



Lou Ann Texeira
 Executive Officer

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February 13, 2013 (Agenda)

February 13, 2013
 Agenda Item 10

Contra Costa Local Agency Formation Commission
 651 Pine Street, Sixth Floor
 Martinez, CA 94553

Response to Contra Costa County Chapter – California Grand Juror’s Association

Dear Commissioners:

On January 8, 2013, Contra Costa LAFCO received a letter from the Contra Costa County Chapter of the California Grand Juror’s Association. The Chapter is comprised of current and former Grand Jurors and Grand Jury Forepersons. As indicated on their website, the Chapter *is interested in promoting and providing information to the public regarding the role County Grand Juries play in the oversight of County, City and Special District governments within the County jurisdiction. The Chapter is dedicated to the support of the Grand Jury system, as well as to the sitting Grand Jury.*

The Chapter’s letter is a follow-up to three responses previously provided by LAFCO to the Contra Costa Civil Grand Jury in 2010 and 2011 in response to recommendations made by the Grand Jury. The first two items relate to LAFCO’s responses to **Grand Jury Report No. 1010 “Pension Spiking: Who Really Gets Stuck?”** The third item relates to **Grand Jury Report No. 1105, “Ethics and Transparency Issues in Contra Costa County.”**

The Chapter requests a reply from LAFCO by February 15, 2013, and indicates that they will share our response with the current Grand Jury. In response to the Chapter’s letter, LAFCO staff has drafted the attached letter for the Commission’s review and approval.

Recommendation: Approve response to the Chapter with changes as desired, and direct LAFCO staff to send the response to the Contra Costa County Chapter of the California Grand Juror’s Association.

Sincerely,

Lou Ann Texeira
 Executive Officer

Attachment



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February 13, 2013

Jean Blaser, Contra Costa County Chapter
California Grand Juror's Association
Delivered via Email

Dear Ms. Blaser:

On January 8, 2013, the Contra Costa Local Agency Formation Commission (LAFCO) received your letter requesting updates on LAFCO's previous responses to Grand Jury Reports No. 1010 - "Pension Spiking: Who Really Gets Stuck?" and 1105 - "Ethics and Transparency Issues in Contra Costa County."

On February 13th, the Commission met and reviewed the draft response to the Chapter's letter. The Commission provided input and directed LAFCO staff to submit the following response by the requested date of February 15th.

REPORT NO. 1010

- **Grand Jury Recommendation #3** – *Within 120 days of receipt of this report CCCERA and its employer members shall review the list of current pay elements to determine which elements are required to be included by law, which are optional and which by law are to be excluded. If a pay element is not permitted by law, action shall be taken to comply with the law. Additionally, a review shall be done when employee labor contracts or agreements are negotiated.*

LAFCO's Prior Response: Will be implemented. LAFCO will work with the County Auditor and CCCERA and comply with all applicable laws. LAFCO currently employs two full-time employees, and neither is subject to labor contracts or agreements. A preliminary review shows a limited number of pay elements (i.e., pay/pay adjustments, auto allowance, sale of vacation).

Update: The recommendation was implemented. LAFCO staff has confirmed with the County Auditor and CCCERA that the current pay elements for LAFCO employees are permitted under State law.

- **Grand Jury Recommendation #4** – *Within 120 days CCCERA and employer members shall evaluate the current and future budget impact of pay elements. If employer and employee contributions plus projected investment income do not cover pension costs, employer members shall consider appropriate action to eliminate or modify those pay elements.*

LAFCO’s Prior Response: Will be implemented. LAFCO employs two full-time employees. Contra Costa LAFCO will work with the County Auditor and CCERA in an effort to comply with this recommendation.

Update: The recommendation was implemented. As an employer member, LAFCO relies on CCCERA for actuarial, asset allocation, investment performance, and related activities. Also, LAFCO includes in its annual budget funding for other post employment employee benefits.

REPORT NO. 1105

- **Grand Jury Recommendation #1** - *All LAFCO members, including the public member, should receive regular training per AB 1234, on the LAFCO Commissioner Handbook with particular focus on LAFCO’s mission statement and ethics, as well as the updated Commissioner Representation policy (1.4 Rules and Procedures – Section F.5).*

LAFCO’s Prior Response: With regard to AB 1234 training (Gov. Code section 53234 et seq.), the recommendation requires further analysis. Contra Costa LAFCO is composed of County, City, Special District and Public members. Currently, the County, City and Special District LAFCO members receive training per AB 1234 through their respective elected offices. LAFCOs are not specifically included in the provisions of AB 1234, and the decision to require the LAFCO public members to receive training is at the discretion of each individual LAFCO. Currently, Contra Costa LAFCO has no policy requiring its public members to receive training per AB 1234. We agree that this training is valuable. The issue will be considered by the Commission at a future LAFCO meeting.

With regard to training on the Contra Costa LAFCO Commissioner Handbook with particular focus on LAFCO’s mission statement, ethics and Commissioner representation, ***this recommendation has been implemented.*** Contra Costa LAFCO regularly reviews and updates the Commissioner Handbook. Updates are presented to the Commission at least annually, and sometimes more frequently. The Commissioner Handbook was last updated in July 2010, at which time the policy relating to Commissioner Representation was enhanced. As part of these regular updates, the Commissioners must review the Handbook. Also, this summer LAFCO will conduct a strategic workshop focusing on LAFCO’s unique role/mission and timely issues.

Update: Regarding the AB 1234 training, although not required by statute or local LAFCO policy, Contra Costa LAFCO encourages its public members to receive the training and provides information on low/no cost training opportunities.

Please contact the LAFCO office if you have any questions or if we can be of further assistance.

Sincerely,

Federal Glover
Chair, Contra Costa LAFCO

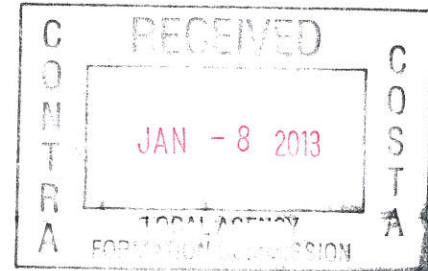


CONTRA COSTA COUNTY CHAPTER

CALIFORNIA GRAND JUROR'S ASSOCIATION

January 4, 2013

Executive Officer
Local Agency Formation Commission
651 Pine Street, 6th Floor
Martinez, CA 94553



Dear City Manager:

I am writing to you as a Contra Costa County resident and member of the Contra Costa County Grand Jury Association (CCGJA).

CCGJA is composed of previous members of Contra Costa Civil Grand Juries. Our goals are to support the grand jury system and promote government accountability. One of our tasks is to follow up on prior Grand Jury recommendations.

LAFCO's responses to several recommendations in the 2009-2010 and 2010-2011 Grand Jury Reports indicated intent to take action, but succeeding grand juries have not received any indication that action was taken.

In Report 1010, the Grand Jury recommendation #3 was that:

"Within 120 days of this report CCCERA and its employer members shall review the list of current pay elements to determine which elements are required to be included by law, which are optional and which by law are to be excluded. If a pay element is not permitted by law, action shall be taken to comply with the law. Additionally, a review shall be done when employee labor contracts or agreements are negotiated."

Here is the response from LAFCO to recommendation #3:

"Will be implemented. LAFCO will work with the County Auditor and CCCERA and comply with all applicable laws. LAFCO currently employs two full-time employees, and neither is subject to labor contracts or agreements. A preliminary review shows a limited number of pay elements (i.e. pay/pay adjustments, auto allowance, sale of vacation)."

Please provide us with an update on your response to this Grand Jury recommendation.

In Report 1010, the Grand Jury recommendation #4 was that:

"Within 120 days CCCERA and employer members shall evaluate the current and future budget impact of pay elements. If employer and employee contributions plus projected investment income do not cover pension costs, employer members shall consider appropriate action to eliminate or modify those pay elements."

Here is the response from LAFCO to recommendation #4:

"Will be implemented. LAFCO employs two full-time employees. Contra Costa LAFCO will work with the County Auditor and CCCERA in an effort to comply with this recommendation."

Please provide us with an update on your response to this Grand Jury recommendation.

In Report 1105, the Grand Jury recommendation #1 was that:

"All LAFCO members, including the public member, should receive regular training per AB 1234*, on the LAFCO Commissioners Handbook with particular focus on LAFCO's mission statement and ethics, as well as the Updated Commissioner Representation policy (1.4 Rules and Procedures – Section F.5)."

Here is the response from LAFCO to recommendation #1:

"With regard to AB 1234 training (Gov. Code Section 53234 et seq.), the recommendation requires further analysis. Contra Costa LAFCO is composed of County, City, Special District and Public members. Currently, the County, City and Special District LAFCO members receive training per AB 1234 through their respective elected offices. LAFCOs are not specifically included in the provisions of AB 1234, and the decision to require the LAFCO public members to receive training is at the discretion of each individual LAFCO. Currently, Contra Costa LAFCO has no policy requiring its public members to receive training per AB 1234. We agree that this training is valuable. The issue will be considered by the Commission at a future LAFCO meeting. With regard to training on the Contra Costa LAFCO Commissioner Handbook with particular focus on LAFCO's mission statement, ethics and Commissioner representation, this recommendation has been implemented. Contra Costa LAFCO regularly reviews and updates the Commissioner Handbook. Updates are presented to the Commission at least annually, and sometimes more frequently. The Commissioner Handbook was

last updated in July 2010, at which time the policy relating to Commissioner Representation was enhanced. As part of these regular updates, the Commissioners must review the handbook. Also, this summer LAFCO will conduct a strategic workshop focusing on LAFCO's unique role/mission and timely issues."

Please provide us with an update on your response to this Grand Jury recommendation.

We would appreciate your response by February 15, 2013. You can send your response electronically to: Jean Blaser at cccgja@gmail.com. Please note that we will share this letter and your response with the current (2012-2013) Contra Costa Civil Grand Jury.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Jean Blaser". The signature is written in a cursive, somewhat stylized font.

Jean Blaser