

AUG 21 2018

COUNTY EXECUTIVE OFFICE
MICHAEL POWERS
County Executive Officer

Ventura County
Grand Jury

Mike Pettit
Assistant County Executive Officer

Catherine Rodriguez
County Chief Financial Officer

August 16, 2018

Sent Via E-Mail Shawn Atin
Assistant County Executive Officer/
Human Resources Director
Labor Relations

Honorable Patricia M. Murphy
Presiding Judge of the Superior Court
Superior Court of California, Ventura County
800 South Victoria Avenue
Ventura, CA 93009

Subject: Board of Supervisors' Response to 2017-18 Grand Jury Final Report on Ventura County Use of Vehicle Registration Fees, and Seabridge Community Facilities District No. 4.

Honorable Judge Murphy:

In accordance with State requirements, the requested response to the Grand Jury report referenced above was approved by the Ventura County Board of Supervisors on August 7, 2018 and is hereby submitted.

By way of this e-mail, copies of responses to the reports on Ventura County Use of Vehicle Registration Fees (Exhibit #1), and Seabridge Community Facilities District No. 4, the Minute Order, and the August 7, 2018 board letter were provided to the Ventura County Clerk, to Superior Court Jury Services and to the Foreperson of the 2017-18 Ventura County Grand Jury. As has been the usual practice in past years, Jury Services will provide copies of the responses to the State Archives.

Should you have any questions, please call me at 654-2864 or Kathleen Van Norman at 654-2566.

Respectfully submitted,



Mike Pettit
Assistant County Executive Officer

Attachments:

Board of Supervisors' Response to 2017-18 Grand Jury Final Reports on:
Ventura County Use of Vehicle Registration Fees (Exhibit 1) and
Seabridge Community Facilities District No. 4 (Exhibit 2)
Auditor-Controller Response to 2017-18 Ventura County Civil Grand Jury April 19, 2018 Final Report: Ventura County Use of Vehicle-Registration Fees (Exhibit 3)
District Attorney Response to 2017-2018 Grand Jury Report "Ventura County Use of Vehicle-Registration Fees" (Exhibit 4)
Minute Order
Board Letter dated August 7, 2018

Copies:

County Executive Officer, Michael Powers
County Clerk, Mark A. Lunn
Foreperson, Andrew Ludlum, 2017-18 Ventura County Grand Jury
Superior Court Jury Services, Nan Richardson, Manager

FY 2017-2018 GRAND JURY FINAL REPORT

RESPONSES TO FINDINGS (FI)/CONCLUSIONS (C) AND RECOMMENDATIONS (R)

Report Number (& Date)	Report Title	Respondents (With FI, C and R)
REPORT NO. 01 April 19, 2018		
Title:	<u>VENTURA COUNTY USE OF VEHICLE-REGISTRATION FEES</u>	
Requested Respondent:	Ventura County Board of Supervisors (R-03)	

Response to Grand Jury Report Form

Report Title: Ventura County Use of Vehicle-Registration Fees

Report Date: July 31, 2018

Response by: Scott Powers Title: Deputy Exec. Officer

FINDINGS

- I (we) agree with the findings numbered: _____
- I (we) disagree wholly or partially with the findings numbered: _____

RECOMMENDATIONS

- Recommendations numbered R-03 has been implemented.
(Attach a summary describing the implemented actions.)
- Recommendations numbered _____ have not yet been implemented, but will be implemented in the future.
(Attach a timeframe for the implementation.)
- Recommendations numbered _____ require further analysis.
(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)
- Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date: 8/1/18 Signed: Scott Powers

Number of pages attached 1

RECOMMENDATIONS

R-03. The Grand Jury recommends the Ventura County Board of Supervisors direct that funding for the Vehicle Theft Program be deposited into a trust account held by the Auditor-Controller's Office in order to provide more accountability, transparency, and oversight.

Response: The recommendation has been implemented

The Auditor-Controller has indicated a trust account has been created at the request of the District Attorney. The Vehicle Theft Trust account was established on January 23, 2018. All funds received from the State will be deposited into this account.

Exhibit 3

**JEFFERY S. BURGH
AUDITOR-CONTROLLER**

COUNTY OF VENTURA
800 SOUTH VICTORIA AVE.
VENTURA, CA 93009-1540



**ASSISTANT
AUDITOR-CONTROLLER**
JOANNE McDONALD

CHIEF DEPUTIES
BARBARA BEATTY
AMY HERRON
JILL WARD
MICHELLE YAMAGUCHI

June 12, 2018

RECEIVED

JUN 14 2018

Ventura County
Grand Jury

The Honorable Patricia M. Murphy
Presiding Judge, Superior Court of California
County of Ventura
800 S. Victoria Avenue
Ventura, CA 93009

Mr. Andrew Ludlum
Foreperson, Ventura County Grand Jury
800 South Victoria Avenue
Ventura, CA 93009

Re: Auditor-Controller Response to 2017-18 Ventura County Civil Grand Jury April 19,
2018 Final Report: Ventura County Use of Vehicle-Registration Fees

Dear Judge Murphy and Mr. Ludlum,

Please find enclosed the County Auditor-Controller's response to the 2017-18 Ventura
County Civil Grand Jury April 19, 2018 Final Report: Ventura County Use of Vehicle-
Registration Fees.

If you have any questions or require additional information, please do not hesitate to
contact me at (805) 654-3151. I appreciate the opportunity to respond to this report.

Respectfully submitted,

Jeffery S. Burgh, MPPA, CFE
Auditor-Controller
County of Ventura

Enclosures

Response to Grand Jury Report Form

Report Title: Ventura County Use of Vehicle-Registration Fees

Report Date: April 19, 2018

Response by: Jeffery S. Burgh Title: Auditor-Controller

FINDINGS / CONCLUSIONS

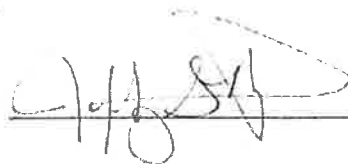
- I (we) agree with the findings / conclusions numbered: C-05
- I (we) disagree wholly or partially with the Findings / Conclusions numbered:
(Attach a statement specifying any portions of the Findings / Conclusions that are disputed; include an explanation of the reasons.)

RECOMMENDATIONS

- Recommendations numbered R-03 have been implemented.
(Attach a summary describing the implemented actions and date completed.)
- Recommendations number _____ have not yet been implemented, but will be implemented in the future.
(Attach a time frame for the implementation.)
- Recommendations numbered _____ require further analysis.
- Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.

Date: June 12, 2018

Signed: _____



Number of pages attached: 1

Response to Grand Jury Report Form

Report Title: Ventura County Use of Vehicle-Registration Fees

Report Date: April 19, 2018

Response by: Jeffery S. Burgh Title: Auditor-Controller Date: June 12, 2018

CONCLUSIONS

C-05. The Grand Jury concluded the CAL-ID policy of having funds wired directly from the State to a trust fund managed by the Auditor-Controller provides more accountability and adherence to State statutes. (FA-09, FA-10, FA-11, FA-15)

Response: Agree. The Auditor-Controller's Office agrees with the Grand Jury's conclusion that the CAL-ID policy of having funds wired directly from the State to an Auditor-Controller managed trust fund, provides for increased accountability.

RECOMMENDATIONS

R-03. The Grand Jury recommends the Ventura County Board of Supervisors direct that funding for the Vehicle Theft Program be deposited into a trust account held by the Auditor-Controller's Office in order to provide more accountability, transparency, and oversight. (C-03, C-05)

Response: Has been implemented. On January 23, 2018, based upon a request received from the District Attorney's Office, we established the Vehicle Theft Trust account. All funds received from the State are to be deposited directly into this account. Current account balance is \$459,113.



OFFICE OF THE DISTRICT ATTORNEY

COUNTY OF VENTURA, STATE OF CALIFORNIA

GREGORY D. TOTTEN
District Attorney

JANICE L. MAURIZI
Chief Assistant District Attorney

MICHAEL K. PRAWLEY
Chief Deputy District Attorney
Administrative Services

W. CHARLES HUGHES
Chief Deputy District Attorney
Special Prosecutions

MICHAEL R. JUMP
Chief Deputy District Attorney
Victim & Community Services

MICHAEL D. SCHWARTZ
Special Assistant District Attorney
Justice Services

R. MILES WEISS
Chief Deputy District Attorney
Criminal Prosecutions

MICHAEL BARAY
Chief Investigator
Bureau of Investigation

May 4, 2018

The Honorable Patricia M. Murphy
Presiding Judge
Ventura County Superior Court
800 S. Victoria Avenue
Ventura, CA 93009

Re: Response to 2017-2018 Grand Jury report, "Ventura County Use of Vehicle-Registration Fees."

Dear Judge Murphy:

This response to the 2017-2018 Grand Jury report regarding the use of vehicle registration fees is provided pursuant to Penal Code sections 933 and 933.05, and Chapter II-14 of the County of Ventura 2018 Administrative Policy Manual.

CONCLUSIONS

The only Conclusion in the Report, which is "pertaining to matters under the control" of the District Attorney (Penal Code, § 933(c)), is Conclusion C-03:

The Grand Jury concluded the Vehicle Theft Program's (sic) has a sizeable reserve balance of nearly \$408,000, and it is growing annually. The Grand Jury further concluded these funds could be kept in a trust account as recommended by the Auditor-Controller in order to provide additional oversight and transparency.

We agree with this conclusion.

Revenue from a \$1.00 fee applied to vehicle registration funds a vehicle theft task force that played a role in helping to locate many of the 960 recovered vehicles in fiscal year 2016-2017. The revenue fluctuates with the number of vehicles registered in Ventura

Hon. Patricia M. Murphy
May 4, 2018
Page 2

County. In recent years, the fund has increased the size of reserves as the number of vehicles registered has risen.

At current operating costs, the reserve represents less than two years of sustainability. Though we do not expect a dramatic decrease in vehicle registration, the reserves are necessary to ensure continued efforts in deterring and investigating vehicle theft.

The District Attorney's Office meticulously tracks the revenue associated with the program and submits annual reports to the California State Controller's Office. In addition to the existing internal and external controls, we agree that the establishment of a trust with our county Auditor-Controller's Office will advance transparency and oversight.

On January 4, 2018, we asked the Auditor-Controller to establish a trust. The vehicle theft trust was established on January 23, 2018, and has a current balance of \$459,113.

SUMMATION

The District Attorney's Office is committed to financial stewardship and transparency. The newly established trust, in addition to the yearly report to the California State Controller's Office, will ensure transparency and oversight.

I appreciate the consideration of my comments by the court and the Grand Jury.

Very truly yours,



GREGORY D. TOTTON
District Attorney

GDT:elb

cc: Andrew Ludlum, Grand Jury Foreperson
Board of Supervisors
Michael Powers, County Executive Officer
Jeffery Burgh, Auditor-Controller



BOARD MINUTES
BOARD OF SUPERVISORS, COUNTY OF VENTURA, STATE OF CALIFORNIA

SUPERVISORS STEVE BENNETT, LINDA PARKS,
KELLY LONG, PETER C. FOY AND JOHN C. ZARAGOZA
August 7, 2018 at 8:30 a.m.

COUNTY EXECUTIVE OFFICE - Approval of Responses to the 2017-2018 Ventura County Grand Jury Reports, Entitled "Ventura County Use of Vehicle Registration Fees", "Seabridge Community Facilities District No. 4", for Submittal to the Presiding Judge of the Superior Court in Accordance with State Statute.

- (X) All Board members are present, except Supervisor Long is absent.
- (X) The following persons are heard: Mike Pettit.
- (X) The following documents are submitted to the Board for consideration:
 - (X) Board Letter
 - (X) Exhibit 1 — Response to Grand Jury Report "Ventura County Use of Vehicle Registration Fees"
 - (X) Exhibit 2 — Response to Grand Jury Report "Seabridge Community Facilities District No. 4"
 - (X) Exhibit 3 — Auditor/Controller Response to Grand Jury Report "Ventura County Use of Vehicle Registration Fees"
 - (X) Exhibit 4 — District Attorney Response to Grand Jury Report "Ventura County Use of Vehicle Registration Fees"
 - (X) Comment letter from Robert Chatenever
- (X) Upon motion of Supervisor Bennett, seconded by Supervisor Zaragoza, and duly carried, the Board hereby approves recommendations as stated in the Board letter.

I hereby certify that the annexed instrument is a true and correct copy of the document which is on file in this office.

Dated: 8/15/18 MICHAEL POWERS
Clerk of the Board of Supervisors
County of Ventura, State of California

By: Lori Gaines
Deputy Clerk of the Board

By: Lori Gaines
Lori Gaines
Deputy Clerk of the Board



August 7, 2018

Mike Pettit
Assistant County Executive Officer

Catherine Rodriguez
County Chief Financial Officer

County of Ventura
Board of Supervisors
800 South Victoria Avenue
Ventura, CA 93009

Shawn Atin
Assistant County Executive Officer/
Human Resources Director
Labor Relations

Subject: Approval of Responses to the 2017-2018 Ventura County Grand Jury Reports, Entitled "Ventura County Use of Vehicle Registration Fees", "Seabridge Community Facilities District No. 4", for Submittal to the Presiding Judge of the Superior Court in Accordance with State Statute

Recommendations:

It is recommended that your Board approve the Responses to the 2017-2018 Ventura County Grand Jury Reports, entitled "Ventura County Use of Vehicle Registration Fees" (Exhibit 1), "Seabridge Community Facilities District No. 4" (Exhibit 2) pertaining to County Government under your Board's control for submittal to the Presiding Judge of the Superior Court in accordance with State Statute

Discussion:

Penal Code §933.05 requires that your Board comment on the Findings and Recommendations of the Grand Jury pertaining to County government under your authority.

The 2017-18 Grand Jury issued a report on April 19, 2018 entitled, "Ventura County Use of Vehicle Registration Fees." The Grand Jury required a response from your Board which was prepared on your behalf by the County Executive Office for your approval. Responses were also required from the Auditor-Controller and District Attorney, however as elected officials these officials submit responses directly to the Presiding Judge and their responses are provided here only for informational purposes as your Board's approval is not required. The responses are attached as **Exhibit 1**

The 2017-18 Grand Jury issued a report on May 10, 2018 entitled, "Seabridge Community Facilities District No. 4." The Grand Jury required a response from your Board, which was prepared on your behalf by the County Executive Office for your approval and is attached as **Exhibit 2**.

The responses pertaining to County government under your control will serve as your Board's response to the subject 2017-2018 Grand Jury Reports to be filed as indicated in the recommended action along with any additional comments your Board may wish to make.

If your Board elects to amend a response prepared on your behalf to the subject reports before you for approval, then CEO staff, at your direction, will make such changes or additions prior to submitting the response to the Presiding Judge.

Responses to 2016-2017 Grand Jury Reports
August 7, 2018
Page 2 of 2

This letter was reviewed by County Executive Office, Auditor-Controller's Office and County Counsel. Should you have any questions or require additional information, please contact Mike Pettit at 654-2864 or Kathleen Van Norman at 654-2566.

Sincerely,



m.p.
Michael Powers
County Executive Officer

Attachment:

- Exhibit 1 – Response to Grand Jury Report "Ventura County Use of Vehicle Registration Fees"
- Exhibit 2 – Response to Grand Jury Report "Seabridge Community Facilities District No. 4"
- Exhibit 3 – Auditor/Controller Response to Grand Jury Report "Ventura County Use of Vehicle Registration Fees"
- Exhibit 4 – District Attorney Response to Grand Jury Report "Ventura County Use of Vehicle Registration Fees"

RECEIVED

AUG 21 2018

Ventura County
Grand Jury **EXHIBIT 2**

FY 2017-2018 GRAND JURY FINAL REPORT

RESPONSES TO FINDINGS (FI)/CONCLUSIONS (C) AND RECOMMENDATIONS (R)

Report Number
(& Date)

Report Title

Respondents
(With FI, C and R)

REPORT NO. 01 May 10, 2018

Title: **SEABRIDGE COMMUNITY FACILITIES DISTRICT NO. 4**

Requested
Respondent:

Ventura County Board of Supervisors
(C-01, C-04, R-01)

Response to Grand Jury Report Form

Report Title: Seabridge Community Facilities District No. 4

Report Date: May 10, 2018

Response by: Robert Bravo

Title: Program Management Analyst

FINDINGS/CONCLUSIONS

- I (we) agree with the findings/conclusions numbered: C-01
- I (we) disagree wholly or partially with the findings/conclusions numbered: _____

RECOMMENDATIONS

- Recommendations numbered _____ have been implemented.
(Attach a summary describing the implemented actions.)
- Recommendations numbered _____ have not yet been implemented, but will be implemented in the future.
(Attach a timeframe for the implementation.)
- Recommendations numbered _____ require further analysis.
(Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)
- Recommendations numbered R-01 will not be implemented because they are not warranted or are not reasonable.
(Attach an explanation.)

Date: _____

Signed: _____

Number of pages attached 1

CONCLUSIONS

C-01. The Grand Jury concluded there is no expenditure within the Channel Islands Harbor Patrol's budget related to the \$100,000 charged by the County annually to CFD No. 4.

Response: Agree

The \$100,000 charge is not related to services provided to Seabridge by Harbor Patrol. However, the Harbor Department incurs a significant amount of cost to maintain the Harbor's waterways and amenities and to mitigate boat traffic impacts from Seabridge residents. (FA-03, FA-04, FA-05)

C-04. The Grand Jury concluded the City is collecting assessments from Seabridge residents for dredging services already provided by the Corps without charge. (FA-14, FA-15)

Response: Partially Disagree

The conclusion is accurate, in that the dredging services have to date been provided by the Army Corps of Engineering without charge to the City or County. However, there is no guarantee of future Federal funding. It is the County's understanding that the City maintains some level of reserve funds against potential future expense, and that the level of reserve is set through reserve studies conducted by outside consultants. The County makes every effort and expends considerable resources to support ongoing Federal budget allocations for this work.

RECOMMENDATIONS

R-01. The Grand Jury recommends the Ventura County Board of Supervisors consider directing the County CEO to ensure that Channel Islands Harbor Patrol budgets clearly explain the expenditure of \$100,000 charged annually to CFD No. 4. (C-01)

Response: Will not be implemented

Conclusion C-01 is accurate, in that the \$100,000 charge does not represent a specific budget item. As stated in the Seabridge MOU (Settlement Agreement), this is the agreed amount as was negotiated through this Settlement Agreement for the added value of the Channel Islands Harbor waterways and amenities to the Seabridge project, as well as partially compensating for the impact on the Harbor of additional boat traffic generated from the Seabridge development. Because the amount is not a reimbursement of a particular expense, there is no specific budget item to allocate it against. However, the Harbor Department incurs a significant amount of cost to maintain the Harbor's waterways and amenities and to mitigate boat traffic impacts from Seabridge residents.