

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

259



FROM: EXECUTIVE OFFICE

SUBMITTAL DATE: March 12, 2002

FILE

SUBJECT: Response to Grand Jury Report: Perris Valley Cemetery District

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Receive and file the attached responses from the former Board of Trustees and the Auditor-Controller on the Grand Jury's recommendations regarding the Perris Valley Cemetery District.
- 2) Direct the Clerk of the Board to immediately forward the responses to the Grand Jury, to the Presiding Judge, and to the County Clerk-Recorder (for mandatory filing with the State).

BACKGROUND: On January 8, 2002, the Board of Supervisors received the Grand Jury's report regarding the Perris Valley Cemetery District. Section 933(c) of the Penal Code requires that the Cemetery Districts Board of Trustee response be provided to the Presiding Judge of the Supervisor Court within 90 days.

ent Recommendation: Con Policy

Per Executive Office: Consent Policy

TONY CARSTENS
Deputy County Executive Office

F:\SERIES\GRANT\GJURY\00DAYRESP.doc

FINANCIAL DATA:	N/A		
CURRENT YEAR COST	\$	ANNUAL COST:	\$
NET COUNTY COST	\$	IN CURRENT YEAR BUDGET:	Yes/ No/
		BUDGET ADJUSTMENT FY:	Yes/ No/

SOURCE OF FUNDS:

C.E.O. RECOMMENDATION: APPROVE.

County Executive Officer Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Mullen and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Venable, Wilson and Mullen
 Noes: None
 Absent: None
 Date: March 12, 2002
 xc: E.O., Grand Jury, Presiding Judge, Auditor, PVCD,
 Co. Clerk-Recorder

Gerald A. Maloney
Clerk of the Board

By: Deputy

3.3



County of Riverside

Office of
County Auditor-Controller

County Administrative Center
4080 Lemon Street, 11th Floor
P.O. Box 1326
Riverside, CA 92502-1326
(909) 955-3800
FAX (909) 955-3802

EXECUTIVE
OFFICE

Anthony J. Bellanca, CPA
Auditor-Controller

Robert Byrd, CGFM
Assistant Auditor-Controller

FEB 21 11:00 AM
COUNTY OF RIVERSIDE

February 20, 2002

Mary Ellen Johnson, Foreperson
2001-02 Riverside County Grand Jury
P.O. Box 829
Riverside, California 92502

Dear Ms. Johnson:

We are responding to items # 3 and # 4 of the Grand Jury Report: Perris Valley Cemetery District, letter dated December 13, 2001, that pertain to the office of the Auditor-Controller.

Finding 3:

"California Health & Safety Code (CH&SC) 9003 (Endowment Fund) states: "No part of the principal of the fund shall be expended for the care of the lots, but such expenditures shall be limited to the interest income from the fund." In April 2001, the District borrowed \$60,000 from the endowment fund principal, which was transferred to the District's general operating fund in order to continue day to day operation."

Recommendation 3:

"Perris Valley Cemetery District and the Auditor-Controller adhere to the CH&SC regarding maintenance of the endowment fund principal."

Response:

When the District's board determined to transfer funds from their endowment fund to their operating fund, the Auditor-Controller's Office requested a letter from their legal counsel on the propriety of such a transfer. In a letter dated April 12, 2001 from Best Best & Kreiger LLP, John D. Wahlin stated "...Section 9002 of the Health and Safety Code specifies the type of investments which may be made with the principal of an endowment fund. Section 9002(b) permits the investment in any obligation issued by a County, municipality or school district of the State, which is pledged by the full faith and credit of the appropriate agency. While this provision does not specifically refer to all public agencies, we note that the endowment fund is held as a fund of the County of Riverside, which is the depository of the funds. Because of this relationship, we believe

Mary Ellen Johnson, Foreperson
2001-02 Riverside County Grand Jury
2/20/02
Page 2

it is reasonable interpretation of section 9002(c), Health and Safety Code, that the District can borrow funds from the County account holding the endowment funds..." Therefore, the action taken was based on a need of funds, ability to repay based on a cash flow statement and their legal counsel's letter supporting the propriety of the action.

Finding 4:

"The Riverside County Auditor-Controller's office distributes county tax allocations and charges the District a monthly fee for accounting and processing services."

Recommendation 4:

"PVCD and the Auditor-Controller work together following established guidelines, to understand tax distribution and implement proper accounting processes."

Response: The Auditor-Controller's office will forward the District and the Executive Office the most recent cash flow statement based on data supplied by the District and projections of tax revenues supplied by our property tax section. The objective of the cash flow was to assist the District in monitoring its cash position during the current fiscal year. A copy of our letter dated October 25, 2001, "Fiscal Year 2001-2002, Tax Apportionment Schedule" detailing the estimated property tax apportionment dates will be forwarded as well. The Executive Office has contracted with a retired manager of Summit Cemetery District to review current operations and implement appropriate procedures. The Auditor-Controller's office is available to confer on tax distribution and accounting processes.

Respectfully Submitted,



Anthony J. Bellanca
Auditor-Controller

cc: County Executive Office
Board of Supervisors

Perris Valley Cemetery District **FILE**
COUNTY OF RIVERSIDE

915 N. Perris Blvd.
P.O. Box 477, Perris, CA 92572

(909) 657-2352

January 24, 2002

Office of the Auditor-Controller
County of Riverside
County Administrative Center
4080 Lemon Street, 12th Floor
Riverside, CA 92502-1326

REF: Grand Jury's Response

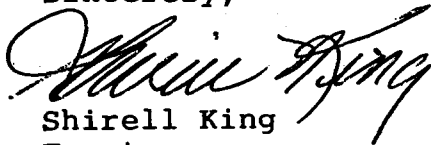
Dear Teresa,

Attached is the response from the Grand Jury's report dated December 13, 2001.

It is my understanding that Ray Balboa and Jim Clark were sending in their own responses. It was my understanding that one was to be submitted collectively.

If you have any question, please contact me.

Sincerely,


Shirell King
Trustee

In compliance with Section 933.05 of the Penal Code, please complete the following information for each finding and for each recommendation contained in the Grand Jury Report for your department or agency:

A. In preparing your department/agency's response to each **Finding** of the Grand Jury Report, please indicate one of the following for each **Finding**:

(Please check one and delete non-applicable responses)

1. Respondent agrees with the finding.
2. Respondent disagrees wholly with the finding. Explain the disagreement:

3. Respondent disagrees partially with the finding. Explain the partial disagreement:

B. In preparing your department/agency's response to each **Recommendation** of the Grand Jury Report, please indicate one of the following for each **Recommendation**.

(Please check one and delete non-applicable responses)

1. The recommendation has been implemented. Provide a summary regarding the implemented action:
Recommendation one will be completed on January 29, 2002, all others are out of our control as Trustees relieved of their duties.
2. The recommendation has not yet been implemented, but will be implemented in the future. Provide a time frame for implementation:

3. a. The recommendation requires further analysis. Explain the scope and parameters of an analysis or study:

b. Provide a time frame for analysis or study to be completed by the department/agency. This time frame shall not exceed six months from the date of publication of the Grand Jury Report.

4. N/A The Recommendation will not be implemented because it is not warranted or is not reasonable. Explain:

To the riverside county grand jury 1/24/82

Att.S.K.Sonnie Roberrtson

1 PUCD has been operating with insufficient funds for many years and it was locked in at that by prop 13.

2. There are a number of districts operating without a manager as shown in the CAPC membership directory. WE believed we were to operate the place and was setting it up with knowledgeable outside help with management and as in others having office help for the paper work -public relations portion.

3 The prior manager had borrowed interest and our new short term manager convinced us that we could also do that. As you know he did not stay very long.

4 This is true we presume for all districts

5 This is also true except it depends on business how long it will take to fill it.

6 One only it seems was missing available from CAPC.

7 This contracting outside help we believe is very good and is done now in the same manner by a number of county public cemeteries. It gives us the best operation in that we have a large crew available with experience to do all the various jobs needed. The main contractor serves as manager outside and the office clerk takes care of the paper work.

Recommendations

1 The board of supervisors are taking over

2 As stated above we believe this is a waste. A proper manager should get paid \$40000 per year with 3 minimum outside help 2 of them good backhoe operators at \$25 per hour 52000 per year with one other necessary helper to a total of \$160000 per year plus insurance, withholding, uniforms etc. Would these also be good at trimming, fertilizing as needed and the all around other needs? With the contracting firm you get knowledgeable help in all aspects of this provided by them with management at a lower cost and all the help that you need for the jobs at the time it is needed. Good backhoe operators are being paid \$25 to 30 per hour. One of them might be off duty when needed so 2 is necessary with a helper. Our contract gave us 4 plus educated help on the other needs including plumbing.

3 This is being done.

4 Books were checked and balanced each month. Mrs King(trustee) was a bank manager and did this.

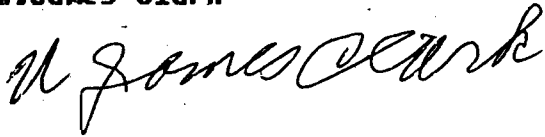
5 & 8 We do not believe your idea here is usable. In fact I believe it could really make a mess. Since we hired the outside firm we have had many comments on how well the place is looking.

How can we have that help available at a specific time to do a burial and will they be able to operate the backhoe, other equipment? Will they know how to do the various operations necessary?.

7 I believe I have explained this in 5 & 8 .To have really qualified help for a all around crew is difficult to come by other than by outside contracting of knowlegeable help.

I could have written this much shorter but with the job the grand jury is doing it seemed like it would be well to give them a different look at what is going on.

W. James Clark



In compliance with Section 933.05 of the Penal Code, please complete the following information for each finding and for each recommendation contained in the Grand Jury Report for your department or agency:

A. In preparing your department/agency's response to each Finding of the Grand Jury Report, please indicate one of the following for each Finding:

(Please check one and delete non-applicable responses)

1. Respondent agrees with the finding.
2. Respondent disagrees wholly with the finding. Explain the disagreement:
The Manager Position is vacant but
is needed Bad to operate gov duties
3. Respondent disagrees partially with the finding. Explain the partial disagreement:
I do not disagree on this
subject

B. In preparing your department/agency's response to each Recommendation of the Grand Jury Report, please indicate one of the following for each Recommendation.

(Please check one and delete non-applicable responses)

1. The recommendation has been implemented. Provide a summary regarding the implemented action.
I think that it is the only
way to get back to normal.
2. The recommendation has not yet been implemented, but will be implemented in the future. Provide a time frame for implementation:
This action is needed soon
3. a. The recommendation requires further analysis. Explain the scope and parameters of an analysis or study:
Auditor Controller have the final say
P.V.C.D. will no longer be

b. Provide a time frame for analysis or study to be completed by the department/agency. This time frame shall not exceed six months from the date of publication of the Grand Jury Report.

Yes by all means

4. ---- The Recommendation will not be implemented because it is not warranted or is not reasonable. Explain:

implement all recommendations

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Supervisor Mullen

SUBMITTAL DATE: January 29, 2002

SUBJECT: Adoption of Resolution 2002-49, Authorizing the Board of Supervisors of the County of Riverside to act as Trustees of the Perris Valley Cemetery District, First, Third, and Fifth Supervisorial Districts.

RECOMMENDED MOTION:

That the Board of Supervisors:

1. Adopt Resolution No. 2002-49, Authorizing the Board of Supervisors to act as the Trustees of the Perris Valley Cemetery District.
2. Authorize Deputy County Executive Officer Tony Carstens to represent the Board of Supervisors in cemetery district fiscal and operational matters.

BACKGROUND:

On January 8th, 2002, the Board discussed the significant challenges faced by the Perris Valley Cemetery District for the past five years including:

- ◆ Minimal resources to meet existing needs
- ◆ An inordinately low tax rate
- ◆ Limited operational income
- ◆ Debt load
- ◆ Personnel and contract issues
- ◆ Lack of capitalization

THE FOREGOING IS A FULL, TRUE AND CORRECT COPY OF A MINUTE ORDER OF THE BOARD OF SUPERVISORS ENTERED

ON January 29, 2002

Dated: April 2, 2002

GERALD A. MALONEY, Clerk of the Board of Supervisors, County of Riverside, California

By [Signature], Deputy

The Board adopted resolution 2002-21, Notice of Intent for the Board of Supervisors to Act as Trustees of the Perris Valley Cemetery District and scheduled the public hearing for January 29, 2002.

Because of the challenges that have degraded the condition of the cemetery and severely limited its ability to expand into existing land, it is appropriate for the Board of Supervisors to adopt oversight of the operations of the Perris Valley Cemetery District. Deputy County Executive Officer Tony Carstens will function as the Board's executive officer for the cemetery district in fiscal and operational matters.

Staff will review other cemetery district operations and explore the feasibility of shared resources, personnel, and management structure.

[Signature of Supervisor Mullen]

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Mullen, seconded by Supervisor Venable and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Venable, Wilson and Mullen

Noes: None

Absent: None

Date: January 29, 2002

xc: Supv. Mullen, Co.Co., E.O.

Prev. Agn. ref.

Depts. Comments

Gerald A. Maloney
Clerk of the Board

By [Signature]
Deputy

Dist.

AGENDA NO. **7.1**

2
3 RESOLUTION NO. 2002-49

4 AUTHORIZING THE BOARD OF SUPERVISORS
5 OF THE COUNTY OF RIVERSIDE
6 TO ACT AS TRUSTEES OF
7 THE PERRIS VALLEY CEMETERY DISTRICT

8 WHEREAS, on January 8, 2002, the Board of Supervisors of Riverside County adopted
9 Resolution No. 2002-21 Notice of Intent for the Board of Supervisors to Act as Trustees of the Perris
10 Valley Cemetery District, and

11 WHEREAS, as noticed, a public hearing was conducted on January 29, 2002 as required under
12 Health and Safety Code Section 8950.5., and

13 WHEREAS, no/insufficient protest was filed, pursuant to Health and Safety Code Section
14 8950.6, objecting to the proposed governance of the District.

15 NOW, THEREFORE BE IT RESOLVED by the Board of Supervisors of the County of
16 Riverside, assembled in regular session on January 29, 2002, that the Board of Supervisors of
17 the County of Riverside is the governing body of the Perris Valley Cemetery District and the terms of
18 any Trustees appointed pursuant to Health and Safety Code Section 8950 shall terminate immediately.

19 FORM APPROVED
COUNTY COUNSEL

20 JAN 22 2002

21 BY 

22 ASSISTANT COUNTY COUNSEL

G:\Property\DBONELLI\2002 Resolutions\2002-49.doc

23 Roll Call:

24 Ayes: Buster, Tavaglione, Venable, Wilson and Mullen
25 Noes: None
26 Absent: None

27
28
1/29/2002 7-1

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Supervisor Mullen

SUBMITTAL DATE: January 8, 2002

SUBJECT: Adoption of Resolution 2002-21, Notice of Intent of the Board of Supervisors to Act as the Trustees of the Perris Valley Cemetery District. First, Third, and Fifth Supervisorial Districts.

RECOMMENDED MOTION:

Recommended Motion: That the Board of Supervisors:

1. Adopt Resolution No. 2002-21, Notice of Intent for the Board of Supervisors to Act as the Trustees of the Perris Valley Cemetery District.
2. Set a public hearing on January 29, 2002, to hear comment from persons residing within the district.
3. Authorize and direct the Clerk of the Board to give notice as required.

BACKGROUND:

The Perris Valley Cemetery District has faced significant challenges for the past five years including:

- ◆ Minimal resources to meet existing needs
- ◆ An inordinately low tax rate
- ◆ Limited operational income
- ◆ Debt load
- ◆ Personnel and contract issues
- ◆ Lack of capitalization

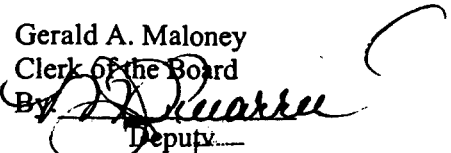
Because of the challenges that have degraded the condition of the cemetery and severely limited its ability to expand into existing land, it is appropriate for the Board of Supervisors to adopt oversight of the operations of the Perris Valley Cemetery District.

Tom Mullen
5th District Supervisor

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Mullen, seconded by Supervisor Buster and duly carried by unanimous vote, IT WAS ORDERED that the above resolution is adopted.

Ayes: Buster, Tavaglione, Venable, Wilson and Mullen
Noes: None
Absent: None
Date: January 8, 2002
xc: Supv. Mullen, Co.Co., COB

Gerald A. Maloney
Clerk of the Board
By 
Deputy

Prev. Agn. ref.

Depts. Comments

Dist.

AGENDA

2
3 RESOLUTION NO. 2002-21

4 NOTICE OF INTENT FOR THE
5 BOARD OF SUPERVISORS TO ACT AS TRUSTEES OF THE
6 PERRIS VALLEY CEMETERY DISTRICT

7 WHEREAS, the Perris Valley Cemetery District was formed July 11, 1927 for the purpose of
8 maintaining a cemetery, and

9 WHEREAS, the Board of Trustees is appointed by the Board of Supervisors to carry out the
10 policy-making function of the District, and

11 WHEREAS, Health and Safety Code Section 8950.3 provides that the Board of Supervisors, in a
12 regular meeting, may by four-fifths vote adopt a resolution declaring its intent to act as the board of
13 trustees of the district, and

14 WHEREAS, conditions and circumstances have arisen demonstrating the appropriateness of the
15 Board of Supervisors overseeing the operations of the District.

16 NOW, THEREFORE BE IT RESOLVED by the Board of Supervisors of the County of
17 Riverside, assembled in regular session on January 8, 2002, intends to conduct a public hearing on
18 January 29, 2002, in the Board of Supervisors Hearing room 14th floor, 4080 Lemon Street, Riverside at
19 10:00 a.m., or as soon thereafter as the matter may be heard.

20 BE IT FURTHER RESOLVED that, pursuant to Health and Safety Code Section 8950.4, the
21 Clerk of the Board is directed to publish notice pursuant to Government Code Section 6061 not less than
22 five days before the date of the hearing and post copies of this resolution in three public places in the
23 district not less than 10 days before the date of the hearing.

24 Roll Call:

25 Ayes: Buster, Tavaglione, Venable, Wilson and Mullen
26 Noes: None
27 Absent: None

FORM APPROVED
COUNTY COUNSEL

JAN 03 2002

BY Do S. De
ASSISTANT COUNTY COUNSEL

The foregoing is certified to be a true copy of a
resolution duly adopted by said Board of Super-
visors on the date therein set forth.

GERALD A. MALONEY Clerk of said Board
By [Signature] Deputy



Office of
County Auditor-Controller

County Administrative Center
4080 Lemon Street, 11th Floor
P.O. Box 1326
Riverside, CA 92502-1326
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Anthony J. Bellanca, CPA
Auditor-Controller

Robert Byrd, CGFM
Assistant Auditor-Controller

February 20, 2002

Mary Ellen Johnson, Foreperson
2001-02 Riverside County Grand Jury
P.O. Box 829
Riverside, California 92502

Dear Ms. Johnson:

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Recommendation 3:

"Perris Valley Cemetery District and the Auditor-Controller adhere to the CH&SC regarding maintenance of the endowment fund principal."

Response:

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Mary Ellen Johnson, Foreperson
2001-02 Riverside County Grand Jury
2/20/02
Page 2

it is reasonable interpretation of section 9002(c), Health and Safety Code, that the District can borrow funds from the County account holding the endowment funds..." Therefore, the action taken was based on a need of funds, ability to repay based on a cash flow statement and their legal counsel's letter supporting the propriety of the action.

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"PVCD and the Auditor-Controller work together following established guidelines, to understand tax distribution and implement proper accounting processes."

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Respectfully Submitted,



Anthony J. Bellanca
Auditor-Controller

cc: County Executive Office
Board of Supervisors