drive in the City of Clearlake. The Clearlake Police Department is located in the same building as other city offices and the City Council Chambers. The CSA classification for this facility is that of a temporary holding facility. Before opening in 1996, the jail was inspected to, then current, Title 15 and 24 California Code of Regulations standards and found to be in compliance. The jail had one cell out of order during the committee's visit and a mobile fingerprinting cabinet was in need of repair. Both of these items are scheduled for repair. This facility is accessible to disabled persons and medical gurneys.

Findings:

1. One cell was damaged by a detainee and was not in service.
2. A mobile fingerprint station had a loose door, hanging by one of two hinges.
3. The jail was not designed to house overnight prisoners.
4. Some arrestees are transported directly to the Hill Road Correctional Facility operated by the Sheriff's Office.
5. The actual booking process is completed at the Hill Road Correctional Facility.

6. An arrestee may be detained for several hours, if necessary, to accommodate interviews by investigative personnel.
7. If an arrestee is detained for six or more hours, a meal is provided.
8. Persons arrested for public intoxication are detained until detoxification is complete, or Penal Code 849(b) (arrest is only a detention, not criminal prosecution).
9. A screening process is in place to identify any special needs of the arrestee. Part of the screening process is to ensure rival gang members are separated for safety.
10. Arrestees in need of medical attention are taken to local hospitals.
11. In the event of an emergency, medical first responders are called.
12. An emergency evacuation was written and a printed diagram showing escape routes was posted in a convenient location.
13. The jail consists of five separate cells; one is large enough to hold five individuals.
14. Two of the cells have resilient floors to protect intoxicated persons.
15. Police personnel physically check on all detainees every thirty minutes.
16. The dispatch office monitors all cells on cameras. They can also monitor sound.
17. No mental health questions appear on the screening intake form.

Recommendations:

1. Add questions concerning mental health to the existing intake classification form.

Agency/Department(s) Required to Respond

- Clearlake Chief of Police (60 Days)
- Clearlake City Council (60 Days)

Hill Road Correctional Facility

Subject/Summary:

The Public Safety Committee conducted an annual inspection of the Hill Road Correctional Facility, in accordance with Penal Code 919(b). The purpose of the inspection was to review operations and to determine whether the facility is operating efficiently.

Procedure/Methodology:

The committee conducted an on-site inspection of the Hill Road Correctional Facility in January 2009. During the inspection, the committee members met with the In-Custody Branch Commander and a correctional officer before touring the facility.

During the tour, committee members observed the following areas:

- Receiving/processing
- Control tower
- Inmate housing
- Inmate property storage
- Dining hall and kitchen
- Laundry facility

Background and Discussion:

The Grand Jury conducts annual inspections of all inmate-holding facilities in the County in accordance with California Penal Code 919.¹ The Hill Road Correctional Facility was established in 1991 and remodeled in 2003. The last Grand Jury inspection was conducted in February 2008. Concerns noted in last year's California Corrections Standards (CCS) report were in regards to the protocol for using reasonable force to collect DNA samples and the use of the safety cells. Corrective action has been taken to ensure compliance with last year's CCS report.

Findings:

1. The total rated capacity is 286 inmates.
2. Inmate population, at the time of this inspection, was 210. The population fluctuates with a tendency to increase in the summer.

¹ California Penal Code 919: The grand jury shall inquire into the condition and management of the public prisons within the county.

3. The annual budget is approximately eight million dollars.
4. The facility employs 52 correctional officers, 6 sergeants, and 9 correctional aides. The correctional officer staff includes both males and females.
5. The correctional aides have no direct inmate contact.
6. Staff retention is a constant area of concern. However, the facility was nearly fully staffed at the time of this oversight, with only one position vacant.
7. The field-training program consists of 12 weeks for new hires. This includes time at the Corrections Core Academy and firearms training.
8. Volunteers have no formal training. A tour of the facility is provided to volunteers.
9. Inmate programs vary and are provided, as instructors are available the programs include anger management classes, twelve-step programs, typing instruction, and General Educational Development (GED) courses, The facility has four licensed interpreters.
10. Community work parties consist of minimum-security inmates.
11. Civil inmates are housed separately from criminal inmates.
12. There is a commissary available to inmates that have funds available. Indigent inmates are provided with basic needs items, such as dental hygiene products.
13. Inmates have pre-stamped envelopes for privileged correspondence with attorneys.
14. Grand Jury complaint forms were unavailable to inmates. When asked, the Custody Branch Commander was unable to ascertain why the forms were not available. At the inspection conducted in February 2008, the tour provider indicated that paper airplanes stuck in the ceiling were Grand Jury complaint forms.
15. There is a standard protocol for inmate grievances.
16. When necessary, a disciplinary correctional officer holds hearings and decides discipline. This process is overseen by the Custody Branch Commander.
17. Guards are equipped with tasers, which are used for immediate safety threats on non-compliant inmates.
18. Disciplinary meals, loss of commissary privileges, and similar reprimands are used to deter repeated bad behavior.
19. Medical staff approves special medical diets.
20. Kitchen personnel consult with a nutritionist and have a computer program that compiles menus, determines dietary needs, and orders supplies.

21. Juvenile Hall meals are prepared at the facility.
22. The facility contracts with the California Forensic Medical Group (CFMG) for health care.
23. CFMG supplies a mental health nurse, and a physician's assistant. There is also a facility physician and a nurse available, as needed, 24 hours a day, 7 days a week.
24. The facility has a coordinator who manages the volunteer program.
25. Lake County Mental Health services are utilized in the event that an inmate has severe mental health issues.
26. Inmates have access to collect calls, which are monitored.
27. Inmates are entitled to two visits per week.
28. Higher security inmates are separated from visitors by a thick pane of glass. Conversations between high security inmates and visitors are accomplished with the use of telephones.
29. There is administrative segregation for inmates with special needs.
30. There are no scheduled fire drills.
31. The facility had one suicide by hanging a year ago.
32. One inmate escaped last year while working at the neighboring Animal Control Facility.
33. The facility has no organizational chart that clearly defines the chain-of-command.

Recommendations:

1. Make Grand Jury complaint forms available to inmates and include information on how to file complaints with the Grand Jury in the Custody Information Booklet.
2. Conduct semi-annual fire drills.
3. Develop an organizational chart of the facility.

Agency/Department(s) Required to Respond

Lake County Sheriff (60 days)

Hill Road Correctional Facility Check-Cashing Policy Complaint

Subject/Summary:

The Public Safety Committee began investigating this complaint in February 2009. The complainant was an inmate at the Hill Road Correctional Facility operated by the Sheriff's Department at the time of this investigation.

Procedure/Methodology:

The Public Safety Committee requested and received, copies of the Sheriff's Department Jail Division Policy & Procedures Manual regarding the handling of inmate property.

Background and Discussion:

According to the complainant, the complainant received a payroll check through the mail and when the complainant attempted to have the check processed and placed into a jail account, the request was denied by the Sheriff's Department. The complainant then requested to release the check to another person. Sheriff's Department staff informed the complainant the check could be released to a friend or relative but that it could not be endorsed unless that person had power-of-attorney for the complainant's affairs. Instead, the check was placed with the complainant's property.

Jail Division Policy No. 3-14¹, under "receipting/routing of money orders" states that, "Any cash or personal checks will be returned to sender." Under Policy No. 3-14, there is a distinction between handling personal checks taken from the inmate during the intake process, and personal checks received later through the mail.

There is no mention of the check policy, in the Jail Division Policies, that were reviewed by the committee.

Findings:

1. Policy No. 3-14 states that any checks, not accepted, are to be returned to the sender. The Sheriff's Department complied with the written policy regarding the acceptance of cash and money orders only, and not accepting personal checks, two party checks and payroll checks.

¹ See attached Policy No. 3-14

2. The Jail Division Policy No 3-3, describes the process for releasing all inmate property, except clothing, to a “family member or friend”, within 72 hours of booking. The policy does not define the procedure for endorsing a personal check and releasing it to someone with power of attorney.
3. Having the check brought to the inmate for endorsement, and then releasing the check to a designated person would minimize the effort required by jail staff.

Recommendations:

1. Modify an existing policy, or create a new one, to encompass a procedure allowing an inmate to endorse and release a check or money to any person they choose.

Agency/Department(s) Required to Respond

Lake County Sheriff (60 days)

LAKE COUNTY
SHERIFF'S DEPARTMENT



CORRECTIONS DIVISION
POLICY MANUAL

TITLE: INMATE FUNDS TAKEN AT BOOKING

NO 3-14

EFFECTIVE DATE: September 11, 2005

REVISED: September 11, 2005

AUDITED: September 11, 2005

POLICY: The collection and securing of all jail property taken from inmates booked into the Lake County Jail.

REFERENCES: California Penal Code Section 2085

PROCEDURE: All money, checks, and other valuables are seized from the inmate at intake

1. All money is to be counted in the presence of the inmate and placed in a money envelope by the booking officer. The booking officer will fill out the following information on the money envelope:
 - a. Inmate name
 - b. Booking number
 - c. Date
 - d. Cash received (list the amount)
 - e. Signature of Booking Officer
 - f. All staff members are required to sign all forms legibly. If you can not sign your signature legibly please print your name below your signature with your J#.
 - g. Second signature by another witnessing officer.

The money seized and placed in the money envelope will immediately be secured in the safe located in the booking area.

The booking officer will input the amount of money taken in the RIMS property screen.

2. The booking officer will place other articles of property such as jewelry, wallet, etc., in the yellow bags provided. The items will be inventoried and entered in the RIMS property screen along with other inmate property/clothing

Any checks made payable to the inmate, other than checks written by other law enforcement agencies, authorized government checks, etc. will be listed as property and placed with the inmate's property, not in the money envelope. This would primarily consist of two-party checks and payroll checks.

3. All inmates booked for public intoxication PC647f, driving while under the influence VC 23152 or, are likely to be released on a promise to appear may retain their funds up to the amount of two hundred dollars. All money in excess of \$200.00 will be added to the financial screen, placed in a money envelope, witnessed by an officer other than the booking officer and placed in the safe. All monies less than \$200.00 will be added to the "property screen", placed in a money envelope, witnessed by an officer other than the booking officer and placed in the yellow property bag along with all other belongings. Upon release the inmate will be given the sealed and witnessed envelope along with any remaining property contained in the yellow property bag. The only need to write a check will be if the inmate has money entered into the financial screen indicating being booked in with an excess of \$200.00.

AT NO TIME WILL ANY MONEY ENVELOPE BE LEFT UNATTENDED IN BOOKING OR ON THE SERGEANT'S DESK.

RELEASE OF MONEY TAKEN AT BOOKING

All monies taken at Booking shall be returned to the inmate via check upon release. Print out of the financial screen with a zero balance will be made. Copy of check and print out goes into the inmate file. The original print out and copy of check will be placed in the big safe.

RECEIPTING/ROUTING OF MONEY ORDERS: All money orders received for inmates at the Lake County Jail must be receipted for auditing purposes (*Refer to policy 6-16*).

Money orders are received through the mail for inmates in custody at the Lake County Jail. These money orders are to put money on the books for the inmate to purchase commissary items. Night shift officers are responsible for opening and checking the mail addressed to the inmates. Any cash or personal checks will be returned to sender.

All inmate mail is opened in the male dorm by the assigned male dorm officer. Any mail containing a money order must have a receipt issued for the money order and the receipt placed in the money envelope. A receipt book containing numbered receipts is located in the male dorm and reception desk. The receipt book contains four-part receipts. The officer will complete the following portions of the receipt.

1. Date- Enter current date.
2. Received From- this is the name of the person sending the money order or certified check. First initial and last name is sufficient.
3. No address is necessary.
4. The dollar amount of the money order.
5. The "for" line will contain the name of the inmate, last, first name, booking number and housing unit.
6. Department is 2301
7. "By" is the name of the officer receipting the money order or certified check.
8. Receipt book number is placed at top right corner under the "tear here" line of money envelope.

Distribution of receipts are as follows:

1. White goes to person placing money on books or to the inmate if received in the mail.
2. Yellow will be paper clipped to the money order, and placed in the money envelope.
3. Pink goes to inmate.
4. Golden will stay in the receipt book for tracking purposes.

If a receipt is incorrectly completed, it cannot be destroyed. Write "VOID" across the receipt and leave all four copies in the receipt book.

The receipt book will be returned to its designated area. The money orders and yellow receipts will be placed in the booking safe after being signed by the inmate and entered in the accounting screen of the In-Custody system. The mail with the original copy for the inmate will be distributed in the usual manner with the remainder of the mail at mail call.

Money orders are also accepted, made payable to the inmate, if they are brought to the reception area. Money orders will be accepted Monday – Friday 8:00 a.m. – 3:30 p.m. at the reception desk in the main lobby and during visiting hours.

Under no circumstances are the money orders or certified checks to be left unattended.

Hill Road Correctional Facility Unannounced Inspection

Subject/Summary:

Two members of the Public Safety Committee conducted an unannounced inspection of the Hill Road Correctional Facility. The inspection transpired during the evening hours on a weekend.

The committee found no areas of concern during this visit.

Procedure/Methodology:

The committee members arrived unannounced. The purpose of this visit was to inspect the booking operations during a weekend night. The committee members toured the booking area, spoke with employees, and observed the interaction between arrestees and staff. The committee members asked questions and presented scenarios to staff members. The staff answered the questions and scenarios knowledgeably.

Background and Discussion:

In January 2009, members of the Grand Jury had conducted a mid-morning/weekday, annual inspection of the Hill Road Correctional Facility. Minimal information was presented at the time of the initial oversight regarding the booking/reception areas and the procedures for processing arrestees.

The booking process includes:

- A physical pat-down search for weapons and contraband
- Personal information, e.g. name, address
- An inventory of all the arrestee's property
- Medical screening

During the unannounced visit, the committee members spoke with the on-duty supervisor and all staff working in the booking area.

Four arrestees were observed during the visit. Two male adults were located in a sobering cell during the visit. One of the males was removed from the sobering cell in order to complete the booking process. One adult female was sleeping in another sobering cell. Another adult female was in the process of being bailed out and was in an open area with access to phones and television.

The employee workstations were neat, orderly, in good repair, and there was very little clutter.

Findings:

1. The committee members were granted access to the jail immediately after providing proper credentials.
2. Staff acted professionally and the booking-reception area was clean and orderly.
3. Male and Female arrestees were in separate holding areas.
4. Arrestees determined to be unable to make bail or with no bail charges, are dressed in appropriate jail apparel upon the completion of the booking process and moved into the housing areas.
5. Arrestees to be released with a citation (notice to appear), are released upon completion of the booking process.
6. Persons to be released in accordance with Penal Code 849b are released upon completion of the booking process.¹
7. If an arrestee enters the jail under the influence of drugs or alcohol, the arrestee is not released until a determination is made that the arrestee can provide adequate self-care.
8. Arrestees arriving at the jail in need of medical attention are transported to a hospital or medical attention is requested via the 911 emergency system.

Recommendations:

None

Agency/Department(s) Required to Respond

None

¹ See attached penal code 849 – 849.5

849. (a) When an arrest is made without a warrant by a peace officer or private person, the person arrested, if not otherwise released, shall, without unnecessary delay, be taken before the nearest or most accessible magistrate in the county in which the offense is triable, and a complaint stating the charge against the arrested person shall be laid before such magistrate.

(b) Any peace officer may release from custody, instead of taking such person before a magistrate, any person arrested without a warrant whenever:

(1) He or she is satisfied that there are insufficient grounds for making a criminal complaint against the person arrested.

(2) The person arrested was arrested for intoxication only, and no further proceedings are desirable.

(3) The person was arrested only for being under the influence of a controlled substance or drug and such person is delivered to a facility or hospital for treatment and no further proceedings are desirable.

(c) Any record of arrest of a person released pursuant to paragraphs (1) and (3) of subdivision (b) shall include a record of release. Thereafter, such arrest shall not be deemed an arrest, but a detention only.

849.5. In any case in which a person is arrested and released and no accusatory pleading is filed charging him with an offense, any record of arrest of the person shall include a record of release. Thereafter, the arrest shall not be deemed an arrest, but a detention only.

Konocti Conservation Camp #27

Subject/Summary:

The Lake County Civil Grand Jury conducts annual oversights at all inmate-holding facilities within the County annually in accordance with Penal Code 919(b), including Konocti Conservation Camp 27 (CC27). The camp is managed by two state agencies, CalFire and the California Department of Corrections (CDC).

The camp is well maintained and managed. Year after year, the Grand Jury is impressed by the overall operations, the remarkable rehabilitation programs, and the quality of the food provided to inmates at this facility.

Procedure/Methodology:

In October 2008, members of the Grand Jury conducted a site-visit at CC27. Prior to touring the facility, there was a question/answer session with the Camp Commander and the Division Fire Chief. A booklet containing facts, including past and future work details, schedules, and training topics was provided to all members of the jury that participated in the oversight. Later, the jury members toured the inmate housing areas, infrastructure and grounds. As part of the Grand Jury's oversight process, jury members ate lunch to inspect the quality of the food served to the inmates.

Background and Discussion:

The Lake County Civil Grand Jury is legally required to conduct an annual visit to all inmate-holding facilities within the County. CC27 has been in operation since April 1961. The CDC is responsible for the care, custody and control of inmates. Calfire is responsible for providing firefighting equipment and training inmate firefighters.

Findings:

1. The inmate housing area was in good condition. Dual-paned windows were installed in the barracks and, in response to last year's Grand Jury recommendation; improvements were made to the shower facilities.
2. The inmates are responsible for the maintenance and improvements of the grounds.
3. Inmates from various California prisons volunteer for placement at the camp. CDC staff carefully screens inmates prior to placement at CC27. Inmates must have shown an ability to obey rules and follow

instructions while incarcerated. In addition, inmates must be determined not to be a danger to the community.

4. The camp does not have on-site medical staff. There is a daily sick call. Inmates are permitted non-prescription medication as needed. Medication prescribed to inmates is kept on-site and issued in accordance with directions of the physician. If professional medical care is needed, and time allows, the inmate is transported to the State Prison at Susanville. Inmates in need of emergency care are taken to a local hospital. Medical help is also available from CalFire personnel who are certified Emergency Medical Technicians (EMTs).
5. Inmates are encouraged to obtain further education. Inmates can study for a GED certificate, and obtain specialized education in various fields including culinary arts, electrical skills, carpentry, welding, mechanics, forestry, machine shop operations, and operations of the wastewater treatment plant. Committee members met with two inmates, on-site, that were studying to be Wastewater Treatment Plant Operators.
6. Inmates have access to sports activities, a hobby shop, and two television-viewing areas.
7. Inmates have visiting privileges on weekends and holidays.
8. An improved wastewater treatment facility has been installed.
9. Inmates participated in the construction of a new pantry located next to the kitchen, and in the construction of a shelter for outdoor coolers.
10. Inmates have built a pond and a waterfall feature that has enhanced the esthetics and tranquility of the camp.
11. Inmates earn wages for work performed. Unskilled laborers receive \$1.45 per day. Skilled labor receives up to \$3.90 per day. When assigned to emergency incidents, inmates receive an additional \$1.00 per day.
12. The camp emergency generator is antiquated. The old generator may not be able to power both the new wastewater treatment plant and the remainder of the facility simultaneously.

Recommendations:

1. Obtain a new emergency generator capable of powering the entire camp and the new wastewater treatment plant during a power outage.

Agency/Department Required to Respond

Camp Commander (60 Days)

Division Fire Chief (60 Days)

Lake County Fire Protection District Complaint

Subject/Summary:

The Grand Jury received and accepted a complaint against the Lake County Fire Protection District (LCFPD) that questioned various aspects of the amount of fire equipment dispatched to the scene, the lack of fire lanes/hydrants, the agency responsible for the area, and the codes involved in storage of large property.

The Public Safety Committee was unable to complete this investigation due to time constraints and recommends that next year's Grand Jury conduct a thorough investigation.

Procedure/Methodology:

The committee reviewed materials provided by the complainant, including photographs of the area, and documents regarding the incident including the investigative report. The committee interviewed the Chief and Deputy Chief of the LCFPD at the jury room.

Background and Discussion:

In 2001, the Clearlake Fire Department and the Lower Lake Fire Department consolidated and became the LCFPD. The area of responsibility of the LCFPD includes the west shore of Clear Lake abutting the Clearlake Rivera, which is serviced by the Kelseyville Fire District. A fire occurred in an area less than four miles from the Kelseyville Fire Station located in the Clearlake Rivera.

The complainant lived in a mobile home community in the unincorporated county area of Lower Lake. A fire destroyed the complainant's mobile home and two others.

The complainant asked the Grand Jury to investigate the following four topics:

- "Why only one fire truck was dispatched?"
- "What agency has responsibility for fire protection at the site?"
- "Why were there no fire hydrants, fire lanes or a fire protection plan at the mobile home park?"
- "Why are boats and trailers stored behind the mobile units allowed to be there, as it creates a safety hazard in preventing the fire department from accessing the mobile units?"

When the LCFPD received the initial call, several mobile home units were involved in the fire. The LCFPD, knowing the response time would be at

least twenty-five minutes, requested mutual aid and obtained services of the Kelseyville Fire Protection District as well as CAL-FIRE. Kelseyville Fire Protection District's half-full pumper truck arrived on the scene first. Firefighters immediately engaged the fire and reported the status, via radio, to the LCFPD. LCFPD arrived, followed by CAL-FIRE. Three engines, one tanker, and two ambulances and twenty-two firefighter personnel reported to at the scene.

The Chief of the LCFPD stated that there were strong winds at the location and, "When I was first on the scene, I thought we were going to lose the whole park."

Findings:

1. In response to the questions asked by the complainant, the committee found the following:
 - Why only one fire truck was dispatched?"
 - Three engines, one tanker, and two ambulances reported to the scene with twenty-two firefighter personnel.
 - "What agency has responsibility for fire protection at the site?"
 - The mobile home park is in LCFPD's area of responsibility; however, Kelseyville Fire Department was the first to arrive on scene.
 - "Why were there no fire hydrants, fire lanes or a fire protection plan at the mobile home park?"
 - This question needs to be reviewed further.
 - "Why are boats and trailers stored behind the mobile units allowed to be there, as it creates a safety hazard in preventing the fire department from accessing the mobile units?"
 - The committee did not have time to interview Code Enforcement to determine whether the boats and trailers were stored in accordance with regulations.
2. Equipment and firefighter personnel arrived at different times because of distances involved.
3. The LCFPD was responsible for providing services to the mobile home park.
4. During the interview with the chief, the committee asked if the result would have been different if Kelseyville Fire Protection District provided fire service for the mobile home park. The chief responded that the result would have likely been the same with the same fire districts responding and the response times being the same. The only

difference would have been that a different fire district would have written the report.

5. According to the final report, provided to the committee by LCFPD, the actual cause of the fire was unknown and suspicious in nature. The investigator was unable to rule out an electrical fire or other accidental cause.
6. There is no program in place to inspect mobile home parks regularly for hazards because of a shortage in fire department staff. Property owners can request safety inspections.
7. There are no fire hydrants at the park. Although the lack of fire hydrants did not prevent containment, fire hydrants would have reduced the time required to contain the fire.
8. There are no designated fire lanes in the mobile home park. The lack of fire lanes did not prevent equipment and personnel fighting the fire from suppressing the fire.
9. The Chief had no recollection of any complications due to boats and trailers blocking access.
10. One "pumper truck" accessed water from the lake and provided water for the other vehicles.
11. Strong winds hindered the containment and suppression efforts of the firefighters.

Recommendations:

1. Inspect the mobile home park for fire safety issues in an advisory capacity only.
2. Ensure that pumper trucks are adequately filled at all times.
3. The 2009/2010 Grand Jury conduct a thorough investigation into this complaint.

Agency/Department(s) Required to Respond

Lake County Fire Protection District (60 days)

Lake County Juvenile Hall

Subject/Summary:

The Public Safety Committee conducted an inspection of the Lake County Juvenile Hall in compliance with California Penal Code 919(b).

Lake County Juvenile Hall is currently experiencing problems that have existed in the past. In 2006/2007, the Grand Jury found that the meals were often inappropriately heated and on at least one occasion, a meal was transported to the juveniles in the back of a pickup truck.

Additionally, the facility's camera surveillance and security is inadequate. With these issues aside, the facility's staff seems to be very professional and the juveniles are provided with an environment that is as safe and comfortable as possible.

The Grand Jury understands that the economy is in a poor state and funding for projects is not readily available. Steps need to be taken to determine how much it will cost to bring the Juvenile Hall's kitchen up to date and functional.

Procedure/Methodology:

In January 2009, the committee met with the Chief Deputy Probation Officer and an assistant. The committee toured the entire facility. During the tour, the committee members examined the holding cells, the intake area, dormitories, control room and the classroom. The committee also interviewed a teacher and two classroom aides.

The committee members sampled the lunch typically served to the juveniles. The committee members sat with and informally interviewed the juvenile inmates.

Background and Discussion:

Lake County Juvenile Hall Detention Center is located at 1111 Whalen Way in Lakeport. The facility was initially constructed in 1984 and remodeled in 1999. The facility's capacity is 40, as rated by the California Corrections Standards Authority. Currently, one of the dormitory wings is being remodeled. At the time of the committee's visit there were 25 detainees housed in the facility, 19 males and 6 females, with only three beds remaining available.

The committee was told that 13 juveniles were ill and on "bed rest status" at the time of the visit. Juveniles placed on "bed rest status" are excused from school, cleanup details, and any activity occurring inside or outside

of Juvenile Hall. Medical care for the juveniles is provided by contract from California Forensic Medical Group (CFMG).

Staffing consists of a Chief Deputy Probation Officer, four supervisors, thirteen counselors, and one support staff. Management is currently interviewing applicants to fill three vacancies.

The last California Standards Authority inspection was in June 2008. The result of the inspection indicated several areas that did not meet standards:

- Building and grounds inspection - housing areas were in need of paint due to scratches and graffiti.
- The Lake County Juvenile Court Judge had not to date, inspected the facility.
- Some staff members had not completed the Juvenile Corrections Officer Core Course.

At the time of this year's Grand Jury inspection, all of the above issues have been resolved, and approved by the California Standards Authority. Last year's Grand Jury listed three recommendations:

- Install more cameras to thoroughly cover blind spots within the facility
- Provide an aggressive anger management program for juveniles.
- Provide education classes Monday through Friday on a yearly basis.

Findings:

1. At the time of this visit, the facility was in the process of getting bids on upgrading the control room and camera system.
2. Anger management classes for juveniles, recommended by last year's Grand Jury is actually provided by Alcohol and Other Drug Services and Sutter Lakeside Services. Juvenile Hall acts as a facilitator of those services.
3. The Office of Education provides classes for juveniles from Monday through Friday year-round.
4. Members of staff indicated that the response time for County Mental Health and Child Protective Services is inadequate even though a Mental Health Crisis Team is available twenty-four hours a day.
5. The kitchen at Juvenile Hall is not being used. The inmates at Hill Road Correctional Facility prepare meals for the juveniles.
6. The "hot meals" are portioned in plastic insulated trays and are transported to Juvenile Hall.

7. Juvenile Hall staff ordered 37 hot lunches and only 31 were provided the day the committee was at the location.
8. The committee found that the "hot lunch" food was lukewarm and inadequate. The Chief Deputy Probation Officer stated that lukewarm food was an ongoing problem.
9. Before the remodel at Hill Road Detention Facility, the juveniles received a "hot meal" at dinner. Now breakfast and dinner are pre-prepared cold meals. Dinner is the final meal of the day and is served after the juveniles have attended classes and performed physical fitness. This meal is expected to maintain the juveniles' energy levels throughout the night and until breakfast the next day.
10. The committee members inspected a bag lunch typically served for dinner. The cold dinner, on the day of the visit, consisted of a small sandwich, three celery sticks, four small cookies, an apple, and milk.
11. The quantity of food contained in the cold meal appeared to be minimal and the meal is nicknamed "Bagged Nasty" by the juveniles.
12. Staff indicated that a menu is supposed to be provided to the facility in advance however, in spite of numerous requests, no menus have been provided in over four months.
13. The Director stated that the kitchen could be re-opened with minimal financial assistance. The kitchen could be brought up to current standards and one cook would need to be hired for one meal a day. Re-opening the kitchen would give the juveniles the opportunity to learn culinary skills.
14. Juvenile detainees are between the ages of 12 to 18.
15. Visiting hours are on Saturdays and Sundays. Visitation is limited to two hours per week. Visits take place in the dayroom and juveniles without visitors are locked down.
16. There is no commissary available for juvenile offenders as there is for adult inmates.
17. Friday or Saturday night is usually set aside for movie night. During movie nights, the juveniles are served sugar free snacks and drinks.
18. Religious services are no longer held every Sunday. The services were canceled in order to comply with a State mandate that more recreational time be provided. Access to individual spiritual counseling is available upon request for all denominations.
19. When fully operational, there are 18 housing dormitories consisting of eight three bedroom, six two bedroom and four one bedroom "units".
20. The last fire drill was held on 10/24/08. Fire drills are typically conducted quarterly.

21. There are two school classes. The morning class is for males 16 and older. Afternoon classes are for females and males 15 and younger. Juveniles receive 3 hours and 45 minutes of education per day, Monday through Friday.
22. Members of the committee found the individual cells to be cold. Each inmate is given three wool blankets. Many of the juveniles sleep fully clothed in order to stay warm.
23. Magnetic covers are placed over the cell door windows by staff to ensure security and privacy. Cells are checked by an officer at regular intervals for safety reasons.

Recommendations:

1. Increase the level of cooperation and services provided to Juvenile Hall by Lake County Mental Health and Child Protective Services.
2. Re-open the kitchen at Juvenile Hall.
3. Have Juvenile Hall staff members taste test the meals served to ensure quality.
4. Members of the Board of Supervisors conduct an inspection of the Juvenile Hall Facility to review conditions.
5. Provide recreational time in such a way that it does not replace Religious Services.

Agency/Department(s) Required to Respond

Lake County Sheriff (60 days)

Chief of Probation via the Board of Supervisors (90 days)

Juvenile Hall Administrator via the Board of Supervisors (90 days)

Mental Health Department Director via the Board of Supervisors (90 days)

Social Services Director via the Board of Supervisors (90 days)

Board of Supervisors (90 days)

Lake County Sheriff-Coroner's Office

Subject/Summary:

The Public Safety Committee conducted a discretionary oversight of the Lake County Sheriff-Coroner's Office on April 2, 2009. This year the Grand Jury made a concerted effort to conduct oversights of all elected officials in the County. The primary purpose for the oversights was to review the office operations.

Procedure/Methodology:

Committee members spoke with the Sheriff-Coroner and the Sheriff's Deputy in charge of training at the Sheriff's Office in Lakeport.

Background and Discussion:

The Grand Jury last conducted an oversight of the Sheriff's Office in February 2008. The current Sheriff-Coroner has been with the department since 1983 and has been the Sheriff since November 1994. There were no recommendations made in last year's Grand Jury Final Report.

For several years, the jail's inmate fund account has been out of balance when audited. Last year, the account was reconciled and a new accounting system was implemented to help prevent future discrepancies. The account, once again, was out of balance at the time of this oversight.

Findings:

1. The Sheriff-Coroner's Office has a 47-page training manual. The training is structured to be thorough and job-specific. Specialized training is provided for various positions within the Office.
2. Each employee has a training file and a personnel file.
3. The Sheriff's Office has three canine handlers. Each handler takes the assigned canine home at night.
4. There is no single union representing all Sheriff's Department employees. Rather, one union represents the sworn deputies, a second represents the correctional officers and the dispatchers, and a third represents civilian employees.
5. The Sheriff-Coroner's Office works in conjunction with the California Highway Patrol, the Lakeport Police Department and the Clearlake Police Department in providing mutual aid.
6. The Office has a budget of 27 million dollars. There are 22 individual budget units within the Office, five of which are for operational expenses.

7. The inmate fund was out of balance by more than \$200.
8. Inmate fund checks only required one authorizing signature and all jail employees were authorized to sign inmate fund checks.
9. There was no written financial and accounting policy or procedural manual regarding the inmate fund.
10. Deputies receive training annually and there is a certain number of hours/courses that must be completed every two years. In addition, deputies are sent to various non-discretionary training as necessary. For example, it is not a requirement for a detective to attend homicide school, but logic would dictate that this training would be invaluable.
11. Vacant position salary savings provides funding for overtime. There would be a lack of funding for overtime without vacant positions.
12. The salaries within the Office are "compacted", meaning there is very little difference in salary between positions.
13. The Office is not compensated for providing additional safety staff for large events held within the County. However, the overtime paid for large events is typically minimal.
14. Most of the overtime paid out is for shift coverage.
15. Grant funding has recently declined, although some funding is still provided by the Federal and State Government.
16. The department applies for competitive grants when it is financially feasible. Some grants have a "match" amount. These grants require money to be spent by the County in order to receive the funding. Typically, grants applied for by the Office are for position allocations and equipment
17. The Office gets a negligible amount of funding from the Office of Homeland Security for the operation of the local Office of Emergency Services.
18. The Office provides services for the entire County.
19. One of the Sheriff's short-term goals is to be fully staffed by the end of summer 2009. Dispatch positions are difficult to fill because of the varied tasks required.
20. The County typically promotes correctional officers to patrol staff. Correctional Officers gain invaluable experience while working with inmates at the Hill Road Correctional Facility.
21. The employee turn over rate has decreased considerably over the last ten years. The Sheriff attributes this to employees being hired from within County agencies, as well as, significant salary increases.
22. The primary responsibilities of the coroner include:
 - o Determine cause of death

- Identification of the decedent
 - Notifying next of kin
 - Protecting personal property of the decedent
23. There were over 400 coroner cases in 2008.
 24. If a person passes away during a hospital visit or stay, the death is reportable to the coroner regardless of medical history.
 25. In the past, if a hospice patient had not been seen by a physician within 20 days of passing away, that death was reportable to the coroner. Recent amendments to the Government Code have effectively reduced the number of hospice deaths that are reportable to the coroner.
 26. Every deputy is considered a deputy-coroner. The County has only one civilian coroner at this time.
 27. California is among eight states in the country that has co-authority with the Indian Tribes under Federal Statute, Public Law 280.
 28. The Sheriff and Tribal Police have shared jurisdiction on tribal lands. Tribes cannot prevent members of the Sheriff's Office from entering onto tribal lands.
 29. The Sheriff does not "crossover" and regulate what occurs in tribal casinos. The Sheriff does however, have jurisdiction over non-regulatory criminal activity within the casinos.
 30. The courts contract with a private security company to provide staff at the entrance of the courthouse and the Office provides an on-duty peace officer for additional security.

Recommendations:

1. Establish written financial and accounting policies and procedures that demonstrate how inmate fund transactions are processed from beginning to end. The document should include the processes for internal controls, including check writing, that are designed to provide reasonable assurance that objectives related to effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws, regulations, and County policy are met.

Agency/Department(s) Required to Respond

Lake County Sheriff (60 Days)

Lakeport Police Department and Lake County Sheriff's Office – Complaint

Subject/Summary:

This complaint was originally accepted by the 2007-2008 Lake County Grand Jury in May 2008. The 2008-2009 Lake County Grand Jury voted to examine the complaint and the Public Safety Committee conducted an investigation. The complaint alleged wrongful arrest on the part of the Lakeport Police Department and unprofessional behavior on the part of the correctional officers at the Hill Road Correctional Facility, a division of the Lake County Sheriff's Office.

The committee's goal in this investigation was to determine whether established protocols were followed in the arrest and detention of the complainant and to determine if the complainant was properly notified of the internal investigations conducted by both agencies.

The committee found that the Lakeport Police Department acted in accordance with the law in regards to conducting an internal investigation of a citizen's complaint and in notifying the complainant in writing within 30 days of the investigation's conclusion. After nearly a year, the Lake County Sheriff's Office has not yet provided notification to the complainant.

Procedure/Methodology:

The committee interviewed the complainant, witnesses, listened to the 911 call, and reviewed material submitted by the Lakeport Police Department (LPD). In addition, the Lake County Sheriff's Office (LCSO) provided the committee with policy and procedures, logs, and forms directly concerning this incident.

The committee reviewed a report by correctional officers detailing the placement of the complainant into the safety cell. The committee also reviewed the visual inspection logs of the complainant's confinement in the safety cell, and the LCSO policy and procedures relating to placement of persons into a safety cell.

Background and Discussion:

The complainant was taken into custody by LPD after refusing to leave a local drinking establishment. The complainant refused to cooperate with the police officer's request to vacate the premises and an LPD Officer placed the complainant, unrestrained, into a police vehicle. Shortly after

being placed in the vehicle, the police officer removed the complainant from the police vehicle and again asked the complainant to leave the scene. The complainant again refused to leave and the LPD Officer arrested the complainant for public intoxication.

The LPD Officer took the complainant to the Hill Road Correctional Facility. At the facility, the LPD Officer reported the arrest as a detention only, with the complainant to be released per 849b, California Penal Code. The complainant was detained for about six and a half hours at the facility before being released.

The complainant reported rude, unprofessional and disrespectful treatment by three officers at the facility. The allegations included being referred to as a "nut case", being tormented by correctional officers, and undeserved placement into a safety cell.

Once at the Hill Road Correctional Facility, the complainant was initially placed into one of three sobering cells in the booking area of the facility. After refusing to follow directions by Hill Road Correctional Officers, including remaining visible to staff, the complainant was moved a safety cell. The complainant remained in the safety cell for about three hours until released.

The complainant initiated citizen's complaints against the LPD and the LCSO. At the conclusion of any citizen's complaint, notification, usually in the form of a letter, is sent to the complainant describing the conclusions of the internal investigation. LPD notified the complainant within 30 days of the conclusion of an internal investigation. As of April 1, 2009, nearly a year after the initial complaint, the complainant has not received any official notification from the LCSO.

The committee made requests to interview the three custodial officers, referred to in the complaint, regarding safety cell policy. This request was repeated numerous times. The first occasion the Foreperson of the Grand Jury contacted the Sheriff to make arrangements. During that conversation, the Sheriff indicated that the timing was perfect since the LCSO had concluded the investigation because the complainant refused to be interviewed by LCSO staff. The Sheriff further requested that the interviews with correctional staff be done during work hours to save the LCSO from paying overtime, a request the Foreperson granted. When the Public Safety Committee Chairperson contacted the Captain at Hill Road Correctional Facility, the Captain told the committee chairperson that, "the officers may choose not to speak with you". When the Sheriff was again contacted about this matter, concerns were expressed regarding the Police Officers Bill of Rights (Government Code 3300) and the "protection" of the correctional officers' rights.

The Grand Jury does not conduct internal affairs investigations of law enforcement agencies. In this investigation, the committee wanted to interview the correctional officers to establish the officers' knowledge of the policies and procedures relating to the sobering cells and the safety cell. Because no "common ground" could be reached between the Sheriff and the committee in regards to interviewing the correctional officers, the committee reluctantly accepted the documentation provided by the Sheriff.

Findings:

1. The complainant was intoxicated in a public place, and was arrested by the LPD after several offers were refused to leave with a friend (described by complainant as a "designated driver"). LPD drove the complainant to the Hill Road Correctional Facility without further incident. Once accepted into correctional facility, the care, custody and control of the complainant was transferred to the LCSO correctional staff.
2. Statements from the complainant and the report from staff agree that the complainant caused a continuing disturbance by yelling, screaming, crying, and repeatedly asking for favors. The complainant's action of remaining out of visual observation of facility staff created a liability for the LCSO and a potential danger to the complainant.
3. At approximately 3:40 A.M., the complainant was placed into a safety cell for refusing to follow directions from staff. When placed into a safety cell, all persons have clothing removed, and are given a garment for modesty that cannot be used to cause injury. This occurred with the complainant.
4. When placed into a safety cell, staff must physically check on the welfare of detainees every fifteen minutes, and record observations on a log. The log for the complainant indicates this was done properly.
5. At 7:45 A.M., the complainant was released per 849b Penal Code (no charges requested, arrest was a detention only) after demonstrating sobriety.
6. As of April 1, 2009, the complainant has not received official notification on the disposition on the complaint from the Sheriff's Office (California Penal Code 832.7(e) (1). When a citizen files a complaint, it should be given appropriate attention and an investigation into the complaint should be thorough.

Recommendations:

1. The Lake County Sheriff's Office must send the complainant some form of notification as to the results of the investigation in a timely manner. (California Penal Code 832.7(e)(1))
2. The 2009/2010 Lake County Grand Jury review complaints filed with the Lake County Sheriff's Office and the procedures followed by the LCSO, including timely notification to the complainant.

Agency/Department(s) Required to Respond

Lake County Sheriff (60 days)

Main Court Holding Facility

Subject/Summary:

The Lake County Civil Grand Jury conducts an annual inspection of all inmate-holding facilities within the County in accordance with Penal Code 919(b).

Procedure/Methodology:

In December 2008, the Public Safety Committee conducted an oversight of the Main Court Holding facility at the courthouse located in Lakeport. Members of the Lake County Sheriff's Office answered questions and conducted the tour of the facility. The tour included the route taken from the Sheriff's parking area (sallyport) to the cells used for holding court prisoners and the route taken to deliver prisoners to the courtrooms.

Background and Discussion:

During the committee's visit, there were two prisoners in a holding cell. The committee was informed that other prisoners were in courtrooms for proceedings.

This holding facility is over forty-years old. It was previously used as the county jail before Hill Road Correctional Facility opened. Maintenance is one of the on-going issues with this aging facility. The previous two Grand Juries, 2006-2007 and 2007-2008, recommended that security cameras be installed and maintained. The current Grand Jury is concerned that two previous recommendations appear to have not been implemented.

The committee contacted the State of California Corrections Standards Authority to obtain a copy of the most recent inspection of this facility. The committee learned that any temporary or court holding facility built prior to 1978 is not annually inspected.

Findings:

1. Six holding cells are available for temporary placement of prisoners.
2. Female prisoners are kept separate from male prisoners.
3. One cell, used for juveniles, has an obstructed view from adult prisoners.
4. The main area for staff has a bank of cameras. Only one is working.
5. The individual cells do not have cameras.

6. Staff physically checks on prisoners every thirty minutes.
7. There is a maximum ratio of six prisoners to one staff member.
8. All cells were in service during the committee's visit.
9. All cells have working toilets, drinking fountains, and a sink.
10. The holding area and courtrooms are all American Disabilities Act (ADA) compliant.
11. For the past two years, the Grand Jury has recommended a repair to security cameras. No improvements have been completed at the time of this oversight.¹

Recommendations:

1. Restore camera functions or install new cameras in all cells, staging areas, sallyport, and the bridge to the courthouse.

Agency/Department(s) Required to Respond

Lake County Sheriff (60 Days)

¹ Recommendations and response from the past two Grand Jury Final Reports

North Shore Fire Protection District Complaint

Subject/Summary:

The Public Safety Committee received a complaint outlining a variety of grievances against the North Shore Fire Protection District (NSFPD).

The complaints were against the Board of Directors and the Fire Chief of the district. There were a number of allegations contained within the complaint. Though most of the allegations made against the NSFPD were either unfounded or unconfirmed, the committee found problems that require immediate attention.

Procedure/Methodology:

In November 2008, the committee interviewed five witnesses consisting of both current and former employees, and volunteers, conducted a site visit, interviewed the Fire Chief, attended a meeting of the Board of Directors, and requested and reviewed copies of the following documents:

- The current budget
- Policy and Procedures (P&P's)
- Memorandum of Understandings (MOU's)
- Division of Motor Vehicle licensing
- Paramedic Training
- Firefighter Credentials

Background and Discussion:

The NSFPD's headquarters are located in Lucerne. Fire districts on the northshore of Clear Lake initially consolidated in July of 2003 as the Joint Power Authority (JPA). On November 8, 2006, the JPA officially became the NSFPD. The fire districts that consolidated to form the NSFPD are Upper Lake, Nice, Lucerne, and Clearlake Oaks. The reasons for the consolidation were to streamline management, better utilize existing staff, and budget flexibility. An expectation of the new budget was to enhance equipment and personnel. In addition, the expected result of consolidation would be improved service to the community.

The following is a specific list of allegations made against the NSFPD:

1. Personnel were hired to operate emergency vehicles without having the required certificates and licenses to operate the vehicles.
2. Job openings were improperly posted prior to hiring personnel.

3. There was an overuse of mutual aid for incident coverage.
4. Employees were required to find vacation relief before being allowed to take time off. If relief was not found in advance, vacations could not be taken and the vacation time could be lost.
5. The District was ignoring the union, of which, all district firefighters were members.
6. The District changed medical benefits without negotiating with the employees. The District refused compensation to employees who chose to select and pay for individual health/dental/vision insurance.
7. The District reassigned equipment to areas where there were only non-licensed or minimally licensed operators.
8. Station personnel were using district vehicles inappropriately.
9. The purchase of new fire apparatus for one community using the augmentation monies collected from another community.
10. Emergency equipment was not maintained in a ready condition.
11. Station security was inadequate thus causing incidents of break-ins to personnel lockers and station equipment.
12. Firefighters' Association funds have been stolen.
13. There is a general lack of communication from management.
14. There is a lack of respect for volunteer firefighters.
15. Improper use of employee work hours; e.g., playing video games while on duty.
16. Employees are allowed to go home for lunch or dinner meals.
17. The District had significant issues with firefighter retention.

Findings:

1. The committee could not find evidence to support the allegations of improperly licensed employees or improper posting of vacant positions.
2. The committee found no evidence to support the allegation regarding the overuse of mutual aid.
3. P&P #2020 provides details on vacations including, how vacations are earned, when vacation may be taken, and compensation upon leaving.
4. No policy exists that clearly outlines what procedures to follow when applying for vacations, when and if seniority applies, and how replacements are established.
5. The committee discovered that union representatives were invited to represent employees at the request of management for the express

purpose of providing benefits to the employees. After consolidation, the union was no longer required to provide benefits for the employees and subsequently, the district obtained alternative benefits. The committee determined that this was a necessary change to implement consolidation.

6. Any employee seeking independent health care coverage, outside of the provided benefits, is expected to pay the premiums.
7. The committee found no evidence of improper assignment of equipment and concluded that management has the right to assign equipment within the district as deemed necessary. One purpose of consolidation is improved management of district assets.
8. P&P #6031 clearly defines vehicle usage. The committee finds management in compliance with this P&P.
9. The committee found no evidence that inadequate maintenance is a standard practice; however, the committee found that there were occurrences in the past. The committee observed new computerized recordkeeping. Equipment maintenance “check sheets” will deter future maintenance issues.
10. Security systems within some of the stations were not functioning properly.
11. Firefighter Associations are not part of management. Therefore, the associations are outside of the Grand Jury’s purview and it is up to the association to ensure the fiduciary integrity of any funds collected.
12. Communication between management and personnel needs improvement.
13. The committee could not prove or disprove a lack of respect toward personnel on the part of management.
14. Full-time employees typically work twenty-four hour shifts on consecutive days. During on-duty time, personnel are expected to respond to all calls for service, sleep, eat, maintain equipment, and train. Therefore, playing video games or other sources of recreation are needed for morale as long as necessary tasks are being performed.
15. Management has approved personnel going off-site for meals as long as it does not interfere with call response. The distance traveled to eat must be within the assigned area and should not involve excessive time away from the station.
16. During the previous fiscal year, management has raised the wages and obtained a better retirement plan thus making the district competitive to recruit and retain personnel.

17. During a visit to a station within the district, the committee discovered a community service worker alone on the premises without supervision.
18. After reviewing the P&P, the committee noticed an absence of dates of origin and dates of revision.
19. The committee found that the district has progressed in addressing issues involving personnel feeling ignored or unappreciated.

Recommendations:

1. Establish an employee committee, consisting of firefighter personnel from all stations, to review and accept all new policies and procedures and revisions to existing policies and procedures.
2. The district needs to develop a P&P to describe, in detail, how an employee should apply for vacation.
3. Immediately repair non-functioning security systems and perform regular maintenance on all systems.
4. Address the issue of having unsupervised non-employees in stations when the crews have responded to calls.
5. Indicate the date of origin on any subsequent revised policies and procedures.
6. Improve communication. When management makes any decisions affecting the District send copies of the decision to all stations. All stations needs to have an employee signature sheet for each document that acknowledges all employees have read and understood the decisions.

Agency/Department(s) Required to Respond

NSFPD Board of Directors (60 Days)

Office of Emergency Services

Subject/Summary:

The Public Safety Committee conducted an elective oversight of the Office of Emergency Services (OES). The committee conducted this oversight in an effort to gain a better understanding of both the capabilities and the responsibilities of the OES.

Procedure/Methodology:

In July and August 2008, the committee conducted an oversight of the OES. The committee met with the OES coordinator at the Alternative Work Program building located near the Hill Road Correctional Facility in Lakeport. During the interview with the coordinator, the committee received information regarding the coordinator's training in emergency services, duties as OES facilitator, the OES Mission statement, staffing, volunteers' duties, and the Command Post Trailer.

In addition to interviewing the coordinator, the committee: visited the OES Offices, interviewed the Deputy Director, reviewed OES documentation, and toured the Command Post Trailer.

Background and Discussion:

The Lake County Office of Emergency Services, established in 1996 by County Ordinance 2342, is a division of the Sheriff's Department. The Sheriff of Lake County serves as the head of the agency.

Findings:

1. There are three paid positions within the OES. The Deputy Director and Coordinator are both full-time employees and the Emergency Services Assistant is a part-time employee.
2. The OES has no inventoried equipment to offer agencies during a disaster. The Sheriff stated that, "OES is a misnomer of sorts because the agency provides no services." OES actually serves as a functionary between first responder agencies and the State Office of Emergency Services. The State OES gathers assets and assists in providing communication to affected areas.
3. OES acts as a coordinator using grant monies to procure equipment for first responder agencies within the County.
4. A grant from the Federal Department of Homeland Security enabled the County to purchase a fifth-wheel trailer outfitted with

sophisticated communication equipment, to serve as the Command Post Trailer. The Command Post Trailer is State owned. When the State deems it necessary, the Command Post Trailer is utilized in other counties.

5. The State OES provides most of the training for personnel. The Department of Homeland Security also provides training on occasion.
6. There is no formalized plan to educate the public, however, OES has responded to requests from the public. Responses to public inquiries include entities focused on assistance to the elderly and/or disabled. When the OES does a presentation, State produced information packets are distributed and discussed. Information is also available online at <http://www.oes.ca.gov/>.
7. OES provides training for police officers and fire agencies using disaster drills and tabletop exercises.¹ The State OES occasionally reviews, analyzes, and provides critiques for the disaster drills. ²
8. The County of Lake Emergency Plan, established in 1996, is updated annually. Frequent updates ensure that users of the plan will benefit from current laws and procedures.
9. Lake County OES is currently involved in an effort to acquire explosive device containment equipment, but has not yet conducted a feasibility study or prepared a cost analysis to determine whether the County would benefit from such an acquisition.

Recommendations:

1. Establish a formal plan for educating the community in matters of disaster preparation, response, and recovery. The OES take a proactive role in the community by a heightened presence at places of public gatherings such as; the county fair, and street fairs.
2. Conduct a feasibility study and prepare a cost analysis to determine if it would be beneficial for the County to obtain explosive device containment equipment.

Agency/Department Required to Respond

Lake County Sheriff (60 Days)

¹ See Attachment "Explanation of Tabletop Exercises"

² See Attachment "Overview of the major activities of the Emergency Services Coordinator"

“Table Top Exercise”

A Table Top Exercise is a method of training public officials, employees, and first responders in disaster/emergency response.

Some training scenarios include:

- Earthquake
- Fire
- Severe weather
- Terrorist activity
- Civil unrest
- Fighting demons (you should know about this)

A tabletop exercise is conducted so that the local government is better prepared to serve the public by identifying potential problems, and improve its ability to respond to disasters.

**THE FOLLOWING IS AN OVERVIEW OF THE MAJOR
ACTIVITIES
OF THE EMERGENCY SERVICES COORDINATOR**

Assist County Departments, other public agencies, corporations, organizations and private persons with preparedness plans and efforts.

Identify and evaluate potential accidental, planned or natural events which pose threats to life, property and the environment.

Identify and secure resources which can be used or deployed to respond those threats or events.

Facilitate communications between those resources.

Evaluate and monitor incidents actually in progress to coordinate any additional resources which may be needed.

Assist local and mutual aid responders in acquiring those resources.

Determine if the Emergency Operations Center needs to be activated.

Manage the Emergency Operations Center if Activated.

Educate government and public agency employees as well as private persons in matters of disaster preparation, mitigation, response and recovery.

Interact with Federal, State and Regional agencies as required.

Attend various workshops, seminars, meetings and trainings to keep current with changing laws, regulations and pending legislation.

Identify, apply for, and coordinate various grant funding projects.

Assist in planning, development and execution of various trainings/exercises.

Maintain various resource contact lists.

Sheriff's Office - ID Card Complaint

Subject/Summary:

In February 2009, the Grand Jury received a complaint alleging that the Lake County Sheriff had refused to issue an identification card with an endorsement to carry a concealed firearm to a retired member of the Lake County Sheriff's Office.

The Sheriff has issued a notice, in writing, to the complainant informing the complainant that an identification card will be issued, without an endorsement to carry a concealed firearm, in accordance with California State Law.

Procedure/Methodology:

The Public Safety Committee reviewed documents sent by the complainant, spoke with the complainant via telephone, interviewed the Sheriff, and obtained guidance from the County Counsel.

Background and Discussion:

In the initial interview with the Sheriff, the committee learned that the complainant's personnel file was sealed. The committee was advised by County Counsel that notarized authorization from the complainant would be required to allow the committee access to the complainant's personnel file. The committee received the notarized authorization in May 2009. California State Law requires an identification card to be issued to all retired law enforcement officers. California Penal Code section 12027.1(a)³ requires an endorsement in order for a retired officer to carry a concealed firearm.

California Penal Code section 12027.1(b) has a provision where the head of any law enforcement agency may deny the endorsement for carrying a concealed firearm "upon a showing of good cause". Further, 12027.1(b) states that; "good cause shall be determined at a hearing, as specified in subdivision (d)." The hearing would be held if the retired officer disagreed with the Sheriff's decision not to issue an endorsement to carry a concealed firearm.

Findings:

1. The complainant is a retired member of the Lake County Sheriff's Department.

³ See Attached Penal Code

2. The complainant requested the identification card approximately three years after retirement.
3. The Sheriff is required by law to issue a retirement identification card to the complainant.
4. The Sheriff has discretion in issuing an identification card with a concealed firearm endorsement, and "showing good cause" may deny such an endorsement.
5. The Sheriff stated notification has been sent to the complainant, in writing, that an identification card would be issued without an endorsement to carry a concealed firearm. If the recipient of the identification card disagrees with the Sheriff's decision, the recipient has the right to a hearing after filing an appeal. The card recipient has 60 days to appeal the Sheriff's decision.
6. The Sheriff stated that the complainant did not appeal the decision not to include an endorsement to carry a concealed firearm.

Recommendations:

1. Issue the identification card, without an endorsement to carry a concealed firearm.

Agency/Department(s) Required to Respond

Lake County Sheriff (60 Days)

12027.1. (a) (1) (A) (i) Any peace officer employed by an agency and listed in Section 830.1 or 830.2 or subdivision (c) of Section 830.5 who retired after January 1, 1981, shall have an endorsement on the identification certificate stating that the issuing agency approves the officer's carrying of a concealed and loaded firearm.

(ii) Any peace officer listed in Section 830.1 or 830.2 or subdivision (c) of Section 830.5 who retired prior to January 1, 1981, is authorized to carry a concealed and loaded firearm if the agency issued the officer an identification certificate and the certificate has not been stamped as specified in paragraph (2) of subdivision (a) of Section 12027.

(iii) Peace officers not listed in clause (i) or (ii) who were authorized to, and did, carry firearms during the course and scope of their employment as peace officers, shall have an endorsement on the identification certificate stating that the issuing agency approves the officer's carrying of a concealed and loaded firearm.

(B) An identification certificate authorizing the officer to carry a concealed and loaded firearm or an endorsement on the certificate may be revoked or denied by the issuing agency only upon a showing of good cause. Good cause shall be determined at a hearing, as specified in subdivision (d).

(2) A retired peace officer may have his or her privilege to carry a concealed and loaded firearm revoked or denied by violating any departmental rule, or state or federal law that, if violated by an officer on active duty, would result in that officer's arrest, suspension, or removal from the agency.

(b) (1) An identification certificate authorizing the officer to carry a concealed and loaded firearm or an endorsement may be revoked or denied by the issuing agency only upon a showing of good cause. Good cause shall be determined at a hearing, as specified in subdivision (d).

(2) An identification certificate authorizing the officer to carry a concealed and loaded firearm or an endorsement may be revoked only after a hearing, as specified in subdivision (d). Any retired peace officer whose identification certificate authorizing the officer to carry a concealed and loaded firearm or an endorsement is to be revoked shall have 15 days to respond to the notice of the hearing. Notice of the hearing shall be served either personally on the retiree or sent by first-class mail, postage prepaid, return receipt requested to the retiree's last known place of residence. Upon the date the agency receives the signed registered receipt or upon the date the notice is served personally on the retiree, the retiree shall have 15 days to respond to the notification. A retired peace

officer who fails to respond to the notice of the hearing shall forfeit his or her right to respond.

(3) An identification certificate authorizing the officer to carry a concealed and loaded firearm or an endorsement may be denied prior to a hearing. If a hearing is not conducted prior to the denial of an endorsement, a retired peace officer, within 15 days of the denial, shall have the right to request a hearing. A retired peace officer who fails to request a hearing pursuant to this paragraph shall forfeit his or her right to the hearing.

(c) A retired peace officer, when notified of the revocation of his or her privilege to carry a concealed and loaded firearm, after the hearing, or upon forfeiting his or her right to a hearing, shall immediately surrender to the issuing agency his or her identification certificate. The issuing agency shall reissue a new identification certificate without an endorsement. However, if the peace officer retired prior to January 1, 1981, and was at the time of his or her retirement a peace officer listed in Section 830.1 or 830.2 or subdivision (c) of Section 830.5, the issuing agency shall stamp on the identification certificate "No CCW privilege."

(d) Any hearing conducted under this section shall be held before a three-member hearing board. One member of the board shall be selected by the agency and one member shall be selected by the retired peace officer or his or her employee organization. The third member shall be selected jointly by the agency and the retired peace officer or his or her employee organization.

Any decision by the board shall be binding on the agency and the retired peace officer.

(e) No peace officer who is retired after January 1, 1989, because of a psychological disability shall be issued an endorsement to carry a concealed and loaded firearm pursuant to this section.

South Court Holding Facility

Subject/Summary:

The Lake County Civil Grand Jury conducts an annual inspection of all inmate-holding facilities within the County in accordance with Penal code 919(b).

Procedure/Methodology:

In December 2008, the Public Safety Committee inspected the South Lake Court Holding Facility. Lake County Sheriff's Office personnel provided the committee with a tour of the inmate holding area. During the tour and subsequent to the tour, personnel answered all questions about operations. At the time of the visit, court was in session and there were no inmates in the holding area.

Background and Discussion:

The South Lake Court Holding Facility is part of the court complex located within the City of Clearlake. It is a temporary court holding facility used only to hold inmates while court is in session. The committee contacted the State of California Corrections Standards Authority to obtain a copy of the most recent inspection of this facility. The committee was informed that any temporary court holding facility built prior to 1978 is not subject to annual inspection. The Corrections Standards Authority confirmed that this facility is not inspected annually. The entire facility is accessible for disabled persons, including wheelchairs, and medical gurneys.

Findings:

1. The holding area contains three cells.
2. One large cell is used for the general inmate population.
3. Two additional cells exist to hold females, juveniles, or individuals in protective custody.
4. Due to over scheduling, sheriff's personnel utilize transport vehicles, parked in a secure location, if additional space is needed for holding inmates awaiting a court appearance.
5. Inmate labor is used to clean the holding area as needed, or at least once a week.
6. Ceiling tiles were missing in one corner of the main holding area.
7. Two lighting diffusion panels in the deputy's office were missing.

8. The desk in the deputy's office had peeling laminate on the top.
9. A fire extinguisher in the deputy's office was last inspected in November of 2006.

Recommendations:

1. Perform necessary maintenance including: replace missing ceiling tiles, replace broken lighting diffusion panels, inspect fire protection equipment, and if funding is available repair or replace the deputy's desk.
2. The Sheriff's Office should determine whether procedures could be developed which, while addressing the court's needs, will minimize the occasional and necessary, practice of holding prisoners in vehicles.
3. Discuss and utilize another location to hold prisoners instead of vehicles.

Agency/Department(s) Required to Respond

Lake County Sheriff (60 Days)

County Counsel's Office

Subject/Summary:

In April 2009, the Public Services Committee conducted a discretionary oversight of the County Counsel Office.

Procedure/Methodology:

The committee met with The Honorable County Counsel, a Deputy County Counsel and two staff members at the County Counsels' Office.

Background and Discussion:

The Grand Jury last conducted an oversight of the County Counsel's Office during the 2005/2006 jury year. The County Counsel's Office has a myriad of duties/responsibilities that include:

- Serving as legal counsel for the Board of Supervisors and other County officials, including boards and commissions
- Advisor to the Grand Jury
- Attending meetings of the Board of Supervisors
- Preparing ordinances and resolutions
- Doing legal research and providing oral or written legal opinions
- Preparing and reviewing contracts and other legal documents
- Working with other governmental agencies
- Supervising the selection, assignment, development, and evaluation of Deputy County Counsels and supporting staff,
- Participating in policy and planning conferences
- Advising all County officers and employees in matters of liability
- Continually monitoring and reviewing trends in legal and civil justice

Deputy County Counsels perform professional legal work by handling a variety of litigation matters and providing legal advice and assistance to County officers and agencies as required.

Findings:

1. County Counsel and Deputy County Counsels maintain active membership in the State Bar of California. In doing so, these individuals must remain apprised of updates and changes in:
 - Professional ethics

- The principals and applications of civil law
 - Trial procedures and rules of evidence
 - Principles and precedents
2. The County Counsel is responsible for the administration and direction of staff engaged in representing the County in civil actions, rendering legal opinions, and performing other legal services.
 3. The County Counsels' Office has no volunteer employees because of the confidentiality of matters conducted in the office.
 4. According to the County Counsel, the responsibilities are "daunting at times, but challenging and rewarding."
 5. Recently, the County Counsel's Office has been actively involved in the acquisition of Mt. Konocti.
 6. The Office assisted in drafting an Inspection Fee Ordinance in cooperation with the Quagga Task Force. The ordinance will be subject to modification and adjustment as the Quagga/Zebra Mussel Inspection Program is refined.
 7. The Office works in conjunction with all departments as to matters of legal implication.
 8. The Office works with the Community Development Department in matters relating to cellular towers, building violations and nuisance abatements.
 9. The Office works in conjunction with Special Districts in a variety of matters relating to the improvement of water and sewer systems.
 10. The Office provides bi-annual AB 1234 Ethics Training for all required participants.
 11. The Office carries on the tradition of the former County Counsel and conducts a Special Districts Seminar. The seminar provides legal requirements of special districts including potential liability issues. These seminars are conducted bi-annually.
 12. The Office provides training to all County departments in relation to employment issues.
 13. Upon Request, the Office provides Brown Act training to various districts and Board-appointed committees.
 14. The Office manages the County's risk Management Program, including all public liability and workers' compensation cases. The workers' compensation program is administered by third parties through the California State Association of Counties, (CSAC).
 15. The Office is also involved in Labor Relations with County bargaining units.

Recommendations:

None

Agency/Department(s) Required to Respond

None

Konocti Unified School District

Section 504 Complaint

Subject/Summary:

The Public Services Committee received a complaint that the civil rights of a complainant's child were violated in regards to a school's implementation of Section 504 of California's Rehabilitation Act of 1973.

After reviewing the information gathered from all sources in this investigation, the committee determined that the local schools did not violate Section 504 in this case. One teacher, however, did not follow through with an IEP agreement's requirement to call the parent on a weekly basis.

Procedure/Methodology:

The committee interviewed the complainant, met with Section 504 coordinators at every school district within the County, and viewed the child's school records with signed authorization from the complainant.

The Section 504 coordinators presented the committee with comprehensive information about the duties and responsibilities in determining Section 504 eligibility and for the providing training to school personnel. Following the presentation, the coordinators answered all of the committee's questions.

The committee also received Sections 504 Flowcharts and a handout entitled School and College Legal Services Section 504 vs. Special Education. ¹

Background and Discussion:

The complainant is the parent of a child formerly enrolled in a school within the Konocti Unified School District. Section 504, part of the California Rehabilitation Act of 1973, is an anti-discrimination, civil rights statute that requires disabled student needs be met as adequately as those of students that are not disabled. Section 504 is protection available to students who have physical or mental impairments that substantially limit daily activities. Any student between the ages of three and twenty-two, diagnosed with a disability, can qualify for assistance under Section 504. A qualifying disability is any physical or mental impairment that acts as a

¹ See Attached Flowcharts and School and College Legal Services Section 504 vs. Special Education.

barrier limiting a student's ability to learn in a typical classroom setting. Section 504 coordinators must keep apprised of any changes in the laws and provide training for teachers and other personnel.

The student identified in the complaint, was diagnosed with Attention-Deficit Hyperactivity Disorder (ADHD) by a licensed physician. The student's prescribed medication was discontinued by the parent because of side effects. ADHD is a neurobehavioral development disorder that is the most commonly diagnosed psychiatric disorder in children. ADHD affects about three to five percent of all children globally, with symptoms typically beginning before seven years of age. ADHD is characterized by a persistent pattern of impulsiveness and inattention, with or without a component of hyperactivity. ADHD symptoms range from mild to severe. Severe symptoms can create a pervasive impairment, if left untreated, in functioning at home and school.

The complainant requested an Individual Education Plan (IEP), for the child. An IEP sets forth in writing a specific educational program for the student. Staff members work to assure that the student is involved and makes progress in the specified general education curriculum toward achievement of goals set forth in the IEP. The complainant alleged that the student's needs were not met after the IEP assessment was granted.

A school district does not have to refer or evaluate a child under Section 504 solely upon parental demands. Students can be referred by a parent, teacher, counselor, coach, or doctor, for consideration under Section 504.

The key to referral, under Section 504, is whether the school district staff determines that a child is suffering from a mental or physical impairment that substantially limits activities. The staff then determines whether the child is best suited for regular education with supplementary services or special education and related services.

Unlike special education, the federal regulations for Section 504 do not require or mention that parents are to be a part of the decision-making committee. The decision to include parents in the decision-making committee is a determination made by each school district and is generally included in the districts' procedures for implementing Section 504. Parents are encouraged to contribute any information that may be helpful in making a determination including, but not limited to, doctors' reports and any test results. Each school district within the County has a Section 504 Coordinator. Ideas are not shared between the district coordinators. By holding a meeting, at least annually, to share ideas and discuss Section 504 policies every school district would benefit.

Findings:

1. Every school district addresses Section 504 in a different manner; however, each school district must comply with specific guidelines set by Federal and State law.
2. Parents receive a written copy, annually, of the school's Section 504 Policy.
3. The law does not require parental participation in meetings involving a student's Section 504 Plan. Most schools do include the parents in the process.
4. Referred students must have an IEP assessment before the implementation of a Section 504 plan.
5. According to one Administrator, parents' involvement in a Section 504 plan must be stringent and a Section 504 plan is more effective with total cooperation from all involved parties.
6. Behavioral disorders that result in a child mistreating classmates and school personnel do not constitute a disability. The complainant discontinued the child's prescription medications because of side effects. According to the American Psychiatric Association, when left untreated ADHD can result in severe mood disorders such as depression, anxiety and oppositional disorder.
7. School staff members met with the parent to make sure the student's nutritional needs were met. School staff also worked with the parent to try to stabilize the student on medication again.
8. School staff stated that the guidelines for disruptive behavior in a classroom were followed, including suspension from school. The student involved in this complaint was disrespectful and defiant and the student's bad behavior continued to escalate, resulting in the suspension.
9. Because the complainant expressed anger and frustration, the teacher felt intimidated and did not follow through with weekly phone calls to the parent as instructed in the original IEP agreement.
10. School staff did contact the parent about the teacher's communication, at least weekly, with a daily card being sent home for a parent signature.
11. The student participated in weekly counseling sessions.
12. When the student was disruptive and loud, the student was removed from the classroom and sent either to another classroom or to the office.

13. The student was interested in music and a mentor from the high school gave the student guitar lessons. The student subsequently lost interest within a short period.
14. The child's discipline record revealed four office referrals for defiance and disrespectful behavior towards adults that resulted in counseling, calls to the complainant from school, detention and an in-school suspension.
15. The student's poor behavior escalated and the child became defiant to the teacher and the vice principal, the child was subsequently suspended from school for two days.
16. A school district's primary responsibility is the welfare of the entire student body. The faculty must take necessary measures to ensure that children are not endangered.
17. The parent took the student out of a local school district and placed the student in a school district in another county.
18. In the 2008/2009 school year, the student attended three different school districts, one in Lake County and two in another county.
19. Section 504 coordinators do not have meetings with coordinators from other school districts within the County.
20. The complainant is content with the child's current school district and the child has shown improvement with counseling on medication referrals.

Recommendations:

1. Hold semi-annual meetings to share information between Section 504 coordinators throughout the different school districts with invitations extended to the Redwood Regional Center, Child Protective Services and the Department of Mental Health.
2. Make sure that all arrangements included in a child's IEP Agreement are followed.
3. 2009/2010 Grand Jury conduct an oversight of the school districts, including the Section 504 Coordinators.

Agency/Department(s) Required to Respond

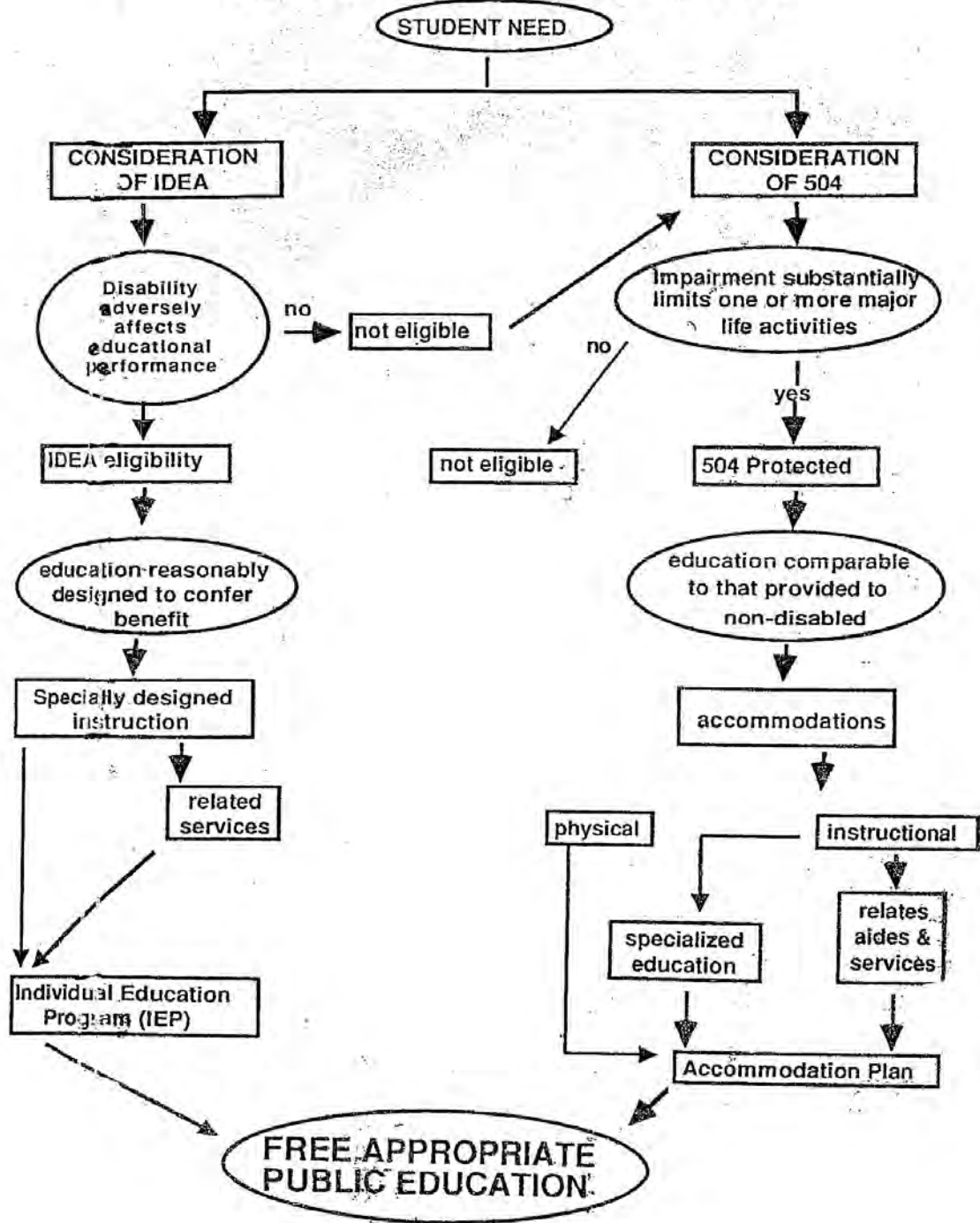
Konocti Unified School District Superintendent (60 Days)

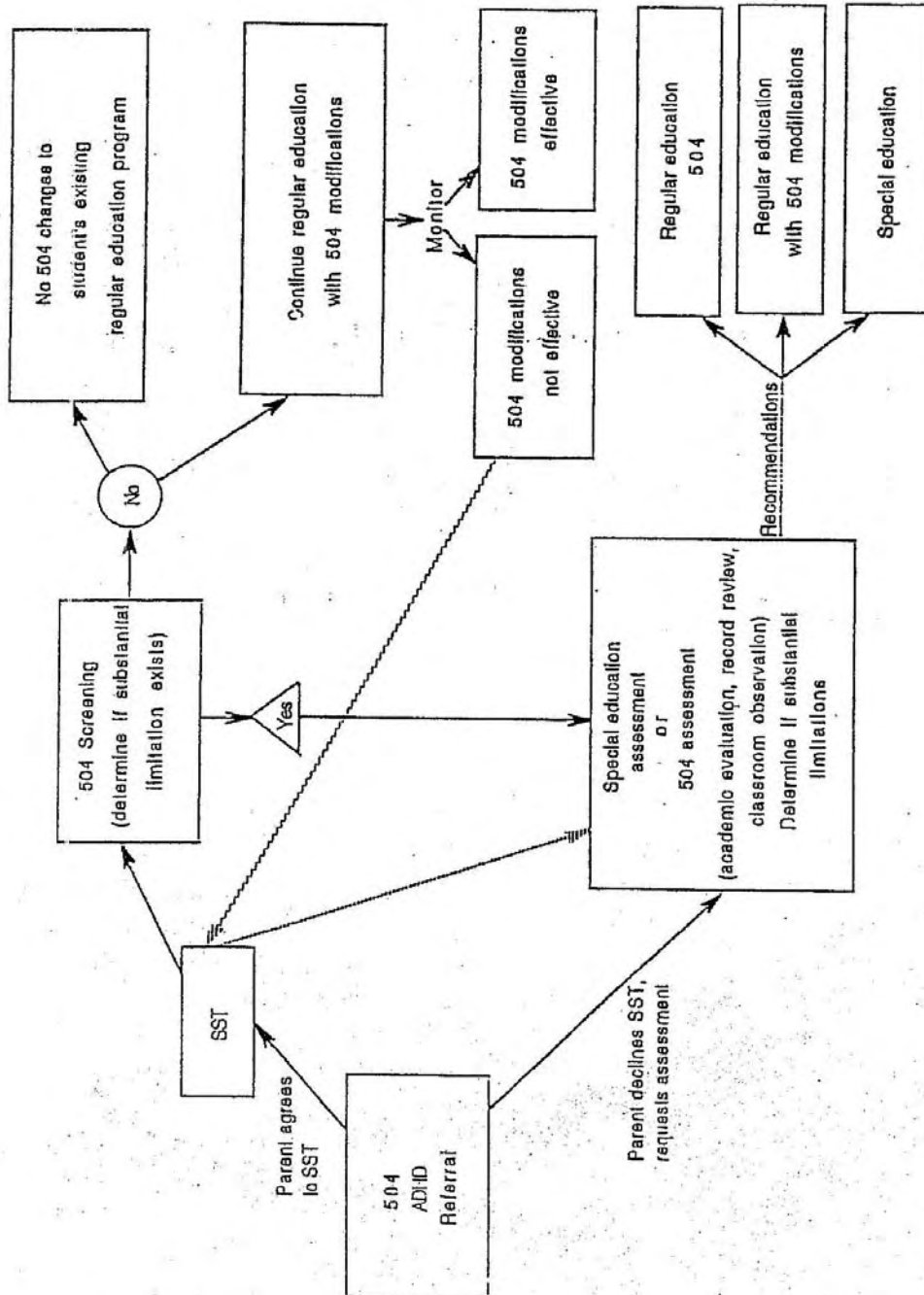
Lake County Superintendent of Schools (60 days)

Social Services Director via the Board of Supervisors (90 Days)

Mental Health Director via the Board of Supervisors (90 Days)

IDEA/504 FLOW CHART





SCHOOL AND COLLEGE LEGAL SERVICES

504 vs. Special Education

	504	Special Education
Eligibility	<ul style="list-style-type: none"> •Physical/Mental impairment which substantially limits major life function •Someone who is regarded as having an impairment •Person has a history of being disabled 	Specified disabilities and other
Legal Status	Federal Civil Rights bill	Funding incentive statute
Duty	To provide free appropriate public education	FAPE
Assessments	Yes	Yes
Team Review	Yes	Yes
Annual Reviews	Yes	Yes
Hearing Rights	Yes - organized by District	Yes - organized by State
Discipline	Pre-expulsion team meeting	Pre-expulsion assessment and team meeting
Age Range	Preschool (Federally funded programs, ie: Headstart) and up	0 - 22

Regular Education → Student Study Team → 504 → IDEA (Special Education)

(adapted from a handout from School and College Legal Services 12/96)

12/9/96

Lake County Office of Education Superintendent of Schools

Subject/Summary:

In December of 2007, the Public Services Committee began what became a yearlong investigation into various aspects of the Lake County Office of Education (LCOE). This report focuses solely on the information that relate to the conduct of the Superintendent of Schools.

The Superintendent of Schools is a locally elected official, subject to review by the Grand Jury. After reviewing all of the evidence in this investigation, the committee questions various actions taken by the Superintendent.

Procedure/Methodology:

In conducting this investigation, the committee:

- Received and reviewed over 42 hours of sworn testimony
- Reviewed travel reimbursement vouchers
- Reviewed personnel files
- Reviewed the Superintendent's Official Response, dated September 3, 2008, to last year's Grand Jury Final Report
- Reviewed hundreds of pages of submitted documentation

Background and Discussion:

The initial complaint received by the Grand Jury suggested that a high-ranking administrative position was given to an individual that received administrative credentials under false pretenses. Upon further investigation, the committee learned that the Superintendent:

- Authorized expense reimbursements to the administrator totaling over \$10,000 in an eight-month period
- Did not terminate the administrator after the California Commission on Teacher Credentialing (CTC), invalidated the administrator's credential

The Superintendent's signature was on "verification of experience" form that misrepresented the employee's teaching credentials. This form enabled an unqualified employee to enroll in administrative courses and subsequently obtain an administrative credential through the CTC. The CTC invalidated the administrator's credential in August 2008. In addition to the credentialing incident, the committee found that the superintendent's signature was on the administrator's expense

reimbursement vouchers dated from November 2006 through July 2007. The administrator was reimbursed for items that should have been disallowed.

In the Superintendent's official response to last year's Grand Jury Final Report, submitted to the Superior Court, the Superintendent provided inaccurate information.

Last year's Grand Jury Final Report stated that: "The superintendent signed a document stating that an administrator had three years of full-time teaching experience prior to entering a graduate program."

A response to last year's report dated September 3, 2008, and signed by the Superintendent¹, stated that, "We are not in possession, nor do we have direct knowledge of the existence of any document verifying three years' experience prior to entering the graduate program. LCOE does not have a record of who verified the one-year experience requirement. The University would retain that record." On July 23, 2008, the Human Resources (HR) Director for the Lake County Office of Education appeared before the committee and presented the committee with a copy of the document that the Superintendent claimed on September 3, 2008, to "not be in possession of, nor have direct knowledge of the existence of..."

The response further stated that, "The superintendent signed a verification of teaching experience form based on information that was provided to him regarding the dates of service." and that "The Superintendent contacted the CTC on August 7th regarding the appropriate steps to take at this time. On August 28th staff at the CTC sent an email indicating that Sacramento State University asked that the CTC invalidate the preliminary administrative services credential until the applicant has sufficient experience." The CTC is the California Commission on Teacher Credentialing.

Another finding from last year's Grand Jury was "The Document provided to the committee by the State University stipulates the dates of qualifications." In response to this finding, again dated September 3, 2008 and signed by the Superintendent, LCOE stated that, "We cannot agree or disagree with this finding, as we have no knowledge of the document or the information the Committee has requested or obtained from the University." The Human Resources Director possessed a copy of this document in July 2008.

The following is a chronological accounting of various actions taken by the Superintendent.

¹ See attached responses from LCOE regarding the 2007/2008 Lake County Grand Jury Final Report.

- January 23, 2007, the Superintendent signs a “Verification of Experience” form that is submitted to a State University. The form states that the employee in question has served satisfactorily as a teacher from 1/04 through 12/06. In order to serve satisfactorily in January 2004, the employee would have held a certified credential.
- In an inter-office memorandum sent from the Superintendent to the Human Resources Director dated September 10, 2007, the Superintendent states that; “The employee has held a certified credential since 1/24/2005.”
- In August 2008, the same administrator’s credentials are invalidated by the CTC. The Superintendent does not terminate the administrator.
- On September 3, 2008, the Superintendent files an official response to last year’s Grand Jury Final Report with the Superior Court. The response claims that the Superintendent has no knowledge of a document that was presented to the Grand Jury by the LCOE Human Resources Director in July 2008.

Findings:

1. The committee reviewed expense reimbursement submissions, dated from November 2006 through July 2007, from the Administrator that were approved by the Superintendent. The following information is directly from those expense reimbursement submissions:
 - Embassy Suites Motel room - \$259 per night, four night total of \$1177.90
 - Merlot for dinner, \$24.00
 - Wild Horse Wine for dinner, \$31.00
 - Farnese Sangiovese wine, \$35.00
 - Hotel bill for two nights, \$433.90
 - Hotel bill for three night, \$509.46
 - Coffee from Starbucks, \$9.27
 - Hotel bill for three nights, \$745.97
 - Starbucks Coffee, \$7.27
 - Hotel bill for two nights, \$459.80
 - Hotel Bill for three nights, \$584.00
 - Room service, crème brulee and latte, less than an hour after dinner, \$15.67 plus tip
2. On January 23, 2007, the Superintendent signed a “Verification of Experience”² document that certified an employee “served

² See attached “Verification of Experience”

satisfactorily as a teacher” from January 2004 through December 2006. In referencing a promotion for the same employee, on September 10, 2007, the Superintendent sent an inter-office memorandum to the LCOE Human Resources Director stating that, “The employee has held a certified credential since 1/24/2005.”

3. The requirements for the State Credentialing Agency and for the State Office of Education differ from that of the State University. The required criterion is irrelevant in this case because the misrepresentation of experience by the Superintendent, indicating an employee had three years of required teaching experience, is not affected by State Credentialing requirements.
4. In August 2008, the State CTC was asked to invalidate the credential held by the Administrator. On September 10 2008, the Grand Jury was faxed information from the LCOE Human Resources Director stating that the credentials, previously held by the Administrator, had been invalidated by the CTC.
5. The Administrator was allowed to resign two months after administrative credentials were invalidated by the CTC.
6. In the faxed information dated September 20, 2008, provided by the Human Resources Director it states that, “You will find a memo from the Superintendent to me dated April 30, 2006 wherein the Superintendent acknowledges the initial issuance of the administrator’s first credential. This raises once again the issue of verification of dates of experience to qualify for the Administrative Services Credential (now invalidated by the CTC).” The fax further states that, “This information may be at odds with the Response to Findings filed with the Superior Court.”
7. The Superintendent signed, “Lake County Office of Education Response to July 9, 2008 Grand Jury Report”, provided the Superior Court with inaccurate information.
8. The committee questions the following actions on the part of the Superintendent:
 - o The Superintendent signed a “Verification of Experience” that stated an employee held a teaching credential from January 2004 through December 2006. This information enabled an unqualified employee to obtain an Administrative Credential.
 - o The Superintendent acknowledged in a memorandum dated April 30, 2006 that the same employee did not obtain a teaching credential until January 24, 2005.
 - o When the Superintendent was made aware that the employee’s information was inaccurate and the employee’s administrative

credentials were invalidated, the employee should have been terminated. Instead, the employee was permitted to resign nearly two months later.

- The Superintendent signed an official response to last year's Grand Jury Final Report dated September 3, 2008, claiming to have no knowledge of a document that LCOE had possession of in July 2008.
10. In this investigation, the Superintendent displayed poor judgment and signed two legal documents containing false information.
 11. The Superintendent stated in response to last year's Final Report to have received inaccurate information prior to signing the "Verification of Experience". However, a memo written by the Superintendent clearly proves that the Superintendent was aware of when the employee obtained a teaching credential.

Recommendations:

1. Explain why the "Verification of Experience" was signed stating the employee held a teaching credential beginning in January of 2004 when in a memo dated April, 2006, it is clearly pointed out that the employee obtained the teaching credential in January 2005.
2. Explain why a response submitted to the Superior Court in September 2008, stated "We are not in possession, nor do we have direct knowledge of the existence of any document verifying three years' experience prior to entering the graduate program", when LCOE clearly had possession and direct knowledge of the document in July 2009.
3. Explain why the administrator in question was permitted to retain the administrative position for nearly two months after the CTC invalidated the administrator's credentials.
4. Conduct an audit of all expenses reimbursed to the Administrator and the Superintendent.

Agency/Department(s) Required to Respond

Lake County Superintendent of Schools (60 Days)

Lake County School Board of Trustees (60 Days)

SEP 05 2008



1152 S. MAIN ST.
LAKEPORT, CALIFORNIA 95453
(707) 262-4102 (707) 293-0197 FAX
www.lake-coe.k12.ca.us
DAVID GECK
County Superintendent of Schools

September 3, 2008

Honorable Arthur H. Mann
Judge of the Superior Court
County of Lake
255 North Forbes St.
Lakeport, Ca 95453

Judge Mann,

Enclosed are two copies of the response from the Lake County Office of Education to the 2007/2008 Civil Grand Jury Facts/Findings. The response includes attachments A-G. Our agency stands ready to participate in any further inquiries from the Public Service Committee regarding the investigation.

Please contact my office if there is further clarification needed on any of the points in the response.

Sincerely,

A handwritten signature in cursive script that reads "Dave Geck".

Dave Geck
Superintendent
Lake County Office of Education

<p>3. The superintendent signed a document stating that an administrator had three years of full-time teaching experience prior to entering a graduate program.</p>	<p>For all academic areas, individuals must have completed a Bachelor of Arts Degree to be eligible for a Teacher Credential Certification Program. Attachment B: Commission on Teacher Credentialing (CTC) Bulletins for Career Technical Education Credential, Attachment C: CTC Bulletin Multiple Subject Credential Attachment D: CTC Bulletin Single Subject Credential</p>
<p>Response: We disagree partially with the finding. It is not a requirement to verify three years of full-time teaching experience for a candidate prior to entering the graduate program at CSU Sacramento. The graduate program requires verification of <i>one year</i> of fulltime teaching experience prior to admission. We are not in possession, nor do we have direct knowledge of the existence of any document verifying three years' experience prior to entering the graduate program. LCOE does not have a record of who verified the one-year experience requirement. The University would retain that record. The California Commission on Teacher Credentialing requires verification of three years' fulltime teaching experience (defined as 4 hours per day for 75% of the days in the school year) prior to issuing a Preliminary Administrative Services Credential. The University would retain that document, as well, and rely upon the Experience Verification Form (CL-41) in making its recommendation to issue the credential. The Superintendent signed a verification of teaching experience form based on information that was provided to him regarding the dates of service. The period included an initial year of service that was provided without a credential. This was because the original credential application was lost after it was submitted by the applicant. The superintendent was not aware that the original application was never processed by the Commission on</p>	<p>Response: We disagree partially with the finding. It is not a requirement to verify three years of full-time teaching experience for a candidate prior to entering the graduate program at CSU Sacramento. The graduate program requires verification of <i>one year</i> of fulltime teaching experience prior to admission. We are not in possession, nor do we have direct knowledge of the existence of any document verifying three years' experience prior to entering the graduate program. LCOE does not have a record of who verified the one-year experience requirement. The University would retain that record. The California Commission on Teacher Credentialing requires verification of three years' fulltime teaching experience (defined as 4 hours per day for 75% of the days in the school year) prior to issuing a Preliminary Administrative Services Credential. The University would retain that document, as well, and rely upon the Experience Verification Form (CL-41) in making its recommendation to issue the credential. The Superintendent signed a verification of teaching experience form based on information that was provided to him regarding the dates of service. The period included an initial year of service that was provided without a credential. This was because the original credential application was lost after it was submitted by the applicant. The superintendent was not aware that the original application was never processed by the Commission on</p>

<p>4. The Document provided to the committee by the California State University stipulates the dates of the qualifications.</p>	
	<p>Teacher Credentialing (CTC). The issue date for credentials is usually the date the application is submitted. The CTC date reflects the date when the application was resubmitted. The Superintendent did not know this when he signed the verification. Because the CTC date reflects the date when the application was resubmitted, the teacher only completed two years and two months of teaching experience under the issued teaching credential rather than the three years that is required.</p> <p>The Superintendent contacted CTC on August 7th regarding the appropriate steps to take at this time.</p> <p>On August 28th staff at the CTC sent an email indicating that Sacramento State University will be contacting the administrator in question to determine next steps for completing the experience requirement. Sacramento State University asked that the CTC invalidate the preliminary administrative services credential until the applicant has sufficient experience.</p> <p>When formal notification is received from CTC the Superintendent will take appropriate action as directed by the CTC.</p> <p>Please note that internal procedures have been established because of this error and ALL verifications, even those by the Superintendent, will be centralized and confirmed and processed by the Director of Human Resources.</p> <p>Attachment E: Commission on Teacher Credentialing (CTC) Bulletin for Preliminary Administrative Services Credential</p> <p>Attachment F: Experience Verification Form (CL-41) –</p> <p>Response: We cannot agree or disagree with this finding, as we have no knowledge of the document or the information the Committee has requested or obtained from the University.</p>

VERIFICATION OF EXPERIENCE

If experience is a requirement for your credential, please have the experience verified by your current and/or previous employer using this form. You only need to verify experience that is appropriate for the issuance of this credential. If you have served in more than one position for a single employer, have a separate form completed for each position that you held.

▶ Do not mail this form directly to the Commission separate from the application.

This is to certify that: _____
(Name of Applicant)

has served satisfactorily from: 1/04 to 12/06
(Month/Year) *(Month/Year)*

in the position of: (Check one) Teacher
 Education Specialist
 Resource Specialist
 Administrator
 Counselor
 Other (specify): _____

in the following grade or level: 9-12

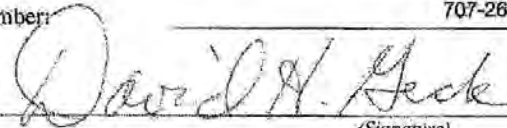
in the area or subject of: Computer Applications

Full-time
 Part-time (specify): _____ hours/day _____ days/week
 Day-to-Day Substitute

School/Agency: Lake County Office of Education/

Address: 1152 South Main Street
Lakeport, CA 95453

Telephone Number: 707-262-4102

Verified by: 
(Signature)

Name: David H. Geck

Title: Lake County Superintendent of Schools

Date: 1/23/2007

Buckingham Park Water District

Subject/Summary:

An Ad-Hoc Committee was formed to conduct an oversight of the Buckingham Park Water District.

The Buckingham Water Park District is well managed. The financial status and the methods used to achieve the status should serve as a model for other independent water districts in the County to follow. One area of concern involves a current employee. Although there are no current problems with the employee's performance, the committee is concerned with the lack of applicants interviewed for this position.

Procedure/Methodology:

From December 2008 to January 2009, the committee interviewed all four sitting members of the district's board one at a time. Written documentation was provided to the committee upon request. The documents provided to the committee for review were:

- A copy of Resolution 08-02-03, adopted at a regularly scheduled board meeting in 2008. The resolution adopted a pay scale for all district employees
- A list detailing employees' hourly and salary wages
- Payroll summaries for the months of November and December 2008
- A copy of Resolution 08-06-05, adopted at a regularly scheduled board meeting that designates which person(s) may sign district checks and places restrictions on signing particular checks
- A summary of the district's aging accounts payable and a report of all accounts paid between November 1 and December 31, 2008
- Copies of all board meeting minutes for the 2008 calendar year

Background/Discussion:

The district has not been the subject of an oversight by the County Grand Jury for at least nine years. The purpose of this oversight was to:

- Gain insight into the financial status of the district
- Review operational procedures
- Review board meeting procedures
- Review hiring practices

Findings:

1. The district suffered a catastrophic system failure in 2004.
2. At the time of the failure in 2004, the district had approximately \$15-\$20,000 in reserves. At the time of this oversight, the district had nearly \$500,000 in the bank.
3. Rate increases and a substantial bond repayment enabled the district to achieve the current financial status. All money from the bond repayment went into the district's reserves.
4. The following improvements will need to be completed in the near future:
 - o Replacement of 30-year-old system
 - o Build a new clear well
 - o Replace 1688 feet of pipe
 - o Replace a seawall
 - o Install an emergency generator system
5. Rather than use the reserves to pay for all improvements, the district intends to speak to the ratepayers once the district establishes an estimate and determines how best to pay for the improvements.
6. No employee or board member can sign his or her own paycheck.
7. The district is making a significant effort to implement and/or maintain a strict system of checks and balances in regards to finances.
8. There is currently no "policies and procedures manual" given to newly hired personnel.
9. The district has two managerial positions. One is an office manager who takes care of finances, handles phone calls from customers, and oversees office staff. The second is a general manager/water master. The general manager's responsibilities include monitoring the system, reading meters, overseeing maintenance and field staff, and reporting to the board.
10. The general manager is the former general manager from Clearlake Oaks County Water District.
11. The general manager was hired based primarily on the recommendation of a Deputy County Counsel. The Board President received the recommendation during a telephone call for district business. Upon mentioning that the district was in need of a new general manager, the Deputy County Counsel recommended the individual to the Board President.

12. There were no other applicants for the general manager's position at the time of and subsequent to the recommendation.
13. County Counsel's policy, regarding recommendations, is that all recommendations must be personally reviewed and approved by County Counsel. County Counsel did not personally approve the current General Manager's recommendation. In fact, County Counsel was unaware of the recommendation until the Grand Jury's inquiry.
14. The board meets regularly once a month on the fourth Thursday. "Special meetings" are held as needed.
15. The board meets to review applications and conduct interviews of managerial position applicants.
16. At the time of this oversight, there was one vacancy on the Board.
17. Whenever a ratepayer attends a Board meeting to voice a concern or participate in the Board meeting the ratepayer is asked to apply for the Board vacancy.
18. Other independent water districts in the County should use the financial strategy of this district as a model.

Recommendations:

1. Review the hiring of the current General Manager.
2. Continue to limit access to the district's finances to the Office Manager.
3. Continue to separate the responsibilities of the Office Manager and General Manager rather than consolidate.
4. Develop and implement a policies and procedures manual for all personnel including new hires and current staff members.

Agency/Department(s) Required to Respond

Buckingham Park Water District Board (60 Days)

Difficult Job, Great Attitude *(Information Report)*

Subject/Summary:

An Ad-Hoc Committee was formed to review the duties and responsibilities of the Assistant to the County Administrator for informational purposes.

Typically, the Grand Jury reviews a department or agency from the “top-down”. To gain insight into the functions and operations of a department or agency it can be beneficial to interview a staff member or members. From this oversight, the committee was able to obtain information into how the County Administrative Office operates on a daily basis. The committee found that the individual who holds this position exemplifies the hardworking, diligent, and professional personnel within this department.

Procedure/Methodology:

The assistant was interviewed at the Grand Jury’s Office, located in Kelseyville. The assistant answered committee members’ questions and provided the committee with a list of job functions, tasks, accomplishments, and an employee’s viewpoint of the department.

Background and Discussion:

The individual currently in this position has held the position since April 2008 and reports directly to the County Administrator. Prior to joining the County Administrative Office, the individual resided in Napa County and worked with budgets for organizations including school districts.

The Lake County Administrative Office is efficient and effective in representing the citizens of the County. The Grand Jury works annually in conjunction with numerous individuals within the Administrative Office as well as the Administrator.

Findings:

1. The actual “job descriptions” for this position are defined as Administrative Assistant, Assistant to the Redevelopment Agency, and Assistant to the Director of Economic Development.
2. The duties performed by this individual include:
 - o Monthly payroll for the Grand Jury

- Ordering supplies for the Grand Jury
 - Answering and routing calls for the Administrative Office and for the Board of Supervisors(BOS) when the BOS Administrator is out of the office
 - Correspondence between various agencies including Administration, Marketing and Redevelopment
 - Providing assistance to the Marketing Director
 - Filing/Clerical duties
 - Producing the quarterly employee newsletter
 - Production of the County's annual calendar and brochures
3. The assistant is currently involved in the production of a new coffee table book with information about Lake County. The book will be available at the Visitor's Center located in Lucerne.
 4. The assistant has a degree in accounting.
 5. The assistant is a Notary Public for County business.
 6. The assistant has completed advanced classes in computer software and participates in educational courses offered in order to perform duties more effectively.
 7. In placing orders, numerous companies are utilized in an effort to gain the best possible pricing. On several occasions, the assistant has saved the Grand Jury money on supplies.
 8. The assistant monitors at least two of vendor accounts to ensure that they are kept up-to-date.
 9. Inventory for the entire County is done by the Administrative Office. This individual is involved in the inventory process including tracking transfers of equipment and inventory of surplus equipment and sending surplus vehicles to auction.
 10. Forty surplus vehicles were sent to auction this year. Vehicles that were badly damaged were sent to salvage.
 11. The assistant has traveled to the Capital to work on and update Lake County's display in the Capital lobby.
 12. The County's display at the Capital is in a prime location and well lit. The display has pictures and a map of the County, a list of various activities available within the County, bottles from local wineries, and pamphlets and brochures that are also available at the Visitor's Center.
 13. For Redevelopment, the assistant is involved in day-to-day contact with contractors.
 14. The assistant worked with the Marketing Director in designing and creating a business card sized information brochure about Lake

County. The brochure folds out and contains a wealth of information for visitors to the County.¹

15. The 2009 Calendar, available at various locations, was paid for by the Public Services Director out of the Public Services Department budget. There were no more calendars available at the time of the interview.
16. The calendars cost \$3 each to produce.
17. The policies and procedures for the office are updated and maintained by the assistant and an Administrative Analyst.

Recommendations:

None

Agency/Department(s) Required to Respond

None

¹ The attached document is a scan of the wallet-sized brochure folded out. The scan shows both sides of the brochure.



Lake County Visitor Center
6110 E. Highway 20
Lucerne, CA 95458
1-800-525-3743

FASCINATING FACTS
AND FUN THINGS TO DO

This convenient wallet card has been provided courtesy of the Lake County Marketing Program to give you a bit of interesting information that you can share with visitors. Thank you for being an ambassador for visitors to Lake County.

INFORMATION: www.lakccounty.com

CLEAR LAKE

- * The **largest** natural freshwater lake within the borders of California and possibly the **oldest** lake in North America (nearly 2.5 million years old).
- * Since it is a "eutrophic" lake (high in nutrient content), Clear Lake supports large populations of fish (bass, crappie, bluegill, carp, catfish) and wildlife.
- * Known as the **Bass Capital of the West** for many years; recently ranked as the No. 2 bass fishing destination in the world by ESPN.
- * Records – largemouth bass: 17.52 lbs.; catfish: 33.25 lbs.

MT. KONOCTI

- * A dormant multiple volcano with an elevation of 4,300 feet above sea level.
- * Prominent geographic landmark with five peaks provides a stunning backdrop to expansive Clear Lake. Sacred to local Native American Indian tribes.
- * Preservation efforts are underway to designate much of the mountain open space with significant public access.

CLEANEST AIR AND LOTS OF SUNSHINE

- * Lake County is certified as having the cleanest air in California for almost 20 years.
- * Lake County holds the No. 3 spot on the American Lung Association's list of counties with the cleanest air (2007).
- * Average of 265 days of sunshine each year; fog is rare.

GEYSERS, HOT SPRINGS, & GEOTHERMAL ENERGY

- * Volcanic past still evident in geothermal activity and hot springs.
- * Around the turn of the last century, Lake County was a popular vacation spot for visitors to "take the waters" of the area's natural mineral springs. Tectonic activity in the 1906 earthquake sent many of the springs underground or caused them to stop completely. Today, **Harbin Hot Springs**, near Middletown, is one of several that are still active.
- * **Lake County diamonds** are semi-precious stones created by volcanic action; they have a hardness rating of 7-8 (compared to 10 for a true diamond). The stones can often be seen after rains and are available for sale at most local rock shops.
- * **The Geysers**, located on Cobb Mountain, is home to the world's largest geothermal energy resource with 350 steam wells generating 750 megawatts of clean, renewable base load electricity.

TWO STATE PARKS

- * **Clear Lake State Park** in Kelseyville and **Anderson Marsh State Historic Park** in Lower Lake are both located on the shores of Clear Lake.

WILDFLOWERS & WILDLIFE

- * Colorful spring blooms include redbud, poppies, lupine, wild mustard, blackberry, plus pear blossoms in the orchards.
- * **Tule elk** are native to California & Lake County and often can be seen in Cache Creek Basin Recreational Area in eastern Lake County.
- * Lake County is home to more than 300 species of birds and located along the Pacific Flyway. Keep an eye out for American white pelicans, woodpeckers, grebes, hawks, even an occasional bald eagle.
- * Audubon California has designated the Clear Lake area an important bird area because of the diversity of birds and valuable bird habitat.
- * **Rodman Slough**, in the northwest area of Clear Lake, is home to one of the largest Great Blue Heron rookeries in Northern California.

LOCAL PRODUCE & AWARD-WINNING WINES

- * **Lake County Bartlett Pears** have been popular since the 1880s. Known as the **Pear Capital of the World**, Kelseyville celebrates the pear harvest each year with the **Kelseyville Pear Festival**, held the last Saturday of September.
- * Volcanic soils and a Mediterranean climate contribute to the growing of ultra-premium winegrapes. Popular varietals include sauvignon blanc, cabernet sauvignon, and zinfandel.
- * Lake County is home to more than 30 wineries – from small boutique tasting rooms to famous-label wineries. More than 200 wines are branded with a Lake County appellation.
- * Farmers market held at Steele Wines, Saturday morning from May to October.

RICH HISTORY

- * Native American heritage dates back **12,000 years**. The Pomo people were hunting, fishing, and collecting plant foods around the lake, using tules (tall grass-like plants found along the lake shore) to make houses, boats, cooking utensils, and more. Today, Pomo baskets are widely admired and collected. These baskets may be purchased at the Harbor Village Artist Cottages in Lucerne.
- * Courthouse Museum in Lakeport; Schoolhouse Museum in Lower Lake.

FUN THINGS TO DO IN LAKE COUNTY

- Antiquing, art shows/galleries, auto races, bicycling, biplane tours, bird watching, boating, camping, concerts, disc golf, dining, fall corn mazes & pumpkin patches, farm stands/markets, festivals/events, fishing, flying, gaming, glider rides, golfing, hang gliding, hiking, horseback riding, hot springs, hunting, kayaking, kite flying, museums, nature trails, picnicking, quilting, racing, rock hounding, sailing, scenic drives, shopping, spas, star gazing, swimming, wakeboarding/waterskiing, whitewater rafting, wildflower trails, wine tasting & more.

rev 2/09

A SAMPLING OF EVENTS

- February - Wine & Chocolate
- April - Heron Festival
- May - Catfish Derby
- June - Wild West Days and Middletown Days
- July - Independence Day Fireworks and Lake County Wine Adventure
- August - Taste of Lakeport
- September - Old Time Bluegrass Festival and Seaplane Splash-In
- October - Kelseyville Pear Festival and Steele Harvest Festival
- November - Dickens' Christmas Market
- December - Holiday Tree Lightings & Parades

MORE EVENTS AT: www.lakccounty.com

District Supervisor “Says No” To Illegal Cash Crop!

Subject/Summary:

In the summer of 2008, marijuana plants were discovered on property owned by a member of the Lake County Board of Supervisors.

Procedure/Methodology:

An Ad-Hoc Committee was formed to investigate this matter. The committee contacted the District Supervisor and scheduled a tour of the property in question. In August 2008, the committee toured the property with the District Supervisor. During the tour, the committee discussed the matter with the District Supervisor and conducted a question and answer session.

Background and Discussion:

The Grand Jury is charged with investigating all allegations of inappropriate conduct by elected officials in the County. An additional criminal investigation was conducted by the Sheriff’s Department that led to no charges filed against the District Supervisor.

Findings:

1. The property in question is extensive and expansive.
2. The illegal “crops” were initially discovered when the District Supervisor had an associate working on the property.
3. The District Supervisor contacted the Grand Jury when the “crops” were discovered and cooperated fully during the investigation.
4. During the tour of the property, the District Supervisor revealed to the Grand Jury several locations where the “crops” were found.
5. The locations of the “crops” were in remote areas. Dangerous “booby-traps”, set by the individuals responsible for the “crops”, were placed in areas of the property with the intent to seriously injure or kill trespassers.
6. In one particular location an area was structured for sustained presence including:
 - o Tomato plants for food
 - o A cutout area in rock beside a small creek for cold foods

- A clothesline
 - An overhead canopy to protect “residents” from the elements
 - A shower
7. The “booby-traps” found on the property endangered the District Supervisor and his family. The Supervisor’s family was limited in where they could travel on the property because of the existing hazards.
 8. The committee found no evidence to suggest that the District Supervisor was involved in the illegal “crops”.

Recommendations:

None

Agency/Department(s) Required to Respond

None

Not Lions and Tigers and Bears but Domestic Animals and Rattlesnakes

Subject/Summary:

This is the fourth consecutive year that the Lake County Civil Grand Jury has conducted an oversight of Lake County Animal Care and Control, the first oversight visit conducted at the new facility located on Helbush Drive in Lakeport. This report contains information presented to the Ad Hoc Committee by the Director and Assistant Director of the Animal Care and Control facility and observations of committee members.

The new facility is well designed and a substantial improvement from the previous facility. The areas used to house the animals are more conducive to a peaceful environment for the animals, especially the felines. The Director could hardly contain the excitement generated from having the new facility. The committee was impressed with the facility, the surrounding areas, and the plans for expansion.

Procedure/Methodology:

An Ad Hoc Committee consisting of three jury members was established to conduct this oversight because of the numerous responsibilities and lack of free time of the standing committees. The committee met at the facility, toured all areas, and conducted a question and answer session in the conference room with the Director, Assistant Director and an office staff member.

Background and Discussion:

Beginning in 2005/2006 the Grand Jury has conducted an annual oversight of the Animal Care and Control Department. Statistics and findings over the past three years include:

- 2005/2006 – Approximately 5,000 animals are brought to the shelter annually, of which approximately 4,000 are euthanized.
- 2006/2007 – Animal Control receives 300 to 400 calls per month.
- 2006/2007 – From July 2006 to January 2007 euthanasia rates dropped from 63% to 30%.
- 2007/2008 – More donations are needed to complete a spay and neuter clinic.

The new facility, completed construction on April 16, 2008, opened to the public on April 21, 2008.

Findings:

1. The new facility features more amenities and a larger amount of square footage.
2. There are five animal control officers, the same number of officers from previous years.
3. There are 30 cages for public display of felines. There are also two rooms for felines, including one for expectant felines and a quarantine area.
4. There is an outdoor feline “playpen”.
5. There are 34 kennels for canines that can be divided in half to make 68.
6. There is a quarantine area for canines.
7. There is an outdoor area where visitors can play and become acquainted with canines.
8. There is a corral area for housing horses and a pen where the horses can get sunlight and exercise during the day.
9. A livestock area is being developed.
10. There are plans for an aviary to be located to the side of the facility.
11. The new facility, in addition to kennels and animal areas, features:
 - A large conference room
 - A training room
 - A grooming/treatment room
 - A euthanasia room
 - A laundry
 - A food preparation room
 - A janitorial closet
 - Public restrooms and employee restrooms with lockers
 - A supply/storage area
 - A new barn to house the tractors and large animal feed
 - A large freezer, located behind the facility
 - An inmate worker area, located behind the facility
 - As well as a file storage room located behind the facility
12. The department currently utilizes the service of all veterinarians in the County that want to participate.
13. The facility is open to the public from 10:30 – 4:30 Monday through Friday and 1:00 – 4:00 p.m. on Saturday.

14. Some fencing has already been acquired and more is on order to continue the outdoor development behind the facility for larger animal accommodation. Once all of the fencing has been obtained, there will be several “pens” available for animals.
15. There is a rattlesnake hazard at the current location. There has been one instance, thus far, of a rattlesnake inside the facility.
16. The department is purchasing an All Terrain Vehicle to provide safer access to the grounds.
17. While additional storage facilities are under construction, the department is renting a storage trailer at a cost of \$160 per month.
18. The current facility is a more relaxing environment for the animals, particularly the felines. At the old facility, the feline cages were located between two canine kennels. At the new facility, the felines have a more relaxing setting far from the presence of the canines. This is important for the adoption process. The felines are no longer “on edge” and are less prone to react defensively toward the public.
19. The rates for adoption at the time of this oversight were \$20 for felines and \$30 for canines. Spay/neuter fees are added to the adoption fees.²
20. The current euthanasia rates have dropped to 10% on adoptable canines and 10-30% on adoptable felines. This is a significant decrease from just three years ago when these numbers were above 65%.
21. Adoptions were increased by lowering fees.
22. Feral cats have the highest rate of euthanasia of any animal in the County.
23. The department provides a ten-day “protective custody” service. The department is required by law to hold animals for a ten-day period. If the owner has been arrested or has left the animal to “run off” the pet owner is charged for impound and boarding fees. If the pet owner is deceased or hospitalized, the animal is held for next of kin to claim and there are no charges assessed for providing shelter for the animal if the animal is picked up within the ten-day period.
24. The department offers no guarantees as to the health of the animals. If an animal contracts a common virus, *e.g.* “kennel cough”, the adopter is provided with medication and instruction on how to care for the animal.
25. The department uses the services of rescue groups and foster homes for animals. Any animal in foster care is still the “property” of Animal

² Further information on rates, fees, statistics and available animals can be found at: http://www.co.lake.ca.us/Government/Directory/Animal_Care_And_Control.htm

Care and Control. When rescue groups are used, ownership of the animal is transferred.

26. Charity events are held by various coalition sponsors to raise money for the facility.
27. Though the “walk-in/browser traffic” has decreased, the Director feels this has no ill effects on adoptions. All potential adopters are encouraged not to adopt in the same day as meeting an animal. Instead, the adopters are encouraged to “sleep on it”. This policy has reduced the number of animals returned to the shelter.
28. When multiple applications are received for an animal, the animal is placed with the owner that is best suited for the care of the animal.
29. All staff members attend the same training as animal control officers.
30. The shelter’s highest priority at this time is the completion of “phase 2” of the shelter project. Phase 2 includes a spay/neuter clinic.
31. The clinic will further reduce the costs associated with adopting a pet from the facility.
32. Funding for the clinic is an on-going process. The money is being raised by donations and various fund-raising efforts. The completion of the clinic is likely three years away.
33. During an April 17, 2008 audit of Lake County Animal Care and Control conducted by the Auditor/Controller’s Office, the following issues were present:
 - The change fund was short \$30 and no reason was given for the discrepancy.
 - The individual in charge of the change fund stated that money was routinely transferred from the donation box to the change fund and vice versa.
 - The cash drawer had no lock and up to ten people had regular access. If no employees were at the front desk, any person walking in would have access to the unlocked drawer. At the time of the audit, the individual in charge of the cash drawer indicated that the lack of security had been brought to the Department Head’s attention but no measures had been taken to solve the problem.
 - The petty cash fund was \$14.55 short at the time of the audit.
34. The department encourages volunteers to help at the shelter.

Recommendations:

1. Initiate internal controls to ensure the accurate accountability of funds.
2. Conduct a “spot count” of all on-hand cash funds regularly.
3. Keep all cash drawers, petty cash funds, and all other sources of on-hand money locked at all times.
4. Keep donations and petty cash funds separate, do not transfer funds from one to the other.

Agency/Department(s) Required to Respond

Lake County Animal Control Director via the Board of Supervisors (90 Days)