



El Dorado County Emergency Services Authority

480 Locust Road
Diamond Springs, CA 95619
Tel (530) 642-0622 Fax (530) 642-0628
www.edcjpa.org

August 6, 2024

The Presiding Judge of the El Dorado County Civil Grand Jury

Re: Response to Grand Jury Report, Case 24-08

The Presiding Judge of the El Dorado County Civil Grand Jury:

On behalf of the El Dorado County Emergency Services Authority (JPA), we wish to respond to the above referenced Grand Jury Report. We greatly appreciate the time and effort that the Jury Personnel invested in researching and reaching their findings and recommendations.

Findings:

F1: The JPA Board allowed an employment contract to be signed without compensation being identified for the promotion of Executive Director.

Response: Partially Disagree.

At the time of the Deputy Director's promotion to Executive Director in January 2022, there was an explicit agreement that the Deputy Director salary would continue to be paid until the amount of increase was determined in the future. This is not inappropriate or illegal.

F2: Retroactive pay was approved for the former Executive Director during multiple Board meetings, which occurred after the separation of the Executive Director from employment. The October 25th, 2023, meeting minutes show a 5% increase for January-June 2023, and a 10% increase from July-September 2023.

Response: Partially disagree.

The process was initiated well before there was any knowledge that the Executive Director would be leaving. By the time the last decisions were made, the Executive Director had given notice of separation.

F3: The employee performance review cycle and compensation cycle are not aligned in the employment contract, resulting in repeated retroactive pay situations.

Response: Agree.

All employee contract performance review cycles and compensation cycles are now aligned to prevent retroactive pay issues.

F4: The JPA Board delayed a compensation increase for an employee who was promoted from Deputy Director to Executive Director in January 2023.

Response: Partially Agree.

As noted in the response to F3, there was a miss alignment with past employee contracts regarding the performance review cycle and compensation cycle that created the F4 noted issue. All current employee contracts have corrected this miss alignment.

F5: Providing retroactive pay for separated employees raises a potential violation of the California State Constitution prohibiting retroactive increase in compensation for services already rendered.

Response: Disagree.

*There was a prior agreement to determine the amount of the increase later. Where negotiations are ongoing at the beginning of the contract period, retroactively applying of a salary increase does not violate the Constitution. See, for example, the discussion in *Jarvis v. Cory* (1980) 28 Cal.3d 562, 569-572.*

F6: Transparency and alignment to the Brown Act has been lacking.

Response: Disagree.

While the JPA could and will put more information on its website, the Grand Jury's report does not identify any Brown Act violations.

F7: General Counsel employed by the JPA lacked Brown Act knowledge.

Response: Partially disagree.

The current counsel has general Brown Act knowledge but has had to research specific issues as they arise.

F9: There is a JPA Monthly Appropriation Invoicing policy that is not followed. The three agencies contracted to provide emergency ambulance transport services to the JPA are not providing accurate or timely fiscal reports.

Response: Disagree.

Georgetown Fire Protection District adheres to the current invoicing policy. El Dorado County Fire Protection District and El Dorado Hills Fire Department had established a verbal agreement with the past Executive Director(s) to invoice JPA in a manner that better aligned with their billing cycles.

F10: The office of the CAO does not audit details due to fixed rate contracts and when pressing for details, does not receive them.

Response: Disagree.

The CAO's office performs audits and when further details are requested the JPA has complied with providing those details. The JPA also provides annual audits to the CAO office.

F11: There is an inherent conflict of interest within the current Board structure. Three Board members' agencies may benefit from decisions made by the full Board.

Response: Disagree.

No inherent conflict exists because no individual Board Member would benefit financially from any contractual decision made by the entire board. All current contracts are reimbursement based and any residuals are returned to the JPA for accounting.

F12: There is no code of conduct policy document regarding conflict of interest and recusal.

Response: Partially Disagree.

The JPA's Board is subject to the same laws that apply to any legislative body of a California local public agency, but the JPA does not have its own code of conduct. The JPA is currently performing a policy review.

F13: The County BOS is not responsible for oversight, nor can they change the structure of the JPA Board. The JPA Board is its own governing body.

Response: Agree.

F14: There has been discussion about changing the JPA Board structure, but no efforts have received the super majority vote, making change unlikely with this Board.

Response: Disagree

The JPA Board of Directors has previously reviewed the JPA Board structure but has not identified a more effective arrangement at this time. The Board will continue to assess the structure and implement changes as needed.

Recommendations:

R1: By December 31, 2024, the JPA Board should create a policy and ensure compensation is properly listed on employment contracts.

Response: Agree.

R2: By December 31, 2024, the JPA Board should revise all employment contracts to align the performance review and compensation timing to remove the retroactive pay cycle.

Response: Agree.

This has already been corrected. All employment contracts performance review and compensation timing are now aligned.

R3: By December 31, 2024, the JPA Board should ensure all Board documentation is reviewed, updated, and visible on their website for transparency purposes. This should include the Semiannual Actual Cost report after it is released to the County.

Response: Partially Agree.

This is in process, but the timeline for completion may not be feasible with staffing. The JPA will adhere to all reporting requirements as stipulated in our Master Contract with the County of El Dorado.

R4: By December 31, 2024, the JPA Board should obtain Brown Act and Ethics training, re-train every two years and track for compliance.

Response: Agree.

The JPA offered and completed Brown Act Training in the month of June 2024. All Board Members currently comply with this request by receiving this training from their own agencies. The Board Members will provide copies of training certificates to the JPA for tracking and compliance.

R5: By December 31, 2024, the JPA Board should proceed hiring new General Counsel with Brown Act and local government law experience.

Response: Disagree.

The current General Counsel does have experience with the Brown Act and local government law experience. The JPA Board is open to recommendations but will ultimately decide who the General Counsel of the JPA will be.

R6: By December 31, 2024, the JPA Board should require their transporting agencies to follow the Monthly Appropriation Invoicing Policy and hold them accountable.

Response: Disagree.

The JPA Board and Staff intend to review the current invoicing policy and adjust it to the option that can best facilitate compliance. Refer to F9.

R7: By December 31, 2024, the JPA Board should ensure that their Semiannual Actual Cost reports to the County are in alignment with Generally Acceptable Accounting Principles (GAAP).

Response: Disagree.

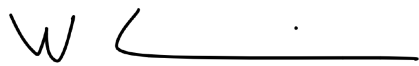
The JPA will adhere to all reporting requirements as agreed to within our Master Contract with the County of El Dorado. Refer to R3.

R9: By December 31, 2024, the JPA Board should task their new General Counsel to provide a restructuring model for this Board. Counsel should base this new structure on how best to remove any inherent conflict of interest with a clearly defined code of conduct policy for conflicts of interest.

Response Disagree.

Refer to F12, F14 and R5

Respectfully,



William Sugiyama, Executive Director



Fire Chief Wes Norman, Board Chair