

TRINITY COUNTY GRAND JURY

2002-2003 Grand Jury Reports

8/2/2003

Committee/Report

Development and Environmental Committee

E-911 Emergency System

Review of Citizen Complaint

Building and Development Services Department

Finance and Administration Committee

Unsigned Citizen complaint \$2 Million Hospital Fund

Unsigned Citizen Complaint Auditor's Trust Fund

Trinity County Grants and Housing Rehabilitation Loan Administration

Health and Human Services Committee

County Health Officer-Public Health Department Environmental Health

Pre-Hospital Care

Judicial Committee

Trinity County Juvenile Detention Facility

Judicial and Special Investigation Committee

Trinity County Detention Facility (Jail)

Special Districts Committee

Compliance on Annual Audits

**2002-2003 TRINITY COUNTY GRAND JURY
DEVELOPMENT AND ENVIRONMENTAL COMMITTEE
FINAL REPORT**

E-911 EMERGENCY SYSTEM

PURPOSE:

Grand Juries are mandated to investigate the operations of various government agencies within the county. This report is a follow up on the report by the 2001-2002 Trinity County Grand Jury. It focuses on the Trinity County Planning Department (Planning Department) with regards to the county mapping /addressing system and the Enhanced 9-1-1 (E-911) emergency system.

BACKGROUND:

Approximately eight years ago Trinity County obtained a grant to start an addressing system for the county. A contract was awarded to a company, called Docugraph, to do the work. Addresses were assigned using a 1000 numbers per mile of road system. The numbering was not completed for the whole county. In June of 1997 Mary Arey was hired by the Planning Department to complete the numbering using a Global Positioning System (GPS) method. Mary Arey left in October 2001 before the addressing project was completed.

On April 21, 1998 the Trinity County Board of Supervisors (BOS) passed an amendment to the Trinity County Address Ordinance No. 1124-1 section 12.17.070 "Uniform system of street numbering using 1000 addresses per road mile." The ordinance also stated that "Neighborhoods or communities which have a uniform system of street numbering which predated the existence of this chapter, may have such systems adopted by the Board of Supervisors for that given neighborhood or community."

In November of 2001 the BOS appointed a Geographic Information System (GIS) Committee to oversee the project.

A consultant was hired in September of 2002 to assign addresses based on the system of 1000 addresses per road mile, Assessor Parcel Number and the GPS mapping previously done.

In October of 2002, Gary Emery was hired as the GIS coordinator for Trinity County and in December 2002 the BOS assigned Emery as the county's E-911 coordinator.

METHOD OF INVESTIGATION:

The Development and Environmental Committee interviewed the Director of Planning twice, the GIS/E-911 coordinator, two members of the 2001-2002 Grand Jury Development and Environmental Committee, the Trinity County Sheriff and a Sergeant in the Trinity County Sheriff's office. The Committee also corresponded with the Trinity County Fire Chief's Association and the California E-911 Emergency Communications Office.

FINDING #1:

The naming of private roads is a top priority in order to get the mapping/addressing system complete and working. Many of the roads in Trinity County are not officially named. Roads within the county serving two or more properties must have an official road name. The county has a process and criteria for the naming of roads. Citizens needing to name a private road should contact the Planning Department for more information. If a road has an official name and intersects with a county road, the county will provide a street name sign, post and bracket to be installed by the local Fire Department.

The county is currently in the process of assigning addresses to all parcels within the county. Upon completion of this process, the county will send a notice to all property owners and request verification of the address information provided.

RECOMMENDATION #1:

- a) The county must continue to place a high priority on the naming and mapping of all roads within the county.
- b) The Planning Department must communicate with the property owners of unnamed private roads and provide the process and criteria for naming them.
- c) The Grand Jury also encourages the Planning Department to continue providing the road signs, posts, and post brackets.
- d) Residents with private roads that intersect with private roads should contact the Planning Department for information for signing their roads.
- e) The county needs to complete the current addressing and notify the owners of record of the new addresses. They must also request verification as to the correctness of the address information.

FINDING #2:

When an emergency call comes into the Sheriff's Office, there is a place on the E-911 computer screen to automatically display the caller's listed name, area code, telephone number and street address. This is helpful when a caller is unable to give their address. The Sheriff's Office Dispatcher can see the address and send appropriate help. Currently most of this vital information is not displayed on the E-911 screen.

Several tests were done using the phone numbers of three Development & Environmental Committee members representing Lewiston (SBC/Pac Bell Telephone Company), Rush Creek and Burnt Ranch (Verizon Telephone Company) areas. Although the correct phone numbers were displayed, none of the addresses were correct. The displayed addresses included 1) no data found, 2) an incorrect street name with zero as the street number and 3) a correct street name with an incorrect street number.

RECOMMENDATION #2:

- a) The E-911 Coordinator must establish primary contacts with each of the telephone companies (Verizon, SBC/Pac Bell and TDS) and work collaboratively in order to provide the correct phone number, address and listed name to the Dispatcher.
- b) The E-911 Coordinator must set a target date by which county customers with existing phone number, address and listed name are correctly displayed when E-911 calls come into the Sheriff's Office.

FINDING #3:

When an E-911 call comes into the Sheriff's Office from TDS phone customers or from Trinity Village, the switching center's telephone number appears on the E-911 screen instead of the caller's telephone number. The screen thus displays a useless phone number, no street name, no street number and no listed name. This requires the caller to provide the emergency information.

RECOMMENDATION #3:

- a) The Grand Jury recommends that the BOS encourage TDS and the Trinity Village provider to update their switching service to provide the E-911 caller's phone number, address and name.
- b) The E-911 Coordinator needs to be persistent in his efforts to have TDS and the Trinity Village provider update their switching service to provide the E-911 caller's phone number, address and listed name.
- c) TDS phone subscribers and Trinity Village residents need to request an updated system that will provide E-911 caller information.

FINDING #4:

The county has changed addressing systems several times over the years. This has caused a major delay in completion of the addressing system. Currently there is an ordinance in place, which defines the uniform addressing system for Trinity County.

RECOMMENDATION #4:

- a) The Grand Jury recommends that the GIS Committee implement the existing county ordinance for the uniform addressing system.
- b) The BOS must establish a meaningful date for completion of the county wide addressing project.

FINDING #5:

When an emergency call comes into the Sheriff's Office, the Dispatcher receives the call on the E-911 system and then contacts the appropriate emergency service agencies via a radio system/console. The equipment currently in use needs to be replaced as it is no longer reliable and as of June 30, 2003 is no longer under warranty.

RECOMMENDATION #5:

The BOS should assist the Trinity County Sheriff's Office in obtaining the necessary funds to immediately replace the old outdated equipment with "state of the art" E-911/dispatching system.

CONCLUSION:

Trinity County residents who do not have a current address may not receive prompt emergency services. Ideally, the caller's area code and telephone number, the street address and the listed name would automatically be displayed when an E-911 call comes into the Sheriff's Office. Currently this does not always occur.

Until the E-911 system is operating properly, Trinity County residents, in many cases, must provide their phone number, street name and street number to the E-911 Dispatcher.

The Grand Jury understands that it is very complicated to set up the information for the E-911 system, since many different entities are involved in the process. However, it is necessary for the safety and well being of all citizens of the county to have and

maintain an effective E-911 system. The system must contain the correct information as well as be supported by up-to-date hardware and software. The BOS is encouraged to continue their support and to provide the necessary guidance to complete the system in a timely manner.

The Grand Jury wishes to thank the county employees who gave of their time and assistance in the investigation for the report.

RESPONSES REQUIRED:

Under Penal Code 933, the following entities are required to respond to the listed findings and recommendations within the required time period:

ENTITY
FINDING
RECOMMENDATION
RESPOND IN:

TRINITY COUNTY
GIS COORDINATOR
1, 2, 3, 4
1a, 1b, 1c, 1d 2a, 2b, 3b 4a, 4b
30 days
[Link to Response](#)

TRINITY COUNTY PLANNING DEPARTMENT
1
1a, 1b, 1c
30 days
[Link to Response](#)

TRINITY COUNTY
GIS COMMITTEE
1, 4
1a, 4a
30 days
[Link to Response](#)

TRINITY COUNTY SHERIFF
5
5
60 days

TRINITY COUNTY BOARD OF SUPERVISORS
3, 4, 5

1a, 3a, 4b, 5

90 days

[Link to Response](#)

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Report[**E-911 Emergency System**
Committee[**Development & Environment Committee**
Type[**Reponse**
From[**Gary Emery**

To: The Honorable Anthony C. Edwards,
Presiding Judge of the Superior Court

From: Gary Emery, 911 Coordinator

Subject: Response for Recommendations of 2002-2003 Trinity County Grand Jury
Report *E911 Emergency System*

Date: July 24, 2003

Finding # 1:

Response: I agree.

Recommendation # 1:

- a) The recommendation has been implemented. The Planning department has assigned E911 addressing including the naming and mapping of roads servicing residences and business as top priority of E911 Coordinator.
- b) The recommendation has been implemented. The E911 Coordinator has regular and continued contact with property owners and residences for the purpose of correctly assigning road names and address numbers.
- c) The recommendation has been implemented. However this is not in the scope of responsibilities of the GIS Coordinator. The coordinator does provide notification to the Planning Department of roads that qualify for road signs.
- d) The recommendation has been implemented. The Planning Department provides to residences specifications for approved road signs upon completion of the Road Name Application.
- e) The recommendation has not yet been implemented. It will be implemented soon. Notification of address assignment will include a request for verification of addressing accuracy. Correction of Telephone company records to reflect the new address assignments will begin at the same time as the address assignment notification to owners of records. The target date for providing address assignment notification is the End of December 2003.

Finding #2:

Response: I agree. Though not all 911 calls currently produce erroneous address results, in many cases the telephone company address records are incorrect or incomplete.

Recommendation # 2:

- a) The recommendation has been implemented. The 911 Coordinator is involved with continued and regular contact with the telephone service providers for purposes of providing correct address display to the PSAP dispatchers in 911 emergency situations.
- b) The recommendation has been implemented. This process is dependent upon the completion of address assignment and notification of property owners of records. The process of correcting the Telephone records will take about six months beyond the notification of address assignment. The target date for the telephone record rectification is the end of June, 2004.

Finding # 3:

Response: I agree.

Recommendation # 3:

- b) The recommendation has not been implemented but will be implemented by Oct 2003. While the rectification of Telco physical address records to county mapped addressing scheme is key to providing accurate addresses for 911 responses, in case of TDS and Trinity Village exchanges, physical equipment updates are necessary in order to display correct caller telephone numbers and ALI display information. The 911 Coordinator will press TDS and the Trinity Village exchanges to provide the necessary equipment that will provide 911 ALI display data to the Trinity County emergency response dispatchers

Finding # 4:

Response: I agree in part.

Recommendation # 4:

- a) The recommendation has been implemented. The E911 Coordinator is assigning addresses on a consistent 1000 address per mile methodology. This is being applied to those parts of the county that lack proper addressing system first. However, the E911 Coordinator strongly recommends that for the sake of efficient emergency response that the same addressing system be applied to all parts of the county, including the communities that currently have older addressing systems that are not consistent to county wide scheme. Finding #4 indicates that the Board of Supervisors can elect to keep current addressing schemes on a community basis. I recommend that the county Board of Supervisors restrain from this.
- b) This recommendation is directed to the Board of Supervisors. I encourage the Board of Supervisors to take into consideration, when establishing a due date for completing the 911 addressing project that for purposes of providing good 911 responses that there are two elements that must be in place. The first is well into the implementation stage, that is the establishing of an addressing system that is consistent countywide. The second is that the telephone companies that serve the county must have their address databases updated to reflect the assigned addresses. This update cannot begin until the address system is in place and the Owners of Records are notified of the address assignments.

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Report[E-911 Emergency System
Committee[Development & Environment Committee
Type[Reponse
From[Board of Supervisors

TO: The Honorable Anthony C. Edwards,
Presiding Judge of the Superior Court

FROM: Trinity County Board of Supervisors

RE: Response to 2002-2003 Grand Jury Development & Environmental Committee
Final Report on E-911 Emergency System

DATE: September 9, 2003

This is in response to the 2002-2003 Grand Jury's Development and Environmental Committee report regarding the Emergency-911 System. The Committee requested responses to Findings #3, #4 & #5 as well as Recommendations 1 a, 3a, 4b and 5.

RECOMMENDATION 1a: The Board of Supervisors agrees with this recommendation and will continue to make the naming and mapping of all county roads a top priority project in the planning department.

FINDING #3: The Board of Supervisors agrees with this finding.

RECOMMENDATION 3a: The Board of Supervisors agrees with this finding and will encourage TDS and the Trinity Village provider to upgrade their switching service to provide the E-911 caller's phone number, address and name.

FINDING #4: The Board of Supervisors agrees with this finding however the county addressing ordinance will be changed to meet current conditions.

RECOMMENDATION 4b: The Board of Supervisors has every expectation to have an address for every parcel by the end of the 2003-2004 fiscal year.

FINDING #5: The Board of Supervisors agrees with this finding.

RECOMMENDATION 5: This recommendation has been implemented.

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Report[E-911 Emergency System
Committee[Development & Environment Committee
Type[Response
From[John Jelicich, Planning Director

TO: The Honorable Anthony C. Edwards, Presiding Judge of the Superior Court

FROM: John Jelicich, Planning Director

SUBJECT: Response to Recommendations of 2002-2003
Grand Jury, Development & Environmental Committee Report
E-911 Emergency System

DATE: July 21, 2003

The Grand Jury Development & Environmental Committee has requested a written response to their final report on the E-911 Emergency System. In my capacity as Planning Director, my response to Finding 1 and Recommendations 1a, 1b and 1c, as requested by the Committee is as follows:

Finding #1: "The naming of private roads is a top priority in order to get the mapping/addressing system complete and working. Many of the roads in Trinity County are not officially named. Roads within the county serving two or more properties must have an official road name. The county has a process and criteria for the naming of roads. Citizens needing to name a private road should contact the Planning Department for more information. If a road has an official name and intersects with a county road, the county will provide a street name sign, post and bracket to be installed by the local Fire Department.

"The county is currently in the process of assigning addresses to all parcels within the county. Upon completion of this process, the county will send a notice to all property owners and request verification of the address information provided."

Response: I agree with the finding.

Recommendation #1:

- a) This recommendation has been implemented.
- b) This recommendation has been implemented
- c) This recommendation has been implemented
- d) This recommendation has been implemented
- e) This recommendation has not yet been implemented, but will be implemented in the near future. Property owners will be notified of assigned addresses by mail. I anticipate that this process will begin by the end of this calendar year. Those with an address change will be asked to contact the affected telephone company to notify them of the address. The purpose of this is to help provide the link between the address and the telephone number so that the correct address is posted for the dispatcher when a 911 call is made.

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Report[**E-911 Emergency System**
Committee[**Development & Environment Committee**
Type[**Response**
From[**Brian Muir, Auditor/Controller**

TO: The Honorable Anthony C. Edwards,
Presiding Judge of the Superior Court

FROM: Brian Muir, Auditor/Controller

SUBJECT: Response to Recommendations of 2002-03
Grand Jury Development & Environmental Committee
Final Report E-911 Emergency System

DATE: July 30, 2003

The Grand Jury Development & Environmental Committee has requested a written response to their final report on the Final Report on the E-911 Emergency System. In my capacity as Chairman of the GIS committee, my response to Finding 1, Recommendation 1a, and Finding 4, Recommendation 4a, is as follows:

Finding #1: *"The naming of private roads is a top priority in order to get the mapping addressing system complete and working. Many of the roads in Trinity County are not officially named. Roads within the county serving two or more properties must have an official road name. The county has a process and criteria for naming of roads. Citizens needing to name a private road should contact the Planning Department for more information. If a road has an official name and intersects with a county road, the county will provide a street name sign, post and bracket to be installed by the local Fire Department.*

The county is currently in the process of assigning addresses to all parcels within the county. Upon completion of this process, the county will send a notice to all property owners and request verification of the address information provided. "

Response: I agree with the finding.

Recommendation #1(a): This recommendation has been implemented. The County continues to place a high priority on the naming and mapping of all roads within the County.

Finding #4: *"The county has changed addressing systems several times over the years. This has caused a major delay in completion of the addressing system. Currently there is an ordinance in place, which defines the uniform addressing system for Trinity County."*

Response: I agree with the finding.

Recommendation #4(a): The recommendation will not be implemented. The GIS committee, which includes two members of the Board of Supervisors, has agreed to implement a countywide "uniform" address system based on 1,000 numbers per mile. The new system is easier for the general public to understand, and it will be implemented faster than the modified coordinate system. The GIS committee will recommend revising the current ordinance.

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Committee[**Development and Environmental Committee**
Title[**Review of Citizen Complaint**
Filed_Date[**8/2/2003**

**2002-2003 TRINITY COUNTY GRAND JURY
DEVELOPMENT & ENVIRONMENTAL COMMITTEE
FINAL REPORT**

REVIEW OF CITIZEN COMPLAINT

PURPOSE:

The 2002-2003 Grand Jury received a citizen complaint in January 2003 that the collection box for airplane tie-down fees at Trinity Center Airport is broken. The citizen has twice collected cash and checks off the ground at the airport during the past two years and turned the funds over to the Controller's Office at the County Courthouse.

BACKGROUND:

Trinity County has five airports, Hyampom, Ruth, Hayfork, Weaverville and Trinity Center and each airport has one or more collection boxes for airplane tie-down/parking fees.

METHODS OF INVESTIGATION:

Members of the committee interviewed the complainant, Steve Roberts who is the Airport Manager and Steve Judson, who is the Chairman of the Building and

Development Services Department, which oversees the airports. Members also visited four of the airports including Ruth, Hayfork, Weaverville and Trinity Center to see the collection boxes and investigate the security of the funds.

FINDING # 1:

Four of the airports have similar collection boxes with Weaverville Airport having a different style. One of the two collection boxes at Trinity Center has a defective locking mechanism, which does not allow the funds to be securely stored until they are picked up. The Building and Development Services Department is also aware of other occasions where the funds have been illegally removed from the defective collection box in Trinity Center.

RECOMMENDATION #1:

The Building and Development Services Department should place a high priority on replacing or repairing the defective collection box in Trinity Center with a more secure way of protecting the funds. The summer months are traditionally the busiest time at Trinity Center Airport; therefore, the Grand Jury recommends that the repairs be accomplished immediately.

-1-

FINDING #2:

In the past, the time interval between collections of the funds from the boxes has been sporadic and lengthy. Some of the checks were dated over a year from collection. As of March 2003, the Building and Development Services Department has scheduled monthly collection of funds at Trinity Center Airport by the Building Inspector.

RECOMMENDATION # 2:

The Grand Jury recommends that the monthly collection of fees at Trinity Center Airport be continued.

CONCLUSION:

Of the five airports in Trinity County, Trinity Center Airport is the most highly used airport and brings in the most revenue. Therefore, it is very important to provide a secure and safe method to hold the funds and to collect them on a monthly basis.

RESPONSES REQUIRED:

Penal Code 933 requires the following entities to respond to the Superior Court Judge of the Grand Jury within the required time period:

**ENTITY
FINDING**

**RECOMMENDATION
RESPOND IN:**

Building and Development Services Dept. Airport Division
1, 2

1, 2

30 days

[Link to Response](#)

Trinity County Board of Supervisors

1, 2

1, 2

90

[Link to Response](#)

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Report[Review of Citizen Complaint on Trinity Center Airport
Committee[Development & Environment Committee
Type[Response
From[Steven W. Judson, Director

TO: The Honorable Anthony C. Edwards,
Presiding Judge of the Superior Court

FROM: Steven W. Judson, Director
Building & Development Services

SUBJECT: Response to Recommendations of 2002-2003
Grand Jury, Development & Environmental Committee
Final Report of Citizen Complaint on Trinity Center Airport

DATE: July 21, 2003

The Grand Jury Development & Environmental Committee has requested a written response to their final report on a citizen complaint regarding an incident that the collection box for airplane tie-down fees at Trinity Center Airport is broken. In my capacity as Director, my response is as follows:

Finding #1: Four of the airports have similar collection boxes with Weaverville Airport having a different style. One of the two collection boxes at Trinity Center has a defective locking mechanism, which does not allow the funds to be securely stored until they are picked up. The Building and Development Services Department is also aware of other occasions where the funds have been illegally removed from the defective collection box at Trinity Center.

Response: I agree.

Recommendation #1: The recommendation will be implemented. I have secured two new collection boxes for Trinity Center Airport to replace the existing fee collection boxes, and a single new collection box for Hyampom Airport to be located adjacent to the new Tiedown Apron. Design features for mounting the new boxes are being finalized and I anticipate them to be in-place by mid-August. Additional new boxes will be located at Ruth, Hyampom and Hayfork Airports if they prove to be functional and ensure security.

I have also requested that the Sheriffs office periodically patrol the Trinity Center Airport ramp area to create a presence and re-direct un-authorized persons from the airport operations areas.

Finding #2: In the past, time interval between collections of the funds from the boxes has been sporadic and lengthy. Some of the checks were dated over a

year from collection. As of March 2003, the Building and Development Services Department has Scheduled monthly collection of funds at Trinity Center Airport by the Building Inspector

Response: I agree.

Recommendation #2: The implementation has been implemented. Monthly collection of fees, is in effect and will continue. Additionally we have implemented a regular, recurrent schedule of fee collection at the other airports.

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Report[**Review of Citizen Complaint on Trinity Center Airport**
Committee[**Development & Environment Committee**
Type[**Response**
From[**Board of Supervisors**

TO: *The Honorable Anthony C. Edwards
Presiding Judge of the Superior Court*

FROM: *Trinity County Board of Supervisors
Billie A. Miller, Chairman*

SUBJECT: *Response to the 2002-03 Trinity County Grand Jury Development and Environment Committee*

The Grand Jury Development and Environment Committee has requested a written response to their final report on Review of Citizen Complaint on Trinity Center Airport.

Finding #1, Response: *We agree with the finding.*

Recommendation #1, Response: *The recommendation will be implemented. Mr. Judson, Director of Building and Development Services, has secured two new collection boxes for the Trinity Center Airport.*

Finding #2, Response: *We agree with the finding.*

Recommendation #2, Response: *The recommendation will be implemented. Monthly collection of fees is in effect. A recurrent collection of fees has been scheduled for all County Airports.*

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**2002-2003 TRINITY COUNTY GRAND JURY
DEVELOPMENT & ENVIRONMENTAL COMMITTEE
FINAL REPORT**

BUILDING AND DEVELOPMENT SERVICES DEPARTMENT

PURPOSE:

Grand Juries are mandated to investigate the operations of various governmental agencies within the county. This report focuses on the Building and Development Services Department, which was last investigated by the 1994-1995 Grand Jury.

BACKGROUND:

On a tour of the Building and Development Services Department in August 2002, the Grand Jury discovered that there are over 2000 building permits outstanding that were issued between 1974 to 2001. While the improvements represented by some of these outstanding permits would not generate revenue for the county, it is fair to say that many of those improvements would generate additional revenue if they were placed on the tax rolls.

The Office of the County Assessor relies on the paperwork of the Building and Development Services Department in developing their improvement valuations. If an improvement for which an outstanding building permit has been issued does not receive a Certificate of Occupancy (final), the assessor can only make an assessment based upon the partial completion of the improvement. Thus the county and the state lose a substantial amount of revenue due to the underassessment of completed improvements.

There are four ways that an improvement can be placed on the tax rolls: (a) assessment at the time the Certificate of Occupancy is given by the Building and Development Services Department; (b) assessment at the time of sale by the assessor; (c) actual knowledge by the assessor that occupancy of the building has taken place; or (d) a visit by the Chief Appraiser to the property for assessment purposes.

Currently, there is a difference between the Building and Development Services Department office and the County Assessor's office of some 1,279 outstanding permits. This discrepancy is due to the fact that the assessor is primarily interested in those buildings that will generate revenue through improvements that will impose a tax liability on the property. The assessor does not track non-revenue producing building permits such as those for the replacement of a septic tank or the re-roofing of a home. Therefore, removing this class of non-revenue producing improvements from the 2000 plus total

leaves 721 potentially revenue producing improvements for which building permits have been issued.

The Grand Jury questions why nothing has been done to make taxable the improvements represented by these 721 permits. The current situation is unfair to those who are paying taxes on the fair value of their property.

METHOD OF INVESTIGATION:

Interviews have been held with employees of the Building and Development Services Department, the Office of the County Assessors and the Chief Appraiser. Field visits have been made to the Building and Development Services Department, the Office of the County Assessors and the Office of the Chief Appraisers to review their computer databases and report procedures.

FINDING #1

One director, one administrative secretary and one full-time countywide building inspector staff the Building and Development Services Department. The numbers of outstanding building permits accumulating without follow-up are partly the result of one person trying to cover an entire county. Providing “Finals” on 721 permits is not currently a priority in either the Building and Development Services Department or the Assessor's Office due to other job priorities and a lack of staff. Moreover, there is no effective system to track permits and collect reinstatement fees on those permits that have expired. The Building and Development Services Department does have a part-time job opening for another building inspector. The position is unfilled, however, due to the lack of qualified applicants willing to work part-time.

RECOMMENDATION #1

The Grand Jury recommends that the Board of Supervisors place a high priority on getting the improvements represented by the 721 outstanding building permits onto the tax rolls. This goal can be accomplished by expanding the current unfilled part-time job opening for a building inspector into a full-time position. This would have the effect of generating sufficient revenues to more than compensate the county for the expense of this expanded position (see Appendix A for an estimate of recovered funds).

FINDING #2

Based upon in depth interviews with persons representing the Building and Development Services Department, Planning Department, and Assessor's office, it is evident that there is a need to create the position of a code compliance officer.

This position would require knowledge of codes and code enforcement procedures. Duties would be to increase interdepartmental communication regarding codes and code enforcement, to handle the consolidation of complaints, and to be a

primary contact for the public on such matters for those three departments. This will hopefully enable them to function more as a single unit in dealing with code matters. A person trained in handling code and zoning enforcement issues should be able to bring resolution to those problems in a more timely and efficient manner.

RECOMMENDATION #2

A. The Grand Jury recommends that a code compliance officer position be created and filled by a person with sworn peace officer powers that is (or can be) trained in the handling of code and zoning enforcement issues. The code compliance officer would act as a primary contact for the public and coordinate the functions of the Building and Development Services Department, the Planning Department, and the Assessor's office, in order to more effectively resolve citizen complaints and deal with code violations.

B. As a cost savings measure, an alternative recommendation would be to combine the part-time building inspector and the code compliance officer into one full-time position (See Appendix A Code Compliance Officer salary).

The code compliance officer should have the legal right to enter upon private property in order to investigate code violations and complaints, notwithstanding a property owner's objections.

FINDING #3

An amendment to County Ordinance 15.04.080 passed by the Board of Supervisors prior to 1991 excluded section 202 (c) of Chapter 2 of the Uniform Building Code, which eliminated the Right of Entry of Building officials into buildings or premises if such entry is denied by the landowner. This county ordinance appears to prevent department employees from enforcing all of the 2001 California Building Codes, however County Counsel for the County of Trinity has informed the Grand Jury Committee that a procedure does exist for building officials to obtain entry irrespective of the existing County ordinance.

Upon interviewing employees in the Building and Development Services Department it was determined that none of the employees were aware of the alternative entry procedure. Because of this ambiguity in the County ordinance, County Counsel has informed the committee that he will clarify the ordinance with the Board of Supervisors and may have already done so before this Grand Jury report is made available to the general public.

RECOMMENDATION #3

It is strongly recommended by the Grand Jury that the Board of Supervisors rescind this amendment to the county ordinance and reinstate the entire provision of Section 104.2.3 of the California Building Code (formerly Section 202 (c) of Chapter 2 of

the Uniform Building Code).

FINDING #4

The Building and Development Services and Planning departments receive numerous citizens complaints on a weekly basis regarding illegal structures, as well as recreational vehicles placements, refuse collection, vehicle/mobile home storage, junk collection and substandard housing. Current staffing levels in the departments are hard pressed to perform their normal day-to-day tasks, and it is extremely difficult to process these violations and in most cases this can take months and many hours of work to bring to resolution. Existing ordinances do not effectively control these problems within the county. These ordinances do not include appropriate sanctions for their violation in order that compliance is obtained.

RECOMMENDATION #4

The Grand Jury recommends that the Board of Supervisors, after input from the Building and Development Services Department, the Planning Department, and the Assessor's office, review the affected county ordinances and amend them as necessary to protect the health and safety of the citizens of the county.

CONCLUSIONS:

The Grand Jury wishes to thank the county employees who were interviewed and publicly recognize their high degree of friendly cooperation during the interviews.

The Grand Jury also wishes to acknowledge their incredible devotion to doing their jobs well in spite of severe staff shortages in the Office of County Assessor and the Building and Development Services Department.

The Grand Jury strongly urges the Board of Supervisors to expand the job opening in the Building and Development Services Department to a full-time position. This action would serve to help capture currently lost revenue, which is so badly needed by this county. The tax dollars so obtained would more than pay for the cost of expanding the position and would not create an additional burden upon the county's budget. It would also prevent the increase of outstanding building permits. Moreover, the implementation of the reforms discussed in this report will ensure that all of the county's property owners are paying their fair share of property taxes. It will also help to ensure that some property owners are not able to engage in a form of tax evasion, which heretofore may have been tolerated by the county.

The Grand Jury further urges the Board of Supervisors to amend County Ordinance 15.04.080 to give the Building and Development Services Department sufficient legal authority to do its job according to the law found in the California Building Codes.

Appendix A

The following information was provided by the Building and Development Services Department. This information was taken directly from a random selection of 100 open permits issued through 1998.

They consisted of:

- 37 dwellings and additions to existing dwellings
- 63 garages, carports, covered porches, cabanas, armadas and additions to the same

The total value of this random selection of open permits amounted to \$2,641,130 while the reinstatement fees amounted to \$19,020.

As of March 30, 2002, the Trinity County Assessors office had 721 open permits of potentially revenue-producing improvements to properties.

The following results provide a high estimate of revenue that is not being recovered because the improvements are not placed on the tax rolls.

\$2,641,130	value of the open permits
<u> x .01</u>	taxable amount
\$26,411	amount of tax

\$26,411	amount of tax
<u> x 7.21</u>	number of outstanding permits (x100)
\$190,423	amount of lost tax from the improvements

The State of California gets 2/3 of the tax and the county gets the other 1/3. Therefore:

\$190,423 divided by 3 equals \$63,474 lost taxes to Trinity County.

\$19,020	reinstatement fees
<u> x 7.21</u>	number of outstanding permits (x100)
\$137,134	total amount of reinstatement fees paid to the County

\$63,474	lost taxes to Trinity County
<u>+ \$137,134</u>	total amount of reinstatement fees
\$202,608	Total amount of money lost to the County because of open permits.

Even if this amount were halved, it is a substantial amount of revenue to the County.

Code Compliance Officer Salary:

Code Compliance Officer salary (same as Building Inspector II) with benefits for 2003 would be \$4,564.18 a month or \$54,770.16 per year.

\$54,770.16 divided ½ (½ salary is now budgeted for a ½ time building inspector) is \$27,385.08. Therefore, the additional position would be an increase of only \$27,385.08.

RESPONSES REQUIRED:

Under Penal Code 933, the following entities are required to respond to the listed findings and recommendations within the time period indicated.

ENTITY
FINDING
RECOMMENDATION
RESPOND IN:

Building and Development Services Department

1,2,3,4

1,2,3,4

30 days

[Link to Response](#)

Planning Department

2,4

2,4

30 days

[Link to Response](#)

County Assessor

1,2

1,2

60 days

[Link to Response](#)

Trinity County Board of Supervisors

1,2,3,4

1,2,3,4

90 days

[Link to Response](#)

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Report[**Building & Development Services Department**
Committee[**Development & Environment Committee**

Type[**Response**

From[**Steven W. Judson, Director Building & Development Services**

TO: The Honorable Anthony C. Edwards,
Presiding Judge of the Superior Court

FROM: Steven W. Judson, Director
Building & Development Services

SUBJECT: Response to Recommendations of 2002-2003
Grand Jury, Development & Environmental Committee
Final Report & Development Services Department

DATE: March 18, 2003

The Grand Jury Development & Environmental Committee has requested a written response to their final report on the Building & Development Services Department. In my capacity as Director, my response is as follows:

Finding #1: One director, one administrative secretary and one full-time countywide building inspector staff the Building and Development Services Department. The numbers of outstanding building permits accumulating without follow-up are partly the result of one person trying to cover an entire county. Providing "Finals" on 721 permits is not currently a priority in either the Building and Development Services Department or the Assessor's Office due to other job priorities and a lack of staff. Moreover, there is no effective system to track permits and collect reinstatement fees on those permits that have expired. The Building and Development Services Department does have a part-time job opening for another building inspector. The position is unfilled, however, due to the lack of qualified applicants willing to work part-time.

Response: I agree.

Recommendation #1: The recommendation requires further analysis. With the Board of Supervisors' approval I would like to hire a new full-time position that would be responsible for the reinstatement and gaining final compliance on all outstanding permits. A method for tracking the outstanding permits will be developed based on a system that will have to be coordinated with the Assessor's office and the Building and Development Services Department. I would like to see this position placed into effect no later than the start of the new 2003-2004 fiscal year but that will be dependant on the Board of Supervisors and recruitment. The reinstatement fees as well as the tax revenue generated from putting the non-complying structures on the tax rolls will finance this position.

Finding #2: Based upon in depth interviews with persons representing the Building and Development Services Department, Planning Department, and Assessor's Office, it is evident that there is a need to create the position of code compliance officer.

This position would require knowledge of codes and code enforcement procedures. Duties would be to increase interdepartmental communication regarding codes and code enforcement, to handle the

consolidation of complaints, and to be a primary contact for the public on such matters for those three departments. This will hopefully enable them to function more as a single unit in dealing with code matters. A person trained in handling code and zoning enforcement issues should be able to bring resolution to those problems in a more timely and efficient manner.

Response: I agree.

Recommendation #2:

A. The recommendation requires further analysis. I anticipate that the position created in recommendation #1 will be in the capacity of a "Code Compliance Officer". This position may end up having another title but for purposes of this report I will refer to it as stated. After checking with other agencies it will probably not require the "sworn peace officer" status in order to function as intended. Implementation of this position as recommended by the Grand Jury will need to take place under direction of the Board of Supervisors in concurrence with the affected departments, the District Attorney and County Counsel. Timing will be at the direction of the Board of Supervisors but I would like to see it in place prior to the 2003-2004 fiscal year.

B. The recommendation requires further analysis. The Code Compliance Officer position would be funded as indicated in recommendation #1 above. The right of entry is addressed below in recommendation #3.

Finding #3: An amendment to County Ordinance 15.04.080 passed by the Board of Supervisors prior to 1991 excluded section 202 (c) of Chapter 2 of the Uniform Building Code, which eliminated the Right of Entry of Building officials into buildings or premises if such entry is denied by the landowner. This county ordinance appears to prevent department employees from enforcing all of the 2001 California Building Codes, however County Counsel for the County of Trinity has informed the Grand Jury Committee that a procedure does exist for buildings officials to obtain entry irrespective of the existing County ordinance. Upon interviewing employees in the Building and Development Services Department it was determined that none of the employees were aware of the alternative entry procedure. Because of this ambiguity in the County ordinance, County Counsel has informed the committee that he will clarify the ordinance with the Board of Supervisors and may have already done so before this Grand Jury report is made available to the general public.

Response: I agree.

Recommendation #3: The recommendation has been implemented. At the time of this report County Counsel has already taken action to remove the amendment to the County Code that rescinded Right of Entry as stated in the California Building Code section 104.2.3. The Department will follow the State and County procedures for entry onto property.

Finding #4: "The Building and Development Services and Planning departments receive numerous citizens complaints on a weekly basis regarding illegal structures, as well as recreational vehicles placements, refuse collection, vehicle/mobile home storage, junk collection and substandard housing. Current staffing levels in the departments are hard pressed to perform their normal day-to-day tasks, and it is extremely difficult to process these violations and in most cases this can take months and many hours of work to bring to resolution. Existing ordinances do not effectively control these problems within the county. These ordinances do not include appropriate sanctions for their violation in order that compliance is obtained."

Response: I agree.

Recommendation #4: The recommendation requires further analysis. Under direction from the Board

of Supervisors, I will participate with the Assessor's office, the Planning Department, County Counsel, District Attorney and any other affected departments to review and revise as needed county ordinances, existing code enforcement procedures, and requirements of the Code Compliance Officer position to create an effective program for guaranteeing the health and safety of the citizens of Trinity County. I do not have control of the timing on this recommendation, it is at the direction of the Board of Supervisors.

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Report[**Building & Development Services Department**
Committee[**Development & Environment Committee**
Type[**Response**
From[**John Jelich, Planning Director**

TO: The Honorable Anthony C. Edwards.
Presiding Judge of the Superior Court

FROM: John Jelich, Planning Director

SUBJECT: Response to Recommendations of 2002-2003
Grand Jury, Development & Environmental Committee Report Building
and Development Services Department

DATE: March 11, 2003

The Grand Jury Development & Environmental Committee has requested a written response to their final report on the Building and Development Services Department. In my capacity as Planning Director, my response to Findings 2 & 4 and Recommendations 2 & 4, as requested by the Committee is as follows:

Finding #2: "Based upon in depth interviews with persons representing the Building and Development Services Department, Planning Department, and Assessor's office, it is evident that there is a need to create the position of a code compliance officer.

"This position would require knowledge of codes and code enforcement procedures. Duties would be to increase interdepartmental communication regarding codes and code enforcement, to handle the consolidation of complaints, and to be a primary contact for the public on such matters for those three departments. This will hopefully enable them to function more as a single unit in dealing with code matters. A person trained in handling code and zoning enforcement issues should be able to bring resolution to those problems in a more timely and efficient manner."

Response: I agree.

Recommendation #2:

A. This recommendation requires further analysis. Implementation of this recommendation will require review and action by the Board of Supervisors. The Board may direct that affected departments meet with County Counsel and prepare a recommendation for implementation of this recommendation. I have no control regarding the timeframe to take action regarding this recommendation since a decision by the Board of Supervisors is required.

B. This recommendation requires further analysis. The recommendation may be feasible, but requires review with other affected departments. (Refer to response for Recommendation #4, below.)

Finding #4: "The Building and Development Services and Planning departments receive numerous citizens complaints on a weekly basis regarding illegal structures, as well as recreational vehicles placements, refuse collection, vehicle/mobile home storage, junk collection and substandard housing. Current staffing levels in the departments are hard pressed to perform their normal day-to-day tasks, and it is extremely difficult to process these violations and in most cases this can take months and many hours of work to bring to resolution. Existing ordinances do not effectively control these problems within the county. These ordinances do not include appropriate sanctions for their violation in order that compliance is obtained."

Response: I agree.

The recommendation requires further analysis. I do not have the authority to implement this recommendation; however, following direction from the Board of Supervisors. I will participate *with* other affected departments in reviewing: county ordinances; existing code enforcement procedures; and necessary authority, duties, and responsibilities for creating the position of Code Enforcement Officer in an effort to implement the recommendations presented by the Grand Jury.

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Report[**Building & Development Services Department**
Committee[**Development & Environment Committee**
Type[**Response**
From[**Dero Forslund, Clerk Recorder Assessor**

04/21/2003

Anthony Edwards, Judge Trinity County Superior Court

Re: 2002-2003 Grand Jury Report
Building and Development Services Department

Finding #1: As it affects the Assessor's office I disagree with the finding. It is not the responsibility of the Assessor to "Final" building permits.

Recommendation #1: I agree with the recommendation with the following comment. As the Assessor's office becomes aware of improvements completed under a building permit the value of the improvements are enrolled. Of the 721 "outstanding" permits mentioned in the report approximately 25% of the projected final value has been enrolled.

Finding #2: I agree with the finding.

Recommendation #2: I agree with the general recommendation on the need for a code compliance and I have recommended on several occasions the Board fill such a position. I have no authority to implement the recommendation.

Dero Forslund
Clerk Recorder Assessor

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Report[**Building & Development Services Department**
Committee[**Development & Environment Committee**
Type[**Response**
From[**Board of Supervisors**

TO: The Honorable Anthony Edwards
Presiding Judge of the Superior Court

FROM: Trinity County Board of Supervisors Billie A. Miller, Chairman

DATE: March 11, 2003

SUBJECT: 2002-2003 Trinity County Grand Jury Report
Development and Environmental Committee Final Report and
Development Services Department

The Grand Jury Development and Environmental Committee has requested a written response to their Trinity County Building and Development Services Department. The response of the Board of Supervisors is as follows:

Finding #1: The Trinity County Board of Supervisors agrees with Finding #1.
Recommendation #1: The recommendation will be implemented.

Finding #2: The Trinity County Board of Supervisors disagrees with Finding #2.

Recommendation #2: The recommendation will not be implemented for the following reasons:

- 1) Creating the position of code compliance officer trained in handling code and zoning enforcement issues is a completely separate issue from employing someone with sworn peace officer powers. Utilizing someone in the code compliance officer position who has sworn peace officer powers, and encouraging that person to enforce the codes and zoning ordinances could open

the County up to immense lawsuit potential. The Board of Supervisors cannot appoint a person to the code and zoning regulation enforcement position and grant them peace officer privileges.

- 2) The Grand Jury recommends "the code compliance person should have the legal right to enter upon private property in order to investigate code violations and complaints, notwithstanding a property owner's objections". California State search and seizure laws, as well as the Constitution of the United States preclude this from happening.

Finding #3: The Trinity County Board of Supervisors disagrees with Finding #3.

Recommendation #3: The recommendation will not be implemented. Permission should be obtained from the property owner (in writing), or a search warrant obtained, in order to protect the County from a lawsuit.

Finding #4: The Trinity County Board of Supervisors partially agrees with Finding #4.

Recommendation #4: The recommendation will partially be implemented. Some Ordinances should be amended to protect the health and safety of the citizens of the County. However, property owners also have rights that need to be supported and they should not be subjected to unnecessary ordinances just because some people do not like how they choose to live.

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**2002-2003 TRINITY COUNTY GRAND JURY
FINANCE AND ADMINISTRATION COMMITTEE
FINAL REPORT**

**UNSIGNED CITIZEN COMPLAINT
\$2 MILLION HOSPITAL FUND**

PURPOSE:

In its role in handling citizen's complaints, the Grand Jury referred to the Finance and Administration Committee an unsigned citizens complaint ' \$2 Million HOSPITAL FUND' stating the question:

“Would the Grand Jury investigate the \$2 Million HOSPITAL FUND, which was supposed to go to the hospital”?

The investigation centered on two objectives. One objective was to check on the accounting of the Hospital Trust Fund and the second objective centered on whether the Fund was a misallocation of State monies.

BACKGROUND:

Trinity County owns a hospital known as The Trinity Hospital (Hospital) located at 410 N. Taylor Street, Weaverville, California 96093, which was operated by a Hospital Board of Directors until recently when the County Board of Supervisors replaced the Hospital Board of Directors and are now operating the Hospital themselves. In recent years the Hospital has had negative cash flows, which has caused the Boards to examine its financial and operating systems to better align itself for the future. A claim of missing or incorrectly used Hospital funds (\$2 million) has caused many Trinity County Citizens to question the validity of some of the statements emanating from the Hospital and Board of Supervisors.

METHOD OF INVESTIGATION:

The Finance and Administration Committee sent letters to:

- Crystal Betts, Corporate Financial Officer, Trinity County Hospital
- David Hughes, former Hospital Administrator, Trinity County Hospital
- George Koortbojian, Interim Hospital Administrator, Trinity County Hospital
- Billie Miller, Chair, Trinity County Board of Supervisors

- Ralph Modine, Supervisor, Trinity County Board of Supervisors
- Brian Muir, Trinity County Auditor-Controller
- David Yarbrough, former Hospital Administrator, Trinity County Hospital

The Finance and Administration Committee received return correspondence from each of the persons listed above with attachment documents and spoke with several of the respondents. The committee also received newspaper articles (see The Trinity Journal dated February 26, 2003—*What has happened to the hospital's \$2 million?* and The Trinity Journal dated March 12, 2003—*The 'missing' \$2 million hospital sum is explained*).

FINDING #1:

This finding describes the process with time lines regarding the Hospital Capital Outlay Trust Account and the transfer of funds into the Operating Cash Account.

The Hospital Capital Outlay Trust Account had built up funds from accumulated surpluses of previous years in the aggregate amount of \$1,051,311.64 and increased by \$11,419.77 interest for a total of \$1,062,731.41 and was closed at the end of the last fiscal year as a part of implementing GASB34. The Board of Directors of Trinity Hospital on September 13, 2001 with David T. Hughes, Administrator and Billie Miller, Supervisor present acted on a resolution #5(j) to 'Approve a Transfer of Cash in Hospital Capital Outlay Trust Account into the Operating Cash Account'. When this transfer actually occurred per Journal Entry #01-307 dated 10/31/2001, a mistaken double entry appeared in the County's books wherein two (2) credits were inadvertently recorded each amounting to \$1,062,731.41 for a total of \$2,125,462.82. This error, which was immediately corrected, appeared as a *momentary* \$2 Million HOSPITAL FUND, which was not correct, but may have led to the belief that there was over \$2 million in the account when actually there was slightly over \$1 million (see attachment Trinity County Journal Entry JE #01-307 dated 10/31/2001).

CONCLUSION #1:

The Grand Jury is satisfied that all procedures were followed concerning the transfer of \$1,062,731.41 cash from the Hospital Capital Outlay Trust Account into the Operating Cash Account.

The Grand Jury recognizes that some confusion may exist as a result of an inadvertent double posting within the County financial records (see Journal Entry sheet attached), which has led to some puzzlement regarding the question by some citizens about the, "...missing or incorrectly used Hospital funds (\$2 million)".

RECOMMENDATION #1:

The Grand Jury has no recommendation(s). The Grand Jury thanks the many present and former Trinity County officials for their response to our letters of inquiry and

to those citizens of Trinity County for their interest in the Hospital as well.

FINDING #2:

This finding describes the process, time lines, and procedures of the County's handling of Hospital funds and specifically whether or not the funds were a State allocation.

The Finance and Administration committee sent many letters (see above) and received answers explaining that the Hospital Capital Outlay Trust Account accumulated surpluses and interest of prior years of operating the Hospital in the amount of \$1,062,731.41. On September 13, 2001 at a regular open Board of Directors meeting a unanimous vote was taken to transfer the funds to the Operating Cash Account per accounting procedure GASB34.

CONCLUSION #2:

The Grand Jury is satisfied that all procedures were followed concerning the transfer of \$1,062,731.41 of cash in the Hospital Capital Outlay Trust Account into the Operating Cash Account. There were no special State funds specifically used.

RECOMMENDATION #2:

The Grand Jury has no recommendation(s). The Grand Jury thanks the many present and former Trinity County officials for their response to our letters of inquiry and to those citizens of Trinity County for their interest in the Hospital as well.

MANDATED TIMES FOR REVIEW AND COMMENT:

The Committee takes note of the times listed below required by law (PC933a) for each affected department to review and return their comments to the Grand Jury.

Affected Departments:

1. Trinity County Board of Supervisors and CAO
Link to Response
2. Office of the County Auditor
Link to Response
3. Trinity County Hospital
Link to Response

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Report[**Unsigned Citizen Complaint \$2 Million Hospital Fund**
Committee[**Finance & Administration Committee**

Type[**Response**

From[**George Koortbojian, Interim Hospital Administrator**

TO: The Honorable Anthony Edwards,
Presiding Judge of the Superior Court

FROM: George Koortbojian, Interim Administrator

SUBJECT: Response to Recommendations of 2002-03 Grand Jury
Report re: Unsigned Citizen Complaint - \$2 Million
Hospital Fund

DATE: September 10, 2003

The Grand Jury Special Districts Committee has requested a written response to their final report on the Unsigned Citizen Complaint - \$2 Million Hospital Fund. In my capacity as Trinity Hospital Interim Administrator my response is as follows:

Finding #1: Response agree

Finding #2: Response - I agree.

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Report[**Unsigned Citizen Complaint \$2 Million Hospital Fund**
Committee[**Finance & Administration Committee**
Type[**Response**
From[**Board of Supervisors**

TO: *The Honorable Anthony Edwards,
Presiding Judge of the Superior Court*

FROM: *Trinity County Board of Supervisors
Billie A. Miller, Chairman*

SUBJECT: *Response to 2002-03 Trinity County Grand Jun^s Finance and Administration
Committee Final Report re: Unsigned Citizen Complaint-\$2 Million Hospital
Fund*

*The Grand Jury Finance and Administration Committee has requested a written response to
their final report on Unsigned Citizen Complaint-\$2 Million Hospital Fund.*

Finding #1, Response: *We agree*

*We are satisfied that all procedures were followed concerning the transfer of \$1,062, 731.41
cash from the Hospital Capital Outlay Trust Account into the Operating Cash Account.*

Finding #2, Response: *We agree*

*We are satisfied that all procedures were followed concerning the transfer of \$1,062,731.41
cash from the Hospital Capital Outlay Account into the Operating cash Account.*

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Report[**Unsigned Citizen Complaint \$2 Million Hospital Fund**
Committee[**Finance & Administration Committee**
Type[**Response**
From[**Brian Muir, Auditor Controller**

TO: The Honorable Anthony Edwards,
Presiding Judge of the Superior Court

FROM: Brian Muir, Auditor - Controller

SUBJECT: Response to Recommendations of 2002-03 Grand Jury Report re:
Unsigned Citizen Complaint - \$2 Million Hospital Fund

DATE: July 1, 2003

The Grand Jury Special Districts Committee has requested a written response to their final report on Unsigned Citizen Complaint - \$2 Million Hospital Fund. In my capacity as Auditor performing the duties of County Administrative Officer my response is as follows:

Finding #1, Response: I agree.

Finding #2, Response: I agree.

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**2002-2003 TRINITY COUNTY GRAND JURY
FINANCE AND ADMINISTRATION COMMITTEE
FINAL REPORT**

**UNSIGNED CITIZEN COMPLAINT
AUDITOR'S TRUST FUND**

PURPOSE:

In its role in handling citizens complaints, the Grand Jury referred to the Finance and Administration Committee an unsigned citizens complaint 'Auditors Trust Fund—Balance of \$700,000 as of 4/02/2002' stating the question:

“Most money in this account came from the sale of John Hancock insurance stock awarded to the County as a result of the policies the County had for their personnel. When the County changed to PERS they exited from John Hancock insurance & later sold the stock. Regardless of how the County got the money it is now sitting in this account.

- *Why is it here?*
- *Where will it go from here?*
- *What uses does this account have?*
- *Why isn't this money in the general fund?*
- *One of recent uses of this fund was the \$2,500 per family stipend to burned out Lewiston residents following the Lewiston fire.”*

One objective was to check on the sale of John Hancock insurance stock, what amount of money was deposited into the Auditors Trust fund and what was the final disposition of the funds. The second objective centered on the participation in the CalPERS retirement fund specifically the administration of the County's Over/(Under) Funded liabilities thereto.

BACKGROUND:

The Board of Supervisors of Trinity County (BOS) voted on April 1, 1985 to join the California Public Employees Retirement System (CalPERS) covering only the safety employees (Sheriff's department) for their retirement benefits. The John Hancock Mutual Insurance Company (JH) covered other County employees retirement benefits. In August

of 1993 the BOS voted to have all county employees join CalPERS for their retirement benefits, while JH would cease its involvement with the retirement of County employees. At the direction of the BOS, JH refunded to 110 County employee participants the amount of \$1,380,249. The County maintained its percentage ownership in JH.

The John Hancock Mutual Insurance Company issued an Initial Public Offering (IPO) changing its business status from a *mutual* company to a *public corporation*, which converted Trinity County's percentage ownership to stock. The John Hancock stock was received by the County, but County approved investing guidelines do not permit investments in common stock. The stock was sold and the funds were deposited in the 'Auditors Trust Fund', which is a holding account used by the Auditor's Office until proper disbursement can be accomplished.

The BOS agreed to pay for all county employee retirement benefits through participation with CalPERS. The County obligated itself through the issuance of Certificates of Participation with CalPERS to guarantee their retirement benefits. The BOS also authorized bonds in the amount of \$9.14 million to be added to the funding of CalPERS in one step. The amount of both the bond and monthly payments to CalPERS depends on the liability of the County's 'Projected Pension Benefit Obligations' as compared to the 'Projected Net Assets Available For Benefits' which CalPERS establishes in any current year. The difference between the two is known as the 'Over/(Under) Funded Projected Benefit Obligations', which should be managed so as to be as close to zero as possible.

METHOD OF INVESTIGATION:

The Finance and Administration Committee sent many letters to County Auditor-Controller, County Treasurer, Chairman of Supervisors and the Foreman Jury in order to gather information about conversion to CalPERS. Additionally, the Committee interviewed the County Auditor, examined articles in the newspaper to Bee (see issue July 29, 2002), and received many attachment documents to return letters from the above listed persons as well as a copy of the Trinity County Taxable Pension Obligation Bonds.

FINDING #1:

This finding describes the process with time lines regarding the County employee retirement fund, administrated by the John Hancock Mutual Insurance Company (JH), through the sale of stock generated by an Initial Public Offering (IPO) which was then received by the County, sold and Journal Entry of said funds into the General Fund.

The stock that was received by the County from JH and subsequently sold which amounted to \$448,075 was received on February 10, 2000. A dividend of \$364,929 was received on January 1, 2001, bringing the total amount received by the County of \$813,004, which was deposited into the Auditors Trust Fund. On February 22, 2001 the BOS authorized the prepayment of several debts amounting to \$240,786, which was taken from the Auditors Trust Fund leaving a balance of \$572,218. On June 29, 2002, as

a consequence of implementing a new financial government reporting model, the remaining balance of \$572,218, by Journal Entry (JE), was deposited into the County's General Fund.

CONCLUSION #1:

The Grand Jury is pleased that Trinity County was the benefactor of stock as a result of the John Hancock Corporation IPO resulting with \$813,004 cash being received. The Grand Jury is also satisfied that all County procedures and policies were followed regarding the sale of stock and the transfer of monies into the General Fund.

RECOMMENDATION #1:

The Grand Jury recommends that the Board of Supervisors deposit the remaining balance of \$572,218 into an interest bearing account to be used if or when the County experiences potential Under Funded Liability with CalPERS.

FINDING #2A:

This finding describes the process, time lines, and procedures of the County's participation in the employee retirement funds, the financial obligations of the Taxable Pension Obligation Bond (see part A page 5) and the Over/(Under) Funded liabilities of CalPERS (see part B page 7).

The BOS authorized in August 1993 that all County employees switch from the John Hancock retirement fund to CalPERS. When this occurred, the County guaranteed by the issuance of a Certificate of Participation with CalPERS that, first, all employees would be enrolled in CalPERS, secondly, the County would guarantee the retirement of all employees and, thirdly, the County would obligate itself to keep its contribution(s) to CalPERS within guidelines.

The addition of all County employees to CalPERS, by the BOS, resulted in successive years of differences between the 'Projected Net Assets Available For Benefits Column "A" below' and the 'Projected Pension Benefit Obligations column "B" below' which might result in an 'Over/(Under) Funded Projected Benefit Obligationse column "D" below'.

The County contributes funds to CalPERS who immediately deposits those funds into its overall investment accounts. Notwithstanding the monthly County contributions to CalPERS, its changing investment value also varies day-to-day, and therefore the value of the County's portion also changes value. Each year CalPERS estimates the County's participation value (see column "A" below) as well as the actuarial value of the County's benefit obligations (see column "B" below), which results in the amount of projected Over/(Under) Funded liability (see column "D" below).

Column “A” represents the projected value of the funds the County contributes each pay period and any additional funds as invested in CalPERS and as projected to be available for employee benefits.

Column “B” represents the projected value of the County’s Benefit Obligations as projected to be available for employee benefits.

Column “C” represents Percentage Funded

Column “D” represents the Over/(Under) Funded amounts

The addition of ALL County employees to CalPERS, the declining value of the County’s participation value relative to its benefit obligations and the ever-increasing Under Funded Liability brought about certain subsequent activities.

The Committee was informed that if there were any Under Funded Liability obligations then a ‘smoothing formula’ would be put into effect so that the County’s monthly contribution would be increased in order to keep the Under Funded liability to as close to zero as practicable. The County continued its yearly funding contribution obligations until 1998 when the BOS authorized a bond to be issued (see chart page 6) in the principal amount of \$9.14 million to equalize the difference between Assets Available for Benefits (see column “A” above) and Projected Pension Benefit Obligations (see column “B” above).

The resultant net bond amount of \$8,773,390, after subtracting issuance costs, was deposited with CalPERS who immediately added the funds to its investment portfolio in the County’s behalf.

The total payback of principal and interest over the 20-year period of the bond will be \$17,710,767. The Grand Jury noted that in fiscal year 2017 a bond payment of approximately \$1.4 million is due and payable by the County. This bond amount is more than twice the amount due in fiscal year 2003.

CONCLUSION #2A:

The BOS authorized the bonds in the amount of \$9.14 million to be added to the funding of CalPERS in one step in lieu of many small steps instead of relying on the ‘smoothing formula’. The funds, which the County pays to CalPERS, are immediately

added to the CalPERS investment portfolio, which fluctuates with the commercial investment market. The County should be proactive in evaluating CalPERS' future. The 1998 BOS authorized the long-term bond, which cannot be changed over time with a 20-year fixed payout feature, whose funds are then entered into a variable investment. The Committee has received information indicating the CalPERS investments themselves could diminish. The County would then be required to add more funds to prevent under funding. The County, due to the fluctuating investment market, should evaluate its financial responsibilities monthly. The County should not simply rely on additional bond funding to alleviate any potential problem.

FINDING # 2B:

The Committee evaluated the years (1993-2001) wherein all County employees were enrolled in CalPERS and then compared the results of the 'smoothing' formula (see CalPERS Actuarial Information table above). The Committee noted that an immediate under funded liability occurred (1993) which built up to a high of \$8.6 million in 1996 and decreased to \$5.865 million (1997) or a \$2.7 million reduction in one-year. The BOS authorized a \$9.14 million bond, which over funded the CalPERS account by \$3.849 million and it still remains over funded as of 2001. The Committee noted that the County is obligated to pay off the bond (see chart page 6) while at the same time the County has over funded its CalPERS requirements.

CONCLUSION #2B:

The Committee recognized that the \$9.14 million bond over a payoff period of 20 years would cost the County \$17.71 million including principal, interest, and cost of issuance. The County was not required to over fund its contribution account and therefore did not need to pass such a large bond, or possibly other means of funding could have been implemented which would have eliminated the need for a bond altogether.

The Grand Jury recognizes the complexity and ever changing potential political and budgetary forces competing for County tax funds. The Committee also recognizes that IF ALL procedures were met on a 'year-to-year' basis regarding the amount of funds given to CalPERS to meet County requirements, there still is the uncertain investment market forces which can change its funding obligations dramatically.

Considering the ever changing forces which affect the CalPERS investments and hence the County's share thereof (some of which are in the millions of dollars per yeartables listed above) the BOS should monitor the accounts closely.

RECOMMENDATION:

The Grand Jury strongly recommends the BOS immediately employ a County Administrative Officer (CAO) whose responsibilities would include the monitoring and administration of the CalPERS retirement account.

The Grand Jury strongly recommends that the CAO immediately and in the future

proactively monitor the CalPERS retirement account on a 'year-to-year' basis so as to keep the Over/(Under) Funded amounts in the CalPERS retirement account as close to optimum zero as possible.

The Grand Jury also recommends that the County look into refinancing the existing bond to procure a lower rate of interest.

The Grand Jury notes that the last 7 of the 20-year term of bond payments exceed \$1 million per year. The BOS should immediately develop a long-term budget awareness of this yearly bond payment schedule.

MANDATED TIMES FOR REVIEW AND COMMENT:

The Committee takes note of the times listed below required by law (PC933a) for each affected department to review and return their comments to the Grand Jury.

Affected Departments:

1. Trinity County Board of Supervisors and CAO
Link to Response
2. Office of the County Auditor
Link to Response
3. Office of the County TreasurerCollector
Link to Response

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Report[Auditor's Trust Fund
Committee[Finance & Administration Committee
Type[Response
From[Lynda Hymas, Treasurer- Tax Collector

To: The Honorable Anthony Edwards,
Presiding Judge of the Superior Court

From: Lynda Hymas, Treasurer-Tax Collector

Date: June 9, 2003

Re: 2002-2003 Trinity County Grand Jury Report Finance and Administration
Committee –
Auditor's Trust Fund

FINDING #1:

This finding describes the process with time lines regarding the County employee retirement fund, administrated by the John Hancock Mutual Insurance Company (JH), through the sale of stock generated by an Initial Public Offering (IPO) which was then received by the County, sold and Journal Entry of said funds into the General Fund.....

I agree with the overall information, however I do not have enough information to agree or disagree with all details in the finding.

RECOMMENDATION #1:

The recommendation does not pertain to a matter under my control.

FINDING #2A:

I agree with the overall information, however I do not have enough information to agree or disagree with all details in the finding. I disagree that the bonds were issued to fund CalPERS "in one step in lieu of many steps".

The finding does not include information that the annual actuarial from PERS projected county payments to PERS as \$685,580 in 98/99 (based on the 1996 actuarial).

When the County contracted with PERS to cover General employees a large un-funded liability was created. In 1997/98 using historic PERS calculations, projections were

that annual PERS payments could reach approximately \$820,000 in 2003, \$1,000,000 in 2008 and \$1,500,000 in 2017. The decision was made to issue bonds at a rate approximately 2% lower than that used by PERS in their annual calculations. It was anticipated that there would be a savings of over \$100,000 annually by paying bond payments rather than PERS.

FINDING #2B:

I do not have enough information to agree or disagree.

It was not the intent of the county to "overfund" PERS when issuing the bonds. They were issued for the amount that PERS calculated as an un-funded liability, at the time of issuance. As mentioned in the report, the over-funding shown in subsequent years demonstrates how, changing market conditions, long delays in PERS actuarial calculations, as well as other factors can change over or under funding in a given year.

RECOMMENDATION#2:

The recommendation does not pertain to a matter under my control. If directed by the Board of Supervisors, this office can assist with information and or the issuance of bonds.

I agree that it is important for the county to monitor all county debt and expenditures and to plan for the future. County management should also monitor PERS and conditions that may affect PERS financial status and the County's future liabilities.

The pension bonds were issued in order to lower the interest rate, they are not callable, as that is a standard in the market. It may be possible in the current market to issue bonds at a lower rate and pay the costs to make payments on the existing bonds.

At the time of issuance of the pension bonds the Board, CAO, Auditor and Treasurer received a debt repayment schedule to be used for budget planning.

Return to Report

Report[Auditor's Trust Fund
Committee[Finance & Administration Committee
Type[Response
From[Brian Muir, Auditor Controller

TO: The Honorable Anthony Edwards,
Presiding Judge of the Superior Court

FROM: Brian Muir, Auditor - Controller

SUBJECT: Response to Recommendations of 2002-03 Grand Jury
Finance and Administration Committee Report re: Auditor's Trust Fund

DATE: May 12, 2003

The Grand Jury Finance and Administration Committee has requested a written response to their final report on the Auditor's Trust Fund. In my capacity as Auditor - Controller performing the duties of County Administrative Officer my response is as follows:

Finding #1: I agree.

Response: The County was fortunate to receive cash as a result of the John Hancock public offering and the appropriate procedures regarding the sale of stock and transfer of funds were followed.

Recommendation #1: Implementation of recommendation #1 is a decision of the Board of Supervisors. The Board could carve \$572,218 out of the General Fund and put it in the Reserve or prepay a portion of the CalPERS liability. I would recommend against reserving funds to pay any future under funded CalPERS liability when the County has minimal reserves and a deficit of over \$1,500,000 in the Hospital Fund. Furthermore, when the County does experience an under funded liability, CalPERS funds it and recovers the shortfall over a number of years through a smoothing formula.

Finding #2A: I agree in part.

Response: The process and timelines presented in the finding are correct. The concept of monitoring CalPERS liabilities on a monthly basis would be difficult if not impossible. Fluctuations in the CalPERS investment portfolio only represent a portion of the total liability. In order to determine the total liability each month, the County would need a monthly actuarial study of County employees. It is unclear what action could be taken if CalPERS sustained large portfolio losses since the County has a long-term contract with PERS as well as contracts with its bargaining units specifying PERS retirement.

Finding #2B: I agree

Response: It is important to monitor the CALIPERS liabilities, which is why the Auditor's office includes a summary showing the results of an annual valuation report in the notes to the County's financial statements. It should be noted that the County has no control over the *CalPERS* investment portfolio. CalPERS reports investment losses after the fact, and the annual actuarial review, which is made as of the last day in June, is not received by the County until the following October.

Recommendation #2: The recommendation will be partially implemented.

Any decision to employ someone to monitor the CalPERS retirement account must be made by the Board of Supervisors. In any case, the Auditor will continue to monitor the account through the annual valuation report.

Any decision to add funds to the retirement account to correct any under funded liability would be made by the Board of Supervisors. I would not recommend any addition since the normal CalPERS smoothing formula would correct the problem.

The Auditor will evaluate the financial impact of refinancing the existing bond and report to the Board of Supervisors within 60 days.

I believe the Board is already aware of the budget impact of the bond repayments. The Auditor will continue to provide a bond repayment schedule in the notes to the County financial statements.

[Link to Report](#)

Report[Auditor's Trust Fund
Committee[Finance & Administration Committee
Type[Response
From[Board of Supervisors

TO: The Honorable Anthony Edwards,
Presiding Judge of the Superior Court

FROM: Trinity County Board of Supervisors

RE: 2002-2003 Trinity County Grand Jury Final Report
Finance and Administration Committee Re: Auditor's Trust
Fund

DATE: August 6, 2003

The Trinity County Board of Supervisors welcomes the opportunity to respond to the Grand Jury's Finance and Administration Committee report regarding the Auditor's Trust Fund.

FINDING #1: The Board agrees with this finding and the conclusion that appropriate procedures were followed.

RECOMMENDATION #1: The Board disagrees with this recommendation. Our county's Auditor-Controller has indicated in his response to this report that he would advise against this recommendation also. To set aside over a half a million dollars of General Fund monies in anticipation of some future under funded CalPERS liability, at a time when the State and County budgets are in distress, would be imprudent.

FINDING #2A: The Board agrees with this finding, however, we do not entirely agree with the conclusion that was drawn from the finding as regards to the necessity for monthly evaluations of the county's CalPERS obligations.

FINDING #2B: The Board agrees with this finding but, here again, we do not believe it leads to the entire conclusion. The financing and refinancing of the county's CalPERS obligations were fiscally expedient at the time and to criticize in hindsight is unproductive.

RECOMMENDATION #2: The Board agrees, in part, with this recommendation. Since the retirement of Jeannie Nix-Temple, Trinity County has been attempting to recruit a County Administrative Officer. With one of the smallest county budgets in California, Trinity was one of the last to establish the position. So far our recruitment attempts have been unsuccessful which has left an administrative vacuum in the county.

RECOMMENDATION #2 cont.: However, Trinity County is very fortunate to have a

very able and talented Auditor-Controller who has been willing to assume (CAO) duties until the county is in a position to fill the vacancy with a qualified person. Our County Counsel and County Clerk-Recorder with their staffs as well as all our department heads (County Management Team) have willingly stepped up to the plate to help fill the vacuum and keep Trinity County functioning in an efficient and productive way. This all comes at a time when the State is in fiscal crisis and counties will be expected to provide services with less revenue.

The Board agrees that it is important to monitor our CalPERS retirement account as well as other county debts and expenditures and will continue to do that as a matter of course.

Understanding that there is no "call provision" in our Pension Bond obligation, the Board will explore other means of refinancing to see if there would be any overall cost savings.

The Board maintains, at budget hearings and at midyear budget updates, a sound short and long-term fiscal awareness and will continue to do so especially now when the State of California is facing financial chaos.

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Committee[Finance and Administration Committee

Title[Trinity County Grants and Housing Rehabilitation Loan
Administration

Filed_Date[8/2/2003

**2002-2003 TRINITY COUNTY GRAND JURY
FINANCE AND ADMINISTRATION COMMITTEE**

**CITIZEN COMPLAINT
TRINITY COUNTY GRANTS AND HOUSING REHABILITATION
LOAN ADMINISTRATION**

PURPOSE:

The Trinity County Grand Jury is empowered to investigate, as it deems appropriate, complaints received from citizens of Trinity County. This report is the result of the Grand Jury investigating a citizen's complaint of the Grants Administrator's office and contains findings, recommendations and conclusions concerning said investigation.

BACKGROUND:

The Grand Jury received a complaint with documentation against the Grants and Housing Rehabilitation Loan Administration. It stated that the complainant applied for a \$2500.00 grant and was offered a \$5000.00 loan, without an adequate or understandable explanation of the switch from a grant request to a loan program.

METHOD OF INVESTIGATION:

The Finance and Administration Committee conducted interviews with: Brian Muir, County Auditor/Acting County Administrator; Pat Mortensen, the County Grants Administrator; Bill Hinman, the Chairman of the Loan Committee; a successful grant recipient; the complainant and her Case Manager. The Finance and Administration Committee examined the County files of the complainant, the County program guidelines and other County related records. The Subcommittee Chairperson spoke with Sally Verdin, California Department of Housing and Community Development for the Community Development Block Grant Program (CDBG) Housing Representative. This contact was made to obtain program guideline clarifications. The Subcommittee Chairperson, also, attended public meetings held by the County Grants Administrator to explain the department's programs.

Finding#1:

Analysis of Trinity County's approved CDBG Housing Program's guidelines failed to demonstrate any differentiation between grant qualifications and loan parameters. This program's advertisements and public announcements prominently refer to grant money availability only, creating the distinct impression that the program primarily offers grants,

which the committee found is not the case. The program, so far, has only approved seven grants and offered other applicants low-interest or no-interest loans. This equates to 77% of applicants offered loans and 23% offered grants

RECOMMENDATION#1:

The Grand Jury recommends that the current CDBG Housing program guidelines for Trinity County, which reflect the loan parameters be revised to include the grant qualifications. It should be clearly stated in all advertisements and public announcements so that the public can ascertain the fact that the program may offer a loan instead of a grant.

FINDING#2:

The function of the CDBG Loan Committee is to decide who receives a grant or loan; and if a loan is given, what the terms are of said loan. Previously, the process of deciding who receives a loan or grant has not necessarily followed the recommendation of the staff, who work directly with the applicant in preparation of the paperwork. The decisions appear to be arbitrary, including the terms of the loans. The members of the Loan Committee that were interviewed could not articulate an accurate account of the decision-making process. The Loan Committee's meeting minutes and the program guidelines, also, do not outline an agreed upon process. This creates the distinct impression of subjectivity that has led to accusations of personal biases, which cannot necessarily be disputed because of the un-delineated process.

RECOMMENDATION#2:

The CDBG Housing Loan Committee needs to follow a more concise set of steps in its decision-making process. This needs to be reflected in its minutes and set forth in the program guidelines, especially the decision process of whether to offer a grant or a loan.

FINDING#3:

The areas within the County where the Housing Rehabilitation grants and loans are being offered have recently been expanded. The Loan Committee membership is too small and does not adequately represent the community that it serves.

The Acting County Administrator, who is also the County Auditor, sits on the Loan Committee (the previous CAO did not). According to the program guidelines, an applicant must appeal to the County Administrator for a redress of any grievances. Since the Acting County Administrator is part of the body voting the initial decision, this situation poses a conflict of interest in the appeal process.

RECOMMENDATION#3:

If the Loan Committee is to continue in existence, it must expand its membership to reflect more geographic and demographic representation.

The Auditor/Acting County Administrator should not serve as a member of the Loan Committee. This will eliminate the conflict of interest in the appeals process.

This situation underscores the need to hire a full time County Administration Officer.

CONCLUSION:

The Grants and Housing Rehabilitation Loan Administration needs to communicate the available programs in a much more clear and concise manner by rewriting its materials and offering a better public presentation.

The Loan Committee needs a better process and written policy for its decision making, as well as, a better understanding of all aspects of the program in which it is involved.

The program guidelines need to be rewritten to outline clearer parameters for receiving a grant.

The Auditor/Acting County Administrator is too intricately involved in the grant/loan process. This elected official is: (a) voting on who receives funds; (b) the person who must be appealed to for redress; (3) the person who decides where repaid funds are budgeted to be re-spent.

Trinity County needs a full time County Administrative Officer. The Auditor/Acting County Administrator is wearing too many hats to effectively manage all of the duties and responsibilities required.

RESPONSES REQUIRED:

Under Penal Code 933, the following entities are required to respond to the listed findings and recommendations within the required time period:

ENTITY

FINDING

RECOMMENDATION

RESPOND WITHIN

Trinity Co. Board of Supervisors

#1,#2,#3

#1,#2,#3

90 days

Link to Response

Trinity Co. Auditor /Acting Admin.Of.

#1,#2,#3

#1,#2,#3

60 days

[Link to Response](#)

Trinity Co. Grants Administrator

#1

#1

30 days

[Link to Response](#)

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Report[**Citizen Complaint Grants & Housing Rehabilitation Loan Administration**
Committee[**Finance & Administration Committee**
Type[**Response**
From[**Patricia Mortensen, Grants Administrator**

TO: The Honorable Anthony C. Edwards
Presiding Judge of the Superior Court

FROM: Patricia Mortensen, Grants Administrator

SUBJECT: Response to Recommendations of 2002-2003 Trinity County Grant Jury Finance and Administration Committee, Final Report, *Citizen Complaint — Grants and Housing Rehabilitation Loan Administration*

DATE: June 30, 2003

The Grand Jury Finance and Administration Committee has requested a written response to Finding #1 of its final report on the citizen complaint for the Grants and Housing Rehabilitation Loan Administration.

Finding #1, First sentence:

"Analysis of Trinity County's approved CDBG Housing Program 's guidelines failed to demonstrate any differentiation between grant qualifications and loan parameters ".

Response:

I disagree.

The guidelines adopted December 5, 2000 are for a Housing Rehabilitation Loan Program and do differentiate between grant and loan qualifications. Any person who meets the income criteria is eligible for a loan. A portion of the program funds may be used for grants, but only those income eligible persons who are seniors, disabled, handicapped or their housing conditions pose a serious health and safety threat are considered for a grant. In writing the guidelines it was the intent that only a small part of the funds would be for grants.

- Section 2.0 Applicant Income Eligibility; B. Income Eligibility; 1. "The maximum household income allowable to qualify for a CDBG Housing Rehabilitation Program loan is eighty (80) percent of the median income

(targeted income) for Trinity County, as established by the California Department of Housing and Community Development."

- Section 4.0 Loan Terms and Conditions; C. Required Loan Security, "Property to be rehabilitated shall act as security for the loan. All loans shall be secured by a Promissory Note and recorded Deed of Trust."
- Section 4.0 Loan Terms and Conditions, G. Types of Financing and Terms. 1. Grants. "...The County is willing to use a portion of its Housing Rehabilitation open grant for grants. The individual grant cannot exceed \$5,000. The recipient must either be a senior citizen (over 60 years of age), a disabled person, a handicapped individual needing special handicap items (wheelchair ramp, handicap bars, etc.) or housing conditions pose a serious health and safety threat...."

Finding #1, Second sentence:

"This program's advertisements and public announcements prominently refer to grant money availability only, creating the distinct impression that the program primarily offers grants, which the committee found is not the case: "

Response:

I disagree partially with this finding.

It was not the intent to create the impression that the CDBG Housing Rehabilitation offers only grants. Because the name of the funding program is the Community Development Block Grant Program people could believe that only grants are given. The advertisements and announcements mention "Community Development Block Grant Programs (CDBG) for Individuals, Businesses and Community Organizations" and "Housing Rehabilitation". The Housing Rehabilitation Loan Committee was aware that the advertisements and public announcements gave the impression that the Housing Rehabilitation program offered primarily grants. Staff was directed to modify the advertisements, announcements and community meeting presentation indicating the program offers no-interest and low-interest housing rehabilitation loans.

Finding #1, Third sentence:

"The program, so far, has only approved seven grants and offered other applicants low-interest or no-interest loans. This equates to 77% of applicants offered loans and 23% offered grants ".

Response:

I agree.

However the statement seems to imply that more grants should have been offered.

The wording of the guidelines adopted December 5, 2000. Section 4.G. I.Grants states that "The County is willing to use a portion of its Housing Rehabilitation open grant for grants." In as much as the Housing Rehabilitation Loan Program is a revolving loan fund, the Loan Committee intended to approve only a small number of grants.

Recommendation #1, First sentence:

"The Grand Jury recommends that the current CDBG Housing program guidelines for Trinity County, which reflect the loan parameters be revised to include the grant qualifications".

Response:

The recommendation has been implemented. The program guidelines adopted May 20, 2003 have been revised and approved by the Board of Supervisors to better define grant qualifications.

Recommendation #1, Second sentence:

"It should be clearly stated in all advertisements and public announcements so that the public can ascertain the fact that the program may offer a loan instead of a grant."

Response:

The recommendation has been implemented. Advertisements and public announcements for the current program clearly state that this is a housing rehabilitation loan program and loans are available for housing rehabilitation. In community meetings we do discuss that a portion of the funds may be available for grants if the grant criteria are met.

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Report[**Citizen Complaint Grants & Housing Rehabilitation Loan Administration**

Committee[**Finance & Administration Committee**

Type[**Response**

From[**Board of Supervisors**

TO The Honorable Anthony Edwards,
Presiding Judge of the Superior Court

FROM: Trinity County Board of Supervisors
Billie A. Miller, Chairman

RE: 2002-2003 Trinity County Grand Jury Final Report
Finance and Administration Committee
Re, Citizen Complaint on Grants & Housing Rehabilitation Loan
Administration

The Trinity County Board of Supervisors takes this opportunity to respond to the 2002-2003 Grand Jury's Finance and Administration Committee report on a citizen complaint regarding the county's Grants and Housing Rehabilitation Loan Administration.

FINDING #1: The Board agrees that while the guidelines for the operation of the CDBG Housing Loan Committee are clearly spelled out in policy statements, changes in advertisements and announcements were required to be made to make them more user understandable.

RECOMMENDATION #1: This recommendation has been implemented.

FINDING #2: The Board of Supervisors disagrees with this finding. The operation of the Housing Loan Committee is spelled out in policy. Decisions and voting by the committee are made pursuant to regular parliamentary procedures.

RECOMMENDATION #2: The Board of Supervisors agrees in part. The Board expects that, over time, guidelines for the Housing Loan Program will be perfected to make the program more understandable and usable by qualified applicants.

FINDING #3: The Board of Supervisors disagrees with this finding. The Board believes that the Housing Loan Committee is made up of a good balance of members from the public and private sector who understand housing finance and local housing finance needs and who represent the demographic and geographic spread of Trinity County. The Board also believes that the Auditor/Controller, with his financial expertise, should be a member of the committee. Since the Auditor is, at present, the acting County Administrative Officer, we see no problem with appeals of Housing Loan Committee decisions being heard by another county department head that is familiar with banking and finance. Appeals are rare.

RECOMMENDATION #3: The Board of Supervisors disagrees with this recommendation and would refer to our response to Finding #3 as stated above. The Board would, however, change the composition of or the number of members on the Housing Loan Committee if it was discovered that there was a need for additional expertise or if housing needs in a particular area of the county were not being adequately addressed.

Since appeals are rare, we feel that those appeals can be heard by a county manager with knowledge of housing loans and banking until the county re-hires a full time CAO.

The Board of Supervisors agrees that, under normal circumstances, the county is better served by having a full time County Administrative Officer. However, the County of Trinity has the good fortune to have an Auditor/Controller who has the education, experience and abilities to do the duties of County Administrative Officer on an interim basis. Add to this the fact that our county is suffering California's budget crisis and is having to lay off county employees, the fact that the county's department heads and supervisors are willing to shoulder some of the administrative load and the fact that the staffs in the Auditors office, the Supervisors Office, the Personnel Office and the County Counsel's Office are all able and well trained; all these have caused the Board of Supervisors to decide to not recruit for a fulltime CAO this fiscal year. It should be pointed out, also, that the Board of Supervisors would not ask him to carry, nor would the Auditor except, additional responsibilities that would cause him to be overburdened.

Return to Report

Report[**Citizen Complaint Grants & Housing Rehabilitation Administration**
Committee[**Finance & Administration Committee**
Type[**Response**
From[**Brian Muir, Auditor-Controller**

TO: The Honorable Anthony Edwards,
Presiding Judge of the Superior Court

FROM: Brian Muir, Auditor - Controller

SUBJECT: Response to Recommendations of 2002-03 Grand Jury
Finance and Administration Committee Report re: Citizen Complaint,
Trinity County Grants and Housing Rehabilitation Loan Administration

DATE: June 10, 2003

The Grand Jury Finance and Administration Committee has requested a written response to their final report on Citizen Complaint, Trinity County grants and housing Rehabilitation Loan Administration. In my capacity as Auditor performing the duties of County Administrative Officer my response is as follows:

Finding #1: I agree.

Response: The loan committee and staff recognized the need to emphasize the loan aspect of the program over 9 months ago, and appropriate changes in advertisements and announcements were made. The staff will continue to make every effort to insure that citizens understand the CDBG program.

Recommendation #1: The recommendation has been implemented.

Finding #2: I disagree in part.

Response: There is nothing arbitrary about the decisions of the CDBG Loan Committee, In fact, decisions are made using the same process as the Board of Supervisors uses in its meetings. All members receive the staff reports on applications in advance of the meeting. At the meeting each application is reviewed separately. and committee members have the opportunity to ask staff questions about the application. The application is then discussed until a motion regarding the loan application is made and seconded. After discussion a vote is taken. If the motion is not approved, discussion continues until a new motion is made.

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Recommendation #2: The recommendation will be partially implemented. Any decision to change the program guidelines needs to be at the direction of the Board of Supervisors. I will make sure that the loan committee minutes document the reasons for offering either a loan or a grant.

Finding #3: I disagree.

Response: The CDBG Loan Committee is not too small, and it is representative. Its membership is three employees of County government and three citizens. The current committee consists of:

- David Klipp, Supervisor District 1
- Bob Reiss, Supervisor District 5
- Brian Muir, Auditor
- Bill Hinman
- Millie Pollard
- Sharon Eggleston

The County Auditor does sit on the committee and hear appeals, but there is no conflict of interest. I have no financial interest in any property or transaction reviewed by the committee. However, the committee has received only one appeal since I have been a member, and I am asking the Board of Supervisors to appoint another department head to hear it.

Recommendation #3: The existence and any membership changes for the loan committee are decisions of the Board of Supervisors.

The decision on whether or not the Auditor should be a loan committee member is up to the Board. However, it is important to have members who understand real estate and financing.

Conclusion: I disagree in part.

Response: The current program guidelines are clear on the parameters for receiving a grant. They state, "A limited number of \$5,000 grants are available to people who own and occupy their home, and where the total lien to property value ratio precludes a loan. Grants will not be made where the property is free and clear of any liens, or where there is sufficiently low lien to property value ratio to allow a normal CDBG loan." It is important to note that when loans are repaid the funds are available for loans and grants to other citizens.

The County Auditor is involved in the grant/loan process, which is appropriate. As an elected official I: (a) do vote on loan applications; (b) the only appeal will be handled by someone else; (c) and, contrary to the statement in the Grand Jury's report, do not decide where repaid funds are budgeted to be re-spent. Only the Board of Supervisors can appropriate funds.

Finally, I find no evidence in the Grand Jury's report that would substantiate the claim that I wear too many hats to fulfill my responsibilities. If that were true the Board would immediately hire someone to serve as CAO, The County is saving almost \$100,000/year because I perform the duties of CAO. That is roughly the equivalent cost for two deputy sheriffs.

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**2002-2003 TRINITY COUNTY GRAND JURY
HEALTH AND HUMAN SERVICES DEPARTMENT
FINAL REPORT**

**COUNTY HEALTH OFFICER HEALTH DEPARTMENT ENVIRONMENTAL
HEALTH DEPARTMENT
SAFETY AND RISK MANAGEMENT COMMITTEE**

PURPOSE:

The Grand Jury is mandated to investigate complaints from citizens of Trinity County and to investigate departments of the county and other entities that receive financial support from the county. It is recommended that all departments be investigated at four year intervals or more frequently.

BACKGROUND:

The Health and Human Services Committee has for several years focused on the hospital and/or the Behavioral Health Departments. While both of these departments continue to be foci of controversy this year, both are also subjects of study by committees selected by the Board of Supervisors.

Other departments dealing with health and safety were due for investigation. No citizen's complaints were received concerning any department that falls under the umbrella of Health and Human Services. Departments investigated were: The County Health Officer, Public Health, and Environmental Health. The Safety and Risk Management Committee was also investigated.

This report will focus on those departments whose foci are primarily, but not exclusively, proactive in nature. Although most do deal with occurring medical problems, their primary functions are maintenance of healthy conditions within the county, or remediation of conditions which have a potential for adverse effect on the citizens of this county

**2002-2003 TRINITY COUNTY GRAND JURY
COUNTY HEALTH OFFICER-DR. DONALD KROUSE**

INVESTIGATION #1:

METHOD OF INVESTIGATION:

Dr. Donald Krouse, M.D., was interviewed on February 13, 2003. Other information was gathered from publications and interviews with other county staff in public and environmental health departments.

FINDING #1:

We found Dr. Krouse to be open in that he was frank in responses to all questions asked.

He said that the problem of the nursing shortage at the hospital does not extend to the public health department. He stated that he works well with the staff in Public Health Nursing, for whom he has high praise. Interviewed staff members in that department concurred that they have a comfortable professional relationship with Dr. Krouse with mutual respect for abilities.

In response to questions, he believes that the present placement of the Environmental Health Officers in the Planning Department is working well. The fact that the present environmental health officers used to be under his direct supervision, and that they continue to maintain good communication, assures a smooth interchange of information.

Homeland Security is adding several new requirements to all health and safety functions in the county, but they are primarily focused on fire and rescue, and hospital/triage areas. Biological terrorism, and plans for prevention and treatment, extend to all areas of health care.

He also said that as a part-time Health Director he is somewhat "out of the loop" in the power and decision making processes in the county. The head of the Human Services Department is responsible for most decisions.

Informal meetings between environmental health officers and the County Health Officer provide adequate communication at present and may rely on the experience and mutual respect between the present employees.

The Public Health Department is involved in active health care as well as

prevention.

-2-

RECOMMENDATION #A:

Regularly scheduled formal meetings between the Environmental Health Officers and the County Health Officer are recommended. It is unrealistic to assume there will be no change in personnel in the future.

RECOMMENDATION 1B:

There should be an information center within the county for all medical information from various departments that are concerned with health and safety.

CONCLUSION:

The Grand Jury wishes to thank Dr. Krouse for his time, courtesy, and friendly cooperation. His willingness to serve the county in this capacity is a great service to the community.

2002-2003 TRINITY COUNTY GRAND JURY

PUBLIC HEALTH NURSING

INVESTIGATION #2:

METHOD OF INVESTIGATION:

The Health and Human Services Committee went to the Public Health Nursing office and interviewed the Public Health Nursing Supervisor, Elise Osvold-Doppelhauer. Operation of the office was observed. Several clients of Public Health Nursing known to members of this committee were informally asked about their experiences with the department.

FINDING FOR INVESTIGATION #2:

Ms. Osvold-Doppelhauer provided written and verbal information as requested, except for a mission statement. The department has a small staff that appears to work efficiently and harmoniously. All clients reported positive experiences.

RECOMMENDATION FOR INVESTIGATION #2:

Develop a mission statement.

CONCLUSION FOR INVESTIGATION #2:

The Grand Jury wishes to thank Ms Elise Osvold-Doppelhauer for her time, courtesy, and friendliness during this interview. Trinity County is well served by the staff of the Public Health Department.

**2002-2003 TRINITY COUNTY GRAND JURY
ENVIRONMENTAL HEALTH**

INVESTIGATION #3:

BACKGROUND:

The Environmental Health Department has been a part of the Building and Developmental Services Department for approximately two years. Before that time it was a subsidiary of the Health Department. Placing Environmental Health under the Planning Department provides for improved communication between these departments, both of which are involved in construction throughout the county.

METHOD OF INVESTIGATION:

Interviews were held with the Director of the Building and Developmental Services Department, the County Environmental Health Officers, and with the County Health Office.

FINDINGS FOR INVESTIGATION #3:

Combining the Environmental Health Department with the Building and Developmental Services Department provides for improved communication between these groups and makes applications for building and remodeling permits easier for the public since it is now possible to clear these requirements in one setting.

All interviewees agreed that the present system is working well. Dr. Krouse, the county health officer, stated that he thought that one reason it worked well was because he was both environmental officers' supervisor before the reorganization, and good communication has continued. Dr. Krouse's point about possible loss of easy, informal information exchange should there be a change in personnel, is well taken. An additional potential problem is that informal sessions are not documented.

RECOMMENDATION FOR INVESTIGATION #3:

It is recommended that formal meetings be regularly scheduled and documented between the County Health Officer and the County Environmental Health Department.

CONCLUSION FOR INVESTIGATION #3:

The Grand Jury wishes to thank all those interviewed for their cooperation and candor. All are commended for their dedication to the continuing health and beauty of the county.

**2002-2003 TRINITY COUNTY GRAND JURY
SAFETY AND RISK MANAGEMENT COMMITTEE**

INVESTIGATION #4

BACKGROUND:

The Safety and Risk Management Committee is mandated by California Occupational Safety and Health Administration (Cal-OSHA). It includes representatives from the following departments: Building, Transportation, General Services, Hospital, Auditor, Grand Jury, Board of Supervisors, Health and Human Services, Clerk/Recorder, Sheriff, Probation, and Agriculture.

All new (since the last safety committee meeting) reported employee on-the-job injuries are reported and discussed by the committee; including treatment, length of time off, workers' compensation liability, and the plan for education to prevent recurrence of a similar event. New Hazard and Incident Reports are discussed. If the reported hazard or incident is solved, a short discussion of future prevention occurred. Unsolved Hazards or Incidents result in discussion of plans for correction, and a temporary solution is planned when appropriate. There is a monthly review of statistics concerning workers' compensation.

METHOD OF INVESTIGATION #4:

Four meetings of this committee were attended and available records were received. One special training session for county employees was attended by a member of the Health Committee of the Grand Jury.

FINDINGS FOR INVESTIGATION #4:

Based on statistics, there has been a significant reduction in accidents, hazards, incidents, and workers' compensation claims since the inception of the Safety and Risk Management Committee. General classes for employees and one-on-one training in policies and procedures are provided when indicated.

People attending the meeting were organized and well prepared. The meetings were smoothly and efficiently run. The course attended by a committee was well organized and valuable; information was presented clearly. The meetings of the committee and the observed course provided maximum information with minimal disruption of work schedules.

RECOMMENDATION FOR INVESTIGATION #4:

No changes are recommended.

CONCLUSION FOR INVESTIGATION #4:

Continuation of meetings of the Safety and Risk Management Committee are strongly recommended. Although the financial costs of these meetings are high, given the hourly salary of each member attending these meetings; it is apparent that in view of reduction in potential costs to the county for injuries and absenteeism, hazards, and risks, these meetings would have economic value even if they were not mandated by OSHA.

The Grand Jury commends this committee for its clear and concise data collection and equally effective meetings and courses.

RESPONSES REQUIRED FOR HEALTH AND HUMAN SERVICES INVESTIGATIONS:

Under Penal Code 933, the following entities are required to respond to the listed findings and recommendations within the time period indicated:

Entity	Finding	Recommendation	Respond Within
Trinity Co. Board Of Supervisor			
All			
All			
90 days			
Link to Response			
Co. Health Officer			
#1,2,&3			
#1,2,&3			
30 days			
Public Health			
#2			
#2			
30 days			
Building & Development			
#3			
#3			
30 days			
Link to Response			
Environmental			

#3
#3
30 days

Health & Safety
Committee
#4
#4
30 days
Link to Response

Judge Anthony
Edwards
All
All
30 days

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End of Report

Report[County Health Officer Public Health Department
Environmental Health Department Safety & Risk Management Committee
Committee[Health & Human Services Committee
Type[Response
From[Brian Muir, Auditor - Controller

TO: The Honorable Anthony Edwards,
Presiding Judge of the Superior Court

FROM: Brian Muir, Auditor – Controller

SUBJECT: Response to Recommendations of 2002-03 Grand Jury Report re: County Health Officer, Public Health Department, Environmental Health Department, and Safety and Risk Management Committee

DATE: July 29, 2003

The Grand Jury Health and Human Services Committee has requested a written response to their final report on County Health Officer. Public Health Department, Environmental Health Department, and Safety and Risk Management Committee. In my capacity as County Risk Manager and Chairman of the Safety and Risk Management Committee my response is as follows

Finding #4: "Based on statistics, there has been a significant reduction in accidents, hazards, incidents, and workers' compensation claims since the inception of the Safety and Risk Management Committee. General classes for employees and one-on-one training in policies and procedures are provided when indicated.

People attending the meeting were organized and well prepared. The meetings were smoothly and efficiently run. The course attended by a committee was well organized and valuable; information was presented clearly. The meetings of the committee and the observed course provided maximum information with minimal disruption of work schedules."

Recommendation #4: "No changes are recommended."

Response: I agree. The Safety and Risk Management Committee will continue to work to reduce workplace injuries.

Report[**County Health Officer Public Health Department
Environmental Health Department Safety & Risk Management Committee
Committee[Health & Human Services Committee
Type[Response
From[Board of Supervisors**

*TO: The Honorable Anthony Edwards,
Presiding Judge of the Superior
Court*

FROM: Trinity County Board of Supervisors, Billie A. Miller, Chairman

*SUBJECT: Response to 2002-03 Trinity County Grand
Jury Health and Human Services
Committee
County Health Officer
Public Health Department
Environmental Health Department
Safety and Risk Management Committee*

The Grand Jury Health and Human Services Committee has requested a written response to their final reports on County Health Officer, Public Health Department, Environmental Health Department and Safety and Risk Management Committee.

Finding #1, Response: *We agree with the finding.*

Recommendation #1(A), Response: *The recommendation will be implemented. Regularly scheduled formal meetings between the Environmental Health Officers, County Health Officer and Linda Wright, Director of Health and Human Services, will be scheduled through Linda Wright's office.*

Recommendation #1(B), Response: *Trinity County was recently awarded Grant RFA 03-01 in the amount of \$37,000. This grant is a planning grant. The main component of this grant is to develop a website that would increase the counties ability to communicate between all service providers, including medical information.*

Finding #2, Response: *We agree with the finding.*

Recommendation #2, Response: *The recommendation will be implemented. If in fact, a Mission Statement does not exist, Linda Wright will work with County Counsel to formulate one.*

Finding #3, Response: We agree with the finding.

Recommendation #3, Response: The recommendation will be implemented. Regularly scheduled formal meetings between the Environmental Health Officers, County Health Officer and Linda Wright, Director of Health and Human Services, will be scheduled through Linda Wright's office.

Finding #4, Response: We agree with the finding.

Report[**County Health Officer Public Health Department
Environmental Health Department Safety & Risk Management Committee
Committee[Health & Human Services Committee**
Type[**Reponse**
From[**Steven W. Judson, Director Building & Development Services**

TO: The Honorable Anthony C. Edwards,
Presiding Judge of the Superior Court

FROM: Steven W. Judson,
Director Building & Development Services

SUBJECT: Response to Recommendations of 2002-2003
Grand Jury Report re: County Health Officer, Public Health Department, Environmental Health
Department, and Safety and Risk Management Committee
Final Report — Health and Human Services Committee

DATE: September 9, 2003

The Grand Jury Health and Human Services Committee has requested a written response to their final report on County Health Officer, Public Health Department, Environmental Health Department, and Safety and Risk Management Committee . In my capacity as Director, my response is as follows:

Finding #3: Combining the Environmental Health Department with the Building and Development Services Department provides for improved communication between these groups and makes applications for building and remodeling permits easier for the public since it is now possible to clear these requirements in one setting.

All interviewees agreed that the present system is working well. Dr. Krouse, the county health officer, stated that he thought that one reason it worked well was because he was both environmental officers' supervisor before the reorganization, and good communication has continued. Dr. Krouse's point about possible loss of easy, informal information exchange should there be a change in personnel, is well taken. An additional potential problem is that informal sessions are not documented.

Response: I agree.

Recommendation #3: The recommendation will be implemented. A representative of the Environmental Health Division regularly attends the monthly health meetings but in addition we will set up a monthly meeting between the Environmental Health Specialists and the county health officer.

Committee[**Health and Human Services Committee**

Title[**Pre-Hospital Care**

Filed Date[**8/2/2003**

**2002-2003 TRINITY COUNTY GRAND JURY
HEALTH AND HUMAN SERVICES COMMITTEE
FINAL REPORT**

PRE-HOSPITAL CARE

PURPOSE:

The Grand Jury is charged to review various county government supported operations to ensure that the citizens of Trinity County are being well served.

BACKGROUND:

In light of the ever-changing status of Trinity Hospital the 2002-2003 Grand Jury Health and Human Services Committee decided to review various agencies to see how they interact with each other in the delivery of pre-hospital health care in Trinity County.

Trinity County has 13 Volunteer Fire Departments and 3 Volunteer Fire Companies providing fire and first responder medical responses. Four departments (Hyampom, Lewiston, Trinity Center, and Coffee Creek) have ambulances currently capable of transporting patients. There are about 230 volunteers for these 16 Departments that respond 24 hours a day 7 days a week. During 2002 these departments responded to 1,338 medical calls with Trinity County Life Support Ambulance within Trinity County. These numbers do not reflect the 320 calls for Southern Trinity Area Rescue or Hoopa Ambulance. The interviews were done to determine current problems encountered by these organizations as well as potential problems with the uncertain future of Trinity Hospital and possibly a cutback of major services by a major Redding Hospital.

The majority of these Volunteer Fire Departments are associated with some kind of Special District Government. Of these Special Districts only 4 (Weaverville, Trinity Center, Hayfork, and Lewiston have a tax base).

METHOD OF INVESTIGATION:

Two members of the Health and Human Services Committee interviewed members of the Trinity County Fire Chief's Association, EMT's, First Responders, and Trinity County Life Support Personnel.

FINDING #1:

The State of California is continually insisting on more mandated training for fire

department volunteers and is not providing any funding for the training.

1

RECOMMENDATION #1:

The Board of Supervisors needs to put pressure on State Government to provide adequate funding for this training if they are going to require it.

FINDING #2:

Required training and the time to receive it, makes community service almost impossible for some community members.

RECOMMENDATION#2:

Fire Department volunteers need to have access to a multi-media system that will allow volunteers to do the approved training at their pace and at a time that fits their schedule, and at their locations.

FINDING #3:

Many communities in Trinity County have very small populations and thus have no young people to recruit for volunteers in the Fire Departments.

RECOMMENDATION #3:

Every effort needs to be taken to make being a volunteer a positive experience so that volunteers will serve for many years in their departments.

FINDING #4:

Departments that have young personnel and the ability to provide them the required training to become certified, are very fortunate. Because of the lack of jobs to support a young family in Trinity County, most young people tend to relocate in bigger cities where they can obtain employment. A lot of younger people are working two jobs and still not making enough to provide the necessities for a family such as health insurance.

RECOMMENDATION #4:

No recommendation. This is a very serious problem now and will only get worse as the current volunteers continue to grow in age. Many of these volunteers have reached senior citizen status and have medical problems of their own.

FINDING #5:

The communication systems used by the Fire/EMS personnel have been severely limited for years, creating potentially hazardous scenes and slowing response time for the volunteers.

2

RECOMMENDATION #5:

The Grand Jury recommends that the Fire Chiefs Association and Trinity County Life Support be commended for obtaining grant funding to provide a dedicated FIRE/EMS Repeater System that will provide radio coverage for most of the county. This system will provide better response times and dramatically improve scene safety for all responders.

FINDING #6:

There is currently no system of support to provide continuing maintenance or financial support for the yearly operational expenses of this essential communications system. (FIRE/EMS Repeater System).

RECOMMENDATION #6:

The Grand Jury recommends that the Board of Supervisors must allocate revenues to this VITAL system as has been allocated to the other county communications systems funded in the past.

FINDING #7:

Almost all of the vehicles used by the volunteers are at least second-hand. Spare parts are sometimes difficult or impossible to find, thus making necessary repairs expensive.

RECOMMENDATION #7:

The Grand Jury recommends that the Board of Supervisors needs to establish a stable source of funding such as a County Fire/EMS Fund to help the volunteer departments replace these old vehicles on a regular basis.

FINDING #8:

There is a possibility of a local Redding Hospital cutting back on services (Helicopter etc.) or closing. Losing one helicopter would reduce air response from Redding by one half to Trinity County. This would require Trinity County Life Support to make more Redding transports which could cut down on possible ambulance coverage in Trinity County.

RECOMMENDATION #8:

The Grand Jury refers this to the Board of Supervisors for study by a special ad hoc committee to focus on solving this problem.

3

FINDING #9:

Trinity County Life Support and many Volunteer Fire Departments may not survive due to the rising costs of Workers' Compensation Insurance and Liability Insurance.

RECOMMENDATION #9:

The Grand Jury recommends that the Board of Supervisors find a method to provide Workers Compensation and Liability Insurance to Trinity County Life Support and the Volunteer Fire Departments

FINDING #10:

Rural/Urban Interface will continue to present challenges on how to provide fire and rescue services to Trinity County. People will continue to build and live in remote areas. They will demand and expect more services and will want regulations that will control volunteers activity. This will result in more to do with less to do it. This can only be done by an increase in the Tax Base for some of the departments; Ad Valorem Tax is only available to a few departments.

RECOMMENDATION #10:

The Grand Jury refers this to the Board of Supervisors for study by a special ad hoc committee to focus on solving this problem.

FINDING #11:

Trinity County Life Support might not be able to function as it currently does if Trinity Hospital were to close. The majority of the volunteer fire departments are dependent on Trinity County Life Support to transport patients. They provide very good required medical training.

RECOMMENDATION #11:

The Board of Supervisors needs to continue to support Trinity County Life Support with their needs.

FINDING #12:

There are only 4 departments having transport ability to Trinity Hospital now. Coverage of the county would be difficult if the Hospital were to close? (Southern Trinity Area Rescue would continue to transport to the coast as they currently are doing).

4

RECOMMENDATION #12:

The Grand Jury strongly recommends that the Board of Supervisors do everything in their power to retain the hospital.

CONCLUSIONS:

HOMELAND SECURITY IS DEPENDENT ON THE VOLUNTEER FIRE AND RESCUE ORGANIZATIONS FOR FIRST RESPONSE.

1. The Grand Jury wishes to thank all of the Pre-Hospital Care Personnel who were interviewed and especially their honesty and openness.
2. The entire system is dependent on the volunteers to provide leadership to both their own organization and their communities.
3. One of the keys to the success of these efforts rests upon having a stable source of funding for Fire and Rescue Services. The average tends to be 90% Medical Calls and 10% fires. A general rule of thumb is that the Fire and Rescue Services will be about equal to the Law Enforcement Services. The Board of Supervisors needs to establish a County Fire/EMS Fund as allowed by California's Health and Safety Code Section 1797.98. This fund would receive income from fines or assessments on vehicle moving violations and other certain criminal offenses. All Trinity County Fire and EMS agencies could benefit from this as the County does not have to draw the money from their General Fund.
4. Many issues will arise during the process of obtaining funding for these services. There is a VERY STRONG NEED for the Volunteers to be represented continually at the County Level by a person with vast experience in volunteer work, who also possesses the skills to obtain various sources of funding for these services. In addition to the person's own department duties they would also meet with County, Regional, and perhaps State Government Representatives as an Equal Partner in achieving a solution to the issues that will come up dealing with funding of these services. Grant Funding would possibly be able to fund this position.

Under Penal Code 933, the following entities are required to respond to the listed Findings and Recommendations within the time period indicated.

ENTITY:

FINDING:
RECOMMENDATION:
RESPOND BY:

TRINITY COUNTY FIRE CHIEFS
ASSOCIATION

1 thru 12

1 thru 12

30 DAYS

[Link to Response](#)

TRINITY COUNTY LIFE SUPPORT

5, 8, 9, 12

5, 8, 9, 12

30 DAYS

[Link to Response](#)

TRINITY COUNTY BOARD OF SUPERVISORS

1, 6, 7, 9, 10, 11, 12,

1, 6, 7, 9, 10, 11, 12

90 DAYS

[Link to Response](#)

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Report[**Pre-Hospital Care**
Committee[**Health & Human Services Committee**
Type[**Response**
From[**John Hall, Trinity County Life Support**

To: The Superior Court Judge

RE: 02-03 Trinity County Grand Jury Report, Pre-Hospital Care

Dear Sir,

Trinity County Life Support appreciates the efforts of the Grand Jury and concurs with each of the findings presented by the Health and Human Services Committee. I do look forward to assisting the County of Trinity in their efforts to improve each faction within the emergency services for the good of the whole county.

Sincerely;

John Hall, CEO/MICP

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Report[**Pre-Hospital Care**
Committee[**Health & Human Services Committee**
Type[**Response**
From[**Jesse M. Cox**

Trinity County Grand Jury
Attention Donna Regnatti

The Trinity County Fire Chiefs Association agrees with the findings and recommendations of the Grand Jury in regards to Trinity County emergency services. As an Association, we stand ready to assist in any way possible to insure continued and improved fire and rescue services in Trinity County. Funding is very important to all partners. Insurance, equipment, training, and prevention programs cost money and are on-going concerns. Volunteer systems struggle with recruitment and retention of members and the huge requirements that are imposed upon these people.

On-going expenses of maintenance of our communications system will need to be addressed. We thank you for investing time and energy in exploring this very important service. We are all potential customers. It will take mutual action to insure future success of this very fragile system.
Thank you,

Jesse M. Cox
President

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Report[Pre-Hospital Care
Committee[Health & Human Services Committee
Type[Response
From[Board of Supervisors

To: The Honorable Anthony C. Edwards
Presiding Judge of the Superior Court

From: Trinity County Board of Supervisors,
Billie A. Miller, Chairman

RE: 2002-2003 Trinity County Grand Jury
Health and Human Services Committee Final Report on Pre-Hospital Care

DATE: September 9, 2003

This is to respond to the 2002-2003 Grand Jury's Health and Human Services Committee Final Report regarding Pre-Hospital Care. The Health and Human Services Committee asks the Board of Supervisors to respond to Findings 1, 6, 7, 9, 10, 11, and 12 as well as Recommendations 1, 6, 7, 9, 10, 11, and 12 of that report.

FINDING #1: The Board of Supervisors agrees with this finding.

RECOMMENDATION #1.: The Board agrees with this recommendation and will continue to put pressure on State Government to adequately fund state mandated fire services as well as other services that it mandates but does not fund.

FINDING #6: The Board agrees with this finding understanding that the county has been including annual budget expenditures to the general operation of Trinity County Life Support and there is a sharing of some Road Department repeater sights.

RECOMMENDATION #6: The Board of Supervisors partially agrees with this finding. There is no question that the county's emergency communications system is vital to the well being of county residents. The county has made substantial contributions to various facets of the communication system and will continue, as resources allow, to do so in the future. The Board understands that this is a high priority with the Fire Chiefs Association.

FINDING #7: The Board agrees with this finding.

RECOMMENDATION #7: The Board of Supervisors is not in a financial position, at this time, to agree to this recommendation. It must be understood that fire departments are independent special districts, for the most part, and are allowed by law to assess their

constituents, after an electoral process, for equipment and operational needs. Trinity County has attempted to ease the financial pressures of our local fire departments, in the past, by appropriating Secure Schools & Roads Title III funds, by appropriating Health Care Realignment funds, by paying the special districts share of the LAFCO budget and by helping to fund special needs of districts as recommended by the Fire Chiefs Association. The county will continue to support fire districts as it is financially able and will participate in exploring new funding sources as appropriate.

FINDING #9: The Board of Supervisors agrees that Liability Insurance and Worker' Compensation Insurance costs are devastating to private businesses, local governments and special districts.

RECOMMENDATION #9: The Board is not in a financial position to agree to this recommendation. However, the Board has, in the past, budgeted monies to fire departments from the county's Health Care Realignment funds to help with their Worker's Comp. costs. The Board will do so again this fiscal year.

FINDING #10: The Board agrees with this finding.

RECOMMENDATION #10: The Board would agree to either work with one of the existing county ad hoc committees or develop a new one to address the issue of fire district Ad Valorem taxation.

FINDING #11: The Board agrees with this finding.

RECOMMENDATION #11: The Board will continue, as it is able, to support the efforts of Trinity County Life Support.

FINDING #12: The Board of Supervisors agrees with this finding.

RECOMMENDATION #12: The Board of Supervisors understands the importance of Trinity Hospital to the county and agrees to continue with its efforts to keep the doors open.

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**2002-2003 TRINITY COUNTY GRAND JURY
JUDICIAL COMMITTEE
FINAL REPORT**

TRINITY COUNTY JUVENILE DETENTION FACILITY

PURPOSE:

Penal Code Section 919(b) mandates that the Grand Jury will inquire into the conditions and management of all public prisons within the county, including juvenile detention facilities.

BACKGROUND:

In June 2001, construction of a new 24-bed Trinity County Juvenile Detention Facility was completed. The Juvenile Detention Facility (JDF) is operated under the direction of the Trinity County Probation Department and provides in-county secure custody to house juvenile offenders.

METHOD OF INVESTIGATION:

On January 10, 2003, the Judicial Committee and other interested members of the Grand Jury were briefed by Mr. Terry Lee, Chief Probation Officer and members of his staff. The Grand Jury met with the Systems of Care - Mid Level Team that was holding their regular meeting at the facility and discussed their role in working with the detainees and their families. The Grand Jury was conducted on a tour of the facility. The learning center was visited and its curriculum reviewed with the instructor.

FINDING#1:

The Juvenile Detention Facility is in compliance with California State Board of Corrections standards for Youth Detention Facilities. Chief Probation Officer Terry Lee is a member of the Board of Corrections of the State of California and very cognizant of its requirements.

The juvenile detainees clean their own facilities, under staff supervision, and several showers were noted to have mold.

The library books were somewhat dog-eared and outdated in the learning center. The instructor expressed concern with the reading skills of the detainees.

RECOMMENDATION#1:

The staff should provide closer supervision on cleaning the bathing facilities, as the presence of mold spores can develop into a health and safety issue.

A volunteer program for reading and tutoring should be set up through the Friends of the Library, who can also provide more up-to-date reading materials. One of this year's Grand Jury members has volunteered to head that effort.

CONCLUSION:

Chief Probation Officer Terry Lee and his staff have a very well run organization and are doing a remarkable job. The infrastructure of the Systems of Care working with detainees' families also serves to make the operation of this program professional and an excellent use of public funds.

RESPONSES REQUIRED:

Under Penal Code 933, the following entities are required to respond to the listed findings and recommendations within the required time period:

ENTITY

FINDING

RECOMMENDATION

RESPOND WITHIN

Trinity Co.Board of Supervisors

#1

#1

90 days

[Link to Response](#)

Trinity Co. Chief Probation Officer

#1

#1

30 days

[Link to Response](#)

Judge Anthony Edwards

#1

#1

60 days

[Link to Response](#)

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Report[Trinity County Juvenile Detention Facility
Committee[Judicial Committee
Type[Response
From[Terry Lee, Chief Probation Officer

To: Honorable Anthony Edwards
Presiding Judge of the Superior Court

From: Chief Probation Officer
Terry Lee

Date: July 21, 2003

RE: Response to Recommendations of Trinity County Grand Jury.

I would like to thank the members of the Grand Jury who inspected our facility. As always you have done a thoughtful and insightful inspection. In reference to your findings I would to make the following comments.

The Grand Jury Judicial Committee has requested a written response to their final report on the Trinity County Juvenile Detention Facility. In my capacity as Chief Probation Officer I have issued the following response.

Finding #1(a). I agree in part with the Grand Jury's comments concerning the shower. I disagree that the mold issue can be addressed totally by additional supervision. It appears there are other issues with the shower construction that affect how it can be cleaned.

Recommendation #1. Will require additional analysis and should be implemented within the year. General Services has been asked to look at the surface of the shower floors. They have indicated that the surface of two showers was inadequately sealed during the construction process. We will follow closely any recommendations they have to insure the safety of minors in custody.

My staff have reviewed the procedures for cleaning the showers and have altered the schedule to allow for more time and additional supervision in cleaning the shower floors. This will be implemented immediately.

Finding #1(b). I agree with the finding.

Recommendation #1(b). Has been implemented although not through the friends of the library. Trinity County has an established volunteer program set up by the county. Persons who wish to volunteer their time can do so by submitting the proper paperwork to the personnel department. In addition state law requires that any one working within the Court School or juvenile hall must have a complete background investigation completed by the Department of Justice before they can volunteer their services.

It would be very much appreciated if a volunteer could aid us in replacing some of our books and I note that many people have donated books to our facility. We continue to be concerned about the reading ability of some of our juveniles upon their arrival. Newer books and volunteer services would go along way in helping

them read better.

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Report[[Trinity County Juvenile Detention Facility](#)
Committee[[Judicial Committee](#)
Type[[Response](#)
From[[Board of Supervisors](#)

TO: The Honorable Anthony Edwards
Presiding Judge of the Superior Court

FROM: Trinity County Board of Supervisors
Billie A. Miller, Chairman

DATE: September 16, 2003

SUBJECT: 2002-2003 Trinity County Grand Jury Report
Judicial Committee Final Report:
Trinity County Juvenile Detention Facility

The Grand Jury Judicial Committee has requested a written response to their Trinity County Juvenile Detention Facility Report: The response of the Board of Supervisors is as follows:

Finding #1: The Trinity County Board of Supervisors agrees with Finding #1.

Recommendation #1: The recommendation will be implemented within the year.

Finding #2: The Trinity County Board of Supervisors agrees with Finding #2.

Recommendation #2: The recommendation has been implemented. A volunteer program has been set up by the County.

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Report[[Trinity County Juvenile Detention Facility](#)
Committee[[Judicial Committee](#)
Type[[Response](#)
From[[Anthony C. Edwards, Presiding Judge of the Superior Court](#)

August 11, 2003

Billie Miller, Chairman
Trinity County Board of Supervisors
P.O. Box 1258
Weaverville, CA 96093

Robert Gravette, Foreperson
2002-2003 Trinity County Grand Jury
P.O. Box 1117
Weaverville, CA 96093

RE: Response to 2002-2003 Trinity County Grand Jury Final Report on the
Probation Department County Juvenile Detention Facility

Finding #1:
I agree.

Recommendation #1:

I agree.

Very Truly Yours
ANTHONY C. EDWARDS
Presiding Judge of the Superior Court

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Committee[**Judicial and Special Investigations Committee**

Title[**Trinity County Detention Facility (Jail)**

Filed_Date[**8/2/2003**

**2002-2003 TRINITY COUNTY GRAND JURY
JUDICIAL AND SPECIAL INVESTIGATIONS COMMITTEES
FINAL REPORT**

TRINITY COUNTY DETENTION FACILITY (JAIL)

PURPOSE:

Penal Code Section 919(b) mandates that the Grand Jury will annually inquire into the conditions and management of all public prisons within the county.

BACKGROUND:

The California State Board of Corrections classifies the Trinity County Detention Facility (Jail) as a Type II facility. This facility is used to detain persons who are awaiting or undergoing trial proceedings, convicted persons sentenced to serve time up to one year, and minimum-security state parolees back in custody due to parole violations. The maximum capacity of the jail is 53. In an emergency the inmate population can be 63, but the California State Board of Corrections will not stand behind the Jail Staff if a grievance is filed for overcrowding, if the population exceeds 53. The inmate population was 46 on the day the Grand Jury Committee did their second visit.

METHOD OF INVESTIGATION:

An Ad Hoc Committee consisting of members of the Judicial and Special Investigations Committees toured the Detention Facility (Jail) on January 10, 2003. In addition, a three person Committee visited the facility a second time on February 19, 2003 and conducted interviews with the Sheriff and several Correctional Officers. The Committee interviewed several inmates, three males and one female. Using Titles 15 and 24 (Minimum Standards for Adult Local Detention Facilities) as guidelines, the Committee reviewed the following current supporting material:

State of California Board of Corrections Report

Deputy State Fire Marshal's Reports

California Medical Association/Institute for Medical Qualities Committee on
Corrections and Detention Health Care Report

FINDING #1:

The staffing level at the jail currently meets the staffing level required by the State

of California, but this is done by using assigned patrol officers and thus decreasing patrol coverage.

1

RECOMMENDATION #1:

The ideal solution would be to hire enough Correctional Officers to replace the ones taken from patrol duties. With the current financial conditions of Trinity County, this may not be possible at this time.

FINDING #2:

Following up on 2000-2001 and 2001-2002 Grand Jury concerns on the E-911 dispatch communications center being overcrowded and outdated, the committee found the following conditions: the staff all stated that they feel safer in the area where it is currently located, the dispatch communications center console is old and out-dated. It was stated that they currently have approximately \$132,000 for the upgrade; but they need \$250,000.

RECOMMENDATION #2:

The committee recommends that the dispatch center be kept where it is currently located. The committee further recommends that the Board of Supervisors find the money to update the E-911 dispatch console.

FINDING #3:

A water heater used for the jail trips the breaker on a regular basis. It was stated that County Building and Grounds personnel had worked on the heater and spent quite a bit of money replacing parts.

RECOMMENDATION #3:

The Board of Supervisors should notify the Buildings and Grounds Department to upgrade the wiring and/or replace the water heater as the situation dictates.

FINDING #4:

The kitchen appears to be very well organized and the menus well planned. The Committee observed lunch being served and dinner preparation. The 4 inmates interviewed said the food was good and adequate.

RECOMMENDATION #4:

The Committee recommends that the kitchen operation continue as it is currently

being managed.

FINDING #5:

Two members of the committee observed the operation of the Megan’s Law Computer System for tracking convicted sex offenders. The Officer in charge of the Megan’s Law System appeared to possess the proper knowledge for the operation of the system.

RECOMMENDATION #5:

The correctional officer in charge of the Megan’s Law Computer System should be commended for the organization and knowledge displayed.

CONCLUSION:

The committee was very impressed with the cleanliness and organized operation of the Trinity County Jail. The officers provided every item requested and explained any questions we had. The officers should be commended for their professional manner in how they perform their duties.

ENTITY
FINDING
RECOMMENDATION
RESPOND IN:

TRINITY COUNTY SHERIFF
1,2,3,4,5
1,2,3,4,5
60 DAYS

TRINITY COUNTY BOARD OF SUPERVISORS
1,2,3,4,5
1,2,3,4,5
90 DAYS

[Link to Response](#)
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Report[**Trinity County Detention Facility**
Committee[**Judicial & Special Investigations Committee**
Type[**Response**
From[**Board of Supervisors**

TO: The Honorable Anthony Edwards Presiding
Judge of the Superior Court

FROM: Trinity County Board of Supervisors
Billie Miller, Chairman

DATE: September 16, 2003

SUBJECT: 2002-2003 Trinity County Grand Jury Report
Judicial and Special Investigations Committee Final Report: Trinity County Detention
Facility

The Grand Jury Judicial and Special Investigations Committee has requested a written response to their Trinity County Detention Facility Report: The response of the Board of Supervisors is as follows:

Finding #1: The Trinity County Board of Supervisors agrees with Finding #1.

Recommendation #1: The recommendation will be implemented. The County will hire enough Correctional Officers to replace the ones taken from patrol duties, when it is financially possible to do so.

Finding #2: The Trinity County Board of Supervisors agrees with Finding #2.

Recommendation #2: The recommendation has been implemented. The Sheriffs Office and County are looking for funding sources to up-date the E-911 dispatch console.

Finding #3: The Trinity County Board of Supervisors agrees with Finding #3.

Recommendation #3: The recommendation has been implemented.

Finding #4: The Trinity County Board of Supervisors agrees with Finding #4.

Recommendation #4: The recommendation has been implemented.

Finding #5: The Trinity County Board of Supervisors agrees with Finding #5.

Recommendation #5: The recommendation is implemented herewith. The Board of Supervisors would like to take this opportunity to commend Deputy Bradford for a job well done. Deputy Bradford conducts herself in a very professional manner and is always willing to help. The Board appreciates her knowledge and outstanding organization with regards to the Megan's Law Computer System.

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Committee[**Special Districts Committee**

Title[**Compliance on Annual Audits**

Filed_Date[**8/2/2003**

**2002-2003 TRINITY COUNTY GRAND JURY
SPECIAL DISTRICTS COMMITTEE
FINAL REPORT**

COMPLIANCE ON ANNUAL AUDITS

PURPOSE:

This report is a follow-up to the 2000-2001 and 2001-2002 Grand Juries Special Districts Committees Final Reports to maintain continuity on the issue of annual audits that were overdue from several Special Districts in Trinity County

Special Districts and their governing officials are accountable to the voters and the customers who use their services. Special Districts are required to follow state laws pertaining to public meetings (Ralph M. Brown Act), conflict of interest, record keeping, and elections as well as submitting an annual financial report to the State Controller and an annual (unless otherwise arranged) audit to the County Auditor.

This report focuses solely on Special District audits and the County Auditor's enforcement of California State laws requiring annual audits.

BACKGROUND:

The final reports of the 2000-2001 and 2001-2002 Grand Juries identified three Special Districts (Lewiston Community Services District, Greater Hayfork Valley Park and Recreation District and Salyer Community Services District) that were out of compliance by not having a current annual audit on file with the Trinity County Auditor's Office.

Special Districts are required by California State Law to provide an annual audit, because they are dealing with public funds. Annual audits must be filed within twelve months of the end of the fiscal year under examination. Thus, for the fiscal year ending in June 2001, all special district audits should have been filed with the County Auditor's Office no later than June 30, 2002. For the fiscal year ending in June 2002, all audits are due by June 30, 2003.

It is the responsibility of the special district to make the necessary arrangements to have their annual audit done within the mandated time frame. If they do not provide an audit within the mandated time frame, it becomes the responsibility of the County Auditor to enforce having the audit done.

California Government Code 26909 (a) states “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 account or public accountant is not otherwise provided. In each case, the minimum requirements of the audit shall be prescribed by the (State) Controller and shall conform to generally accepted auditing standards.”

Only one special district, of the three identified special districts, responded to the last two Grand Jury reports. The Lewiston Community Services District notified the County Auditor that, as of April 2002, they had contracted with a certified public accountant to provide a current audit and they also responded to the 2001-2002 Grand Jury Report according to Penal Code 933.

Recommendation # 1 of the 2001-2002 Grand Jury Special District Report stated in part, that the County Auditor needs to “insure that overdue audits are completed by the end of the 2001-2002 fiscal year”. The County Auditor, Mr. Brian Muir, did contract with certified public accountants during the last six months of 2002 to provide audits for both Salyer Community Services District (Salyer) and Greater Hayfork Valley Parks and Recreation (Greater Hayfork Valley). He also sent a letter to Weaverville Fire District, as their last audit on file was 1998.

METHODS OF INVESTIGATION:

Members of the Special Districts Committee met with Mr. Muir to inquire as to the status of the delinquent audits. Additional contact was made with Mr. Muir via e-mail and telephone conversations.

Committee members also held individual interviews with two members from Salyer, Greater Hayfork Valley and Weaverville Fire District.

Additional research was done with three certified public accountants (who were currently doing audits for one or more of the Special Districts) via letters, e-mail and phone conversations.

Members contacted the California Special District’s Association (CSDA) via e-mail and letter correspondence.

Correspondence for clarity and opinions was also carried on with Trinity County Counsel, Mr. David Hammer.

The committee interviewed Mr. John Jelecich, chairman of the Local Agency Formation Commission (LAFCO) for Trinity County, which oversees the formation of Special Districts.

Past Grand Jury members of the Special District’s Committees were interviewed.

Committee members also read the following publications:

- What's So Special About Special Districts? Third edition, published Feb. 2002
- Little Hoover Commission, Special Districts: Relics of the Past or Resources for the Future? published May 2000
- Handbook for Special Districts, updated by the 2001-2002 Trinity County Grand Jury
- Handbook for Public Agency Officials, published 1992

FINDING # 1:

On examination of the Auditor's records dated from July 2002, it was discovered that a total of seven special districts were not in compliance with the requirement for an annual audit. Annual audits were overdue for the fiscal year 2000-2001.

The last audit on file for each of these districts is listed below:

- Hayfork Fire District 2000
- Greater Hayfork Valley Park and Recreation District No Audits Ever Filed
- Lewiston Community Services District 1987
- Post Mountain Public Utility District 2000
- Salyer Community Services District No Audits Ever Filed
- Trinity County Park and Recreation District 1999
- Weaverville Fire District 1998

The County Auditor's Office sent letters to each of these districts in August of 2002 reminding them that their audits were overdue. The Auditor sent additional letters in December 2002 to Trinity County Park and Recreation District and Weaverville Fire District. In January 2003, the Auditor arranged to have audits performed for any district that had not engaged their own auditor.

During the course of the year the following audits were received:

- Lewiston Community Services District, audit for 2000-2001 was received in December 2002
- Post Mountain Public Utility District, audit for 2000-2002, a two-year audit was received in September 2002
- Salyer Community Services District, sent a bookkeepers report for 2000-2001 rather than an audit
- Trinity County Park and Recreation District, audit for 2000-2002, a two-year audit was received in late December 2002 and was titled "Weaverville-Douglas City Parks and Recreation District of Trinity County"

In March 2003, letters were sent to eight Special Districts from the County Auditor's office reminding them that their 2001-2003 audits would be due at the end

of that fiscal year (June 30, 2003).

RECOMMENDATION #1:

The Grand Jury recommends that the Auditor continue to work closely with the districts and remind them, as necessary, when their audits are due.

FINDING # 2:

Several of the Special Districts have held the belief that they only have to do an audit every two years and have proceeded to do so. California Government Code 26909 (f) states “ A special district may, by unanimous request of the governing board of the special district, with unanimous approval of the board of supervisors, replace the annual audit with a biennial audit covering a two-year period...” According to the Board of Supervisors (BOS) and the County Auditor, none of the Special Districts have applied to the BOS for approval to have their audits done biennially.

RECOMMENDATION # 2:

The Grand Jury recommends that those Special Districts who want to have two-year audits rather than yearly audits, comply with Gov. Code 26909 (f) by having unanimous board approval and subsequent requests to the BOS and that the BOS give those requests their unanimous approval for a biennial audit.

FINDING # 3:

Every district member who we interviewed complained that the cost of the State-required annual audit was a financial burden to their district’s limited financial resources. Obviously, it was more of a strain on those districts with \$16,000 annual revenue than those with much higher revenues.

The costs of annual audits, according to three independent auditors, will more than likely escalate when the Governmental Accounting Standards Board (GASB) Statement No. 34 is put into place beginning in fiscal year June 15, 2003. The new GASB standard requires a change in the format of the audits, making them easier overall to understand. Changes to the format (rearranging all the data, including for the first time an inventory of equipment and assets, and providing an introductory narrative) will increase the cost of an audit anywhere from \$200 to \$1,000 over the current cost. This may only be a one-time increase, however none of the auditors would attest to that.

RECOMMENDATION #3:

The Grand Jury recommends that:

- (a) The County Auditor must negotiate lower auditing fees with one or more auditing firms and pass these on to the Special Districts.
- (b) The BOS must find funds in grants to subsidize the audits of the smaller special districts.

CONCLUSION:

Special Districts offer valuable services such as fire protection, road maintenance, parks and recreation facilities, water and sewer that some communities take for granted.

Special Districts operate in relative obscurity and many communities do not even know that they exist. Districts are usually governed by a board of residents (directors) who live within the boundaries of their district. Most directors are volunteers, whether elected or appointed, and do not receive payment for the hours they dedicate to their communities.

The Grand Jury appreciates and lauds those who serve their communities. It also holds them to the high standards that public officials must bear. The Directors should be visible and accountable to the people they serve. They should be aware and knowledgeable of the laws that govern their District. Often only local public scrutiny can assure that districts are accountable to their community.

The County Auditor must continue his role in assuring that Special Districts comply with auditing standards.

The Trinity County Board of Supervisors must be aware of the financial difficulties some Special Districts face. Without additional financial support, some Special Districts could cease providing necessary services.

RESPONSES REQUIRED:

Penal Code 933 requires the following entities to respond to the Superior Court Judge of the Grand Jury within the required time period:

**ENTITY
FINDING
RECOMMENDATION
RESPOND IN:**

Special Districts:

- Hayfork Fire District
- Greater Hayfork Valley Park & Recreation
- Salyer Community Services District
- Weaverville Fire District
- Post Mt. PUD
- Trinity County Parks & Recreation

1

1

1

1

2

2

2

2

30 days

Link to Response

Trinity County Auditor

1,3

1,3

60

Link to Reponse

Trinity County Board of Supervisors

2,3

2,3

90

Link to Response

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Report[**Compliance on Annual Audits**
Committee[**Special District Committee**
Type[**Response**
From[**Paul Davis, Post Mountain Public Utilities District**

TO: Superior Court Judge Anthony Edwards

FROM Paul Davis, Post Mountain Public Utility District

RE: 2002-2003 Trinity County Grand Jury Report
Compliance on Annual Audits

In response to the above referenced report: the past Boards of Directors of the Post Mountain Public Utility District had the understanding that an audit every other year, for those past two years, was sufficient to satisfy the audit requirements of the county.

However, the current Board of Directors of the Post Mountain Public Utility District has now voted to have an annual audit conducted yearly.

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Report[**Compliance on Annual Audits**
Committee[**Special Districts Committee**
Type[**Response**
From[**Brian Muir, Auditor-Controller**

TO: The Honorable Anthony Edwards,
Presiding Judge of the Superior Court

From: Brian Muir, Auditor - Controller

SUBJECT: Response to Recommendations of 2002-03 Grand Jury
Special Districts Committee Report re: Compliance on Annual Audits

DATE: June 25, 2003

The Grand Jury Special Districts Committee has requested a written response to their final report on Compliance on Annual Audits. In my capacity as Auditor – Controller my response is as follows:

Finding #1, Response: I agree. The Auditor's Office will continue to work with special districts to obtain annual audits.

Recommendation #1: The recommendation has been implemented.

Finding #3, Response: I agree. It is an ongoing problem for special districts with limited funding to meet the audit requirements of the California Code.

Recommendation #3(a): The recommendation will be implemented. The County Auditor will work to negotiate lower auditing fees. However, there are few economies of scale for an accounting firm conducting multiple audits, and I do not anticipate significant savings for the special districts.

Recommendation #3(b): The recommendation will be implemented. Although a grant to fund accounting services would be very unusual, I will instruct our Grants Department to conduct an ongoing search for an appropriate offering.

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Report[**Compliance on Annual Audits**
Committee[**Special Districts Committee**
Type[**Response**
From[**Board of Supervisors**

TO: *The Honorable Anthony Edwards,
Presiding Judge of the Superior Court*

FROM: *Trinity County Board of Supervisors
Billie A. Miller, Chairman*

SUBJECT: *Response to 2002-03 Trinity County Grand Jury Special Districts Committee re:
Compliance On Annual Audits*

The Grand Jury Special Districts Committee has requested a written response to their final report on Compliance On Annual Audits.

Finding #2, Response: *We agree with the finding.*

Recommendation #2, Response: *The recommendation will be implemented. Those Special Districts who want to have two- year audits rather than yearly audits and comply with Gov. Code 26909 (I) will be granted their request unless the County Auditor deems that annual audits are necessary. As a general rule, there is little or no cost savings when converting to a two-year audit schedule.*

Finding #3, Response: *We agree with the finding. It is an ongoing problem for Special Districts to meet their auditing requirements.*

Recommendation #3(a), Response: *The recommendation will be implemented. The County Auditor will work to negotiate lower auditing fees, however, we do not anticipate significant savings for the Special Districts.*

Recommendation #3 (b), Response: *The recommendation will be implemented. The Trinity County Grants Department will be instructed to continually search for grants to assist Special Districts with their audits.*

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