

From: Larry Weitzman [mailto:weitzman@directcon.net]

Sent: Monday, December 14, 2015 4:01 PM

To: bosone@edcgov.us; bostwo@edcgov.us; bosthree@edcgov.us; bosfour@edcgov.us; bosfive@edcgov.us; jim.mitrisin@edcgov.us

Subject: Public Comment for Item 40 is attached word document for 12/15/15 BOS meeting

Dear Board Members, Attached in word format a comment related to item 40 on the 12/15/15 BOS calendar. I also copied it onto this document below.

Larry Weitzman
Placerville, Ca

Comments on BOS Agenda Item 40 on the 12/15/15 meeting calendar

Item 40 is an attempt to correct the mistakes of County Staff made during the annexation of the Latrobe Fire District by the EDH County Water District (also known as the EDH Fire). Because the property tax revenues of the Latrobe District were not properly transferred and have remained so for two and one half years, it is a continuing error of the county administration. But there may be more to this error compounded by the county administration to do an equally important comprehensive financial analysis of the transaction and its impact on the county.

Item 40 should be continued until a proper financial analysis is performed. If it is not continued than a no vote is required and Supervisor Veerkamp should recuse himself from voting because of a conflict of interest.

First El Dorado Hills Fire is not hurting for money as the District is sitting on \$22,152,003 according to its last financial statement from June 30, 2014. Of that \$22 million in cash \$13.5 million are free for any kind of use. It is unassigned money. The financial position of El Dorado Hills Fire appears to be significantly better than any other County agency. It is especially significantly better than the El Dorado County budget and general fund. In that same year actual revenues of \$14.84 million exceeded budgeted revenues by \$1.2 million. El Dorado Hills Fire does not "need" this money and there is certainly no emergency or a service reduction possible as a result of the loss of this \$513k in property tax revenue.

Secondly, if the county is going to make grants of general fund money nearly every other fire district in El Dorado County is in significantly more need of funds, with Pioneer, Garden Valley, Georgetown, Mosquito and Rescue fire districts being in dire need of funding. Lotus Fire Station also part of the El Dorado County Fire Protection District was closed recently for a lack of money and belt tightening. While granting money to the richest fire district in the County will not increase the level of fire safety in EDH, neither will not giving this money to EDH Fire cause a decrease in public safety. But granting the same money to other fire districts will improve fire safety in those areas.

EDH Fire district has 30,000 acres, an area of approximately 47 square miles, with a claimed 14,500 homes, 4.6 million square feet of commercial development and a population of 43,500.

El Dorado County Fire Protection District covers an area six times the size of EDH Fire at 281 square miles and nearly double the population of 74,000 residents. Yet their last posted Balance Sheet shows a cash balance of just \$2.7 million and an unassigned cash balance of just \$1.2 million or an amount of less than 10% compared to EDH Fire. And a yes vote on Item 40 is the BOS decision of giving more than a half a million dollars to the richest special district in El Dorado County while not helping some of the poorest districts in the county, districts which have a direct impact on public safety. Giving half a million dollars to EDH Fire will have no impact of public safety. And these past property tax revenues have been spent or budgeted, this grant will effectively be paid for by all county taxpayers.

EDH Fire has the best employee benefits of all fire districts. Their retirement contributions to CalPERS have averaged more than \$2 million annually. They provide post-employment health care benefits to employees and their dependents for people who retire after 50 years of age with only five years of service. Other Post-Employment Benefits are fully funded without any employee contribution.

Maybe the BOS should consider instead of gifting the richest special district with half a million dollars of taxpayer general fund money whether it be taxpayer money from Lake Tahoe, Cool, Georgetown and/or Pollock Pines to solving the problem of cash strapped Diamond Springs/El Dorado Fire of \$169,859. That problem is also due to a failure of the county administration to do its job. Giving money to Diamond Springs would also have all county taxpayers paying for mistakes of the county administration.

EDH Fire also should have been financially vetted before it ever came to the BOS and before a vote on this issue it should be financially vetted now. It wasn't. The offending county (former) employees' penalty for these negligent gross mistakes are they have other mostly government jobs making probably more money. What may be needed is a general and comprehensive discussion of a more rational distribution of fire protection and a much more competent administration. Currently EDH Fire gets a substantially larger cut of property tax revenues than any other Fire District.

Perhaps most important is that BOS member Brian Veerkamp has a conflict of interest. He is currently receiving health care benefits directly paid by EDH Fire. If this half a million was gifted to EDH Fire it would go into their general account and would

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directly benefit Veerkamp. That is a conflict of interest and Veerkamp because of pecuniary interest in this money and his special relationship with EDH Fire as a previous employee (El Dorado Hills Fire Chief), he must recuse himself from any vote on this matter.

While I support public safety, this grant should not be made until it is determined that EDH Fire is the best place for taxpayer's money. Even winning lottery tickets have a statute of limitations as to claiming the winnings or money due, so do claims against the county.

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