

# Opinion: EDC fire district wants its money

By Larry Weitzman

El Dorado County CAO Larry Combs, wrote a letter to El Dorado Hills Fire Chief Dave Roberts on Oct. 8 informing Roberts that Board of Supervisors resolution 064-2014 had “errors of a technical nature that occurred in the adoption of the transfer.” What happened is that EDH Fire District through this resolution annexed the Latrobe Fire Protection District and the existing property tax revenue of Latrobe Fire was supposedly transferred to EDH Fire. In addition, Latrobe Fire was dissolved. No big deal, right?



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Not when you have Terri Daly, Kim Kerr and Mike Applegarth handling the paper work. We are talking about employees earning combined salary and benefits of more than \$500,000 a year.

What Combs was referring to was that for the last two tax years since the BOS adopted the resolution on June 10, 2014, EDH Fire has not received a penny of the annual property tax revenues of about \$257,000 annually. EDH Fire has annexed and accepted responsibility of Latrobe Fire, but isn't getting paid for it. And to make matters worse, it is not recoverable. How could this happen? Aren't the high ranking county officials, a CAO, an ACOA and a principal administrative

analyst supposed to know what they are doing? Apparently not.

According to a memo in the BOS package apparently written by Kim Kerr and Mike Applegarth shows that this annexation which had file number 14-0428 was started at least by March 17, 2014, to adopt a resolution for the aforementioned annexation. Conceptually it was approved by the BOS on March 25, 2014, and a final version two was approved June 10, 2014. The title of the action according to the Kerr/Applegarth document titled Legislation Details was "CAO recommending the Board adopt Resolution 064-0214 agreeing to the exchange of property tax increment, and a property tax base adjustment pursuant to Section 99.02 of the California Revenue and Taxation Code for the dissolution of the Latrobe Fire Protection District and the annexation of the dissolved district by the El Dorado Hills Fire."

To complete a property dissolution and annexation one would think that these two (three if you include the CAO) highly paid individuals and supposedly knowledgeable people could accomplish this ministerial annexation in their sleep, right? Again, apparently not. They even didn't understand the deadlines, never mind Section 99.02, the very code section they cited. That's what happens when you cut and paste some other document without understanding what you are doing.

Their first mistake was when they state "under the R&T code (no section cited), the deadline for all districts to adopt resolutions agreeing to the exchange of property tax is May 16, 2014. Since this resolution was posted to the BOS June 10, 2014, calendar on June 6, 2014, didn't they understand they were already past the annual deadline to accomplish what they wanted to do? If they thought May 16 was the deadline for this year, why did they even put this on the calendar in a haphazard, rush fashion, posting it on a Friday for the following Tuesday's BOS meeting? Even worse was the three-day notice to the public, while legal, not leaving much time for scrutiny.

It becomes obvious that the BOS didn't read or understand the agenda material which consisted of less than half a dozen pages, because if they did, they would have questioned the May 16 deadline date. Maybe they also should have read R&T Section 99.02 as you will come to see, no one in the CAO's office did so either. By the way, where was county counsel in this debacle?

For the CAO's and any other interested party's edification the actual deadline for such a transfer is June 30, not May 16. The CAO obviously didn't know and never bothered to check. But 99.02 (e) creates perhaps an unsolvable problem, in that to legally do such a transfer requires a noticed public hearing for the BOS, EDH Fire and Latrobe Fire, none of which were held and it can't be cured retroactively. That means the past two years of property tax revenues (about \$513,000) are gone.

But there may be another problem, how is Latrobe going to conduct a public meeting as it was dissolved two years ago and now it doesn't exist. That could be unsolvable.

In a letter dated Oct. 22, 2015, from the EDH fire chief he asks for his tax revenue money and acknowledges the Combs letter that there is a problem of "a technical nature." He goes on to say "we ... have been patient while being assured that these issues would be rectified and our district would be made whole as per the original agreement."

If those assurances were made recently, then we need to know who made them as no one has even tried to fix the problem according to the law. In addition, what county official is unilaterally making such assurances? One was made by Larry Combs in the above referenced letter when he said, "The county is committed to working with EDH Fire to ensure that the county's commitment to EDH Fire as expressed in Resolution 064-2014 is fulfilled and is in accordance with California law."

We will see.

It is difficult to act within the law when the county officials do not understand the law, especially high ranking county officials who have almost a dozen full time lawyers on staff. Doesn't say much for county counsel, either. But what could be worse is that high county officials think they are above the law and they can do anything they want, just put it before the BOS yes members. It's been over four months since the BOS said they wanted Pam Knorr to correct a salary and benefits resolution. If not corrected, Knorr and County Counsel Robyn Drivon will receive a large benefit as a result paid for by the taxpayers. Maybe they are purposely letting it slide while the BOS is silent.

This property tax revenue transfer problem needs resolution for next year but that still concerns only future tax revenues. I doubt that anyone in the county has done anything since being notified of the problem. Perhaps we just don't need a new administration, but a new BOS that takes care of business instead of the platitudes about how the administration does such a good job. Maybe the administration has other things on their mind.

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