



County of El Dorado

OFFICE OF AUDITOR-CONTROLLER

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JOE HARN, CPA
Auditor-Controller

BOB TOSCANO
Assistant Auditor-Controller

November 14, 2015

Board of Supervisors
County of El Dorado
330 Fair Lane
Placerville, California 95667

Subject: November 14, 2015 Agenda #48 Diamond El Dorado Fire Truck Reimbursement

Ladies and Gentlemen:

Attached you will find copies of the written communication with County Supervisors regarding Special District Mitigation Fee Act compliance problems that I have referred to.

Sincerely,

A handwritten signature in blue ink that reads "Joe Harn".

Joe Harn, CPA
Auditor-Controller

CC: Larry Combs, CAO



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June 2, 2015

Board of Supervisors
County of El Dorado
330 Fair Lane
Placerville, California 95667

Subject: Significant Unresolved Matters

Ladies and Gentlemen:

For the past couple of years, I have been asking for the county staff and sometimes your Board to fix certain County ordinances, policies, and fee collection programs. Your Board and your staff have not adequately prioritized resolving these issues. Because of the significant time that has passed, I am going to document some of these significant unresolved issues now.

Outdated Claims Procedures Ordinance

The County's claims procedures ordinance was adopted in 1958. This outdated ordinance violates state law in some instances and states that I am only to do payroll once per month. If I were to adhere to this ordinance, the County would be at significant legal peril. I wrote the former CAO and former County Counsel about this problem in 2013. I was assured that this matter would be resolved. In June 2014, I informed the Executive Management Advisory Committee about this problem and was assured that County staff would work quickly to resolve this matter. This matter has not been resolved.

Board Adopted Tuition Reimbursement Policy Different than MOUs

The County's Tuition Reimbursement policy adopted by your Board and on your Board's website is materially different than the requirements in the MOUs with organized labor. As an example, the MOU with Local 1 that was adopted in November 2013 is more restrictive than Board Policy. This inconsistency wastes a lot of time, frustrates our employees, and is extremely unfair to our employees. In June 2014, I informed the Executive Management Advisory Committee about this problem and was assured that County staff would work quickly to resolve this matter. This matter has not been resolved.

Special District Developer Impact Fees

The County levies Developer Impact Fees for Special Districts pursuant to Government Code Section 66000 and our local ordinance. The County continues to levy these fees even though we are not in compliance with state law or our local ordinance. Nexus studies that are required by state law are long overdue in most cases. I informed the former CAO, the former County

**Board of Supervisors
County of El Dorado
Subject: Unresolved Issues
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June 2, 2015**

Counsel, and the entire Board of Supervisors about this significant problem in March 2013. I was assured that the County staff would take corrective action. In June 2014, I informed the Executive Management Advisory Committee about this problem and was assured that County staff would work quickly to resolve this matter. This matter has not been resolved.

EDH Sheriff's Substation Developer Impact Fees

The County levies a Developer Fee for an El Dorado Hills Sheriff's substation pursuant to Government Code Section 66000. The County continues to levy this fee even though the County has no plans to build this substation. The County has not updated its Nexus study as required by state law. On April 2, 2015, I informed the County Counsel and CAO about this issue. This issue has not been resolved.

I am hoping that your Board directs staff to resolve these problems as quickly as possible.

Si; ce7


**Joe Harn, CPA
Auditor-Controller**

cc: Pamela Knorr, CAO



Joe Ham <joe.ham@edcgov.us>

Re: Executive Management Advisory Committee Meeting

1 message

Joe Ham <joe.ham@edcgov.us>

Thu, Jun 19, 2014 at 1:32 PM

To: Pamela Knorr <pamela.knorr@edcgov.us>

Cc: Theresa Daly <theresa.daly@edcgov.us>, Theresa Daly <terri.daly@edcgov.us>, Kimberly Kerr <kimberly.kerr@edcgov.us>, Brian Veerkamp <brian.veerkamp@edcgov.us>, Norma Santiago <norma.santiago@edcgov.us>, Patricia Beck <patricia.beck@edcgov.us>

Pamela,

I would like to talk about

- (1) AB 1600 Developer Fees for Special Districts
- (2) Where Risk Management is in the County Budget Book
- (3) Tuition Reimbursement Policy

Joe Ham
Auditor-Controller
El Dorado County

On Tue, Jun 17, 2014 at 9:43 AM, Pamela Knorr <pamela.knorr@edcgov.us> wrote:
Sounds great

On Tuesday, June 17, 2014, Theresa Daly <theresa.daly@edcgov.us> wrote:

I believe we will need an additional hour on June 30 to go into the "solution hunters" portion of the meeting. I have asked Karen to see if we can squeeze in another hour on the 30th. She will let you know today. Thanks.

On Mon, Jun 16, 2014 at 6:59 PM, Pamela Knorr <pamela.knorr@edcgov.us> wrote:
Hello Team

Please find attached the minutes and meeting documents from today's EMAC meeting. Our next meeting is scheduled for 6/30/14 from 2-3.

Please let me know if you have any questions or updates.

Thank you,
Pamela

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Thank you.



Joe Ham <joe.ham@edcgov.us>

Re: Park and Fire Impact Fees (Gov. Code Section 66000)

1 message

Joe Ham <joe.ham@edcgov.us>

Tue, Mar 12, 2013 at 12:39 PM

To: Theresa Daly <theresa.daly@edcgov.us>

Cc: Edward Knapp <ed.knapp@edcgov.us>, The BOSONE <bosone@edcgov.us>, The BOSFOUR <bosfour@edcgov.us>, The BOSTWO <bostwo@edcgov.us>, The BOSTHREE <bosthree@edcgov.us>, The BOSFIVE <bosfive@edcgov.us>, Paula Frantz <paula.frantz@edcgov.us>, Mike Applegarth <mike.applegarth@edcgov.us>

The law requires that the BOS review the CIP's once a year. Further, the law requires that a report of the financial transactions related to these fees be reviewed by the BOS once per year. If the nexus studies are inadequate, we need to quit collecting the fees.

Joe Ham
Auditor-Controller
E Dorado County

On Tue, Mar 12, 2013 at 12:24 PM, Theresa Daly <theresa.daly@edcgov.us> wrote:

Perhaps we could write a staff memo explaining what the problems are with the nexus studies on the proposed fees, then put it on the Board agenda for direction. I think we might have such a memo already.

On Tue, Mar 12, 2013 at 9:56 AM, Joe Ham <Joe.ham@edcgov.us> wrote:

> Ed

>

> Based on the information that I have at this time, it appears that the
> County has violated State Law and our local ordinances in the administration
> of the Developer Fees that we levy and collect for the County's Fire
> districts and Park districts. I intend to write these special districts
> next week and inform them that I can not release these funds to their
> districts until the County is in better compliance with the law.

>

> If anyone has any questions, concerns, or advice, please contact me.

>

> Joe Ham
> Auditor-Controller
> E Dorado County

>

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> Thank you.

>



Joe Harn <joe.harn@edcgov.us>

Fwd: Park Impact Fees EDH CSD

1 message

Joe Harn <joe.harn@edcgov.us>

Wed, Mar 13, 2013 at 10:19 AM

To: Theresa Daly <theresa.daly@edcgov.us>, Paula Frantz <paula.frantz@edcgov.us>, Mike Applegarth <mike.applegarth@edcgov.us>

Cc: Edward Knapp <ed.knapp@edcgov.us>, Patricia Beck <patricia.beck@edcgov.us>, Robert Toscano <bob.toscano@edcgov.us>, Ron Mikulaco <ron.mikulaco@edcgov.us>

Bee: Laura Schwartz <laura.schwartz@edcgov.us>

I received this e-mail 10 minutes ago from the El Dorado Hills CSD. EDH CSD is spending money expecting to be reimbursed through these fees. This is going to be coming to a head soon. What am I supposed to tell them?

Joe Harn
Auditor-Controller
El Dorado County

--- Forwarded message ---

From: **Sherry Shannon** <sshannon@edhcsd.org>

Date: Wed, Mar 13, 2013 at 10:09 AM

Subject: RE: Park Impact Fees EDH CSD

To: Joe Harn <joe.harn@edcgov.us>

Cc: Robert Toscano <bob.toscano@edcgov.us>, Patricia Beck <patnc1a.beck@edcgov.us>, The BOSONE <bosone@edcgov.us>, Edward Knapp <ed.knapp@edcgov.us>, Ron Mikulaco <ron.mikulaco@edcgov.us>

Hi Joe,

I was wondering what the status is on this request? Please let me **know** if there is anything that I can provide to help move things along. Thank you.

Sherry

From: Joe Harn[mailto:JoeHarn@edcgov.us]

Sent: Friday, February 15, 2013 2:42 PM

To: Sherry Shannon

Cc: Robert Toscano; Patricia Beck; The BOSONE; Edward Knapp; Ron Mikulaco

Subject: Re: Park Impact Fees EDH CSD



Joe Ham <joe.harn@edcgov.us>

Fwd: Park Impact Fees

1 message

Joe Ham <joe.harn@edcgov.us>

Tue, Feb 12, 2013 at 1:46 PM

To: Brian Veerkamp <brian.veerkamp@edcgov.us>

Cc: Kathy Witherow <kathy.witherow@edcgov.us>

Brian,

I would like to talk to you briefly and soon about this.

Joe Ham
Auditor-Controller
El Dorado County

--- Forwarded message ---

From: **Laura Schwartz** <laura.schwartz@edcgov.us>

Date: Tue, Feb 12, 2013 at 10:43 AM

Subject: Park Impact Fees

To: Joe Ham <joe.harn@edcgov.us>

Cc: Theresa Daly <theresa.daly@edcgov.us>, Mike Applegarth <mike.applegarth@edcgov.us>

It does appear that 2007 is the last year we saw CIP's for Cameron Park and EDH. The two Legistar items for Cameron Park and EDH are 07-1203 and 07-1216. Below is the Ordinance code for parks fees that relates to the annual review. I think we are a bit behind.....

13.30.060 Annual Review.

The board of supervisors shall review, on an annual basis, each parks and recreation capital facilities and equipment development impact mitigation fee established hereunder. Each district for which a fee has been established shall annually update its plan and perform the accounting required by Government Code section 66006, and shall provide to the county all the necessary information to allow the county to determine whether the fee amounts continue to be reasonably related to the impacts of development and whether the described capital facilities or equipment described in the plan are still required. The chief administrative officer and the county auditor shall review the information and make recommendations regarding the amount of the fee and any other aspect of the administration by the impact district of monies received hereunder. The impacted district shall reimburse the county for all costs incurred by the county in the review, including but not limited to costs for staff review and public notice, if necessary. (Ord. 4404, 1995)

Laura Schwartz
Chief Budget Officer
County of El Dorado
530-621-6541
laura.schwartz@edcgov.us

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