



"Firehouse Wear"
<admin@firehousewear.com>

09/10/2008 05:26 PM

To <joeham@edcgov.us>
cc <bdekker@gardenvalleyfire.org>,
<bosfive@co.el-dorado.ca.us>,
<bosfour@co.el-dorado.ca.us>,
bcc

Subject Re: Aide to Rural Fire Protection Districts

Mr. Harn,

I will look into this first thing in the morning and let you know my findings. I thought the District released funds back to your office at the end of January 2008 when we returned District payroll and bill payment responsibilities back to you. I will get back to you ASAP. Thank you for your help on this issue, by no means do I wish to waste your time or mine.

Bob Rogers
Board Chair
GVFPD

----- Original Message -----

From: joeham@edcgov.us

To: [Firehouse Wear](#)

Cc: bdekker@gardenvalleyfire.org ; bosfive@co.el-dorado.ca.us ; bosfour@co.el-dorado.ca.us ; bosone@co.el-dorado.ca.us ; bosthree@co.el-dorado.ca.us ; bostwo@co.el-dorado.ca.us ; bpchmp@aol.com ; ckeck@co.el-dorado.ca.us ; gehamlin@co.el-dorado.ca.us ; laura.schwartz@co.el-dorado.ca.us ; terry.gherardi@edcgov.us

Sent: Wednesday, September 10, 2008 5:01 PM

Subject: Re: Aide to Rural Fire Protection Districts

Director Rogers,

I am a little bit unclear as to how I should respond to your e-mail.

The District's February bills that were paid by the Auditor-Controller's Office with Fire District Augmentation Funds provided by the Board of Supervisors and December Property Tax Collections. Our records indicate that the only funds returned to the County Treasury by the Garden Valley Fire Protection District was the \$40,370 returned on June 3, 2008.

If the District's records indicate something else, please let me know.

Joe Harn, CPA
Auditor-Controller
El Dorado County
Work Phone (530)621-5456
Cell Phone (530)409-8291
Fax (530)295-2511

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admin@firehousewear.com>

To <joeham@edcgov.us>
cc <bdekker@gardenvalleyfire.org>, <bosfive@co.el-dorado.ca.us>, <

09/10/2008 03:36 PM

bosfour@co.el-dorado.ca.us>, <bosone@co.el-dorado.ca.us>, <bosthree@co.el-dorado.ca.us>, <bostwo@co.el-dorado.ca.us>, <bpchmp@aol.com>, <ckeck@co.el-dorado.ca.us>, <gehamlin@co.el-dorado.ca.us>, <laura.schwartz@co.el-dorado.ca.us>, <terry.gherardi@edcgov.us>

Subject: Re: Aide to Rural Fire Protection Districts

t

Mr. Ham,

Thank you for your last email. I hate to ask you but after reviewing my email request of you from yesterday you failed to include all of the transfers the district made back to the county, otherwise you would not have been able to take over payroll and bill payment services for the district in February 2008. Please send me the other transfers made by the district returning funds back to the county prior to the Federal Funds transfer of \$ 44,370.00 made by the district in June 2008.

Also, thank you for the note on the other checks handled by the district, we are aware of the handling of these funds and will inform the people involved at the end of the year via our CPA.

One other note, I noticed you included the two check request amounts we requested from you that was part of the Federal Funds Account, dated 3/4/08, one for 26,933.00 and the other for 20,698.00 that needed to be kept in its own account until we had received resolution from the USFS. These were sent to us after you had been given back the district funds, remember you told me you would not write a check to the Garden Valley Fire Protection District without asking the County Board of Supervisors first, and then sometime later I got the following email from you. I'm noting this so as not to misrepresent the funds we received from you. I do not want to mix up the Federal Funds Account with the normal district funds account.

Thank You for your help on this matter and your speedy replies. This will help to double check the records when the CPA does the audit on the district for 2007/2008, that we approved last night at the board meeting.

Sincerely

Bob Rogers

Board Chair

GVFPD

February 20, 2008

**Mr. Bob Rogers, Board Chair
Garden Valley Fire Protection District
PO Box 408
Garden Valley, CA 95633**

RE: Withdrawal of Additional Funds from Treasury

Mr. Rogers:

I want to apologize for delaying my office's processing of the District's two recently submitted claims. One claim was for \$26,933.28. The other claim

was for \$20,698.06.

The processing of these claims was delayed because we misinterpreted your Board's action of January 9, 2008. Based on the e-mail that I received from Chief Dekker, my staff and I believed that the District would be closing all outside checking accounts and returning all of the District's funds to the County Treasury. Accordingly, we were not prepared to issue checks in the District's name to be deposited in the District's bank account.

I now understand that my staff and I have misinterpreted Chief Dekker's e-mail dated January 10, 2008, and the District intends to maintain a bank account outside of the County Treasury until the District resolves certain accounting issues.

Your two claims have been approved. You may contact Keely Gonzalez to find out when your checks will be ready. If you have any other questions, you may call me at (530) 621-5456.

Sincerely,

Joe Harn
Auditor-Controller

CC: Board of Directors
Chief Bill Dekker

----- Original Message -----

From: joeharn@edcgov.us

To: [Firehouse Wear](#)

Cc: bdekker@gardenvalleyfire.org ; bosfive@co.el-dorado.ca.us ; bosfour@co.el-dorado.ca.us ; bosone@co.el-dorado.ca.us ; bosthree@co.el-dorado.ca.us ; bostwo@co.el-dorado.ca.us ; bpchmp@aol.com ; ckeck@co.el-dorado.ca.us ; gehamlin@co.el-dorado.ca.us ; laura.schwartz@co.el-dorado.ca.us ; terry.gherardi@edcgov.us

Sent: Wednesday, September 10, 2008 1:36 PM

Subject: Re: Aide to Rural Fire Protection Districts

Director Rogers,

The County released \$888,969 of funds to your district as follows: (1) 10/22/07, \$ 94,584, (2) 11/01/07, \$ 91,154, (3) 11/20/07, \$200,323, (4) 01/14/08,

Joe H Harn/PV/EDC
09/10/2008 01:36 PM

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bcc
Subject Re: Aide to Rural Fire Protection Districts

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Garden Valley FPD returned \$44,370 to the County Treasury on June 3, 2008.

The Auditor-Controller's Office began processing the District's payroll again in pay period 3, for the period January 19, 2008, through February 1, 2008. We began processing your accounts payable transactions again in February 2008. It is important to note, however, that in March 2008, several large checks were written by the district to individuals. Many of these checks were in excess of \$10,000. It is my understanding that there were no payroll withholdings on these disbursements as required by the IRS and the California Franchise Tax Board. Further, in April 2008, large checks were written to two Garden Valley Fire Protection District Board Members. It is my understanding that these large checks to individuals have not been reported to the IRS or the California Franchise Tax Board as is required.

I hope I have addressed your questions.

Joe Harn, CPA
Auditor-Controller
El Dorado County
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09/09/2008 04:40 PM

CC <bdekker@gardenvalleyfire.org>, <bpchmp@aol.com>, <terry.gherardi@edcgov.us>
Subjec Re: Aide to Rural Fire Protection Districts
t

Auditor Ham,

I believe the District took over the funds at the end of October and started doing payroll and bill payment as of November 1, 2007. We returned all payroll and bill payment functions back to the county at the end of January 2008. The only retained funds was the All Risk Team funds until June 2008 after we completed working with the

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Thank you in advance for your continuing help.

Director Rogers
Board Chair
GVFPD

----- Original Message -----

From: joeham@edcgov.us
To: Firehouse Wear ; bdekker@gardenvalleyfire.org
Cc: souzaranch@peoplepc.com ; bpchmp@aol.com
Sent: Tuesday, September 09, 2008 3:30 PM
Subject: Re: Aide to Rural Fire Protection Districts

Director Rogers,

The District withdrew funds from the County in October 2007. The District returned \$44,370 on June 2008. Your e-mail states you had funds out of the County Treasury for three months. Actually it was closer to six months.

I am unaware of any public accounting firms that perform independent financial audits of special districts for a portion of a fiscal year. If the district has an audit that was completed of the All Risk Team monies please provide me with a copy of the report.

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09/09/2008 03:03 PM

CC <bdekker@gardenvalleyfire.org>, <bpchmp@aol.com>, <terry.gherardi@edcgov.us>
Subject Re: Aide to Rural Fire Protection Districts

1

Mr. Ham,

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r.com>

<ckeck@co.el-dorado.ca.us>, <laura.schwartz@co.el-dorado.ca.us>, <joeham@edcgov.us>

09/09/2008 03:03 PM

CC <bdekker@gardenvalleyfire.org>, <bpchmp@aol.com>, <terry.gherardi@edcgov.us>
Subject Re: Aide to Rural Fire Protection Districts

Mr. Ham,

I would like to thank you once more for your continuing help to the GVFPD as you promised when Chief Dekker and I came to see you about returning district funds back to your office. The early heads up you're giving the district on this issue is a big help. I have put the wheels in motion to have an audit done for the three month period that GVFPD had control of it's funds for the 2008 year. You will receive it ASAP. The audit that was already done on the All Risk Team monies for 2007/2008 fire season is available to you at anytime, please let me know if you need a copy.

Thank You

Robert Rogers

Board Chair

GVFPD

----- Original Message -----

From: joeham@edcgov.us

To: bosone@co.el-dorado.ca.us ; bostwo@co.el-dorado.ca.us ; bosthree@co.el-dorado.ca.us ; bosfive@co.el-dorado.ca.us ; bosfour@co.el-dorado.ca.us ; gehamlin@co.el-dorado.ca.us ; ckeck@co.el-dorado.ca.us ; laura.schwartz@co.el-dorado.ca.us

Cc: bdekker@gardenvalleyfire.org ; admin@firehousewear.com ; bpchmp@aol.com ; terry.gherardi@edcgov.us

Sent: Tuesday, September 09, 2008 11:37 AM

Subject: Aide to Rural Fire Protection Districts

September 9, 2008

Board of Supervisors

County of El Dorado

330 Fair Lane

Placerville, California 95667

Subject: Aide to Rural Fire Protection Districts

Ladies and Gentlemen:

Included in the CAO's Budget recommendation is \$1,300,347 in Aide to Fire Protection. Six of the eight districts receiving these funds "bank" exclusively in the County Treasury and use the County's accounting systems. It is very easy for your Board to assure all County residents that the manner in which these monies are expended is open and reported to the public.

Two of the district's that receive this subsidy, Garden Valley Fire Protection District and Fallen Leaf Lake CSD, "banked" out of the County Treasury for all or a significant portion of the year ended June 30, 2008. I am unable to review a complete history of the financial activity of these two districts, and members of the public are unable to efficiently review all of the financial records of these districts. Accordingly, I recommend that your Board direct the CAO to withhold the subsidy to these two districts until after they have submitted their independent financial audits to the County. The amount of the subsidy in the CAO's Budget recommendation is \$205,285 for the Garden Valley Fire Protection district and \$60,454 for the Fallen Leaf Lake CSD.

I am sure we will discuss this matter next week during the budget hearings. If you have any questions, please contact me.

Sincerely,

**Joe Harn, CPA
Auditor-Controller**